

Priya International Limited

27th
Annual Report
2009 - 2010



www.priyagroup.com

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27th ANNUAL GENERAL MEETING

VENUE : "Hall of Quest",
Nehru Planetarium, Nehru Centre,
Dr. Annie Besant Road, Worli,
Mumbai - 400 018.

Day : Thursday

Date : 30th September, 2010

Time : 11:00 A.M.

BOARD OF DIRECTORS

A. K. BHUWANIA : Chairman

G. D. BHUWANIA : Director

ADITYA BHUWANIA : Director

SAROJ BHUWANIA : Whole-time Director

P. V. HARIHARAN : Whole-time Director

REGISTERED OFFICE : 2nd Floor 209-210 Kimatrai Building 77-79
Maharshi Karve Marg,
Marine Lines (E), Mumbai 400002
Tel. No. 022 - 4220 3100.

BANKERS : VIJAYA BANK
INDIAN BANK

AUDITORS : **M/s. M. L. BHUWANIA & CO.**
Chartered Accountants

STOCK EXCHANGES : Delhi, Calcutta and Uttar Pradesh

**REGISTRAR & SHARE TRANSFER
AGENT (COMMON AGENCY)** : Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (E), Mumbai-400 072.
Tel: 022-2847 3474, 2847 0652

WEBSITE : www.priyagroup.com

NOTICE

NOTICE is hereby given that the **Twenty Seventh Annual General Meeting** of the members of **PRIYA INTERNATIONAL LIMITED** will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 on Thursday, the 30th day of September, 2010 at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the year ended on that date together with the Auditors' and Directors' Report thereon.
- 2) To declare dividend for the Financial Year 2009-2010.
- 3) To appoint a Director in place of Mr. G. D. Bhuwania, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To consider & if thought fit, to pass with or without modification(s), the following resolution as an

ORDINARY RESOLUTION

"**RESOLVED THAT** pursuant to the provisions of Sections 224, 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s. M. L. Bhuwania & Co., Chartered Accountants having Registration No. 101484W issued by the Institute of Chartered Accountants of India, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the year ending March 31, 2011."

SPECIAL BUSINESS:

- 5) To consider & if thought fit, to pass with or without modification(s), the following resolution as an

ORDINARY RESOLUTION:

"**RESOLVED THAT** Mr. P. V. Hariharan, who holds office as an Additional Director up to the date of this Annual General Meeting pursuant to Article 91 of the Articles of Association of the Company read with section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company."

- 6) To consider & if thought fit, to pass with or without modification(s), the following resolution as

SPECIAL RESOLUTION:

"**RESOLVED THAT** pursuant to the provision of Sections 198, 269, 309, 310, 311 read with relevant provision/s of Articles of Association and Schedule XIII and other applicable provisions,

if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government if any and such other consent/s, permission/s and approval/s as may be required, if any, the consent of the Company be and is hereby accorded to the appointment of Mr. P. V. Hariharan as a Whole Time Director, re-designated as 'Executive Director' of the Company, for a period of 5 (five) years with effect from 1st July, 2010 on a remuneration as laid down in the Memorandum of Understanding (MOU) / Agreement for a period of 5 year and set out in the Explanatory Statement attached to the Notice of the ensuing Annual General Meeting (all inclusive) with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said appointment and/or remuneration in such manner as may be agreed to between the Board of Directors and Mr. P. V. Hariharan (the appointee)

RESOLVED FURTHER THAT in the event where in any financial year during the currency of tenure of Mr. P. V. Hariharan, the Company has no profits or its profits are inadequate, the Company will pay minimum remuneration as set out in the Explanatory Statement attached to the Notice of the ensuing Annual General Meeting to Mr. P. V. Hariharan, with effect from 1st July, 2010 as laid in the Memorandum of Understanding (MOU) / Agreement as referred herein before.

RESOLVED FURTHER THAT the Board of Directors / any Director (s) of the Company be and is hereby authorised to take all such steps and to do all such act/s, deed/s, matter/s, and thing/s as may be necessary, proper, expedient or desirable to give effect to the above resolution."

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY**
- 2) The proxy form, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
- 3) The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September, 2010 to 30th September, 2010 (both days inclusive).
- 4) Dividend recommended for the year ended 31st

March, 2010 if approved by the members will be paid to those eligible members whose names appear:

- i. As Beneficial Owners, as on 30th September, 2010, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
 - ii. As Members in the Register of Members of the Company as on 30th September, 2010.
- 5) Members, who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the Company to pay dividend accordingly.
 - 6) Members are requested to bring their copy of the Annual Report to the Meeting.
 - 7) Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
 - 8) (a) Members holding shares in physical form are requested to inform immediately change in their address, if any, quoting their Folio number(s) to the Company.
(b) Members holding shares in the electronic form are requested to inform immediately change in address, if any, quoting their Client ID no., to their respective Depository Participants.
 - 9) Members are hereby informed that Dividends which remain unclaimed/unpaid over a period of 7 years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company, pursuant to sub-section (5) of Section 205A of the Companies Act, 1956, to a fund called Investor Education & Protection Fund established by the Central Government under sub-section (1) of Section 205C of the Companies Act, 1956. Accordingly, the unpaid/unclaimed dividend for the year 2002-03 will become transferable at the end of seventh year from the date of transfer of the same to Unpaid Dividend Account, to the said Investor Education & Protection Fund. Please note that no claim shall lie against the Fund or the Company in respect of the dividend amount so transferred to the Investor Education & Protection Fund. The shareholders are, therefore, advised to send their request for issue of Duplicate Dividend Warrants / revalidation of un-encashed Dividend Warrants to the Company before the amount becomes due for transfer to the above Fund.
 - 10) Members may avail of the facility of dematerialization by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them

dematerialised. The ISIN No. of the Company is **INE557E01013**.

- 11) Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.

EXPLANATORY STATEMENT U/S. 173

Explanatory Statement as required under section 173(2) of the Companies Act, 1956

Item No. 5 & 6

Mr. P. V. Hariharan, aged 56 years is by qualification B.Sc. (Hons) Graduate from SIES College, Mumbai, University of Mumbai and did a Diploma in Administration conducted by the Indian Merchant Chamber, Mumbai and he has 34 years experience in International trade dealing in a variety of chemicals used by a broad spectrum of industries. He has been with the Priya Group of Companies right from its formation days in 1976.

Mr. P. V. Hariharan, was appointed as an Additional Whole Time Director (Designated as Executive Director) of the Company with effect from 1st July 2010.

In accordance with the provisions of the section 260 of the Companies Act, 1956 and Article 91 of the Articles of Association of the Company, the above Director hold office till the date of the next Annual General Meeting.

The Company has received Notices from two members in writing under section 257 of the Companies Act, 1956 separately signifying their intention to propose the aforesaid person respectively for appointment to the office of Director at the ensuing Annual General Meeting of the Company.

The Board of Directors of the Company at its meeting held on 27th May, 2010, proposed the below mentioned remuneration structure to Mr. P. V. Hariharan

Remuneration	(Rs. p.m.)
Basic	65,000
HRA	6,500
Medical Allowance	5,500
Other Allowance	6,500
Other Benefits	6,500
Bonus	6,500
Perquisites	14,000
Total Fixed	1,10,500

With such other monthly/ annual allowances & components counted towards retirement benefits, and not forming part of Schedule XIII of the Companies Act, 1956.

Additional information relevant for the Approval of the remuneration payable to Mr. P. V. Hariharan as required by Schedule XIII to the companies Act, 1956 as per notification dated 16th January, 2002 issued by the Ministry of Corporate Affairs.

I. GENERAL INFORMATION (As per Schedule XIII of the Companies Act, 1956, in respect of – Mr. P. V. Hariharan

(1) Nature of Industry:

Electronics Division: Priya Limited distributes an array of IT products such as computers, laptops, monitors, thin client, motherboards, processors, etc to OEMs, system integrators, assemblers and end-users.

Priya Limited is a leading distributor of computer technology products and provide state-of-the-art technology and computer products from manufacturers around the world to OEMs, system integrators, assemblers and end-users in India.

