



28th Annual Report
2009-2010

DUJODWALA PRODUCTS LIMITED

BOARD OF DIRECTORS

Shri Kamal Dujodwala
Shri Pannikaj Dujodwala
Shri S. C. Sen
Shri R. K. Shriya
Shri Narendra Goenka
Shri Rajkumar Saraf
Shri Rajkumar Jatia

Chairman
Managing Director
Director
Director
Director
Director
Director

AUDITORS

M/s. Sunderlal, Desai and Kanodia
Chartered Accountants
903, Arcadia, NCPA Marg,
Nariman Point,
Mumbai – 400 021

SOLICITORS & ADVOCATES

M/s. Bachubhai Munim and Company - Mumbai

BANKERS

The Saraswat Co-Operative Bank Limited (Scheduled Bank), Fort, Mumbai.

AUDIT COMMITTEE

Mr. S.C. Sen
Mr. R. K. Shriya
Mr. Kamal Dujodwala

REGISTERED OFFICE & PLANT LOCATION

Kumbhivali Village, Savroli Kharpada Road,
Taluka – Khalapur
Khopoli-410 203, Dist: Raigad.
Maharashtra.

ADMINISTRATIVE OFFICE

812, Tulsiani Chambers,
Nariman Point,
Mumbai-400021.

[As a measure of economy, copies of the Annual Report will not be distributed at the meeting and therefore members are requested to bring their copies of the Annual Report at the meeting]

NOTICE

NOTICE IS HEREBY GIVEN that the 28th Annual General Meeting of the members of DUJODWALA PRODUCTS LIMITED (the "Company") will be held on Friday, 17th September, 2010, at the Registered Office of the Company at Kumbhivali Village, Savroli Kharpada Road, Tal: Khalapur, Khopoli-410203, Dist Raigad, Maharashtra, at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Director's Report and the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the period ended on that date.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri R. K. Shriya, who retires by rotation and being eligible to offers himself for re-appointment.
4. To appoint a Director in place of Shri Narendra Goenka, who retires by rotation and being eligible to offers himself for re-appointment.
5. To appoint the Statutory Auditors and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT, consent of the Company be and is hereby accorded in terms of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company for borrowing from time to time any sum or sums of money (exclusive of interest) not exceeding at any time the sum of Rs.1000 Crores, (Rupees One Thousand Crores) on such terms and conditions as the Board may deem fit, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

7. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310 and 311 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company Remuneration Committee of the Board of Directors of the Company be and is hereby approve and recommend to the Board the alteration in the remuneration structure payable to Mr. Pannkaj Dujodwala, Managing Director of the Company from Rs. 12,000/- p.m. to Rs. 2,00,000/- p.m. with effect from 1 February, 2010."

RESOLVED FURTHER THAT the above resolution may be forwarded to the Board of Directors for its approval and the Directors of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to these resolutions."

8. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Section 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act 1956, including any statutory modification or re-enactment thereof and subject to such approvals as may be necessary, consent of the Company, be and is hereby accorded for granting remuneration to Shri Kamal Dujodwala, Chairman of the Company Rs. 2,00,000/- per month effective from 1 June, 2010, with liberty to the Board of Directors to alter and vary the said remuneration in such form and manner or with such modifications as the Board may deem fit and agreed to by Shri Kamal Dujodwala subject to approval of the shareholders in the Annual General Meeting of the Company required to be held in 2010 during the financial year."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

For and on behalf of the Board of Directors

Sd/-

**KAMAL DUJODWALA
CHAIRMAN**

Place : Mumbai

Dated: 31st July, 2010.

NOTES:

1. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 setting out material facts relating to the Special Business at 6 to 8 of the Notice as set out above, is annexed hereto.
2. 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.
3. Proxies in order to be effective must be deposited at the registered office of the Company not less than Forty Eight hours before the commencement of the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 9th September, 2010 to 17th September, 2010 (both days inclusive). Notice to this effect was published in the news papers on 9th August 2010.
5. All matters in connection with the Shares of the Company may be addressed to the Company's Registrar and Transfer Agents viz. Mondkar Computers P. LIMITED 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali caves Road, Andheri (East), Mumbai – 400 093.Tel: 28257641/28262920. Members are requested to quote their respective folio numbers / ISIN – ID numbers and also notify the change of address, if any to the Registrar and Share Transfer Agent of the Company.
6. Members desiring any information as regards the Accounts are requested to write to the Company at least 10 days before the Annual General Meeting of the Company to enable the management to keep the information ready.

ANNEXURE TO NOTICE

Explanatory Statement:

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned under item 6 of the accompanying Notice.

Item No. 6

Under Section 293(1) (d) of the Companies Act, 1956 (the Act), the Board of Directors of a Company cannot, except with the consent of the company in General Meeting, borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the company, that is to say, reserves not set apart for any specific purpose. Taking into consideration the requirements of additional funds to meet the cost of the Company's capital expenditure program as also additional working capital requirements of the Company, it is required to borrow money from the bank which is likely to be exceeded. The consent of the Shareholders is therefore, sought in accordance with the provisions of Section 293(1) (d) of the Act, to enable the Directors to borrow moneys to the extent of Rs.1000 Crores (Rupees One Thousand Crores). The Resolution at Item 5 is to obtain the consent of the shareholders for this purpose.

The above proposal is in the interest of the Company and your Directors recommend the Resolutions at Item 6 of the Notice for approval by the Members. None of the Directors of the Company are, in any way concerned or interested in the resolution.

Item No. 7

Shri Pannkaj Dujodwala has been appointed as the Managing Director for a period of 5 years w.e.f. 15.10.2007 to 14.10.2012. Taking into consideration his present salary, the improved performance and growth of the Company under his dynamic leadership and management and based on the recommendation of the Remuneration Committee the Board of Director at its meeting held on 30th January, 2010, approved the revision in the remuneration payable to Shri Pannkaj Dujodwala w.e.f. 1st February, 2010, subject to the approval of members in the Annual General Meeting of the Company going to be held on 17th September, 2010. The Board of Directors is of the opinions that increase in remuneration commensurate with the responsibilities shouldered by the Managing Director. The details of the proposed revision / modification in remuneration payable to Shri Pannkaj Dujodwala are described in detail in the proposed revision / modification in remuneration payable to Shri Pannkaj Dujodwala as set out at item no. 7 of the notice. All other terms and conditions of appointment of Shri Pannkaj Dujodwala shall remain unchanged. The details of the remuneration payable to the Managing Director as mentioned in resolution no. 7 of the notice may be considered as notice for the shareholders under section 302 of the Companies Act, 1956. None of the other Directors except Shri Kamal Dujodwala and Shri Narendra Goenka, who is a relative of Shri Pannkaj Dujodwala are in any way, interested or concerned in the resolution.

Item No. 8

The members of the Company at their Board Meeting held on 25th May, 2010 has decided to give remuneration to Kamal Dujodwala as the Chairman of the Company with effect from 1st June, 2010. Taking into consideration his present performance and contribution made to the growth of the Company under his dynamic leadership and management and based on the recommendation of the Remuneration Committee the Board of Director at its meeting held on 25th May, 2010, approved the remuneration require to be paid to Shri Kamal Dujodwala w.e.f. 1st June, 2010, subject to the approval of members in Annual General Meeting of the Company. The Board of Directors is of the opinion that granting of remuneration commensurate with the responsibilities shouldered by the Chairman. The Company will take the appropriate approval from the members of the Company in the Annual General meeting going to be held for the year 31st March, 2010.

None of the other Directors except Shri Pannkaj Dujodwala and Shri Narendra Goenka, who is the relative of Shri Kamal Dujodwala, in any way, interested or concerned in the resolution

Place : Mumbai

Dated : 31st July, 2010

For and on behalf of the Board of Directors

Sd/-

KAMAL DUJODWALA
CHAIRMAN

DIRECTOR'S REPORT

To,
The Members,

The Directors have pleasure in presenting the 28th Annual Report of Dujodwala Products for the year ended 31st March, 2010.

FINANCIAL RESULTS:

| | 2009-2010 Rs. in Lacs | 2008-2009 Rs. in Lacs |
|---|----------------------------------|----------------------------------|
| Gross Sales including other Income | 15684.25 | 12,447.40 |
| Add: Excise Duty Refund | 0.56 | 21.98 |
| Gross Profit before Interest, Depreciation and Taxation | 1466.69 | 665.03 |
| Interest | 63.27 | 294.10 |
| Depreciation | 298.17 | 270.68 |
| Less : Provision for Taxation | 360.00 | 11.50 |
| Less: Provision for FBT | 0.00 | 3.65 |
| Add: Excess Provision of I.T. for earlier period | 1.20 | 0.00 |
| Provision for deferred taxation | 25.35 | 29.63 |
| Net Profit for the year | 721.11 | 55.47 |
| Add: Surplus brought forward from previous year | 881.42 | 880.95 |
| Balance available for Appropriation | 1602.53 | 936.42 |
| Appropriations:- | | |
| a) General Reserve | 55.00 | 55.00 |
| b) Dividend | 86.06 | 0.00 |
| c) Dividend Tax | 14.29 | 0.00 |
| Balance carried forward to Balance Sheet | 1447.17 | 881.42 |

DIVIDEND:

The Directors recommend that the final dividend of 10% per equity share to be appropriated from the profits for the year 2009-2010 subject to approval by the members at the Annual General Meeting.

TRANSFER TO RESERVES

The company proposes to transfer Rs.55 Lacs to General Reserve out of the amount available for appropriation.

MANAGEMENT DISCUSSION AND ANALYSIS:

OVERVIEW

The Company is engaged in the manufacturing and selling of Camphor, Sodium Acetate, Terpenes Chemicals and Synthetics Resins at its Unit located at Kumbhivali, Savroli Kharpada Road, Tal: Khalapur, Khopoli-410203, Dist. Raigad, Maharashtra.

Discussion on Financial Performance with respect to Operational Performance

During the year under review, the Company has achieved sales and other income of Rs. 15684.25 Lacs as against Rs. 12447.40 lacs during the previous year resulting in increase of 26%. Whereas the net profit has increased at Rs. 721.11 lacs as against Rs. 55.47 lacs during the previous year mainly on account of better performance of the company and less outgo of interest.

Internal Control Systems and its Adequacy

The Company has put in place necessary internal control systems commensurate with its operations. Periodical checks are conducted and necessary remedial measures are adopted.

DIRECTORS:

- a) Shri R. K. Shriya Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.
- b) Shri Narendra Goenka Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.
- c) Shri Anil Pavse who was appointed as a Director on 28th November, 2009, has resigned from the directorship on 25th May, 2010.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Your Directors wish to place on record their appreciation for the strong contribution made by employees who have through their consistent and highly motivated performance enabled your Company to achieve these results.

The information as per section 217(2A) of the Companies Act, 1956 ('the Act'), read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. As per the provisions of section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the shareholders of the Company excluding the statement of particulars of employees under section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the said statement, may write to the Secretarial Officer at the administrative office of the Company.

