



**41st ANNUAL REPORT
2010-2011**

CONTENTS	PAGE NO.
Financial Highlights (Consolidated)	(i)
Notice of AGM	2
Directors' Report	3-4
Corporate Governance Report (Annexure I to Directors' Report)	5-12
Management Discussion & Analysis(Annexure II to Directors' Report) and Annexure III to Directors' Report	13-14
Auditors' Report	15-17
Balance Sheet, P & L A/c., Cash Flow	18-20
Schedules and Notes to the Accounts	21-39
Statement pursuant to Section 212 of the Companies Act 1956 and Information of Subsidiary Companies	40
Auditors' Report on Consolidated Accounts	41
Consolidated Balance Sheet, P & L A/c. Cash Flow	42-44
Schedules and Notes to the Consolidated Accounts	45-68
Balance Sheet Abstract	69
Attendance Slip and Proxy Form	

BOARD OF DIRECTORS

SHRI S. J. TAPARIA	Chairman
SHRI SUSHEEL G. SOMANI	Director
SHRI S. J. PAREKH	Director
SHRI SURENDRA SOMANI	Director
SHRI SANJAY DOSI	Director
SHRI VINOD MIMANI	Director
SHRI KARTHIK ATHREYA	Director
SHRI ADARSH SOMANI	Director
SHRI B. K. TOSHNIWAL	Director
SHRI V. N. KHANNA	Director
SHRI RAJENDRA SOMANI	Managing Director

COMPANY SECRETARY

SHRI SANJAY JAIN

BANKERS

CENTRAL BANK OF INDIA
PUNJAB NATIONAL BANK

AUDITORS

KHANDELWAL JAIN & CO.
Chartered Accountants, Mumbai

REGISTERED OFFICE

1076, DR. E. MOSES ROAD,
WORLI,
MUMBAI - 400 018

WORKS

VILLAGE - SAVROLI,
KHOPOLI - 410 203.
DIST. - RAIGAD.

M.I.D.C., MURBAD,
DIST. THANE.

NOTICE

NOTICE is hereby given that the **FORTY FIRST** Annual General Meeting of the Company will be held on **Saturday 24th September, 2011** at **10.00 a.m.** at Shri S K Somani Memorial Hall, Hindi Vidhya Bhavan, 79, Marine Drive, Mumbai – 400002 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Accounts for the year ended March 31, 2011 and the Reports of the Directors and the Auditors thereon.
 2. To declare dividend (s).
 3. To appoint a Director in place of Shri Adarsh Somani who retires by rotation and being eligible, offers himself for re-appointment.
 4. To appoint a Director in place of Shri Vinod Mimani who retires by rotation and being eligible, offers himself for reappointment.
 5. To appoint a Director in place of Shri Surendra Somani who retires by rotation and being eligible, offers himself for reappointment.
 6. To appoint Auditors and to fix their remuneration.
3. a) The Dividend if declared, will be payable to those Shareholders whose names stand on the Register of Members on 24th September, 2011.
 - b) In respect of Equity Shares held in the electronic form, the dividend will be payable to the beneficial owners of shares as on the close of 16th September, 2011 as per details furnished by the Depositories for this purpose.
 4. Members are requested to intimate change in their address, if any, to the Company / R & T Agent.
 5. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/ NECS) facility should mandatorily be used by the Companies for the distribution of dividend to its members. In order to avail the facility of ECS/ NECS, members holding shares are requested to provide bank account details to the company or its Registrar and Share Transfer Agents.
 6. As part of Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA) Government of India, vide its Circular No.17/2011 and Circular No.18/2011 dated 21st April 2011 and 29th April, 2011 respectively have taken a "Green Initiative in the Corporate Governance" by allowing services of documents through electronic mode.

By Order of the Board

SANJAY JAIN
Company Secretary

Mumbai
10th August, 2011

Registered Office:

1076, Dr. E. Moses Road
Worli, Mumbai – 400 018.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th September, 2011 to 24th September, 2011 (both days inclusive).