Chemical Division: Priya Limited is a major exporter of dyes and pharmaceuticals

(2) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NOT APPLICABLE

(3) Financial performance based on given indicators - Based on audited financial results for the accounting year ended 31st March, 2010:

Particulars	Rs.
Turnover and other income	12,41,37,735
Net Profit/(Loss) before tax as per profit and Loss account	1,19,57,637
Profit as computed under Section 198/349 of the Companies Act, 1956	1,24,21,781

(4) Export performance and net foreign exchange collaborations Foreign Exchange earnings for the financial year ended 31st March, 2010 is as below

Earning in foreign currency	
Import Commission	Rs. 2,54,69,481
Export (on FOB Basis)	Rs. 70,96,719
Total	Rs. 3,25,66,200
Expenditure in Foreign Currency	
Travelling	Rs. 4,09,479
Sales Promotion Exp.	Rs. 1,06,381
Others	Rs. 5,978

(5) Foreign investments or collaborators, if any: NIL

II. INFORMATION ABOUT THE APPOINTEE

(1) Background

Mr. P. V. Hariharan 56, is a domicile of Maharashtra in India. He is B.Sc Hons Graduate from SIES College, Mumbai, University of Mumbai.

Did a Diploma in Administration conducted by the Indian Merchant Chamber, Mumbai. Has 34 years experience in International trade dealing in a variety of chemicals used by a broad spectrum of industries. He has been with the Priya Group of Companies right from its formation days in 1976. Has been associated for almost 3 decades as a managing council member of a 75 year old educational trust having academics from KG to PG situated in Mumbai.

(2) Past remuneration for period of last 3 years are as follows:

The appointee has not been paid any remuneration in the capacity of Whole Time Director during past 3 years.

(3) Recognition or awards : None

(4) Job profile and his suitability

Mr. P. V. Hariharan is the Vice- President of the Company and are responsible for overall business of the Company subject to the supervision and control of the Board of Directors. This involves formulating business strategies, day-to-day operations. He is also responsible to perform such other duties as may from time to time be entrusted by the Board. Taking into consideration the qualifications and expertise, Mr. P. V. Hariharan is best suited for the responsibilities assigned to them by the Board of Directors.

(5) Remuneration proposed to be paid to Mr. P. V. Hariharan

Remuneration	(Rs. p.m.)
Basic	65,000
HRA	6,500
Medical Allowance	5,500
Other Allowance	6,500
Other Benefits	6,500
Bonus	6,500
Perquisites	14,000
Total Fixed	1,10,500

With such other monthly/ annual allowances & components counted towards retirement benefits, and not forming part of Schedule XIII of the Companies Act, 1956.

Minimum Remuneration in case of inadequacy of profits during any financial year :As stated herein

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

Taking into consideration the size of the Company, the profile of the appointee the

responsibilities shouldered by him, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar top/senior level appointee in other companies.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Mr. P. V. Hariharan is holding 10,000 equity shares in the Company. Besides the remuneration proposed, he does not have any other pecuniary relationship with the Company.

III. OTHER INFORMATION:

(1) Reasons for Inadequate Profits / (Loss):

With the entry of big sized Companies in this segment the margins are squeezed in past years which led to stiff competition in the business segment.

(2) Steps taken or proposed to be taken for improvement.

Company is continuously upgrading its business to get an edge on big size companies. Efforts are ongoing to improve performance of the company.

(3) Expected increase in productivity and profits in measurable terms.

Unable to quantify, at this point of time.

Mr. P. V. Hariharan is concerned or interested in the resolution relating to his appointment, excepting him no other Directors of the Company is in any way concerned or interested in the said resolution.

This explanation together with the accompanying Notice is and should be treated as an abstract of the terms of appointment and remuneration to be paid to Mr. P. V. Hariharan with effect from 1st July, 2010.

Your Directors recommend the resolution for approval of the Shareholders.

Mr. P. V. Hariharan holds 10,000 equity shares of the Company.

For and on behalf of the Board
For Priya International Limited

Aditya Bhuwania

Director

Registered Office:

2nd Floor, 209-210 Kimatrai Building 77-79
Maharshi Karve Marg, Marine Lines (E)
Mumbai 400002

Place: Mumbai

Dated: 27th May, 2010.

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Twenty-Seventh Annual Report along with the audited accounts for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

	(Rs. in Lakhs)	
	Year Ended	Year Ended
	31-03-2010	31-03-2009
Sales	958.88	502.81
Commission	254.69	186.51
	<u>1213.57</u>	<u>689.32</u>
Other Income	27.81	10.39
	<u>1241.38</u>	<u>699.71</u>
Profit before Tax & Extra ordinary items	119.58	80.35
Extra Ordinary Items	—	—
	<u>119.58</u>	<u>80.35</u>
Profit before Tax	119.58	80.35
Less : Provision for taxation		
- Current Tax	45.38	29.55
Provision for taxation		
- Deferred Tax	(5.32)	(4.23)
Provision for Fringe Benefit Tax	—	3.00
	<u>79.52</u>	<u>52.02</u>
ADD/ (Less): Tax for earlier years	(2.93)	0.00
	<u>76.59</u>	<u>52.02</u>
Profit After Tax	76.59	52.02
Add: Balance brought forward	250.59	218.66
	<u>327.18</u>	<u>270.68</u>
Profit available for appropriation	327.18	270.68
APPROPRIATIONS		
Proposed Dividend	14.94	14.94
Corporate Dividend Tax	2.48	2.54
General Reserve	3.83	2.61
Balance carried to Balance sheet	305.93	250.59
	<u>327.18</u>	<u>270.68</u>

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs 1.50 per share (@ 15%) on 9,96,000 Equity shares of Rs.10/-. The dividend will absorb a sum of Rs. 14,94,000/-

OPERATIONS

The turnover of your Company has been increased to Rs. 958.88 Lakhs from Rs. 502.81 Lakhs in the year under review, and the profit after tax & extra-ordinary items has also been increased to Rs. 76.59 Lakhs from Rs. 52.02 Lakhs for the financial year 2009-2010.

DIRECTORS

As per the provisions of Section 256 of the Companies Act, 1956, Mr. G. D. Bhuwania, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. P. V. Hariharan was appointed as an Additional Whole Time Director with effect from 1st July, 2010 on the Board of Directors in their meeting held on 27th May 2010. In terms of section 260 of the Companies Act, 1956 Mr. P. V. Hariharan, hold office upto the date of the forthcoming Annual General Meeting of the Company. The Company has received notices in writing pursuant to section 257 (1) of the Companies Act, 1956 from two members signifying their intention to propose his name for election to the Office of Director at the ensuing Annual General Meeting.

Mr. P. V. Hariharan, was also appointed as Additional Whole Time Director re-designated as Executive Director of the Company with effect from 1st July, 2010. Keeping in view his experience and expertise and the increased activities of the Company, a resolution is proposed in the notice convening Annual General Meeting for the appointment of Mr. P. V. Hariharan, as Whole Time Director re-designated as Executive Director, on terms & conditions detailed in the resolution. The proposed tenure of appointment is for 5 years with effect from 1st July, 2010. The members are requested to consider his appointment as specified in item no. 6 of notice convening Annual General Meeting.

AUDITORS

M/s. M. L. Bhuwania & Co., Chartered Accountants who are to retire at the conclusion of the forthcoming Annual General meeting, have offered themselves for re-appointment as Auditors of the Company. A written certificate to the effect that their appointment, if made, would be within the prescribed limits under Section-224(1B) of the Companies Act, 1956, has been obtained by the Company from them. The members are requested to consider their reappointment and fix their remuneration.

AUDITORS REPORT

The auditors have pointed out in clause vii of Annexure referred to in paragraph 3 of Auditors Report that the Company does not have formal internal audit system, in view of this the Board of Directors are in the process of appointing chartered accountant firm or creating an in-house department for conducting Internal audit.

COMPLIANCE CERTIFICATE

A Compliance Certificate pursuant to section 383A of the Companies Act, 1956 is annexed to the Directors Report for the financial year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 is given below:

CONSERVATION OF ENERGY:

The scope for conservation of energy is limited in the type of industry in which your Company is engaged. However, the Company continues to accord high priority to conservation of energy by opting for more power effective replacements of equipment and electrical installations. No specific investment proposals are envisaged.

Form "A" of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not required to be filed as our industry is not included in the Schedule to the said Rules.

TECHNOLOGY ABSORPTION:

Your Company continues to utilize the R & D facilities available with it. The Company has not imported any technology during year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended on 31st March, 2010.

PARTICULARS OF EMPLOYEES

As required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the Company has no employees who were in receipt of the remuneration of Rs.24,00,000/- or more per annum during the year ended 31st March, 2010 or Rs.2,00,000/- or more per month during any part of the said year.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of **Section 217 (2AA)** of the Companies Act, 1956, the directors confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- ii) Appropriate accounting policies have been selected and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2009-2010 and Profit of the Company for that the year ended on 31st March, 2010;

- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

HUMAN RESOURCE

Your Company enjoys cordial relations with its employees. The key focus of your Company is to attract, retain and develop talent. The Board wishes to place on record its appreciation of the contribution made by all employees during the year.