CORPORATE GOVERNANCE:

Your Company is committed to adhere to the best Practices of governance. In your Company, prime importance is given to reliable financial information, integrity, transparency, fairness, empowerment & compliances. A separate section on Corporate Governance and a Certificate regarding compliance of conditions of Corporate Governance, forms part of the Annual Report.

PREFERENTIAL ISSUE OF WARRANTS:

To augment long term resources of the Company for meeting fund requirements of the existing and new businesses etc., the Company has, in accordance with the Statutory provisions including Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and with the approval of members, issued and allotted in February, 2010, 19,42,857 Warrants convertible into Equity shares on preferential basis to the promoters group at a price of Rs.18.59/- per warrant. In terms of the said Guidelines, these entities have paid 25% of the warrant price on subscription to the warrants and the balance issue price is payable upon exercise of the right to apply for the Equity Shares within a period of 18 months from the date of issue of the warrants. The warrants/ shares issued/to be issued under the preferential offer are subject to lock-in period as prescribed under SEBI guidelines.

FIXED DEPOSITS:

The Company has not accepted and / or renewed any Fixed Deposit with in the meaning of the provision of Section 58-A of the Companies Act, 1956 and the Rules made there under.

AUDITORS:

The Company's Auditors M/s. 'Sundarlal Desai and Kanodia', Chartered Accountants, hold office up to the conclusion of the forthcoming Annual General Meeting and being eligible are recommended for reappointment by the Audit Committee of the Board of Directors. They have furnished the requisite certificate to the effect that their reappointment, if effected will be in accordance with Section 224(1B) of the Companies Act, 1956.

AUDIT COMMITTEE:

The Board has constituted its Audit Committee pursuant to the provisions of Section 292A of the Companies Act, 1956 and provisions of the Listing Agreement(s) of the Stock Exchange(s). The Audit Committee of the Company presently comprises of the following members namely Shri S. C. Sen, Shri R. K. Shriya and Shri Kamal Dujodwala are the Members of the said Committee.

AUDITORS' REPORT:

The notes on the Accounts referred to the Auditors' Report are self explanatory and therefore, do not require any further comments.

FOREIGN EXCHANGE EARNING AND OUTGO

The Company has earned Rs.820.15 lacs on account of Export made on FOB basis during year under review as against Rs. 728.73 Lacs in the previous year. The Company has spent 6774.13 lacs on against Rs. 3520.47 lacs during the previous year on import of raw materials on CIF basis and Rs. 13.49 lacs against Rs.2.20 during the previous year towards travelling expenses during the year under review.

CONSERVATION OF ENERGY:

Information as per section 217(l)(e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Form-A annexure-I forming part of this report.

PARTICULARS OF EMPLOYEES:

Details of remuneration paid to employees, as required by Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 is not required to be given as no employee has drawn the salary as stated in Section 217 (2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the annual accounts for the financial period ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 period and of the profit or loss of the Company for the period under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial period ended 31st March, 2010, on a "going concern" basis.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the services rendered by its suppliers, distributors, wholesalers, retailers, clearing and forwarding agents and all other business associates and acknowledge their efficiency and continued support in producing such healthy growth in the Company's business.

CONCLUSION:

The Directors wish to take this opportunity to thank all to The Saraswat Co-op Bank Ltd., The Jammu & Kashmir Bank Ltd., IDBI Ltd., Insurance Companies, Central Government and State Government Officials and all employees of the Company for the continued support and services rendered.

For and on behalf of the Board of Directors
KAMAL DUJODWALA
CHAIRMAN

Place : Mumbai

Dated : 31st July, 2010

ANNEXURE TO THE DIRECTORS REPORT

FORM 'A'

POWER AND FUEL CONSUMPTION

| | Particulars | 2009-2010 | 2008-2009 |
|----|--|-----------|-----------|
| 1 | Electricity Purchased | | |
| | Units (Kwh/Lakh) | 44.31 | 34.57 |
| | Total Amounts (Rs. /Lakh) | 223.01 | 156.00 |
| | Rate / unit (Rs.) | 5.03 | 4.51 |
| 2. | Furnance Oil (FO) / Light Diesel Oil (LDO) | | |
| | Quantity (Ltr/Lakh) | 8.52 | 6.25 |
| | Total Cost (Rs. / Lakh) | 222.30 | 197.91 |
| | Average Rate (Rs./Ltr) | 26.75 | 31.66 |
| 3. | Coal | | |
| | Quantity (KG) | 78,04,360 | 83,38,816 |
| | Total Cost (Rs. /Lakh) | 323.88 | 432.55 |
| | Average Rate (Rs. / KG.) | 4.14 | 5.18 |

FORM 'B'

Form for disclosure of particulars with respect to:

Research and Development (R & D)

1) Areas in which R & D is being carried out:

The R & D Centre continues to strengthen the Company's business by providing new products and process and optimization of the existing pollution control. Brief details are given below:

- Strong R & D support has enabled development of various products for quality like Camphor, Sodium Acetate Tri-Hydrate, Synthetic Resins and Terpenes Chemicals.
- Pollution Control was given importance and efforts directed towards reduction at source and by product recovery and usage

2) Benefits derived as a result of above R & D

- Increase in product range, augmenting extent potential and marketing
- Product consistency for remaining universally competitive
- Improvement in process control, conservation of energy resulting in cost reduction

3) Future plan of action

- Up gradation and development of more products.
- Product quality improvement and cost reduction.
- Waste minimization and development of cleaner and greener technology.

TECHNOLOGY ABSORPTION:

1. Efforts made:

- Improvement in technical services to meet customer requirements.
- Interaction with CSIR laboratories and consultants for improving process and pollution control.

2. Benefits derived as a result of above efforts

- Better customer satisfaction
- Cost effectiveness and increase in marketability.

The Company's manufacturing process for its products are based on in-house technology which has been successfully absorbed. The Company has been constantly making efforts for improvement of quality and for marketing new ranges of products.

CORPORATE GOVERNANCE REPORT

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company continues the good Corporate Governance practices already existing as per the set of laws and Listing Agreement. The Company's philosophy on Corporate Governance envisages accountability, propriety and transparency in the working of the Company. The Company also believes that its activities should be towards enhancing value of stakeholders in the long term.

2. COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

- During the year under Report, the Board of Directors of your Company consisted of 7 members comprising of 3 Executives and 4 Non Executives Director. Three Directors belong to the Promoter Group while four Directors were independent. No Director was a Member of more than 10 committees and Chairman of more than five (5) committees across all Companies where they were Directors. The Details are as under:

| Name | Executive /Non Executive Independent | Number of outside Directorship | Total Number of Membership in Board Committees | Number of Chairmanship in Board Committees |
|------------------------|--------------------------------------|--------------------------------|--|--|
| Shri Kamal Dujodwala | Executive Chairman (Promoter) | 6 | 4 | 2 |
| Shri Pannkaj Dujodwala | Executive Managing Director | 3 | Nil | Nil |
| Shri R. K. Shriya | Non Executive (Independent) | 5 | 2 | Nil |
| Shri Narendra Goenka | Executive | 9 | 2 | Nil |
| Shri S. C. Sen | Non Executive Director | - | - | - |
| Shri Rajkumar Jatia | Non Executive (Independent) | 4 | - | - |
| Shri Rajkumar Saraf | Non Executive (Independent) | 7 | 9 | 2 |
| Shri Anil Pavse * | Non Executive (Independent) | 1 | - | - |

* Resigned with effect from 25th May, 2010

b) Board Meeting held during the year

During the financial year ended 31st March, 2010, Five Board Meetings were held on 30th April, 2009, 30th July, 2009, 14th October, 2009, 28th November, 2009, 30th January, 2010 and 25th February, 2010.

Attendance of Director at the Board Meeting and the last Annual General Meeting (held on 14th August, 2009)

| Name | Number of Board Meeting Attended | Attendance at the last Annual General Meeting | Remarks |
|------------------------|----------------------------------|---|---------|
| Shri Kamal Dujodwala | 5 | Yes | |
| Shri Pannkaj Dujodwala | 5 | Yes | |
| Shri R. K. Shriya | 5 | Yes | |
| Shri Narendra Goenka | 5 | No | |
| Shri S. C. Sen | 5 | Yes | |
| Shri Anil Pavse | 3 | No | |
| Shri Rajkumar Jatia ** | 1 | No | |
| Shri Rajkumar Saraf ** | 1 | No | |

** appointed on 25.05.2010

c) Code of Conduct

All the Directors and senior management personnel have affirmed compliance of the code of conduct of the Company during the financial year ended 31st March, 2010. A Declaration to this effect signed by the Managing Director of the Company is annexed hereto.

II. AUDIT COMMITTEE

(a) Composition of the Audit Committee

Your Company has an Audit Committee at the Board Level, with the powers and the role in accordance with the Clause 49 II(C) (D) of the listing agreement, which acts as a link between the management, the statutory and the internal auditors and the Board of Directors and oversees the financial reporting process.

The Audit Committee was constituted in 2001. During the year under Report, the Audit Committee of the Company comprised of 3 members of which 2 are independent Directors. The Committee met four times during the financial year 30th April, 2009, 30th July, 2009, 14th October, 2009, 30th January, 2010. The composition of the Audit Committee is as follows:

| Members:- | Number of Meeting Attended |
|----------------------|----------------------------|
| Shri S.C. Sen | 3 |
| Shri R. K. Shriya | 3 |
| Shri Kamal Dujodwala | 4 |

The terms of reference to the Audit Committee are to review with the management and / or internal Auditor and /or Statutory Auditors:

- The statutory and Annual and quarterly financial reporting by the Company.
- Compliance with internal control system.
- Changes in the statutory accounting policies of the Company.
- The adequacy and effectiveness of accounting and financial controls of the Company and Compliance with Company policies and applicable laws and regulations.
- To investigate into any matter in relation to items specified in Section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information's contained in the records of the Company and also seeks external professional advice, if necessary.

- f. To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report.

III. Disclosures

(A) Basis of related party transaction

Your company places all the relevant details before the Audit Committee:

A Comprehensive list of related party transaction as required by the Accounting Standard (AS-18) issued by the Institute of Chartered Accountants of India, forms part of the Note No. 14 {c} of Schedule-13 to the Accounts in the Annual Report. These transactions are not likely to have any conflict in the interest of the Company at large.

(B) Disclosure of Accounting Treatment

The Company consistently follows the generally accepted Accounting Policies and the prescribed Accounting Standards and the provisions of the Companies Act, 1956.

(C) Risk Management

The Company has laid down procedures to inform the Board of Directors about the risk management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically. The risk management issues are further discussed in the management Discussion and Analysis Section which forms part of this Annual Report.

(D) Proceeds from preferential issues

During the period under review, the Company has raised proceeds amounting to Rs. 90,29,428/- from preferential issue of warrants convertible into equity shares. The Company has allotted 19,42,857 warrants convertible into equity shares within 18 months from the date of allotment.