In spirit of the above circulars and as part of the Company's Green Initiative, we hence forth propose to send documents like Notice of Annual General Meeting, Financial Report, Annual Report etc henceforth to the shareholders in electronic form.

In view of this:

- a) We suggest you to provide your email address at oricon@bigshareonline.com.
- b) In case your shares are held in dematerialized form, the intimation of the same should be passed on to your Depository Participant.

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the **FORTY FIRST ANNUAL REPORT** of the Company with the Audited Statement of Accounts for the year ended March 31, 2011.

	₹ In Lacs	
	2010-2011 ₹	2009-2010 ₹
FINANCIAL RESULTS		
Gross Profit	2292.95	1948.68
Deduction there from:		
Interest	871.35	402.70
Depreciation	142.14	124.52
Profit before prior period adjustment	1279.46	1421.45
Prior Period adjustment	(2.38)	(31.31)
Profit before taxation and exceptional items	1281.85	1452.76
Less		
Provision for Taxation		
Current Tax	393.00	537.14
Provision for Deferred Tax	(3.32)	(58.13)
Profit after taxation before exceptional items	892.17	973.75
Income tax/FBT for earlier years	(0.16)	18.20
Profit after taxation	892.33	955.55
Surplus b/f from last year	1383.18	1312.36
Dividend distribution tax for earlier year written back	24.54	--
Net Profit available for appropriations	2300.05	2267.90
Proposed Dividend for Equity Shares	369.17	329.93
Tax on Proposed Dividend	59.89	54.80
Proposed Dividend for Preference Shares	58.53	
Tax on above proposed Dividend	9.50	
Transfer to General Reserve	500.00	500.00
Balance carried to Balance Sheet	1302.96	1383.18
	2300.05	2267.90

DIVIDEND (s)

Your Directors have recommend a Dividend of Rs. 0.36 per equity share for the year ended March 31,2011 which if approved at the ensuing Annual General Meeting will be paid to i) all the members whose names appear in the Register of Members as on 24th September, 2011 and ii)all those members whose names appears as beneficial owners in the details furnished by National Securities Depository Ltd. and Central Depository Services Ltd. as on close of business hours on 16th September, 2011.

The Dividend on Preference Shares is on prorata basis. The total outgo for dividend is Rs. 4.97 Crores.

FINANCIAL PERFORMANCE

Standalone

The sales and other income for the year under review were Rs.71.69 crores as against Rs.72.05 crores in the previous financial year.The net profit for the year under review is Rs.8.92 crores as against Rs.9.55 crores in the previous financial year.

Consolidated

The consolidated revenue for the year under review was Rs. 871.13 Crores as against Rs. 575.65 Crores in the previous financial year. The net Profit for the year under review is Rs. 37.24 Crores.

NEW BUSINESS DIVISION

The Company has setup a manufacturing unit, for manufacture of PET Bottles, at MIDC Murbad. PET bottles has been in huge demand especially in Liquor industry for their economic pack of 90 ml bottles. The Commercial Production has been commenced w.e.f. 20th June, 2011.

SHARE CAPITAL

Pursuant to the approval of members by Postal ballot the face value of shares of the Company was sub- divided from Rs. 10/- each to 5 Equity shares of Rs. 2/- each.

The Board at its meeting held on 13th June 2011, allotted 21, 80, 000 Equity Shares, on conversion of Fully Convertible Debentures, accordingly the Issued Capital is increased from Rs. 183420720/- to Rs. 314220720/- comprising of Rs. 205220720/- Equity Share Capital and Rs. 109000000/- Preference shares capital.

SUBSIDIARY COMPANIES

Shinrai Auto Services Ltd (100%) , Oricon Properties Pvt Ltd(100%) and United Shippers Limited (50.19%) are the existing subsidiary companies.