LISTING OF SHARES

Company's shares have been listed with Delhi Stock Exchange, Calcutta Stock Exchange and Uttar Pradesh Stock Exchange. The listing fees of all the stock exchanges, for the financial year 2010-2011 were duly paid.

APPRECIATION

Your Directors wish to place on record their grateful thanks to the Banks and various Government Authorities for their valuable assistance and co-operation and for the trust and confidence reposed in the Company by the shareholders.

For and on behalf of the Board

For **Priya International Limited**

ADITYA BHUWANIA
DIRECTOR

G.D. BHUWANIA
DIRECTOR

Place: Mumbai

Date: 27th May, 2010

COMPLIANCE CERTIFICATE

To,

The Members

PRIYA INTERNATIONAL LIMITED2nd Floor 209-210 Kimatrai Building

77-79 Maharshi Karve Marg,

Marine Lines (E) Mumbai 400002.

We have examined the necessary registers, records, books and papers of **PRIYA INTERNATIONAL LIMITED** ('the Company') required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of Act and the rules made there under and entries therein have been duly recorded.
2. The company has filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Maharashtra or such other authorities as required under the Act and the rules made there under.
3. The company being public limited company, hence no comment is required.
4. The Board of Directors duly met 5 (Five) times on 05.06.2009, 30.06.2009, 31.07.2009, 31.10.2009 and 29.01.2010 respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed the Register of members from 17th September, 2009 to 23rd September, 2009 (both days inclusive) and has complied with the provisions of Section 154 of the Act.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 23rd September, 2009 after giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31st March, 2010. However, during the financial year under review, postal ballot were conducted to amend the object clause of the company.
8. The company has not advanced any loan to its director and or persons or firms or companies referred in the Section 295 of the Act, save otherwise than exemptions specified by the Act.
9. The company has complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company was not required to obtain any approvals from the Board of Directors, Members or the Central Government.
12. The company has not issued any duplicate certificates during the financial year under review.
13. The Company has:
 - (i) not issued or allotted any new shares during the year. The company has delivered all the certificates on lodgment thereof for transfer / transmission or for any other purpose in accordance with the provisions of the Act
 - (ii) deposited the amount of final dividend in a separate Bank Account in respect of the dividend declared at Annual General Meeting held on 23rd September, 2009 within five days from the date of declaration of such dividend.
 - (iii) paid / posted warrants/ demand draft/ electronic clearing service for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that subsequently all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with Axis Bank Limited, opened for the purpose of dividend disbursement.
 - (iv) transferred the amount due/outstanding in the "Unpaid Dividend Account" towards the Investor Education and Protection Fund (IEPF) during the year under review. However, there is no need to transfer any amount to IEPF in respect of share application money due for refund, maturing fixed deposits or debentures as same are not applicable in respect of the Company, being not availed by the Company during the year under review.
 - (v) The company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment/ re-appointment of any additional director (s), alternate director(s) and director(s) to fill casual vacancies was effected during the financial year under review.
15. The company has not appointed any new Managing Director/Whole-time Director/ Manager during the financial year under review.
16. The company has not appointed any sole-selling agents during the financial year under review.
17. As informed, the company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar

- or such other authorities as may be prescribed under the various provisions of the Act during the financial year under review.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The company has not issued and allotted any shares debentures or other securities during the financial year.
 20. The company has not bought back any shares during the financial year ending 31st March, 2010.
 21. Since the company have no preference shares / debentures, no special comment is required.
 22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The company has not invited / accepted any deposits including any unsecured loans falling within the purview of the provisions of Sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 during the financial year under review.
 24. The amount borrowed by the company during the financial period ending 31st March, 2010 are within the borrowing limits of the company and the company were not required to pass any resolution in terms of the provisions of Section 293 (1)(d) of the Act.
 25. The company has made loans and advances out of its retained earnings and complied with the provisions of the Act by making entries in the register kept for the purpose. The company has not given guarantees or provided securities to other bodies corporate during the year under review.
 26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year under review.
 27. The company has altered the provisions of the memorandum with respect to the objects of the company during the financial year under review and has complied with the provisions of the Companies Act, 1956.
 28. The company has not altered the provisions of the memorandum with respect to name of the company during the financial under review.
 29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the financial year under review.
 30. The company has not altered any provisions of its Articles of Association during the financial year under review.
 31. There was no prosecution initiated against or show cause notices received by the company for alleged offenses under the Act and no fines and penalties or any other punishment was imposed on the company during the financial year.
 32. The company has not received any money as security from its employees during the financial year under review.
 33. The company has deposited both employee's and employer's contribution to provident fund with prescribed authorities.

Place: Mumbai
Date: 27/05/2010

SANJAY PARAB
Company Secretaries
ACS No. 16708 C.P.No.: 7093

Annexure: A

Sr. No.	Registers maintained by the Company	Under Section
01	Register of Charges	143
02.	Register of Members (In the Form of Index)	150 / 151
03.	Minutes Books of Proceedings of:	
	A. General Meetings:	
	B. Meetings of Board of Directors:	193
04.	Register of Contracts, Companies and firms in which Directors are interested.	301(3)
05.	Register of Directors	303
06.	Register of Directors' Shareholding	307
07.	Register of Investment / Loan etc.	372A
08.	Register of Transfer	Voluntary
09.	Attendance Book for Board Meetings	Voluntary
10.	Register of Share Application & Allotment	Voluntary

ANNEXURE: B

Sr.	Form No.	Under Section	Purpose	When Filed
1.	Form 62 SRN A63452916	General	Submission of Notice of postal ballot & calendar of event	12.06.2009
2.	No form but challan for IEPF deposit SRN A64389026	205C	Payment of unpaid dividend for F.Y. 2000-2001 to IEPF	30.06.2009
3.	Form 1INV A65238289	Rule 3 of IEPF (Awareness and Protection of Investor) Rules, 2001	Statement of amounts credited to IEPF	14.07.2009
4.	Form 23 SRN A65354094	192	Alteration of Object clause of Memorandum of Association	16.07.2009
5.	Balance Sheet (As on 31.03.2009) Form 23AC & 23ACA SRN P36815835	210	As per Requirement	22.10.2009
6.	Compliance Certificate Form 66 SRN P36784932	383A	As required under the (Issuance of Compliance Certificate Rules, 2001).	22.10.2009
7.	Annual Return (Dated 23.09.2009) Form 20B SRN P40972317	159	As per Requirement	16.11.2009
8.	No form but challan for IEPF deposit SRN A73178998	205C	Payment of unpaid dividend for F.Y. 2001-2002 to IEPF	26.11.2009
9.	Form 1INV A73591869	Rule 3 of IEPF (Awareness and Protection of Investor) Rules, 2001	Statement of amounts credited to IEPF	28.11.2009

Place: Mumbai
Date: 27/05/2010

SANJAY PARAB
Company Secretaries
ACS No. 16708 C.P.No.: 7093

AUDITOR'S REPORT TO THE MEMBERS OF PRIYA INTERNATIONAL LIMITED

1. We have audited the attached Balance Sheet of **Priya International Limited**, Mumbai as at 31st March 2010, and the Profit and Loss Account and also the 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 have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the Directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view

in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
- b. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
M. L. Bhuwania & Co.
 Chartered Accountants
 Firm Registration No. 101484W

Ashish Bairagra

Place: Mumbai Partner
 Date: 27th May, 2010 Membership No: 109931

Annexure referred to in paragraph 3 of Auditor's report to the members of **Priya International Limited** for the year ended 31st March 2010.

On the Basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) (a) The company is maintaining the proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (c) In our opinion and according to the information and explanation given to us, a substantial part of the fixed assets has not been disposed off by the Company during the year.
- (ii) (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. The

discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of account.

- (III) During the year, the Company has granted unsecured loan to a Company, covered in the register maintained under Section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company. There are no stipulations with respect to the repayment of the loan and the interest thereon. The details of loan transactions are as under:

No. of parties	Total Amount of loan given	Maximum balance Outstanding during the year	Amount receivable at the end of the year
1	6,79,09,234	3,14,69,015	1,97,36,945

During the year, the Company has taken loan from parties covered in the register maintained under Section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company. There are no stipulations with respect to the repayment of the loan and Interest thereon. The details of loan transactions are as under:

No. of parties	Total Amount of loan taken	Maximum balance Outstanding during the year	Amount repayable at the end of the year
4	73,65,120	89,05,912	34,44,276

- (IV) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no weakness has been noticed in the internal controls.
- (V) (a) According to the information and explanation given to us, we are of the opinion that during the year, the particulars of the contracts/arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) According to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of rupees five lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (VI) The Company has not accepted any deposits from the public during the year. Accordingly, clause 4 (vi) of the Order is not applicable to the Company.
- (VII) *The Company does not have a formal internal audit system.*

(VIII) The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, for any of the products of the Company.