(E) Remuneration of Directors

- i. Details of remuneration paid to Directors for the F.Y.2009-10 are as under:-

| Directors | Relationship with other Directors | Sitting Fee (Rs.) | Salary and Perks (Rs.) | Commission | Total (Rs.) |
|-------------------------|------------------------------------|-------------------|------------------------|------------|-------------|
| Shri. Kamal Dujodwala | Brother of Shri. Pannkaj Dujodwala | 4500 | Nil | Nil | 4500 |
| Shri. Pannkaj Dujodwala | Brother of Shri. Kamal Dujodwala | Nil | 5,20,000/- | Nil | 5,20,000/- |
| Shri R. K. Shriya | None | 2500 | Nil | Nil | 2500 |
| Shri Narendra Goenka | None | 4500 | Nil | Nil | 4500 |
| Shri S.C. Sen | None | Nil | 16,41,645/- | Nil | 16,41,645/- |
| Shri Anil Pavse | None | 500 | Nil | Nil | 500 |
| Shri Rajkumar Saraf** | None | Nil | Nil | Nil | Nil |
| Shri Rajkumar Jatia** | None | Nil | Nil | Nil | Nil |

** appointed w.e.f. 25.05.2010.

With effect from 25th May, 2010, sitting fee payable to the Members of the Board for attending the Board Meeting has been fixed @ 1000/- per Board Meeting.

Details of Directors seeking appointment / reappointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

| | |
|--|-------------------|
| Name of the Directors | Shri R. K. Shriya |
| Date of Birth | 31.12.1934 |
| Date of Appointment | 21.08.1995 |
| Expertise of Specific Functional Areas | Administrator |
| Qualification | B.Com. Graduate |
| Number of Public Companies in which outside Directorship held as on 31 st March, 2010 | 5 |
| No of shares held in the Company | Nil |

| | |
|--|-------------------------|
| Name of the Directors | Shri Narendra Goenka |
| Date of Birth | 30.06.1957 |
| Date of Appointment | 31.10.2003 |
| Expertise of Specific Functional Areas | Textiles - Entrepreneur |
| Qualification | B.Com. Graduate |
| Number of Public Companies in which outside Directorship held as on 31 st March, 2010 | 9 |
| No of shares held in the Company | Nil |

(F) Management

- The management Discussion and Analysis Report forms part of the Annual Report and is in accordance with the requirements laid out in Clause 49 of the Listing Agreement.
- No material transaction has been entered into by the Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with the interest of the Company

(G) Shareholders information

- The Company has provided the details of the Directors seeking reappointment at the end of this Report
- Shareholders' Grievance / Allotment and Transfer Committee
The Board has constituted a "Shareholders' Grievance / Allotment and Transfer Committee" at the Board level to look into various issues relating to Shareholders / Investors including transfer and transmission of shares as well as non receipt of Annual Report, shares and transfers and delays in transfer of shares. In addition, the Committee shall also look into other issues including status of dematerialization / rematerialization of shares and debentures as well as system and procedures followed to track investor complaints and suggest measures for improvement from time to time.

The Constitution of the Shareholder's Committee is as under:

| Name of Director | Executive / Non – Executive |
|----------------------|------------------------------------|
| Shri S.C. Sen | Non Executive Independent Director |
| Shri R. K. Shriya | Non Executive Independent Director |
| Shri Kamal Dujodwala | Executive Chairman (Promoter) |

c) Annual General Meeting

| | |
|--------------------|--|
| Date | 17 th Sept-2010. |
| Venue | Registered office at:- Kumbhivali Village, Taluka Khalapur, Khopoli-410203, Dist: Raigad, Maharashtra. |
| Time | 11.00 a.m. |
| Book Closure Dates | 9 th September, 2010 to 17 th September, 2010 (both days inclusive) |

d) **Financial Calendar 2010-2011**

Financial Reporting for:

| | |
|--|---|
| Quarter ended 30 th June, 2010 | End of July, 2010 |
| Half Year ended 30 th September, 2010 | End of October, 2010 |
| Quarter ended 31 st December, 2010 | End of January, 2011 |
| Quarter and year ended 31 st March, 2011 | End of April, 2011/ End of June, 2011 |
| Annual General Meeting for the year ended 31 st March, 2011 | End of August, 2011 / End of September, 2011 |

e) **Listing on Stock Exchanges**

The Equity shares of the Company are listed on the Stock Exchanges at Mumbai, Annual Listing fees as prescribed have been paid to the Stock Exchange, Mumbai for the year 2010-11.

f) **Stock Code**

The stock codes for the year Company's Equity Share are as follows

1. The stock Exchange, Mumbai - 514418
2. ISIN No. for shares in Demat mode - INE370D01013

g) **Registrar and Share Transfer Agent**

The Company has appointed Mondkar Computers (Pvt.) having its office at 21, Shakil Nivas, Mahakali Caves Road, Andheri (E), Mumbai-400093 as Registrar and Share Transfer Agent for demat segment and physical transfer of shares.

h) **Share Transfer System**

Share Transfer requests lodged in physical form with us are processed and returned to the Shareholders within a period of 30 days from the date of receipt and Demat requests are normally confirmed within an average period of 15 days from the date of receipt

i) **Stock Price Data**

Average Monthly high and low share prices at the Mumbai Stock Exchange are given below:

| Month | High | Low | Month | High | Low |
|------------|------|------|-----------|-------|-------|
| April 2009 | 5.25 | 4.05 | Oct-2009 | 16.63 | 7.38 |
| May- 2009 | 6.87 | 4.66 | Nov-2009 | 20.65 | 14.65 |
| June- 2009 | 7.19 | 5.81 | Dec-2009 | 23.15 | 17.60 |
| July- 2009 | 7.50 | 4.62 | Jan- 2010 | 29.40 | 20.00 |
| Aug- 2009 | 7.69 | 6.08 | Feb- 2010 | 30.20 | 23.50 |
| Sept- 2009 | 8.81 | 6.85 | Mar-2010 | 28.50 | 25.05 |

(j) **Distribution of shareholding as on 31st March, 2010**

| No. of shares | No. of share holders | % of share holders | No. of shares held | % of Share holding |
|-----------------|----------------------|--------------------|--------------------|--------------------|
| Up to 500 | 11841 | 93.26 | 1575052 | 18.27 |
| 501-1000 | 477 | 3.76 | 388071 | 4.50 |
| 1001-2000 | 194 | 1.53 | 295112 | 3.42 |
| 2001-3000 | 50 | 0.39 | 125196 | 1.45 |
| 3001-4000 | 25 | 0.20 | 89402 | 1.04 |
| 4001-5000 | 27 | 0.21 | 126152 | 1.46 |
| 5001-10000 | 37 | 0.29 | 292908 | 3.40 |
| 10001 and above | 46 | 0.36 | 5729707 | 66.46 |
| Total | 12697 | 100 | 8621600 | 100 |

(k) **Categories of shareholding as on 31st March, 2010**

| Categories | No. of Shares held | % of holding |
|---|--------------------|--------------|
| Indian Promoters | 3770385 | 44.00 |
| Foreign Promoters | 0 | 0 |
| Mutual Funds and UTI | 1900 | 0.02 |
| Banks / Financial Institutions | 600 | 0.01 |
| Foreign Institutional Investors | 0 | 0 |
| Private Corporate Bodes | 790077 | 9.00 |
| NRI / OCBs | 299691 | 3.00 |
| Indian Public | 3758947 | 44.00 |
| Total | 8621600 | 100 |
| No. of shares in Physical segment | 1168150 | 13.55 |
| No. of shares in Demat Segment | 7453450 | 86.45 |
| Total | 8621600 | 100 |
| Plant Location & Registered office: At Post Kumbhivali, Tal: Khalapur, Khopoli-410203, Dist. Raigad, Maharashtra. | | |

l) **Investor Relations**

The Company received 18 complaints from shareholders during the year ended on 31st March, 2010 and the same were resolved satisfactorily.

m) **Compliances by the Company**

No strictures / penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any Statutory Authority on any matters related to capital markets, since the incorporation of the Company.

V. **Report on corporate Governance**

This Corporate Governance Report forms part of the Annual Report. The Company is compliant with the Provisions of Clause 49 of the Listing Agreement of the Stock Exchanges in India.

VI. **Compliance**

i) Certificate from the statutory Auditors confirming compliance with the Conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange in India is annexed to the Directors Report and forms part of the Annual Report

ii) Status of Compliance of Non Mandatory requirement – Remuneration of the Directors are decided and approved by the Board of Directors.

VII. **General Body Meeting**

One Extra Ordinary General Meetings of the shareholders of the Company was held on 28th December, 2009 during the Financial Year 2009-10.

VIII **Means of Communication : power@bom3.vsnl.net.in**

The Quarterly and Half yearly results are forthwith communicated to all the Stock exchanges with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the results are published in news paper.

DECLARATION

I, Pannkaj Dujodwala, Managing Director of Dujodwala Products hereby declare that all the Members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the code of conduct, for the year ended March 31, 2010.

For **DUJODWALA PRODUCTS**
PANNKAJ DUJODWALA
 MANAGING DIRECTOR

Place : Mumbai
 Date : 31st July, 2010.

AUDITORS' CERTIFICATE ON CLAUSE 49 COMPLIANCE

To,

The Members of Dujodwala Products

We have examined the compliance of conditions of Corporate Governance by Dujodwala Products for the year ended on 31st March, 2010 as stipulated in Clause-49 of the Listing Agreement of the said Company with Stock exchange.

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

In our opinion and to the best of information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **SUNDERLAL, DESAI & KANODIA**
 Chartered Accountants

H. P. KANODIA
 Partner
 Membership No. 40617

Place: Mumbai
 Dated: 31st July, 2010.

AUDITORS' REPORT

To

The Members of **Dujodwala Products**,

- 1] We have audited the attached Balance Sheet of **DUJODWALA PRODUCTS LIMITED** ("the Company") as at 31st March, 2010 and its 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 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 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 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 purpose of our Audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - 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; and *subject to Note No. 6 regarding disputed liability of excise duty, interest, & Note No. 12 in respect of sales tax deferment.*
 - 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 are 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 together with Significant Accounting Policies and *subject to Note No. 6 regarding disputed liability of excise duty, interest & Note No. 12 in respect of sales tax deferment* and Notes thereon gives 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 our opinion and according to the information and explanations given to us 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 the date.

For SUNDARLAL, DESAI & KANODIA
CHARTERED ACCOUNTANTS

H. P. Kanodia

Partner

M.S. No. 40617

PLACE: Mumbai
DATED: 25th May, 2010

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF DUJODWALA PRODUCTS LIMITED AS AT 31ST MARCH, 2010)

- [I] [a] The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets. However, the Company has informed us that it is in the process of maintaining register showing proper records.
- [b] According to the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- [II] [a] The inventory has been physically verified during the year by the management and we have relied on the same. In our opinion, the frequency of verification is reasonable. The inventories lying with outside parties have been confirmed by the management.
- [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] In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material as informed by the management, and have been properly dealt with in the books of accounts.
- [III] [a] In our opinion and explanation given to us, Company has not granted loans to companies, firms, and other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clause (a), (b), (c) and (d) of clause 4(iii) are not applicable to the Company.
- [b] The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (e), (f) and (g) of clause 4 (iii) of the Order are not applicable to the Company.
- [IV] In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternate source do not exist for obtaining comparable quotations, therefore we are not able to comment on the reasonability of

the purchase price. There are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we generally have not observed any continuing failure to correct major weaknesses in internal controls.