The Ministry of Corporate Affairs Government of India vide General circular No. 2/ 2011 dated 8th February, 2011 has directed that Provisions of Section 212 of the Companies Act, 1956 shall not apply in relation to the Subsidiary of those Companies which fulfill the criteria stipulated in the aforesaid circular.

Therefore Board of Directors in their meeting held on Wednesday 10th August, 2011 given consent for not attaching Annual Report and other particulars of the subsidiary companies with this Annual Report. Further in line with the Listing Agreement and in accordance with Accounting Standard 21 (AS- 21), consolidated Financial Statement prepared by the Company includes financial information of its subsidiaries.

The company will provide the copy Annual report and other document of its subsidiary companies on the request made by any member, investor of the Company/Subsidiary Companies. The annual accounts of the Subsidiary Companies have been kept for inspection by any Shareholder at the registered office of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements pursuant to the listing agreement entered into with Bombay Stock Exchange Ltd. and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard are attached hereto.

FIXED DEPOSITS

Your Company was accepting Fixed Deposits from public and shareholders and acceptance of such fixed deposits has been discontinued from the financial year 2009-2010. All the deposits which matured during the year under the review were repaid, except 12 deposits amounting to Rs. 3,18,000 which remained unclaimed as at March 31,2011 and remains unclaimed on date of this report.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company Confirms:

- (I) that in the preparation of the accounts for the year ended 31st March 2011 the applicable accounting standards have been followed.
- (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 year and of the profit or loss of the Company for the year 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 safeguard of the assets of the Company and for preventing and detecting fraud and other irregularities;
- (IV) that the directors have prepared the accounts for the year ended 31st March 2011 on a 'going concern' basis.

CREDIT RATING

Working capital facilities of the Company have been awarded "BBB-/Stable" rating by CRISIL which represent positive capacity for timely payment of short term debt obligations.

CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing Agreement the Cash Flow Statement for the year ended 31st March 2011 is included in this annual report.

LISTING

Your Company is listed with the Bombay Stock Exchange Ltd. at P.J.Towers, Dalal Street, Mumbai – 400 001. The Listing Fee for the year 2011 – 2012 has been paid by the Company within the time prescribed by the Stock Exchange.

INDUSTRIAL RELATIONS AND PERSONNEL

Your Company continued to enjoy warm and healthy relations with its employees at all locations. Your Directors take this opportunity to record their appreciation for the outstanding contribution made by the employees at all levels.

PARTICULARS OF EMPLOYEES

As none of the employees was paid remuneration exceeding the limit prescribed under Section 217 (2A) of the Companies Act, 1956, hence particulars as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 need not to be given.

DISCLOSURE OF PARTICULARS

Informations as per the Companies(Disclosure of particulars in the report of Board of Directors) Rules 1988, relating to Conservation of Energy ,Technology Absorption, Foreign Exchange Earnings and Outgo are given in Annexure- III forming part of this Report.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement entered into with Bombay Stock Exchange Ltd, a Report on Corporate Governance together with a certificate obtained from the Statutory Auditors confirming compliance is given in Annexure I.

A report in the form of Management Discussion and Analysis Report is annexed hereto as Annexure II and forms part of this report.

DIRECTORS

Shri Adarsh Somani, Shri Vinod Mimani and Shri Surendra Somani Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment as Director liable to retire by rotation.

AUDITORS

The Auditors, M/s. Khandelwal Jain & Co., Chartered Accountants hold office until the conclusion of the forthcoming Annual General Meeting and are recommended for reappointment. Certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act 1956.

ACKNOWLEDGEMENT

The Board of Directors thanks the Financial Institutions, Bankers and all the Stakeholders, for their continued co-operation and support to the Company.