(IX) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable were outstanding at the year end for a period of more than six months from the date they became payable

According to the records of the Company, there are no dues of Customs Duty, Wealth Tax, Service Tax, Excise Duty, Sales Tax or Cess which have not been deposited on account of any dispute. The following are the disputed amounts in respect of Income Tax.

Name of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Interest u/s 234 B and 234 C	2006 -2007	68,964	Dy. Commissioner of Income Tax

- (X) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (XI) As per the information and explanation given to us, the Company has not defaulted in repayment of dues to the banks. The Company has not borrowed from the financial institutions and does not have any borrowings by way of debentures.
- (XII) Based on our examination of documents and records, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4 (xii) of the order is not applicable to the Company.
- (XIII) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute application to chit fund and nidhi/mutual benefit fund/societies. Accordingly, clause 4 (xiii) of the order is not applicable to the Company.
- (XIV) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion, the Company is not dealing / trading in shares, securities, debentures and other investment. Accordingly, clause 4 (xiv) of the order is not applicable to the Company.
- (XV) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4 (xv) of the order is not applicable to the Company.
- (XVI) According to the information and explanations given to us and an overall examination of the Balance Sheet of the Company, we report that term loans were applied for the purpose for which the loans were obtained.

(XVII) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment by the Company.

(XVIII) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

(XIX) The Company did not have any outstanding debentures during the year.

(XX) The Company has not raised any money through a public issue during the year.

(XXI) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended March 31, 2010.

For and on behalf of
M. L. Bhwania & Co.
Chartered Accountants
Firm Registration No. 101484W

Ashish Bairagra
Partner
Membership No: 109931

Place : Mumbai
Date : 27th May, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

	SCH.	AS AT 31.03.2010 RS.	AS AT 31.03.2009 RS.
I. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	9,960,000	9,960,000
RESERVES & SURPLUS	B	39,931,471	34,014,561
LOAN FUNDS			
SECURED LOANS	C	2,695,022	194,996
UNSECURED LOANS	D	3,444,276	2,091,857
TOTAL		56,030,769	46,261,414
II. APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	E	9,978,809	6,118,874
LESS: ACCUMULATED DEPRECIATION		5,054,591	4,567,051
NET BLOCK		4,924,218	1,551,823
INVESTMENTS			
DEFERRED TAX ASSETS (NET)	F	4,601,500	4,601,500
(REFER NOTE NO. 14 OF SCHEDULE "S")		2,686,386	2,153,663
CURRENT ASSETS, LOANS & ADVANCES			
INVENTORIES	G	16,049,067	22,549,202
SUNDRY DEBTORS	H	28,128,337	10,443,986
CASH & BANK BALANCE	I	3,888,064	2,900,533
OTHER CURRENT ASSETS	J	2,196,548	1,025,849
LOANS & ADVANCES	K	32,684,603	28,581,523
		82,946,619	65,501,093
LESS : CURRENT LIABILITES & PROVISIONS			
CURRENT LIABILITES	L	19,434,090	8,411,204
PROVISIONS	M	19,693,864	19,135,461
		39,127,954	27,546,665
NET CURRENT ASSETS		43,818,665	37,954,428
TOTAL		56,030,769	46,261,414
NOTES ON ACCOUNTS			
	S		

The schedules referred above form an Integral Part of the Balance Sheet.

AS PER OUR REPORT ATTACHED OF EVEN DATE

For **M. L. Bhuwania & Co.**
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Ashish Bairagra
Partner
Membership No. 109931
Place : Mumbai
Dated : 27th May, 2010

Aditya Bhuwania
(DIRECTOR)
Place : Mumbai
Dated : 27th May, 2010

G. D. Bhuwania
(DIRECTOR)

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2010

	SCH.	2009-2010 RS.	2008-2009 RS.
INCOME			
SALES	N	95,887,706	50,281,184
COMMISSION		25,469,481	18,650,658
MISCELLANEOUS INCOME	O	2,780,548	1,039,233
TOTAL		124,137,735	69,971,075
EXPENDITURE			
COST OF MATERIAL	P	82,473,508	37,316,362
PAYMENTS TO & PROVISION FOR EMPLOYEES	Q	12,337,291	9,817,887
OTHER EXPENSES	R	16,881,760	14,419,155
DEPRECIATION		487,539	382,996
TOTAL		112,180,098	61,936,400
PROFIT BEFORE TAX		11,957,637	8,034,675
LESS : PROVISION FOR TAX		4,538,000	2,955,000
- CURRENT TAX		(532,723)	(422,740)
- DEFERRED TAX		-	300,000
- FRINGE BENEFIT TAX			
		7,952,360	5,202,415
ADD / (LESS) : TAX FOR EARLIER YEARS		(293,315)	-
PROFIT AFTER TAX		7,659,045	5,202,415
BALANCE BROUGHT FORWARD		25,059,064	21,865,554
PROFIT AVAILABLE FOR APPROPRIATION		32,718,109	27,067,969
APROPRIATIONS :			
PROPOSED DIVIDEND		1,494,000	1,494,000
CORPORATE DIVIDEND TAX		248,135	253,905
TRANSFER TO GENERAL RESERVE		383,000	261,000
BALANCE CARRIED TO BALANCE SHEET		30,592,974	25,059,064
		32,718,109	27,067,969
BASIC & DILUTED EARNING PER SHARE (REFER NOTE NO.13 OF SCHEDULE "S" OF NOTES ON ACCOUNTS)		7.69	5.22

NOTES ON ACCOUNTS**S**

The Schedules Referred Above Form An Integral Part Of The Profit And Loss Account

AS PER OUR REPORT ATTACHED OF EVEN DATE

For **M. L. Bhwania & Co.**
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Ashish Bairagra
Partner
Membership No. 109931
Place : Mumbai
Dated : 27th May, 2010**Aditya Bhwania**
(DIRECTOR)**G. D. Bhwania**
(DIRECTOR)Place : Mumbai
Dated : 27th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	Rs.	2009 - 2010 Rs.	Rs.	2008 - 2009 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX & BEFORE EXTRAORDINARY ITEMS		11,957,637		8,034,675
ADJUSTED FOR				
DEPRECIATION	487,539		382,996	
DIVIDEND RECEIVED	(12,000)		(10,000)	
EXCHANGE RATE DIFFERENCE	74,419		(124,475)	
INTEREST PAID	546,106		364,128	
INTEREST RECEIVED	(2,429,142)		(1,330,142)	
SUNDRY BALANCES WRITTEN OFF / (BACK)	4,433	(1,328,645)	-	(717,493)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		10,628,992		7,317,182
WORKING CAPITAL CHANGES				
TRADE AND OTHER RECEIVABLES	(18,001,885)		4,676,721	
INVENTORIES	6,500,135		(9,682,881)	
TRADE PAYABLES / OTHER LIABILITIES	12,531,848		210,570	
LOANS AND ADVANCES AND OTHER CURRENT ASSETS	512,250	1,542,348	909,137	(3,886,454)
CASH GENERATED FROM OPERATIONS		12,171,340		3,430,728
DIRECT TAXES PAID (NET OF REFUND) INCLUDING FRINGE BENEFIT TAX		3,602,456		3,259,691
CASH FLOW BEFORE EXTRA ORDINARY ITEMS		8,568,884		171,037
EXTRA ORDINARY ITEMS		-		-
NET CASH FROM OPERATION ACTIVITIES (A)		8,568,884		171,037
B. CASH FLOW FROM INVESTING ACTIVITIES				
INTEREST RECEIVED	1,285,766		1,425,259	
INTER CORPORATE DEPOSITS	(6,577,620)		2,082,751	
PURCHASE OF FIXED ASSETS	(3,859,934)		(74,620)	
DIVIDEND RECEIVED	12,000		10,000	
NET CASH USED IN INVESTING ACTIVITIES (B)		(9,139,788)		3,443,390
C. CASH FLOW FROM FINANCING ACTIVITIES				
INTEREST PAID	(546,106)		(364,128)	
DIVIDEND PAID (INCLUDING DIVIDEND TAX)	(1,747,905)		(1,747,905)	
PROCEEDS FROM BORROWINGS	3,852,445		(1,081,806)	
NET CASH USED IN FINANCING ACTIVITIES (C)		1,558,434		(3,193,839)
NET CHANGES IN CASH AND BANK EQUIVALENTS (A)+(B)-(C)		987,531		420,588
CASH AND BANK EQUIVALENTS OPENING BALANCE	2,900,533		2,479,945	
CASH AND BANK EQUIVALENTS CLOSING BALANCE	3,888,064		2,900,533	
NET CHANGES IN CASH AND BANK EQUIVALENTS AS DISCLOSED ABOVE		987,531		420,588
Note: a) Cash and bank balance includes:				
Cash in Hand	157639		7385	
<u>Balance With Scheduled Banks</u>				
In Current Accounts	425479		1140462	
In Foreign Currency Account	57255		46923	
In Margin Money Account	3145915		1605018	
In Dividend Account	106031		87968	
Gain / (Loss) on Exchange rate fluctuation	(4255)		12,777	
	3888064		2900533	
b) Previous year figures have been regrouped and/or rearranged wherever considered necessary to make them comparable with those of the current year.				