- [V] [a] To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies act, 1956 have not been entered so far.

| Nature of Transaction for the whole year | Amount (Rs.) |
|--|--------------|
| Sales of Goods (including consignment sales) | 52,66,716 |
| Purchase of Goods | 27,87,421 |

- [b] In our opinion and according to the information and explanations given to us, in absence of the comparable price it is not possible to compare the transactions made in pursuance of contracts or arrangements to be entered in the register maintainable under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year, we are not able to comment on the reasonability of price having regard to prevailing market prices at the relevant time.
- [VI] In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
- [VII] In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- [VIII] We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of any cost records under section 209(1) (d) of the companies Act, 1956 and we are of the opinion that prima-facie the prescribed accounts and records have been made and maintained. We have not, however, made a detail examination of the same.
- [IX] [a] According to the records of the Company undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, Sales Tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues to the extent applicable to it have generally been deposited regularly with the appropriate authorities.
- [b] According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.
- [c] According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute, except as stated below:

| Nature of Dues | Amount of Demand | Payment of Demand | Period to which amounts relates | Forum where Dispute is Pending |
|-------------------------|------------------|-------------------|---------------------------------|----------------------------------|
| Interest on Excise Duty | 1,89,31,646/- | 25,39,508/- | July 1999 to Dec 2006 | Settlement Commission by Company |
| Excise Duty | 11,58,94,818/- | ----- | April 99 to March 04 | CESTAT by the Dept. |
| Excise Duty | 1,01,92,867/- | ----- | April 04 to Nov 04 | CESTAT by the Company |

- [X] The Company does not have accumulated losses and the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- [XI] Based on our audit procedures and as per the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- [XII] In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledges of shares, debentures and other securities.
- [XIII] In our opinion and according to the information and explanations given to us, the company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- [XIV] In our opinion and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- [XV] In our opinion and according to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
- [XVI] In our opinion and according to the information and explanations given to us, and on an overall examination of the records, and relying on the information complied by the Company for co-relating the funds raised to the end use of term loans, we have to state that, the Company has, prima facie, applied the term loans for the purposes for which they were obtained.
- [XVII] According to the information and explanations given to us and on an overall examination of the balance sheet of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of long term and short-term usages of the funds, we report that no funds raised on short-term basis have been used for long-term investment.
- [XVIII] According to the information and explanations given to us and on the basis of records examined by us, the company has made preferential allotment of warrants to companies covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the price at which warrants have been issued is not prejudicial to the interest of the company.
- [XIX] According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any Secured Debenture.

- [XX] According to the information and explanations given to us, the Company has not raised any money by public issue during the year covered by our audit report.
- [XXI] According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For SUNDARLAL, DESAI & KANODIA

CHARTERED ACCOUNTANTS

H.P. Kanodia

Partner
M.S. No. 40617

PLACE : Mumbai

DATED : 25th May, 2010



BALANCE SHEET AS AT 31st MARCH-2010

| | Schedule | 31.03.2010 (Rs.) | 31.03.2009 (Rs.) |
|---|----------|------------------------|------------------------|
| <u>SOURCES OF FUNDS</u> | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share Capital | 1 | 8,60,64,000.00 | 8,60,64,000.00 |
| Share Warrants | 1A | 90,29,428.00 | - |
| Reserves and Surplus | 2 | 23,05,32,924.13 | 16,91,98,604.78 |
| Deferred Tax Liability | | 5,03,61,471.21 | 4,78,26,751.46 |
| LOAN FUNDS | | | |
| Secured Loans | 3 | 12,38,95,250.43 | 12,81,77,915.15 |
| Unsecured Loans | 4 | - | 70,40,860.14 |
| TOTAL | | 49,98,83,073.77 | 43,83,08,131.53 |
| <u>APPLICATION OF FUNDS</u> | | | |
| FIXED ASSETS | | | |
| Gross Block | 5 | 63,28,50,952.74 | 54,69,69,588.97 |
| Less : Depreciation | | 26,41,93,362.73 | 23,53,17,191.79 |
| Net Block | | 36,86,57,590.01 | 31,16,52,397.18 |
| Capital-Work-In-Progress | | 1,37,41,564.00 | - |
| | | 38,23,99,154.01 | 31,16,52,397.18 |
| CURRENT ASSETS, LOANS & ADVANCES | | | |
| Inventories | 6 | 16,56,38,244.51 | 19,10,54,230.36 |
| Sundry Debtors | 7 | 14,28,38,694.54 | 12,50,46,812.50 |
| Cash and Bank Balances | 8 | 5,21,75,555.15 | 1,41,52,415.87 |
| Loans and Advances | 9 | 10,44,84,388.68 | 6,73,52,870.71 |
| | | 46,51,36,882.88 | 39,76,06,329.44 |
| LESS: CURRENT LIABILITIES & PROVISIONS | 10 | 34,76,52,963.12 | 27,09,50,595.09 |
| NET CURRENT ASSETS | | 11,74,83,919.76 | 12,66,55,734.35 |
| TOTAL | | 49,98,83,073.77 | 43,83,08,131.53 |
| Notes forming Part of the Accounts | 13 | | |
| As per our Report of Even Date | | | |

For Sundarlal, Desai & Kanodia
Chartered Accountants
Sd/-
H.P. Kanodia (Partner), M.S. No. 40617
Place : Mumbai
Dated : 25th May, 2010.

For and on behalf of Board of Directors
Kamal Dujodwala - Chairman
Pannkaj Dujodwala - Managing Director



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31ST MARCH-2010

| | Schedule | 31.03.2010 (Rs.) | 31.03.2009 (Rs.) |
|---|----------|--------------------------|--------------------------|
| INCOME | | | |
| Sales | | 1,33,61,49,672.67 | 1,04,57,12,606.15 |
| Less: Excise Duty included in sales | | 10,25,78,706.85 | 11,78,23,324.00 |
| | | 1,23,35,70,965.82 | 92,78,89,282.15 |
| Export Sales | | 8,19,14,423.69 | 9,58,28,136.09 |
| Trading Sales | | 14,28,14,000.35 | 10,31,00,737.00 |
| Excise Duty Refund | | 56,650.00 | 21,98,813.00 |
| Other Income | | 75,46,462.65 | 99,150.00 |
| Increase/(Decrease) in Stock | | 2,13,29,973.45 | (3,37,80,035.32) |
| | | 1,48,72,32,475.96 | 1,09,53,36,082.92 |
| EXPENDITURE | | | |
| Raw Material Consumed | | 98,93,77,385.38 | 76,38,96,552.96 |
| Trading Purchases | | 14,34,53,581.18 | 7,62,33,984.00 |
| Manufacturing, Administrative, Selling and Other Expenses | 11 | 20,77,31,050.76 | 18,87,02,317.91 |
| Interest | 12 | 63,27,344.64 | 2,94,09,695.33 |
| Depreciation | | 2,98,17,173.94 | 2,70,67,591.81 |
| | | 1,37,67,06,535.90 | 1,08,53,10,142.01 |
| | | 11,05,25,939.96 | 1,00,25,940.91 |
| Less: Provision for Taxation | | 3,60,00,000.00 | 15,15,000.00 |
| Less: Provision for Deferred Taxation | | 25,34,719.21 | 29,63,325.36 |
| Add: Excess Provision of I.T. for earlier period | | 1,19,621.46 | - |
| Profit after Taxation | | 7,21,10,842.21 | 55,47,615.55 |
| Balance B/F from Previous year | | 8,81,42,468.78 | 8,80,94,853.23 |
| Profit/(Loss) transferred to B-sheet | | 16,02,53,310.99 | 9,36,42,468.78 |
| APPROPRIATION | | | |
| Provision for Dividend | | 86,06,400.00 | - |
| Provision for Tax on Dividend | | 14,29,415.00 | - |
| General Reserve | | 55,00,000.00 | 55,00,000.00 |
| Balance Carried to Balance-sheet | | 14,47,17,495.99 | 8,81,42,468.78 |
| | | 16,02,53,310.99 | 9,36,42,468.78 |
| Earnings per share-Basic | | 8.38 | 0.64 |
| Earnings per share-Diluted | | 8.19 | 0.64 |
| Notes forming Part of the Accounts As per our Report of Even Date | 13 | | |

For Sundarlal, Desai & Kanodia

Chartered Accountants

Sd/-

H.P. Kanodia (Partner), M.S. No. 40617

Place : Mumbai

Dated : 25th May, 2010.

For and on behalf of Board of Directors

Kamal Dujodwala –Chairman

Pannkaj Dujodwala – Managing Director

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH-2010

31.03.2010

31.03.2009

SCHEDULE 1

SHARE CAPITAL

Authorised

1,20,00,000 (P.Y. 1,00,00,000) Equity Shares of Rs. 10/- each

12,00,00,000.00 10,00,00,000.00

Issued, Subscribed and Paid Up

8,62,16,000.00 8,62,16,000.00

(86,21,600) Equity Shares of Rs.10 each.

Less : Calls in Arrears

1,52,000.00 1,52,000.00

8,60,64,000.00 **8,60,64,000.00**

SCHEDULE 1 A

SHARE WARRANTS

19,42,857 (P.Y. Nil) Warrants (Each Warrant carries entitlement to subscribe to One Equity Share of Rs.10/- each at a price of Rs. 18.59 per share.

90,29,428.00 0.00

90,29,428.00 **0.00**

SCHEDULE 2

RESERVES & SURPLUS

State Subsidy - 7,50,000.00

General Reserve 42,42,136.00 3,13,676.00

Add: State Subsidy Transferred 7,50,000.00

Add: Transferred from P & L A/c 55,00,000.00 55,00,000.00

Less: Provision for Transitional Liability as per AS-15 of earlier year - 15,71,540.00