For & on behalf of the Board

S J Taparia	Chairman
B K Toshniwal	Director
Sanjay Dosi	Director
Rajendra Somani	Managing Director

Mumbai
10th August, 2011

ANNEXURE - I

Report on Corporate Governance for the Year Ended 31st March 2011 (in accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange)

1. Corporate Governance Philosophy

The Company is committed to good Corporate Governance, envisages Commitment of the Company towards the attainment of high level of transparency, accountability and business propriety with the ultimate objective of increasing long term shareholders value, keeping in view the needs and interests of all stakeholders.

2. Board of Directors:

The composition of Board is in conformity with Clause 49 of the Listing Agreement. The Company has a non-executive Chairman and over half of the total number of Directors are comprises of Non-Executive Directors. The Company has four independent directors and one Managing Director.

The non-executive Directors or the Independent Directors of the Company draws remuneration only by the way of sitting fees for attending the meeting of the Board and the committees thereof. Apart from the above, none of the Independent directors have any material pecuniary relationship or transaction with the Company, its promoters, its directors, its senior management or its holding company, its subsidiary and associates which may affect independence of the director.

None of the Directors holds directorships in more than the permissible number of companies under the applicable provisions. Similarly, none of the Directors on the Board's sub-committee holds membership of more than ten committees of the boards, nor is any director a chairman of more than five committees of boards.

The names and categories of the directors on the board, their attendance at board meetings during the year from April 10 to March 11 and at the last annual general meeting, and the number of directorships and committee members held by them in other companies are given below:

Name	Category	Board Meeting during the year Apr. 10 to Mar. 11		Attendance at the last AGM as on 11.12.2010	No. of Directorships in other Public Companies		No. of Committee Positions held in other Public Companies	
		Held	Attend		Chairman	Member	Chairman	Member
Shri Susheel G. Somani	Non Executive/ Not Independent	6	5	YES	Nil	11	Nil	Nil
Shri S. J. Parekh	Non Executive/ Not Independent	6	5	NO	2	11	1	Nil
Shri Surendra Somani	Non Executive/ Not Independent	6	6	NO	Nil	5	1	2
Shri S. J. Taparia	Non Executive/ Independent	6	3	NO	Nil	5	Nil	5
Shri Vinod Mimani	Non Executive/ Independent	6	2	NO	Nil	1	Nil	Nil
Shri V. N. Khanna	Non Executive/ Not Independent	6	6	YES	Nil	4	Nil	4
Shri Rajendra Somani	Executive/ Not Independent	6	6	YES	Nil	11	Nil	Nil
Shri B. K. Toshniwal	Non Executive/ Not Independent	6	6	YES	Nil	1	Nil	Nil
Shri Sanjay Dosi	Non Executive/ Independent	6	6	YES	Nil	1	Nil	Nil
Shri Karthik Athreya	Non-Executive/ Independent	6	2	NO	Nil	1	Nil	Nil
Shri Adarsh Somani	Non-Executive/ Not Independent	6	5	NO	Nil	6	Nil	Nil

Notes:

- The information as required under Annexure I to clause 49 is being made available to the board.
- The gap between two board meetings did not exceed four months. The dates on which the board meetings were held are as follows:

April 29, 2010 August 10, 2010 September 17, 2010 October 19, 2010 November 13, 2010 February 11, 2011

The last AGM of the Company was held on December 11, 2010.

3. Payment to Non-Executive Directors:

Details of remuneration paid/payable to directors for the year ended March 31, 2011 are as follows:

Sr. No.	Director	Sitting Fees		Total
		Board	Committee	
1.	Shri Susheel G. Somani	25000	20000	45000
2.	Shri S. J. Parekh	25000	0	25000
3.	Shri Surendra Somani	30000	0	30000
4.	Shri S. J. Taparia	15000	20000	35000
5.	Shri Vinod Mimani	10000	0	10000
6.	Shri Sanjay Dosi	30000	45000	75000
7.	Shri V N Khanna	30000	0	30000
8.	Shri B K Toshniwal	30000	20000	50000
9.	Shri K. Athreya	10000	0	10000
10.	Adrash Somani	25000	0	25000