AS PER OUR REPORT ATTACHED OF EVEN DATE

For **M. L. Bhuwania & Co.**
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Ashish Bairagra
Partner
Membership No. 109931
Place : Mumbai
Dated : 27th May, 2010**Aditya Bhuwania**
(DIRECTOR)
Place : Mumbai
Dated : 27th May, 2010**G. D. Bhuwania**
(DIRECTOR)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE - A		
SHARE CAPITAL		
AUTHORISED		
1,000,000 EQUITY SHARES OF RS 10/- EACH	<u>10,000,000</u>	<u>10,000,000</u>
ISSUED, SUBSCRIBED & PAID UP		
996,000 EQUITY SHARES OF RS 10/- EACH FULLY PAID	<u>9,960,000</u>	<u>9,960,000</u>
SCHEDULE - B		
RESERVES & SURPLUS		
GENERAL RESERVE		
BALANCE AS PER LAST BALANCE SHEET	8,955,497	8,694,497
ADD: TRANSFER FROM PROFIT & LOSS ACCOUNT	<u>383,000</u>	<u>261,000</u>
	9,338,497	8,955,497
PROFIT & LOSS ACCOUNT	<u>30,592,974</u>	<u>25,059,064</u>
	39,931,471	34,014,561
SCHEDULE - C		
SECURED LOANS		
VEHICLE LOAN FROM BANK		
(Secured by Hypothecation of Vehicle)	<u>2,695,022</u>	<u>194,996</u>
	2,695,022	194,996
SCHEDULE - D		
UNSECURED LOANS		
LOAN FROM DIRECTOR		
	<u>2,044,276</u>	<u>2,091,857</u>
INTER CORPORATE DEPOSITS	<u>1,400,000</u>	<u>-</u>
	3,444,276	2,091,857

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE E
FIXED ASSETS

(FIGURES IN RUPEES)

SL NO	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		AS AT 10/4/2009 (Rs.)	ADDITIONS (Rs.)	DEDUCTIONS (Rs.)	AS AT 31/03/2010 (Rs.)	AS AT 10/4/2009 (Rs.)	FOR THE YEAR (Rs.)	DEDUCTIONS (Rs.)	AS AT 31/03/2010 (Rs.)	AS AT 31/03/2009 (Rs.)	
1	OFFICE PREMISES	1,036,034	-	-	1,036,034	609,911	21,306	-	631,217	404,817	426,123
2	FURNITURE & FIXTURES	16,993	-	-	16,993	15,092	344	-	15,436	1,557	1,901
3	OFFICE EQUIPMENT	214,540	52,287	-	266,827	46,713	24,524	-	71,237	195,590	167,827
4	VEHICLES	2,220,097	3,684,796	-	5,904,893	1,302,430	415,961	-	1,718,391	4,186,502	917,667
5	COMPUTERS	2,631,210	122,851	-	2,754,061	2,592,905	25,404	-	2,618,310	135,751	38,305
	TOTALS (Rs.)	6,118,874	3,859,934	-	9,978,809	4,567,051	487,539	-	5,054,591	4,924,218	1,551,823
	PREVIOUS YEAR (Rs.)	6,044,254	74,620	-	6,118,874	4,184,055	382,996	-	4,567,051	1,551,823	

SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE - F : INVESTMENTS (AT COST) (LONG TERM)
(OTHER THAN TRADE)

SL. NO.	PARTICULARS	FACE VALUE	CURRENT YEAR		PREVIOUS YEAR	
			NOS.	RS.	NOS.	RS.
	<u>QUOTED</u>					
A.	<u>EQUITY SHARES (FULLY PAID UP)</u>					
1	GEOSERVICES (INDIA) LTD	10	5,800	58,000	5,800	58,000
2	ORIENT ORGANICS LTD	10	4,000	28,006	4,000	28,006
3	DHANUKA AGRITECH LTD	10	2,000	20,000	2,000	20,000
4	ALPS EXPORT LTD	10	9,000	180,000	9,000	180,000
5	PRIYA LIMITED	10	275,800	4,481,500	275,800	4,481,500
6	AKAI IMPEX LTD	10	5,100	43,437	5,100	43,437
7	ALL METAL PROCESS INDUS. LTD	10	16,200	162,324	16,200	162,324
8	ASAHI FIBERS LTD.	10	6,000	18,036	6,000	18,036
9	BAGRI MINERALS & CHEM. LTD.	10	10,300	28,382	10,300	28,382
10	BITS LTD.	10	400	2,305	400	2,305
11	K.J. INTERNATIONAL LTD.	10	2,000	25,551	2,000	25,551
12	KARISHMA FLORICULTURE LTD	10	400	1,202	400	1,202
13	RAJINDER PIPES LTD.	10	6,200	55,912	6,200	55,912
14	SAMRAT ASHOKA EXPORTS LTD	10	600	10,822	600	10,822
15	STERLING GUARANTY & FINANCE LTD	10	15,100	52,956	15,100	52,956
16	VIA MEDIA INDIA LTD.	10	7,500	22,545	7,500	22,545
B.	<u>DEBENTURES</u>					
1	BALAJI HOTELS & ENTERPRISES LTD	1,350	10	13,500	10	13,500
	TOTAL QUOTED (A)			5,204,478		5,204,478
	<u>UNQUOTED</u>					
A.	<u>EQUITY SHARES (FULLY PAID UP)</u>					
1	GAURAV ELECTROCHEM PVT LTD	10	500	100,000	500	100,000
	TOTAL UNQUOTED (B)			100,000		100,000
	TOTAL INVESTMENTS (A) + (B)			5,304,478		5,304,478
	LESS: PROVISION FOR DIMINUTION IN VALUE OF QUOTED INVESTMENTS			702,978		702,978
	NET VALUE OF INVESTMENTS			4,601,500		4,601,500

NOTE: AGGREGATE MARKET VALUE OF QUOTED INVESTMENTS Rs. 6,416,232/- (PREVIOUS YEAR Rs. 2,871,150/-)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE - G		
INVENTORIES		
(As valued and certified by the Management)		
FINISHED GOODS - CHEMICALS	13,014,156	22,549,202
STOCK-IN-TRANSIT	3,034,911	-
	<u>16,049,067</u>	<u>22,549,202</u>
SCHEDULE - H		
SUNDRY DEBTORS		
(UNSECURED, CONSIDERED GOOD)		
OUTSTANDING FOR MORE THAN 6 MONTHS		
CONSIDERED DOUBTFUL	344,144	347,565
LESS : PROVISION FOR DOUBTFUL DEBTS	344,144	347,565
	-	-
CONSIDERED GOOD	486,875	826,553
OTHER DEBTS	27,641,462	9,617,433
	<u>28,128,337</u>	<u>10,443,986</u>
SCHEDULE - I		
CASH & BANK BALANCES		
CASH IN HAND	157,639	7,385
BALANCE WITH SCHEDULED BANKS		
IN CURRENT ACCOUNTS	425,479	1,140,462
IN FOREIGN CURRENCY ACCOUNT	53,000	59,700
IN MARGIN MONEY ACCOUNT	3,145,915	1,605,018
IN DIVIDEND ACCOUNT	106,031	87,968
	<u>3,888,064</u>	<u>2,900,533</u>
SCHEDULE - J		
OTHER CURRENT ASSETS		
PREPAID EXPENSES	162,946	135,623
INTEREST RECEIVABLE	2,033,602	890,226
	<u>2,196,548</u>	<u>1,025,849</u>
SCHEDULE - K		
LOANS & ADVANCES		
(UNSECURED, CONSIDERED GOOD)		
INTER CORPORATE LOANS GIVEN	19,736,945	13,159,325
ADVANCES RECOVERABLE IN CASH OR IN KIND		
OR FOR VALUE TO BE RECEIVED	881,581	1,240,556
ADVANCE INCOME TAX	9,065,769	10,266,712
ADVANCE FRINGE BENEFIT TAX	624,770	1,350,509
DEPOSITS	104,260	109,260
STAFF LOAN	2,271,278	2,455,161
	<u>32,684,603</u>	<u>28,581,523</u>
SCHEDULE - L		
CURRENT LIABILITIES		
SUNDRY CREDITORS	15,820,297	6,298,952
(REFER NOTE NO. 9 of SCHEDULE 'S')		
ADVANCE FROM CUSTOMERS	2,287	58,102
INVESTOR EDUCATION AND PROTECTION FUND*		
UNPAID DIVIDEND	106,031	125,650
OTHER LIABILITIES	3,505,475	1,928,500
	<u>19,434,090</u>	<u>8,411,204</u>
* Amounts due and outstanding to be credited to Investor Education and Protection Fund is Rs.12,364/- (Previous year Rs. 12,219/-)		
SCHEDULE - M		
PROVISIONS		
PROVISION FOR TAX	10,126,327	10,128,056
PROVISION FOR FRINGE BENEFIT TAX	579,719	1,275,813
PROVISION FOR GRATUITY	6,100,224	5,024,326
PROVISION FOR LEAVE SALARY	1,145,459	959,361
PROPOSED DIVIDEND	1,494,000	1,494,000
CORPORATE DIVIDEND TAX	248,135	253,905
	<u>19,693,864</u>	<u>19,135,461</u>