Less: Sales Tax Deferement Liability 7,40,707.86

97,51,428.14 42,42,136.00

Share Premium 7,62,16,000.00 7,62,16,000.00

Less: Calls in Arrears 1,52,000.00 1,52,000.00

Profit & Loss A/c 14,47,17,495.99 8,81,42,468.78

23,05,32,924.13 **16,91,98,604.78**

SECURED LOANS

Term Loan From IDBI

Rupee Term Loan - 11,59,000.00

| | | |
|--|------------------------|------------------------|
| (Secured against Mortgage on all the immovable & movable assets , present & future guaranteed by all Promoter Directors of the Company alongwith corporate guarantee of Dujodwala Resins & Terpenes Ltd. (Repayable within one year Rs. Nil) (Previous Year Rs.11,59,000) | | |
| Rupee Term Loan | 2,40,00,000.00 | 3,30,00,000.00 |
| (Secured against Mortgage on all the immovable & movable assets , present & future & Personal guarantee of Promoter Directors of the Company- Shri. P R Dujodwala & Shri. K R Dujodwala along with corporate guarantee of Dujodwala Resins & Terpenes Ltd.& Demand Promissory Note. Repayable within one year Rs.1,20,00,000 (Previous year Rs.1,20,00,000) Working Capital Loan from J & K Bank Ltd. Rupee Loan | | |
| | | 5,60,00,000.00 |
| (First charge on Current assets, Second charge on Fixed assets Personal guarantee of Shri K.R Dujodwala & Shri P R Dujodwala & Corporate guarantee of Dujodwala Resins & Terpenes Ltd.) Cash Credit from Jammu & Kashmir Bank Ltd.. | | |
| | 4,55,66,888.85. | 2.88,24,328.20 |
| Working Capital Loan from IDBI Bank Ltd. IDBI Bank Cash Credit A/C | | |
| | 4,33,36,887.47 | 39,60,317.61 |
| (Secured against Mortgage on all the immovable and movable assets , present & future & Personal guarantee of promoter Directors of the Company-P R Dujodwala & K R Dujodwala along with corporate guarantee of Dujodwala Resins & Terpenes Ltd.& Demand Promissory Note.) | | |
| <u>Vehicle</u> | | |
| Loan from HDFC Bank | | |
| | 90,38,559.40 | 24,26,047.55 |
| Loan from ICICI Bank | | |
| | 1,37,662.71 | 5,47,470.79 |
| Loan from Kotak Mahindra Bank | | |
| | 18,15,252.00 | 12,96,520.00 |
| (Secured against Vehicle and personal guarantee of Shri P.R.Dujodwala, Director of the Company) | | |
| Interest Accrued & due but not paid | | |
| | 0.00 | 9,64,231.00 |
| | <u>12,38,95,250.43</u> | <u>12,81,77,915.15</u> |
| SCHEDULE 4 | | |
| UNSECURED LOANS | | |
| Sales Tax Defferment | | |
| | - | 70,40,860.14 |
| | - | 70,40,860.14 |

SCHEDULE 5

Annexure 5

Dujodwala Products Limited - F.Y. 2009-10

| ASSETS | GROSS BLOCK | | | | DEPRECIATION | | | NET BLOCK | |
|--------------------------|-----------------|----------------|--------------|-----------------|-----------------|----------------|-------------|-----------------|-----------------|
| | 01/04/2009 | Additions | Deductions | Total | 01/04/2009 | For the Year | Deduction | 31/03/2010 | 31/03/2009 |
| Land | 29,06,900.13 | - | - | 29,06,900.13 | - | - | - | 29,06,900.13 | 29,06,900.13 |
| Residential Premises | 54,35,483.15 | - | - | 54,35,483.15 | 21,16,701.93 | 88,598.38 | - | 32,30,182.84 | 33,18,781.22 |
| Factory Building | 8,28,84,060.97 | 87,85,249.35 | - | 9,16,69,310.32 | 3,19,22,421.04 | 28,34,889.87 | - | 5,69,11,999.41 | 5,09,61,639.93 |
| Plant And Machinery | 41,38,25,138.06 | 6,53,75,372.22 | - | 47,92,00,510.28 | 17,72,34,449.94 | 2,49,83,196.51 | - | 27,69,82,863.83 | 23,65,90,688.12 |
| Vehicles | 1,29,26,690.18 | 1,09,03,448.65 | 20,27,928.00 | 2,18,02,210.83 | 33,21,054.43 | 14,12,881.66 | 9,41,000.00 | 1,80,09,277.74 | 96,05,635.75 |
| Furniture & Fixture | 26,01,359.30 | 10,10,176.42 | - | 36,11,535.72 | 19,62,674.55 | 1,84,246.79 | - | 14,64,614.38 | 6,38,694.75 |
| Computers | 3,16,570.00 | 12,72,670.29 | - | 15,89,140.29 | 2,86,991.61 | 1,37,922.07 | - | 11,64,226.71 | 29,578.49 |
| Office Equipment | 2,67,07,265.76 | 5,62,474.84 | - | 2,62,69,730.62 | 1,83,46,478.98 | 1,69,470.72 | - | 77,53,830.92 | 73,60,826.80 |
| Office Premises | 3,66,131.40 | - | - | 3,66,131.40 | 1,26,469.41 | 5,967.94 | - | 2,33,694.05 | 2,39,661.99 |
| | | | | | | | | | |
| Total | 54,69,69,588.97 | 8,79,09,291.77 | 20,27,928.00 | 63,20,50,962.74 | 23,53,17,191.79 | 2,98,17,173.94 | 9,41,000.00 | 36,86,57,590.01 | 31,16,52,397.18 |
| Capital-Work-In-Progress | | | | | | | | 1,37,41,564.00 | - |
| | | | | | | | | | |
| Total | | | | | | | | | |
| Previous Year | 51,60,78,101.54 | 3,21,64,189.43 | 12,72,702.00 | 54,69,09,000.97 | 20,90,55,625.96 | 2,70,67,591.81 | 8,06,026.00 | 31,16,52,397.18 | 30,70,22,475.58 |

SCHEDULE 6
INVENTORIES

(Valued and certified by Directors)

| | | |
|--|------------------------|------------------------|
| Raw Material (At Cost) | 5,40,48,063.00 | 9,83,78,104.95 |
| Finished and Semi Finished Goods | 10,70,47,620.51 | 8,57,17,647.06 |
| (Cost or market price whichever is less) | | |
| Power & Fuel (At cost) | 27,66,741.00 | 34,65,857.50 |
| Stores & Spares | 9,78,540.00 | 27,24,585.00 |
| Packing Materials | 7,97,280.00 | 7,68,035.85 |
| | <u>16,56,38,244.51</u> | <u>19,10,54,230.36</u> |

SCHEDULE 7

SUNDRY DEBTORS

(Unsecured, Considered good)

| | | |
|---|------------------------|------------------------|
| Debtors exceeding six month considered good | 19,24,953.54 | 95,49,591.01 |
| Others | 14,09,13,741.00 | 11,54,97,221.49 |
| | <u>14,28,38,694.54</u> | <u>12,50,46,812.50</u> |

SCHEDULE 8

CASH & BANK BALANCES

| | | |
|------------------------------------|-----------------------|-----------------------|
| Cash in Hand | 6,20,127.64 | 6,31,230.50 |
| Bank Balance in Current A/cs. | 89,58,200.51 | 51,15,510.37 |
| Fixed Deposit Account/Margin Money | 4,25,97,227.00 | 84,05,675.00 |
| | <u>5,21,75,555.15</u> | <u>1,41,52,415.87</u> |

SCHEDULE 9

LOANS & ADVANCES

(Unsecured, Considered good)

| | | |
|--|------------------------|-----------------------|
| Advance recoverable in cash or kind or for value to be recovered | 6,70,43,021.25 | 5,06,85,620.59 |
| Deposits | 1,83,84,217.29 | 46,04,195.47 |
| Advance Tax and TDS | 1,87,44,458.65 | 1,18,89,623.65 |
| Prepaid Expenses | 3,12,691.49 | 1,73,431.00 |
| | <u>10,44,84,388.68</u> | <u>6,73,52,870.71</u> |

SCHEDULE 10

CURRENT LIABILITIES & PROVISIONS

Current Liabilities :

| | | |
|---------------------------------------|------------------------|------------------------|
| Sundry Creditors | 24,33,83,329.48 | 24,52,85,614.96 |
| Advance from Customers | 3,78,88,840.35 | 42,04,664.80 |
| Other Liabilities | 1,39,82,968.29 | 75,81,614.33 |
| Interest Accrued but not due on loans | 2,09,455.00 | 0.00 |
| | <u>29,54,64,593.12</u> | <u>25,70,71,894.09</u> |

| | | |
|---------------------------------------|-----------------------|-----------------------|
| Provisions: | | |
| Provision for Taxation | 3,87,15,000.00 | 1,11,65,000.00 |
| Provision for Dividend | 86,06,400.00 | 0.00 |
| Provision for Tax on Dividend | 14,29,415.00 | 0.00 |
| Provision for Gratuity & Leave Salary | 34,37,555.00 | 27,13,701.00 |
| | <u>5,21,88,370.00</u> | <u>1,38,78,701.00</u> |

SCHEDULE 11

MANUFACTURING, ADMINISTRATIVE, SELLING & OTHER EXPENSES

| | | |
|--|----------------|----------------|
| Boiler Expenses | 36,73,692.00 | 12,10,830.00 |
| Power and Fuel | 7,69,49,093.92 | 7,86,45,661.50 |
| Packing Material and Charges | 1,28,34,728.79 | 94,57,582.75 |
| Repairs & Maintenance | | |
| Plant & Machinery | 13,64,870.66 | 18,71,625.71 |
| Buildings & others | 15,03,388.05 | 14,98,060.13 |
| Stores & Spares | 67,29,110.53 | 34,91,632.96 |
| Salaries, Wages and Bonus | 2,70,43,868.52 | 2,19,24,696.40 |
| Directors Remuneration | 21,61,645.00 | 11,25,600.00 |
| Advertisement | 4,01,294.00 | 53,686.00 |
| Bank and LC charges | 93,57,135.08 | 76,01,786.23 |
| Brokerage and Commission | 21,65,455.00 | 34,23,098.00 |
| Consultancy & Retainership Fee | 32,20,373.00 | 14,99,242.00 |
| Electricity & Water Charges | | |
| | 12,61,757.00 | 8,51,384.40 |
| Export Expense | 53,03,032.76 | 1,05,70,492.40 |
| Freight and Forwarding | 2,73,97,447.49 | 2,17,47,029.31 |
| Foreign Exchange Fluctuation | - | 86,11,508.82 |
| Insurance Expenses - Others | 8,04,486.29 | 9,98,501.71 |
| Legal & Professional fee | 25,31,032.98 | 12,29,233.00 |
| Laboratory Expenses | 2,15,632.72 | 1,46,388.80 |
| License Fee & Service Tax | 34,66,509.52 | 17,99,314.77 |
| Loss on sale of Fixed Assets | 7,18,592.00 | 51,676.00 |
| Membership & Subscription, Books & Periodicals | 1,84,626.00 | 3,10,294.72 |
| Miscellaneous Expenses | 5,09,479.01 | 34,325.53 |
| Postage, Courier and Telephone | 15,02,902.82 | 6,11,628.03 |
| Printing and Stationery | 7,98,065.20 | 4,56,322.88 |
| Provision for Excise duty on finished goods | 6,15,904.36 | 7,19,860.41 |
| Rent, Rates, Taxes | 23,17,358.74 | 10,62,450.43 |
| Rebate & Discount on Sales | 8,72,148.36 | 19,78,884.45 |
| Sales Promotion Exp. | 6,62,365.09 | 82,320.36 |
| Security Charges | 8,33,810.00 | 8,66,279.00 |
| Staff Welfare and Medical | 15,56,727.00 | 10,26,047.23 |
| Travelling & Conveyance | 54,24,890.49 | 15,03,101.98 |

| | | |
|-----------------------------|------------------------|------------------------|
| Vehicle Expenses | 27,67,628.38 | 19,04,692.00 |
| Payment to Auditors: | | |
| Audit Fees | 2,50,000.00 | 1,12,360.00 |
| Tax Audit Fees | 75,000.00 | 56,180.00 |
| Other Capacity | 25,000.00 | 28,090.00 |
| Company Law Matters | 25,000.00 | 28,090.00 |
| VAT Audit Fees | 2,07,000.00 | 1,12,360.00 |
| Total | 20,77,31,050.76 | 18,87,02,317.91 |

SCHEDULE 12

INTEREST (Net)

| | | |
|-------------------------------|---------------------|-----------------------|
| On Term Loan | 29,30,114.36 | 47,73,000.00 |
| On Other Facilities | 57,15,450.03 | 2,68,91,544.95 |
| Interest to others | 2,70,278.25 | 2,74,770.40 |
| Less:- | | |
| Interest Received from Bank | 8,14,864.00 | 5,65,227.00 |
| Interest Received from Others | 17,73,634.00 | 19,64,248.31 |
| | 63,27,344.64 | 2,94,09,840.04 |

SCHEDULE – 13

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010

I] SIGNIFICANT ACCOUNTING POLICIES

I] ACCOUNTING CONVENTION

The financial statements are prepared under historical cost convention on accrual basis and are in accordance with the requirements of the Companies Act, 1956 and comply with the Accounting Standards specified by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956.