4. Disclosure of Directors seeking Appointment / Re-appointment

Particulars of below mentioned Directors as required under Para VI (A) of Clause 49 of the Listing Agreement, seeking Appointment/ Re-appointment at the ensuing Annual General Meeting :

Name of Directors	Shri Adarsh Somani	Shri Vinod Mimani	Shri Surendra Somani
Qualification (s)	B.COM	B.E. (Mechanical)	B .COM
Expertise of Functional Area	Experience in Marketing of FMCG Products, Real Estate and Finance.	Experience in marketing and Administration	Vast experience in technical R & D and marketing aspects of Pharma Products.
Director of other Ltd. Companies	<ol style="list-style-type: none"> Kamala Udyoga Ltd Kopran Ltd Hotel Empire Limited S V Trading & Agencies Limited Svaraj Trading & Agencies Limited Sarvamangal Mercantile Co. Ltd 	<ol style="list-style-type: none"> G D Trading & Agencies Limited 	<ol style="list-style-type: none"> Claridge Moulded Fibre Ltd. Kamala Udyoga Limited Parijat Shipping & Finale Ltd. S V Trading & Agencies Limited Kopran Lifesciences Limited
Membership of Committee of Board of Directors of other Companies	NIL	NIL	<ol style="list-style-type: none"> Gujarat Themis Biosyn Limited Audit Committee, Shareholder Grievances / Transfer Committee

5. AUDIT COMMITTEE

(a) Terms of reference

The Audit committee has adequate powers and detailed terms of reference to play an effective role as required under Section 292A of the Companies Act, 1956 and Clause 49 of listing Agreement with the Stock Exchange, which inter-alia include overseeing financial reporting processes, reviewing periodic financial results, financial statements and adequacy of internal control systems with the Management, financial statement and Investment of Unlisted subsidiary Companies.

(b) Composition

The Audit Committee of the Company comprises three directors, of which majority are independent, non-executive directors, possessing knowledge of corporate finance, accounts and company law. The Chairman of the Committee is an independent non-executive director. The Company Secretary acts as the Secretary to the Committee.

The Members of the Committee are:

- i) Shri Sanjay Dosi Non Executive /Independent
- ii) Shri S. J. Taparia Non Executive /Independent
- ii) Shri Susheel Somani Non Executive /Not Independent

Shri Sanjay Dosi, is the Chairman of the Audit Committee and was present at the last Annual General Meeting held on December 11, 2010.

(c) Meetings and Attendance

During the year ended March 31, 2011, five meetings of the Audit Committee were held on the following dates:

- (i) April 29, 2010
- (ii) August 10, 2010
- (iii) October 19, 2010
- (iv) November 12, 2010
- (v) February 11, 2011

Attendance at the Audit Committee Meetings

Name	No. of Audit Committee Meetings during April 10 to March 11	
	HELD	ATTENDED
Shri Sanjay Dosi	5	5
Shri S. J. Taparia	5	5
Shri Susheel Somani	5	4

6. Remuneration Committee:

During the period under review your Company did not have remuneration committee. The Managing Director is paid remuneration in accordance with the provisions of the Companies Act 1956 and pursuant to the approval of members accorded by way of resolution passed at the general meeting.

For the Financial Year April 2010 to March 2011 no remuneration was paid to the Managing Director of the Company.

7. CODE OF CONDUCT

The Board at its meeting held on 22nd November, 2005 adopted and approved the code of conduct.

The Board members and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment.

The said code has been communicated to all the board members and senior managers and the compliance of the same has been

affirmed by them. The code of conduct is posted on the web site of the Company www.oriconenterprises.com

A declaration signed by the Managing Director affirming the compliance of the code of conduct by the Board members and senior managers is given below:

I hereby confirm that,

The Company has obtained from all the members of the Board and senior managers affirmation that they have complied with the code of conduct for Directors and senior managers in respect of the financial year 2010 - 2011.