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNTS

	2009-2010	2008-2009
SCHEDULE - N		
SALES		
LOCAL	88,787,306	50,281,184
EXPORTS	7,100,400	-
	<u>95,887,706</u>	<u>50,281,184</u>
SCHEDULE - O		
MISCELLANEOUS INCOME		
INTEREST RECEIVED (REFER NOTE 15 OF SCHEDULE "S") (TDS Rs. 227,228/- Previous year Rs.267,348/-)	2,429,142	1,330,142
LESS: INTEREST PAID	546,106	364,128
	<u>1,883,036</u>	<u>966,014</u>
DIVIDEND RECEIVED	12,000	10,000
GAIN ON EXCHANGE RATE DIFFERENCE (NET)	885,512	-
OTHER INCOME	-	63,219
	<u>2,780,548</u>	<u>1,039,233</u>
SCHEDULE - P		
COST OF MATERIAL(Refer Note No. 19 of Schedule S)		
OPENING STOCK	22,549,202	12,866,321
ADD: PURCHASE OF GOODS	72,850,412	46,939,396
	<u>95,399,614</u>	<u>59,805,717</u>
LESS: CLOSING STOCK	13,014,156	22,549,202
	<u>82,385,458</u>	<u>37,256,515</u>
PACKING MATERIAL CONSUMED	88,050	59,847
	<u>82,473,508</u>	<u>37,316,362</u>
SCHEDULE - Q		
PAYMENTS TO & PROVISION FOR EMPLOYEES		
SALARIES, BONUS, ALLOWANCES ETC.	10,831,933	8,614,866
CONTRIBUTION TO PROVIDENT FUND AND OTHER FUNDS	741,303	679,521
WELFARE EXPENSES	764,055	523,500
	<u>12,337,291</u>	<u>9,817,887</u>
SCHEDULE - R		
OTHER EXPENSES		
RENT, SERVICE & WAREHOUSING CHGS	4,931,868	2,437,250
RATES AND TAXES	187,921	284,121
POSTAGE, TELEPHONE, TELEX & FAX CHGS	1,370,583	1,392,544
BANK CHARGES	557,708	374,599
SALES PROMOTION EXPENSES	394,271	407,174
FREIGHT, CLEARING & FORWARDING	1,051,761	1,068,835
SELLING & ADVERTISEMENT EXPENSES	118,069	105,923
COMMISSION ON SALES	1,010,018	315,090
LEGAL & PROFESSIONAL EXPENSES	707,576	96,668
ELECTRICITY CHARGES	690,409	577,389
TRAVELLING & CONVEYANCE	2,311,508	2,566,172
REPAIRS & MAINTENANCE - OTHERS	930,974	502,454
INSURANCE CHARGES	212,490	173,549
DIRECTORS REMUNERATION	120,000	120,000
AUDITORS REMUNERATION	217,254	216,549
LOSS ON EXCHANGE RATE DIFFERENCE (NET)	-	559,872
PROVISION FOR DOUBTFUL DEBTS	1,734	347,565
BAD DEBTS WRITTEN OFF	-	337,802
MISCELLANEOUS EXPENSES	2,067,616	2,535,599
	<u>16,881,760</u>	<u>14,419,155</u>

SCHEDULE S : NOTES ON ACCOUNTS**1. SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention on an accrual basis and comply in all material respects with the mandatory Accounting Standards(AS), and the relevant provisions of the Companies Act, 1956.

B. FIXED ASSETS

All Fixed Assets are stated at Cost (including all expenses incurred to bring the assets to their present location and condition) less Accumulated Depreciation.

C. DEPRECIATION

Depreciation on Fixed assets are provided on the "Written Down Value" basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

D. INVENTORIES

Inventories are valued at lower of cost and Net Realisable Value. Cost is determined on First In First Out (FIFO) basis.

E. INVESTMENTS

Long term Investments are valued at cost. Diminution in value of such investments is provided for only if it is considered other than temporary in the opinion of the management. Cost of Investment is arrived at on the basis of weighted average cost at the time of sale.

F. EMPLOYEE BENEFITS :

- (i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Profit and Loss account of the year in which the related service is rendered.
- (ii) Contribution payable to the recommended Provident Fund and Superannuation Scheme which is Defined Contribution Scheme is charged to Profit and Loss account.
- (iii) Liabilities in respect of defined benefit plans are determined based on actuarial valuation made by an independent actuary as at the balance sheet date. The actuarial gains or losses are recognised immediately in the Profit and Loss account.

G. FOREIGN EXCHANGE TRANSACTION:

- (i) Foreign Exchange transactions are accounted at the rate of exchange prevailing on the date of transaction. Resulted exchange differences arising on payment or conversion of liabilities are recognised as income or expenses in the year in which they arise.
- (ii) At the year end all Foreign Currency assets and liabilities are recorded at the exchange rate prevailing on that date. All such exchange rate difference on account of such conversion is recognised in the Profit & Loss account.

H. TAXATION

- (a) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.
- (b) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognized to the extent there is a virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

- (c) Provision for Fringe Benefit Tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefits" as defined under the Income Tax Act, 1961.

I. REVENUE RECOGNITION :

Sales are recognised when the significant risks and rewards of ownership of the goods are passed to the customer. Sales are net off sales returns and exclusive of Value Added Tax. Commission is accounted as and when it becomes due.

J. IMPAIRMENT OF ASSETS:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized

in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

K. PROVISIONS AND CONTINGENT LIABILITIES:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2. Contingent Liabilities :

	2009-2010 Rs.	2008-2009 Rs.
i) Disputed Income Tax Liability	68,964	-

3. QUANTITATIVE DETAILS OF OPENING STOCK, PURCHASES, SALES & CLOSING STOCK.

PRODUCT	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
	QUANTITY UNITS	VALUE RUPEES	QUANTITY UNITS	VALUE RUPEES	QUANTITY UNITS	VALUE RUPEES	QUANTITY UNITS	VALUE RUPEES
Chemicals (KGS)	87,278 (55,670)	22,549,202 (12,866,321)	148,947 (188,934)	36,226,772 (46,939,396)	174,742 (157,326)	58,120,208 (50,281,184)	61,483 (87,278)	13,014,156 (22,549,202)
Computer peripherals, Parts,Software (NOS)	- (-)	- (-)	13,533 (-)	36,623,640 (-)	13,533 (-)	37,767,498 (-)	- (-)	- (-)
TOTAL (RS.)	87,278 (55,670)	22,549,202 (12,866,321)	162,480 (188,934)	72,850,412 (46,939,396)	188,275 (157,326)	95,887,706 (50,281,184)	61,483 (87,278)	13,014,156 (22,549,202)

Note:-

- Sales quantity is inclusive of 440 kgs goods transferred from damaged location to saleable location, and 137 Kgs transferred to sample location, 720 Kgs transferred from saleable location to damaged location.
- Sales of Computer parts ,peripherals includes used for self consumption.
- Figures in brackets relate to previous year.