II] USE OF ESTIMATES

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

III] FIXED ASSETS, DEPRECIATION AND TREATMENT OF EXPENDITURE DURING CONSTRUCTION:

Fixed Assets are stated at cost net of cenvat / value added tax and includes amount added on revaluation less accumulated depreciation and impairment loss, if any. All Cost is inclusive of Freight, Duties, (net of tax credits as applicable) levies and any directly attributable cost till commencement of commercial production. Depreciation on fixed assets is provided as per the straight line method (SLM) at the rate and in the manner prescribed in schedule XIV of the Companies act, 1956 on prorata basis. Fixed Assets are capitalized at cost inclusive of expenses and interest wherever applicable.

[V] IMPAIRMENT OF ASSETS

At each balance sheet date, the Management reviews the carrying amounts of assets and goodwill included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets and goodwill is estimated in order to determine the

extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the assets.

Reversal of impairment loss is recognized immediately as income in the profit and loss account.

V] VALUATION OF INVENTORIES

- [a] Raw Materials, General Stores & Packing Material are valued at cost.
 - [b] Work-in-progress is valued at cost of materials and labours together with relevant factory overheads.
 - [c] Finished Goods valued at cost or market value whichever is less. The value includes excise duty paid/payable on such goods.
- Due consideration is given to the salability of the stocks and no obsolete or unserviceable damaged items included therein except at their net realizable value.

VI] EXPENSES

Material known liabilities are provided for on the basis of available information / estimates.

VII] REVENUE RECOGNITION

A : Sales are recognized, net of returns and trade discounts, on dispatch of goods to customers and are reflected in the accounts at gross realizable value i.e. Inclusive of excise duty. Inter-unit sales/ purchases have been eliminated during the year.

B: In appropriate circumstances, Revenue (Income) is recognized when no significant uncertainty as to Measurability or collectibles exists and in case of, Export benefits/incentives are accounted on accrual basic.

C: Interest income is recognized on time proportionate method.

VIII] EMPLOYEE RETIREMENT BENEFITS

A: Defined Contribution Plans:

The company has defined contribution plan for Post -employment benefits in the form of Provident fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner. Company has no further obligations beyond its monthly contribution.

B: Defined Benefits Plans:

Funded Plan: The Company has defined benefit plan for Post-employment benefit in the form of Gratuity for all employees which is administered through Life Insurance Corporation (LIC).

Liability for above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

C: Other Long Term Employee Benefits:

Liability for compensated absence (unutilized leave benefit) is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method in respect of past services.

D: Termination benefits are recognized as an expense as and when incurred.

E: The actuarial gains and losses arising during the year are recognized in the profit and loss account of the year without resorting to any amortization.

IX] EXCISE DUTY & CENVAT CREDIT

Excise Duties wherever recovered are included in Sales and shown separately in financial statement as deduction from sales. Excise duty provision made in respect of finished goods lying at factory premises are shown separately as an item of manufacturing and other expenses and included in the valuation of finished goods. Cenvat credit available on purchases of service / materials / capital goods is accounted by reducing cost of services / materials / capital goods, Cenvat credit availed of is accounted by way of adjustment against excise duty payable on dispatch of finished goods.

X] CUSTOMS DUTY

Customs Duty on goods lying in Custom Bonded Warehouse is charged in the year of clearance of goods when it becomes payable.

XI] FOREIGN CURRENCY TRANSACTIONS

A : Transactions entered into and concluded during the year in foreign currency are recorded at the actual exchange rates prevailing at the time of the transactions.

B: Transactions in Foreign Currency are recorded at the original rate of exchange in-force at the time transactions are effected. Foreign Currency transactions remaining unsettled at the year-end are translated at the rate prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities of realized gains or losses on foreign exchange transaction are recognized in the Profit and Loss Account.

XII] BORROWING COSTS

Borrowing Costs that are attributable in the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

XIII] TAXATION

A: Provision for current taxation is made for the current accounting period (reporting period) on the basis of the taxable profits computed in accordance with Income Tax Act 1961 for relevant assessment year.

B : Deferred Tax resulting from "timing differences" between book and tax profits is accounted for under the liability method, using the tax rates and laws that has been enacted as of the balance sheet date, to the extent that the timing differences are expected to crystallize as deferred tax charge / benefit in the Profit and Loss Account and as deferred tax asset or liabilities in the Balance Sheet. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

XIV] PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions involving degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are disclosed separately.

2] CONTINGENT LIABILITIES - Not provided for in respect of

a)

| | Current Year (Rs.) | Previous Year (Rs.) |
|----------------|--------------------|---------------------|
| Bank Guarantee | 1,05,000 | 1,05,000 |

Bank Guarantees issued by Banks on behalf of the company Rs. 1.05 Lacs (Previous Year Rs.1.05 Lacs). These are secured by the charge created in favour of the company's bankers by way of pledge of Fixed Deposit Receipts.

b) Excise Duty

| | Current Year (Rs.) | Previous Year (Rs.) |
|--|--------------------|---------------------|
| Feb 04 to May 05 (Price Difference) | 2,47,49,315 | 2,47,49,315 |
| April 99 to March 04 (Central excise duty) | 11,58,94,818 | 11,58,94,818 |
| April 04 to Nov 04 (Central excise duty) | 1,01,92,867 | 1,01,92,867 |
| Dec 04 to Sept 05 (Central excise duty) | 81,44,105 | 81,44,105 |
| Interest on Excise duty (net of payment) | 1,63,92,138 | 1,63,92,138 |

c) Claim not acknowledged

| | Current Year (Rs.) | Previous Year (Rs.) |
|--------|--------------------|---------------------|
| Others | 9,10,000 | 9,10,000 |

The (Other) claim against company not acknowledged as debt is for suite filed in Mumbai High court for Rs 7.65 lac by Mumbai Port Trust, and claim for Rs 1.27 lac by Marine Container Service Ltd. and Rs 0.18 lac by Pacific International Ltd. as damages charges for container received through them.

d) Letter of credit issued by the bankers of the company Rs. 16,29,63,915/-

e) The Company has cleared 19 MT of "Pentaerythritol" against Bill of Entry No. 616141 dated 20.10.2005. The custom department has asked the company to pay Rs. 216772/- on account of Anti Dumping Duty for clearance of the said goods as per Notification No. 93/2005 of customs issued on 20.10.2005. Wherein the said goods were covered for levy of anti dumping duty imported from certain countries. The Company has deposited the said amount on 25.11.2008 as per CESTAT Order No.S/603/WAB/MUM/2008/CSTB/CII dated 20.10.2008, but no provision has been made in books of accounts as the management is of the view that the consignment will not be covered under the notification as on the date of clearance of the goods, as the notification was not published in Gazette of India.

3] Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of Part-II of Schedule-VI to the Companies Act, 1956. (As per Annexure Attached)

4] The balance of Sundry Debtors, Sundry Creditors, Loans & Advances and others are as per books and subject to confirmations and reconciliation if any.

5] In the opinion of the Board and to the best of their knowledge the value of realization of current assets, loans & advances in the ordinary course of business, would not be less than the amount at which they are stated in the Balance Sheet.

6] EXCISE & CUSTOM DUTY

a) The Company had received Show Cause Notice from the Excise Department for the period July 1999 to May 2005 of Rs.6,89,27,843/- for Excise Duty on price difference. Out of the said show cause, the demand in relation to July 1999 to January 2004 was Rs. 4,41,78,530/-. The Company had filed application with the

Office of Customs & Central Excise Settlement Commission for such demand of Rs. 4,41,78,530/-, which had passed an Final Order on 06.11.2006 confirming Demand of Rs 3,80,84,939 with simple interest of 10% p.a after the date the duty was due till it was paid. The Company has paid an aggregate amount of Rs.3,80,84,936/- and furthers an amount of Rs.25,39,508 toward Interest against the Interest demand of Rs. 1,89,31,646/-. The Company filed writ petition on Honorable High Court challenging the calculation of excise duty settled to Rs. 3,80,84,939/-. According to the direction of the Honorable High Court the Settlement Commission, Additional Bench, Mumbai passed an order dated 24th June 2009 and the settled excise duty was reduced from Rs. 3,80,84,939/- to Rs. 3,34,06,319/-. For the demand of Rs. 2,47,49,315/- for the period Feb 04 to May 05, the Company has received order in its favour from the CESTAT against the Order passed by the Commissioner of Central Excise & Custom against which the department has filed an civil appeal in Supreme Court for condonation of delay in filling the Petition of appeal.; hence no provision has been made in books of account for Excise duty of Rs 2,47,49,315/- & Interest liability of Rs 1,63,92,138/-

- b) The Excise department has gone in appeal against the Show Cause Notice decided in favour of Company for Rs.11,58,94,818/- in respect of Excise Duty on Turpentine & Rosin manufactured (exempted from excise manufactured without aid of power) for the period April 99 to March 04. The Company has further received Show Cause Notice from the Department for the period April 04 to November 04 of Rs. 1,01,92,867/- for which the Company has obtained Stay Order from the CESTAT against the Order passed by the Commissioner against it, hence no provision has been made in books of account. Further show cause notice for the period.

December 04 to September 05 for Rs 81,44,105/- have been received, and the same is pending before the Commissioner of Central Excise & Custom for adjudication, not provided for in books of account.

7] MANAGERIAL REMUNERATION

| | Current Year (Rs.) | Previous Year (Rs.) |
|---|--------------------|---------------------|
| Managerial Remuneration for Managing Director and Whole-time Director | 21,61,645 | 11,25,000 |

The total amount of Managerial Remuneration is inclusive of Commission of Rs. NIL payable to the Managing Director and Whole time-Director (Previous Year – NIL)

8] a)

| Expenditure in Foreign Currency on account of : | Current Year (Rs. In lacs) | Previous Year (Rs. In lacs) |
|---|-------------------------------|--------------------------------|
| - Raw Material (CIF) | 6,774.13 | 3,520.47 |
| - Travelling Expenses | 13.49 | 2.20 |
| - Purchase of Trading Goods | 276.55 | - |

b)

| Earning in Foreign Currency on Account of: | Current Year (Rs. In lacs) | Previous Year (Rs. In lacs) |
|--|-------------------------------|--------------------------------|
| Exports made on FOB Basis | 820.15 | 728.73 |

9] SEGMENT REPORTING

The Company is mainly engaged in the business of Manufacturing of Chemicals. Considering the nature of business and financial reporting of company, the company has only one segment viz "Chemicals" product as reportable segment. The company operates in Local/Export segment geographically of which the exports have amounted to Rs. 819.14 lacs out of Total Turnover of Rs.14,582.99 lacs. But due to the nature of business, the assets/ liabilities and expenses for these activities cannot be bifurcated separately.