	2009-2010 Rs.	2008-2009 Rs.
4. Earning in foreign currency		
Import Commission	25,469,481	18,650,658
Exports [on FOB Basis]	7,096,719	-
5. Value of Import on CIF Basis		
Traded goods	65,866,772	36,561,637
6. Expenditure in foreign currency		
Travelling	409,479	385,495
Sales Promotion exp.	106,381	187,214
Others	5,978	-
7. Managerial Remuneration		
Remuneration to Whole time Directors.	120,000	120,000
8. Payment to Auditors		
a) Audit Fees (Including Limited Review)	85,800	85,800
b) Tax Audit Fees	25,000	25,000
c) Tax Matters	32,500	67,500
d) Other Matters	35,000	1,500
e) Vat Audit fees	21,000	15,000
F) Towards Service Tax	17,954	21,749
	217,254	216,549

9. The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given. The same has been relied upon by the Auditors.

10. Employee Benefits :

The Company's defined benefit plan includes Gratuity/ Leave Encashment. The liability in respect of Gratuity/ Leave Encashment has been determined using Projected Unit Credit Method by an independent actuary. The company's defined contribution plan includes Provident Fund and Superannuation Fund. The related disclosure are as under:

A. Defined Contribution Plan

	2009-2010 Rs.	2008-2009 Rs.
(i) Provident Fund	549,198	496,749
(ii) Contribution to Superannuation Fund	131,745	128,025

B. <u>Defined Benefit Plans</u>	Gratuity		Leave Encashment Benefit	
	2009-2010	2008-2009	2009-2010	2008-2009
(i) <u>Assumptions</u>				
Mortality	LIC (1994-96) Ult	LIC (1994-96) Ult	LIC (1994-96) Ult	LIC (1994-96) Ult
Discount Rate	8.00%	8.00%	8.00%	8.00%
Rate of increase in compensation	5.00%	5.00%	5.00%	5.00%
Rate of return (expected) on plan assets				
Withdrawal rates	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%
(ii) <u>Changes in present value of obligations</u>				
PVO at beginning of period	5,024,326	4,173,181	959,360	799,964
Interest cost	369,366	333,854	75,134	63,997
Current Service Cost	502,786	451,108	160,350	163,584
Benefits Paid	(814,500)	-	(40,362)	-
Actuarial (gain) / loss on obligation	1,018,246	66,183	(9,023)	(68,185)
PVO at end of period	6,100,224	5,024,326	1,145,459	959,360
(iii) <u>Changes in fair value of Plan Assets</u>				
Fair Value of Plan assets at beginning of period	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions	814,500	-	40,362	-
Benefit Paid	(814,500)	-	(40,362)	-
Actuarial gain / (loss) on plan assets	-	-	-	-
Fair Value of Plan assets at end of period	-	-	-	-
(iv) <u>Fair value of Plan Assets</u>				
Fair Value of Plan assets at beginning of period	-	-	-	-
Actual Return on Plan Assets	-	-	-	-
Contributions	814,500	-	40,362	-
Benefit Paid	(814,500)	-	(40,362)	-
Fair Value of Plan assets at end of period	-	-	-	-
Funded Status	(6,100,224)	(5,024,326)	(1,145,459)	(959,360)
Excess of actual over estimated return on Plan Assets	-	-	-	-
(v) <u>Actuarial Gain / (Loss) Recognized</u>				
Actuarial Gain / (Loss) for the period (Obligation)	(1,018,246)	(66,183)	9,023	68,185
Actuarial Gain / (Loss) for the period (Plan Assets)	-	-	-	-
Total Gain / (Loss) for the period	(1,018,246)	(66,183)	9,023	68,185
Actuarial Gain / (Loss) recognized for the period	(1,018,246)	(66,183)	9,023	68,185
Unrecognized Actuarial Gain / (Loss) at end of period	-	-	-	-
(vi) <u>Amounts to be recognized in the Balance Sheet and statement of Profit & Loss Account</u>				
PVO at end of period	6,100,224	5,024,326	1,145,459	959,360

Fair Value of Plan assets at end of period	-	-	-	-
Funded Status	(6,100,224)	(5,024,326)	(1,145,459)	(959,360)
Unrecognized Actuarial Gain / (Loss)	-	-	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(6,100,224)	(5,024,326)	(1,145,459)	(959,360)
(vii) <u>Expenses recognized in the statement of P & L A/c.</u>				
Current Service Cost	502,786	451,108	160,350	163,584
Interest Cost	369,366	333,854	75,134	63,997
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (Gain) / Loss recognized for the period	1,018,246	66,183	(9,023)	(68,185)
Expense recognized in the statement of P & L A/C.	1,890,398	851,145	226,461	159,396
(viii) <u>Movements in the Liability recognized in Balance Sheet</u>				
Opening Net Liability	5,024,326	4,173,181	959,360	799,964
Expenses as above	1,890,398	851,145	226,461	159,396
Contribution paid	(814,500)	-	(40,362)	-
Closing Net Liability.	6,100,224	5,024,326	1,145,459	959,360

11. Segment Information For The Year Ended 31st March, 2010

A. Information about Primary Business Segments

Rupees in Lakhs

	Indenting		Trading Chemicals		Trading Electronics		Unallocated		Total	
	2009 - 10	2008 - 09	2009 - 10	2008 - 09	2009 - 10	2008 - 09	2009 - 10	2008 - 09	2009 - 10	2008 - 09
Revenue										
External Customers	254.69	186.51	581.20	502.81	377.67	-	-	-	1213.57	689.32
Total Revenue	254.69	186.51	581.20	502.81	378	-	-	-	1213.57	689.32
Result										
Segment Result	211.43	127.28	96.48	102.85	13.60	-	-	-	321.52	230.13
Unallocated expenditure net of unallocated income							(220.90)	(159.45)	(220.90)	(159.45)
Interest Income (net)	-	-	0.77	0.05	-	-	18.06	9.62	18.83	9.67
Dividend Income	-	-	-	-	-	-	0.12	-	0.12	-
Profit before taxation and exceptional items	211.43	127.28	97.25	102.89	13.60	-	(202.72)	(149.84)	119.58	80.35
Provision for taxation - Current Tax							45.38	29.55	45.38	29.55
- Deferred Tax							(5.33)	(4.23)	(5.33)	(4.23)
- Fringe Benefit Tax							0.00	3.00	0.00	3.00
Profit after taxation and before exceptional items	211.43	127.28	97.25	102.89	13.60	-	(242.77)	(178.16)	79.52	52.02
Excess/(Short) Provision of Taxation in earlier years.							(2.93)	-	(2.93)	-
Net Profit	211.43	127.28	97.25	102.89	13.60	-	(245.71)	(178.16)	76.59	52.02
Other Information										
Segment Assets	49.62	33.59	384.92	348.83	68.76	-	421.42	359.14	924.72	741.56
Segment Liabilities	45.06	47.05	74.38	69.30	91.46	-	180.38	185.46	391.28	301.81
Capital expenditure	-	-	-	-	-	-	38.60	0.75	38.60	0.75

B. Information about Secondary Business Segments

Rs. in Lakhs

	Within India		Outside India		Total	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
Revenue by geographical market	887.87	502.81	325.70	186.51	1213.57	689.32
Total	887.87	502.81	325.70	186.51	1213.57	689.32
Carrying amount of segment assets	829.72	727.17	95.01	14.39	924.73	741.56
Additions to fixed assets	38.60	0.75	-	-	38.60	0.75

Notes:-

(i) The company is into two main business segments, namely;

- (a) Indenting Business
- (b) Trading Business - Chemicals
- (c) Trading Business - Electronics

Segments have been identified and reported, taking into account, the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