10] The Company does not have complete information to determine Micro, Small and Medium Enterprises as specified in Micro, Small and Medium Enterprises Development Act, 2006 hence it is not possible for us to verify the amount due to such enterprises.

11] In consonance with the Accounting Standards on Inventory Valuation (AS2) and Guidance Note on Accounting Treatment for Excise issued by The Institute of Chartered Accountants of India, the Company has provided for liability of Excise duty payable on finished goods amounting to Rs. 13.36 Lacs.

12] The Company was earlier enjoying the benefit of sales tax deferement under state incentive package scheme as the unit was situated in a state notified backward area. During the earlier period i.e. 1997-98 to 2001-02 the deferred sales tax liability was included in sales and not shown as liability. Therefore the unsecured liability of sales tax deferement as shown in the balance sheet is understated to an extent of Rs. 4,23,76,294 /- for which no provision has been made and Reserve & Surplus have been overstated to that extent. In current year the company has paid Rs. 7,40,707/- out of the above mentioned deferred sales tax liability which is debited to General Reserve hence reserve & surplus as on 31st March 2010 is now overstated to the extent of Rs. 4,16,35,587 only.

13] EARNINGS PER SHARE:

| Sl. No. | Description | 2009-10 | 2008-09 |
|---------|---|-----------|-----------|
| a) | Weighted average number of equity Shares of Rs.10/- each | | |
| i) | Number of shares at the Beginning of the year | 8,621,600 | 8,621,600 |
| ii) | Number of shares at the Beginning of the year | 8,621,600 | 8,621,600 |
| | Weighted average number of equity Shares – Basic | 8,621,600 | 8,621,600 |
| | Weighted average number of equity Shares – Diluted | 88,07,901 | 8,621,600 |
| b) | Net profit after tax available for Equity share-holders (Rs. in lacs) | 721.10 | 55.48 |
| c) | - Basic earnings per Equity share (in rupees) | 8.36 | 0.64 |
| | - Diluted earnings per Equity Share (in rupees) | 8.19 | 0.64 |

14] Related parties disclosure as per Accounting Standard 18.

[A] Key Management Personal (KMP) and their Relatives.

| | |
|---------------------------|-------------------------------|
| Mr. Kamal Dujodwala | Chairman |
| Mr. Pannkaj Dujodwala | Managing Director |
| Mr. S.C Sen | Whole Time Director |
| Mrs. Manisha P. Dujodwala | Spouse of Managing Director |
| Mrs. Alka K Dujodwala | Spouse of Chairman |
| Mrs. Shampa Sen | Spouse of whole time Director |

[B] Companies/Firm controlled by Directors/Relatives who have the authority controlling their activities.

- Sterling Products • Balaji Pine Chemicals Ltd. • Speciality Chemicals
- Dujodwala Resin & Terpenes Ltd.. • Indo-Euro Securities Ltd.

The directors are the key management Personal (KMP) who have the authority and controlling the Activities of the Company.

[C] Information on related party transactions as required by accounting Standard-18 for the year ended 31-03-2010.

| Nature of Transaction | Directors | | Relatives of Directors | | Companies Controlled by Directors / Relatives/Associates | |
|---|-----------|-----------|------------------------|---------|--|------------|
| | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 |
| Sale of Goods (Including Consignment Sales) | - | - | - | - | 52,66,716 | 18,964,505 |
| Purchase of Goods | - | 202,800 | - | 573,040 | 27,87,421 | 99,016,199 |
| Remuneration | 21,61,645 | 1,125,600 | 574,380 | 594,390 | - | - |
| Closing Balance as on 31-03-2010 | | | | | | |
| Debit Balance | - | 70,000 | - | 127,299 | 4,30,99,807 | - |
| Credit Balance | - | - | - | - | 2,56,18,588 | 2,661,029 |

Note: - Related party relationship is as identified by the Company and relied upon by the Auditors.

- 15]** In accordance with Accounting Standard 22 – “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India deferred tax assets on account of timing difference for current year is Rs.25.34 Lacs (Previous year Rs. 29.63 Lacs is charged to Profit & Loss Account). The significant component and classification of deferred tax assets and liabilities on account of timing difference are as under: -

| Particulars | Current year | Previous Year |
|---|--------------|---------------|
| Deferred Tax Assets | | |
| - Brought forward loss | Nil | 1,581,661 |
| - Gratuity Liability | 1,009,547 | 791,338 |
| - Leave Liability | 132,323 | 131,049 |
| Deferred Tax Liability | | |
| - Depreciation | 51,503,341 | 50,330,800 |
| Net Deferred Tax Liability/(Assets) on account of timing difference | 50,361,471 | 47,826,752 |

16] Disclosure in accordance with Revised AS - 15 on "Employee Benefits"

The Company has classified the various benefits provided to employees as under:-

(i) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Profit and Loss Account:

| | For the year ended March 31, 2010 | For the year ended March 31, 2009 |
|--|--------------------------------------|--------------------------------------|
| Employers Contribution to Provident Fund | 627,657.00 | 665,930.00 |

**(ii) Defined Benefit Plan
Contribution to Gratuity Fund**

| a. Major Assumptions | For the year ended March 31, 2010 | For the year ended March 31, 2009 |
|---|--------------------------------------|--------------------------------------|
| | (% p.a.) | (% p.a.) |
| Discount Rate | 8.25 | 8.00 |
| Expected Rate of Return on Plan Assets | 8.00 | 8.00 |
| Salary Escalation Rate | 5.00 | 5.00 |
| Attrition Rate | 2.00 | 2.00 |
| @ The estimates for the future salary increases considered takes into account the Inflation, seniority, promotion and other relevant factors. | | |

| b. Change in the Present Value of Obligation | | |
|--|-----------|------------|
| Present Value of Obligation as at April 1, 2009 | 23,28,149 | 20,48,752 |
| Current Service Cost | 2,70,948 | 2,03,300 |
| Interest Cost | 2,07,928 | 1,80,164 |
| Benefit Paid | - | - |
| Actuarial gain/ (Loss) on Obligations | 2,32,178 | (1,04,067) |
| Present Value of Obligation as at March 31, 2010 | 30,39,203 | 23,28,149 |

| | | |
|---|---|---|
| c. Change in Fair Value of Plan Assets | | |
| Present Value of Plan Assets as at April 1, 2009 | - | - |
| Expected Return on Plan Assets | - | - |
| Actuarial (Loss) on Plan Assets | - | - |
| Contributions | - | - |
| Benefits paid | - | - |
| Present Value of Plan Assets as at March 31, 2010 | - | - |

| | | |
|--|-----------|------------|
| d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets | | |
| Present value of Funded Obligation as at March 31, 2010 | 30,39,203 | 23,28,149 |
| Fair Value of Plan Assets as at March 31, 2010 | - | - |
| Funded Status | - | - |
| Present Value of Unfunded Obligation as at March 31, 2010 | 30,39,203 | 23,28,149 |
| Unfunded Net Liability Recognised in the Balance Sheet Disclosed in Current Liabilities | 30,39,203 | 23,28,149 |
| e. Amount Recognised in the Balance Sheet | | |
| Present Value of Obligation as at March 31, 2010 | 30,39,203 | 23,28,149 |
| Fair Value of Plan Assets as at March 31, 2010 | - | - |
| Liability Recognised in the Balance Sheet and disclosed under Current Liabilities | 30,39,203 | 23,28,149 |
| f. Expenses Recognised in the Profit and Loss Account | | |
| Current Service Cost | 2,70,948 | 2,03,300 |
| Interest Cost | 2,07,928 | 1,80,164 |
| Expected Return on Plan Assets | - | - |
| Net Actuarial Losses Recognised in the Profit and Loss Account | 2,32,178 | (1,04,067) |
| Total expenses Recognised in the Profit and Loss Account | 7,11,504 | 2,79,397 |
| Actual Return on Plan Assets | Nil | Nil |

- 17] Pursuant to the approval of the members by way of special resolution passed at the Extra-Ordinary General Meeting of the Company held on 28th December 2009, the Company has allotted 19,42,857 warrants on 25th February 2010. Each warrant carries entitlement to subscribe for one equity share of Rs. 10/- each at a premium of Rs. 8.59/- per share. The subscriber to warrant has paid 25% amount being Rs. 90.29 lacs on application. The holders of the warrants would be entitled to exercise the right to apply for Equity Shares in one or more tranches but within 18 months from the date of allotment of Warrants, subject to full payment of the exercise price. In the event the proposed allottees does not exercise the right to subscribe to the equity shares within a period of 18 months from the date of allotment of warrants, the amount paid by the proposed allottees shall stand forfeited and the proposed allottees shall not be entitled for refund of the same.
- 18] Previous year's figures have been rearranged/ regrouped wherever found necessary.
- 19] The balance sheet abstract and company general balance sheet profile as required by part – IV of schedule – VI to the Companies Act, 1956 are given in the Annexure.