(ii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

12. Related parties disclosure :**(Amount in Rs.)**

<u>Transactions during the year.</u>	Parties where control exists		Key Management Personnel		Relative of Key Management Personnel		TOTAL	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
Remuneration to Mrs. Saroj Bhuwania	-	-	120,000	120,000	-	-	120,000	120,000
Remuneration to Mrs. Shruti Bhuwania	-	-	-	-	216,000	216,000	216,000	216,000
Purchase of goods from M/s. Priya Ltd	118,636	-	-	-	-	-	118,636	-
Rendering of services to M/s. Priya Ltd	-	30,556	-	-	-	-	-	30,556
Receiving of services from M/s. Gaurav Electrochem Pvt. Ltd.	180,000	180,000	-	-	-	-	180,000	180,000
Interest paid on Loans to Mrs. Saroj Bhuwania	-	-	11,806	64,167	-	-	11,806	64,167
Interest paid on Loans to Mr. A K Bhuwania	-	-	26,728	6,795	-	-	26,728	6,795
Interest paid on Loans to Mr. G D Bhuwania	-	-	378,267	100,419	-	-	378,267	100,419
Interest Received on Inter corporate deposits from M/s. Priya Ltd	2,041,020	1,094,531	-	-	-	-	2,041,020	1,094,531
Loan received from Mrs. Saroj Bhuwania	-	-	110,625	606,897	-	-	110,625	606,897
Loans repaid to Mrs. Saroj Bhuwania	-	-	270,000	1,780,000	-	-	270,000	1,780,000
Loans received from Mr A. K. Bhuwania	-	-	414,055	6,025	-	-	414,055	6,025
Loans received from Mr G D Bhuwania	-	-	5,440,440	1,589,042	-	-	5,440,440	1,589,042
Loans repaid to Mr G D Bhuwania	-	-	5,742,701	1,000,000	-	-	5,742,701	1,000,000
Inter corporate deposits given during the year to M/s. Priya Ltd	67,909,234	61,385,276	-	-	-	-	67,909,234	61,385,276
Inter corporate deposits received back during the year from M/s. Priya Ltd	61,331,614	63,468,026	-	-	-	-	61,331,614	63,468,026
Inter corporate deposits received from M/s. Halifax Properties and Investment P. Ltd.	1,400,000	-	-	-	-	-	1,400,000	-
Balances at the year end								
Loans outstanding from Directors								
Mrs. Saroj Bhuwania	-	-	171,528	330,903	-	-	171,528	330,903
Mr. A. K. Bhuwania	-	-	524,618	110,563	-	-	524,618	110,563
Mr. G. D. Bhuwania	-	-	1,348,130	1,650,391	-	-	1,348,130	1,650,391
Inter corporate deposits at the year end	21,136,945	13,159,325	-	-	-	-	21,136,945	13,159,325
Interest Receivable	1,836,918	846,510	-	-	-	-	1,836,918	846,510
Outstanding service charges	517,120	355,120	-	-	-	-	517,120	355,120

Note:

Names of related parties and description of relationship is as identified by the management and relied upon by the auditors.

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Parties Where control exists <ol style="list-style-type: none"> (a) Priya Limited (b) Priya Chemicals (c) Gaurav Electrochem Pvt. Ltd. (d) Brent Properties Investment Pvt. Ltd. (e) Chesire Properties Investment Pvt. Ltd. (f) Halifax Properties Investment P. Ltd. | <ol style="list-style-type: none"> 2. Key Management Persons of the Company <ol style="list-style-type: none"> (a) Mrs. Saroj Bhuwania (b) Mr A. K. Bhuwania (c) Mr Aditya Bhuwania 3. Relative of Key Management Person <ol style="list-style-type: none"> (a) Mrs. Shruti Bhuwania, wife of Mr. Aditya Bhuwania |
|--|---|

13. Earning Per Share (EPS)

		2009-10	2008-09
Profit attributable to the shareholders	(Rs.)	7,659,045	5,202,415
Weighted average number of Equity Share outstanding during the year.(nos.)		996,000	996,000
Basic & Diluted earning per share	(Rs.)	7.69	5.22
Face value of each share	(Rs.)	10	10

14. Break-up of Deferred Tax Assets (Net)Deferred tax Assets

- On account of Provision for Gratuity allowable on payment basis under Income Tax Act, 1961.	Rs.	2,026,342	1,552,517
- On account of Provision for Leave salary allowable on payment basis under Income Tax Act, 1961.	Rs.	380,493	296,443
- On account of Provision for Doubtful Debts as per Income Tax Act, 1961.	Rs.	114,316	107,398
- On account of difference in depreciation as per books and Income Tax Act, 1961	Rs.	165,235	197,305
	Rs.	<u>2,686,386</u>	<u>2,153,663</u>

15. Break-up of Interest received

Interest received on Inter Corporate Deposits Given		2,041,020	1,094,531
Interest received on Fixed Deposits with Banks		217,227	54,329
Interest received on Staff Loans		170,895	181,282
		<u>2,429,142</u>	<u>1,330,142</u>

16. Derivatives:

UNHEDGED: The year end Foreign Currency Exposures that have not been hedged by a derivative instrument are as under::

a. Amount receivable in foreign currency on account of the following :

Particulars	As on 31.03.2010		As on 31.03.2009		Foreign Currency
	Rs.	Amount in Foreign Currency	Rs.	Amount in Foreign Currency	
Receivables	266,106	4,396.27	188,559	2,802	EUR
	9,221,759	204,519	1,516,849	29,865	USD

b. Amount payable in foreign currency on account of the following :

Particulars	As on 31.03.2010		As on 31.03.2009		Foreign Currency
	Rs.	Amount in Foreign Currency	Rs.	Amount in Foreign Currency	
Creditors	15,478,511	342,672	6,228,523	122,440	USD

17. Balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and consequential adjustment, if any.
18. In the opinion of Board of Directors, Current Assets, Loans and advances have value in the ordinary course of business atleast equal to the amount at which they are stated.
19. Cost of material includes Rs. 2,38,395/- (Previous year Rs. 3,37,383/-) being cost of obsolete stock written off during the year.
20. Previous year figures have been regrouped and/or rearranged wherever considered necessary to make them comparable with those of the current year.

AS PER OUR REPORT ATTACHED OF EVEN DATE

For **M. L. Bhuwania & Co.**
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Ashish Bairagra
Partner
Membership No. 109931
Place : Mumbai
Dated : 27th May, 2010

Aditya Bhuwania
(DIRECTOR)
Place : Mumbai
Dated : 27th May, 2010

G. D. Bhuwania
(DIRECTOR)

Additional information pursuant to part IV of Schedule VI to the Companies Act, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.	86840	State Code	11
Balance Sheet Date	31 03 10	Date Month Year	

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

Public issue	NIL	Right issue	NIL
Bonus issue	NIL	Private Placement	NIL

III Position of Mobilisation and Deployment of Fund (Amount in Rs. thousands)

Total Liabilities	95,159	Total Assets	95,159
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Sources of Funds

Paid up Capital	9,960	Reserves and Surplus	39,931
Secured Loans	2,695	Unsecured Loans	3,444

Application of Funds

Net Fixed Assets	4,924	Investments	4,602
Net Current Assets	43,819	Net Deferred Tax Asset	2,686
Misc. Expenditure	—		

IV Performance of Company (Amount in Rs. thousands)

Turnover	124,138	Total Expenditure	112,180
Profit Before Tax	11,958	Profit after Tax	7,659
Earning per share in Rs.	7.69	Dividend Rate %	15

V Generic Name of Three Principal Products/Services of Company

I	Item Code No (ITC Code)	49070030
	Product description	Microsoft S/w Lic
II	Item Code No (ITC Code)	29291090
	Product description	Tepic-G
III	Item Code No (ITC Code)	38089199
	Product description	Kathon

FOR AND ON BEHALF OF THE BOARD

Place : MUMBAI
Dated : 27th May, 2010

Aditya Bhuwania
(DIRECTOR)

G. D. Bhuwania
(DIRECTOR)

PRIYA INTERNATIONAL LIMITED

Regd. Office: 2nd Floor, 209-210 Kimatrai Building, 77-79,
Maharshi Karve Marg, Marine Lines (E),
Mumbai-400002

ATTENDANCE SLIP

(To be presented at the entrance)

Regd. Folio No./Client ID No. _____

No. of shares held _____

DP ID No. _____

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

I hereby record my presence at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018 on Thursday, the 30th day of September, 2010 at 11:00 A.M.

Member's/ Proxy's name in BLOCK Letters

Signature of Member/Proxy

NOTE : Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting.
Members are requested to bring their copy of the Annual Report to the meeting.

----- ✂ ----- Tear Here ----- ✂ -----

PRIYA INTERNATIONAL LIMITED

Regd. Office: 2nd Floor, 209-210 Kimatrai Building, 77-79,
Maharshi Karve Marg, Marine Lines (E),
Mumbai-400002

PROXY FORM

Reg. Folio No. /Client ID No. _____

DP ID No. _____

I/We..... of
..... being a member/members of the above named Company
hereby appointof.....or failing
him of as my/our proxy
to vote for me/us on my/our behalf at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held on
Thursday, the 30th day of September, 2010 at 11:00 a.m. and at any adjournment(s) thereof.

Signed this day of 2010.

Signature.....

Affix
Re. 1/-
Revenue
Stamp

NOTE : This proxy form, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 HOURS BEFORE the meeting.

BOOK-POST

If Undelivered Please return to:

Priya International Limited

2nd Floor 209-210 Kimatrai Building 77-79
Maharshi Karve Marg, Marine Lines (E),
Mumbai - 400002

Tel.:91-22-4220 3100 [30 Lines], Fax: 91-22-4220 3197

Crystal (022) 6614 0900