AS PER ANNEXED REPORT OF EVEN DATE

For SUNDARLAL, DESAI & KANODIA
CHARTERED ACCOUNTANTS
H.P. Kanodia

PARTNER
M.S. No. 40617

Place : Mumbai
Dated : 25th May, 2010

For and on behalf of Board of Directors

Kamal Dujodwala - Chairman
Pannkaj Dujodwala - Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

A. CASH FLOW FROM OPERATING ACTIVITIES :

| | For the year ended March 31, 2010 | For the year ended March 31, 2009 |
|------------------------------|--------------------------------------|--------------------------------------|
| Net Profit Before Tax | 11,05,25,939.96 | 1,00,25,940.91 |
| Adjustment For : | | |
| Depreciation | 2,98,17,173.94 | 2,70,67,591.81 |
| Interest | 63,27,344.64 | 2,94,09,695.33 |
| Loss on sale of Fixed Assets | 7,18,592.00 | 51,676.00 |

OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES

14,73,89,050.54 6,65,54,904.05

Adjustment For :

| | | |
|---------------------------|------------------|------------------|
| Trade & Other Receivables | (4,80,68,565.01) | (1,79,59,126.32) |
| Inventories | 2,54,15,985.85 | 7,33,95,366.32 |
| Trade Payables | 3,58,46,361.17 | 11,96,12,624.40 |

CASH GENERATED FROM OPERATIONS

16,05,82,832.55 24,16,03,768.45

Income tax Paid

(1,55,78,885.00) (17,31,019.00)

CASH FLOW BEFORE EXTRAORDINARY ITEMS

14,50,03,947.55 23,98,72,749.45

NET CASH FROM OPERATING ACTIVITIES - I

14,50,03,947.55 23,98,72,749.45

B. CASH FLOW FROM INVESTING ACTIVITIES :

| | | |
|--------------------------|------------------|------------------|
| Purchase of Fixed Assets | (10,16,50,85.77) | (3,21,64,189.43) |
| Sale of Fixed Assets | 3,68,333.00 | 4,15,000.00 |

NET CASH USED IN INVESTING ACTIVITIES - II

(10,12,82,522.77) (3,17,49,189.43)

C. CASH FLOW FROM FINANCING ACTIVITIES

| | | |
|---|----------------|-------------------|
| Repayment of short Term Borrowings | (33,18,433.72) | (16,55,30,656.01) |
| Proceeds from issue of Share Warrants | 90,29,428.00 | - |
| Interest Paid | (70,82,120.64) | (3,05,58,917.33) |
| Decrease in sales tax deferral loan liability | (70,40,860.14) | (80,35,844.00) |

NET CASH USED IN FINANCING ACTIVITIES - III

(84,11,986.50) (20,41,25,417.34)

NET INCREASE IN CASH AND CASH EQUIVALENTS

3,53,09,438.28 39,98,142.68

OPENING BALANCE OF CASH & CASH EQUIVALENTS

1,41,52,415.87 1,01,54,273.18

CLOSING BALANCE OF CASH & CASH EQUIVALENTS

5,21,75,555.15 1,41,52,415.87

NOTES :

Cash & Cash Equivalents represents cash and bank balances.

The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard-3 on Cash flow Statements issued by The Institute of Chartered Accounts of India.

Repayment of Short Term borrowings are shown net of borrowings.

Previous years figures have been regrouped where necessary to confirm to the years classifications.

Figures in brackets represents Cash Flow.

Place: Mumbai

Date: 25th May 2010

For and on behalf of Board of Directors

Kamal Dujodwala - Chairman

Pannkai Duiodwala - Managing Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Registration Details

| | | | |
|-----------------------|------------|------------|----|
| Registration No :- | 24742 | State Code | 11 |
| Balance Sheet Date :- | 31/03/2010 | | |

Capital Raised during the year (Amount in Rs. Thousands)

| | | | |
|--------------|-----|-------------------|----------|
| Public Issue | Nil | Right Issue | Nil |
| Bonus Issue | Nil | Private Placement | 9,029.43 |

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

| | | | |
|----------------------|-------------|---------------------------|-------------|
| Total Liabilities | 8,47,536.04 | Total Assets | 8,47,536.04 |
| Sources of Funds | | | |
| Paid up Capital | 86,064.00 | Reserves & Surplus | 2,30,532.92 |
| Secured Loans | 1,23,895.25 | Unsecured Loans | Nil |
| Share Warrants | 9,029.43 | Deferred Tax Liabilities | 50,361.47 |
| Application of Funds | | | |
| Net Fixed Assets | 3,82,399.15 | Investments | Nil |
| Net Current Assets | 1,17,483.92 | Miscellaneous Expenditure | Nil |
| Accumulated Losses | Nil | Deferred Tax Assets | Nil |

Performance of Company (Amount Rs. in Thousand)

| | | | |
|--------------------------------------|--------------|-----------------------|--------------|
| Turnover/Income | 14,58,299.39 | Total Expenditure | 13,76,706.54 |
| Profit/Loss before Tax | 1,10,525.94 | Profit/Loss after Tax | 72,110.84 |
| Earning per share - Basic (in Rs.) | 8.38 | Dividend Rate % | 10.00 |
| Earning per share - Diluted (in Rs.) | 8.19 | | |

Generic names of three principal products/services of Company (as per monetary terms)

| | |
|--------------------------|----------------------|
| Item Code No. (ITC Code) | 29142120 |
| Product Description : | CAMPOR & BY PRODUCTS |
| Item Code No. | 38061010 |
| Product Description : | ROSIN |
| Item Code No. | 38051020 |
| Product Description : | TERPENTINE |

For Sundarlal, Desai & Kanodia
Chartered Accountants
Sd/-
Director
H.P. Kanodia (Partner), M.S. No. 40617
Place : Mumbai

For and on behalf of Board of Directors
Kamal Dujodwala -Chairman
Pannkaj Dujodwala - Managing

ANNEXURE TO SR. NO. 3 OF SCHEDULE-12

**A) VALUE AND QUANTITY BREAK-UP OF OPENING AND CLOSING STOCK
OF EACH CLASS OF GOODS DEALT WITH BY THE COMPANY**

| | Current Year | | Previous Year | |
|-------------------------------|----------------|--------------------|----------------|--------------------|
| | 2009-10 | | 2008-09 | |
| | Quantity MT | Value (in lacs) | Quantity MT | Value (in lacs) |
| a) <u>Manufactured</u> | | | | |
| i) Opening Stock | | | | |
| Rosin & Turpentine | 0.000 | 0.00 | 20.780 | 9.18 |
| Camphor & By Products | 205.534 | 256.79 | 717.184 | 407.13 |
| Synthetic & P.F. Resin | 59.255 | 52.47 | 14.575 | 11.84 |
| Rosin, R.Resin & Others | 77.145 | 38.43 | 0.000 | 0.00 |
| ii) Closing Stock | | | | |
| Rosin & Turpentine | 0.000 | 0.00 | 0.000 | 0.00 |
| Camphor & By Products | 419.495 | 639.49 | 205.534 | 256.79 |
| Synthetic & P.F. Resin | 167.976 | 141.44 | 59.255 | 52.47 |
| Rosin, R.Resin & Others | 49.880 | 31.31 | 77.145 | 38.43 |
| iii) Shortage | | | | |
| Camphor & By Products | 0.000 | 0.00 | 3.289 | 0.00 |
| Synthetic & P.F. Resin | 0.000 | 0.00 | 0.650 | 0.33 |
| Rosin, R.Resin & Others | 0.000 | 0.00 | 0.083 | 0.00 |
| b) <u>Trading</u> | | | | |
| i) Opening Stock | | | | |
| Rosin & other Chemicals | 22.905 | 10.70 | 12.130 | 4.40 |
| Camphor & By Products | 9.900 | 19.29 | 0.000 | 0.00 |
| ii) Closing Stock | | | | |
| Rosin & other Chemicals | 112.240 | 58.56 | 22.905 | 10.70 |
| Camphor & By Products | 90.175 | 75.05 | 9.900 | 19.29 |
| ii) Shortage | | | | |
| Rosin & other Chemicals | 0.000 | 0.00 | 0.075 | 0.00 |

B) Quantity and Sales Value of Each Class of Goods dealt with by the Company

| | Current Year | | Previous Year | |
|-------------------------|----------------|--------------------|----------------|--------------------|
| | 2009-10 | | 2008-09 | |
| | Quantity MT | Value (in lacs) | Quantity MT | Value (in lacs) |
| a) Manufactured | | | | |
| Rosin & Turpentine | 0.000 | 0.00 | 20.130 | 10.71 |
| Camphor & By Products | 9945.210 | 10328.38 | 9823.497 | 8216.89 |
| Synthetic & P.F. Resin | 2858.821 | 2193.41 | 2236.231 | 1780.34 |
| Rosin, R.Resin & Others | 857.175 | 633.07 | 481.530 | 229.24 |
| b) Trading | | | | |
| Rosin & other Chemicals | 328.465 | 219.16 | 385.825 | 252.81 |
| Aluminium Foil | 0.000 | 0.00 | 72.994 | 255.75 |
| DEPB License | 0.000 | 0.00 | 22.000 | 438.00 |
| Camphor & By Products. | 751.865 | 1208.977 | 47.880 | 84.45 |

C) Information in respect of Raw Material Consumed and Trading Purchase

| | Current Year | | Previous Year | |
|-------------------------|----------------|--------------------|----------------|--------------------|
| | 2009-10 | | 2008-09 | |
| | Quantity MT | Value (in lacs) | Quantity MT | Value (in lacs) |
| a) Manufactured | | | | |
| Turpene Chemicals | 12526.332 | 8085.67 | 9981.983 | 6385.92 |
| Phenol & Others | 4436.407 | 1808.11 | 3108.401 | 1253.05 |
| b) Trading | | | | |
| Rosin & other Chemicals | 417.880 | 231.11 | 396.675 | 226.21 |
| Aluminium Foil | 0.000 | 0.00 | 72.994 | 98.30 |
| DEPB License | 0.000 | 0.00 | 22.000 | 369.79 |
| Camphor & By Products. | 832.140 | 1203.42 | 57.780 | 68.04 |

D) Information in respect of each class of Goods Manufactured

| | Current Year 2009-10 | Current Year 2009-10 |
|-------------------------|-------------------------|-------------------------|
| | Quantity (MT) | Quantity (MT) |
| Camphor & By Products | 10159.15 | 9308.56 |
| Synthetic & P.F. Resin | 2967.54 | 2280.99 |
| Rosin, R.Resin & Others | 829.91 | 558.68 |

Note: Trading Sales and Purchase includes inter branch transfer of Rs. 3,77,22,388/-
Closing stock of Camphor & By products includes 26.70 MT materials lying with Job Work Units.

mangalam®
Camphor

28th Annual Report 2008-2009

DUJODWALA PRODUCTS LIMITED

Regd. Office Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410 203. Dist. Raigad (M.S.)

PROXY FORM

DPID** : _____

CLIENT ID: _____

FOLIO NO. : _____

No. of Shares held: _____

I/We.....
of..... in the district
of..... being a member / members of DUJODWALA
PRODUCTS LIMITED hereby appoint
Shri/Smt.....
of.....in the district of.....or failing him
Shri/Smt ... of.....in the district
of.....as my/our proxy
to attend and vote for me/us on my/our behalf at the 28th Annual General Meeting of the Company
to be held on Friday, 17th Sept, 2010 at 11.00 a.m. at the Kumbhivali Village, Savroli Kharpada Road,
Taluka Khalapur, Khopoli-410 201. Dist. Raigad, Maharashtra.

Re. 1/-
Revenue
Stamp

Signed

Date

Notes:

1. The instrument of proxy form shall be deposited at the Regd. Office of the Company not less than 48 hours before the commencement of the meeting. A proxy need not be member.

** Applicable to the members whose shares are held in dematerialized form.

DUJODWALA PRODUCTS LIMITED

Regd. Office Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410 203. Dist. Raigad (M.S.).

ATTENDANCE SLIP

DPID** : _____

CLIENT ID: _____

FOLIO NO. : _____

No. of Shares held: _____

Name of the Member :

Name of the Proxy (to be filled if the proxy attends :

Instead of the Member.

I hereby record my presence at the 28th Annual General Meeting being held on Friday 17th September 2010 at 11.00 a.m. at Kumbhivali Village, Savroli Kharpada Road Tal- Khalapur, Khopoli-410 203. Dist. Raigad, (M.S.)

Notes :

Member/Proxy Signature.

1. To be signed at the time of handing over this slip.

** Applicable to the members whose shares are held in dematerialized form.