Sd/-
Rajendra Somani
Managing Director

8. CEO/CFO CERTIFICATION

The CEO/CFO, i.e. the Managing Director heading the finance function, discharging that function has certified to the Board that :

- a) They have reviewed financial statements and the cash flow statement for the Year Ended March 31, 2011 that to the best of their knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of their knowledge and belief no transaction entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) They accept responsibility for establishing and maintaining internal controls for the financial reporting and that they have evaluated the effectiveness of the internal control systems of the company, pertaining to financial reporting and they have disclosed to the auditors and the audit committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they taken or propose to rectify these deficiencies.
- d) They have indicated to the auditors and the audit committee
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) there have been no instances of fraud.

The above Certificate was placed before the Board meeting held on 10th August, 2011.

9. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

(a) Composition

The Shareholders/Investor Grievance Committee of the Company comprises two directors, of which one is independent and one is not independent. The Chairman of the Committee is an independent non-executive director. The members of the Committee are:

- | | |
|-------------------------|------------------------------------|
| i) Shri B. K. Toshniwal | Non Executive /
Not Independent |
| ii) Shri Sanjay Dosi | Non Executive /
Independent |

Shri Sanjay Dosi is the Chairman of the Committee.

(b) Meetings and Attendance

For the year ended March 31, 2011 four meetings of the Shareholders/Investor Grievance Committee were held on April 29, 2010, August 10, 2010, October 19, 2010, and February 11, 2011

Attendance at the Shareholders Grievances Committee Meetings

Name	No. of Shareholders / Investor Grievance Committee Meetings during April 10 to March 11	
	HELD	ATTENDED
Shri B. K. Toshniwal	4	4
Shri Sanjay Dosi	4	4

(c) Compliance officer - Shri Sanjay Jain - Company Secretary

(d) Shareholders Complaint Status:

The Company has received 35 nos of investors complaints during the year from Apr 10 to Mar 11 and all the complaints were disposed off.

A separate committee for share transfers is delegated with the powers to approve physical share transfers. As the shares of the company are under compulsory dematerialized trading for all investors, this delegation is considered adequate. The Company had no shares pending for transfer at the close of the financial year.

10. GENERAL BODY MEETING

(i) Information about last three Annual General Meetings.

Year	Date	Time	Location
2009-10	11.12.2010	10.00 a.m.	Shri S.K. Somani Memorial Hall, Hindi Vidya Bhavan, 79, Marine Drive, Mumbai 400 002.
2008-09	12.09.2009	10.00 a.m.	Shri S.K. Somani Memorial Hall, Hindi Vidya Bhavan, 79, Marine Drive, Mumbai 400 002.
2007-08	27.09.2008	10.00 a.m.	Shri S.K. Somani Memorial Hall, Hindi Vidya Bhavan, 79, Marine Drive, Mumbai 400 002.

(ii) Special Resolutions passed in the previous three AGM(s): Special resolutions regarding following were passed in the last three AGM(s)

- | | |
|---------|--|
| 2009-10 | (1) To alter the Article of Association |
| 2008-09 | (1) for re- appointment of Shri Rajendra Somani as Managing Director of the Company and remuneration payable to him. |
| 2007-08 | NIL |

Resolutions regarding following were passed in the last EGM(s)

- | | |
|---------|--|
| 2010-11 | (1) Special Resolution to approve the Scheme of merger / amalgamation of the company with Naman Tradvest Pvt. Ltd and Zeuxite Investment Pvt. Ltd. |
|---------|--|

- | | |
|---------|--|
| 2009-10 | (1) Ordinary Resolution to reclassify the authorized share capital of the Company consequent amendments to the capital clause of the Memorandum of Association of the Company. |
|---------|--|

- | | |
|--|---|
| | (2) Special Resolution to issue 21,80,000 fully convertible debentures of Rs. 162.20 per debentures aggregating to Rs. 35,35,96,000/- on preferential basis to Clearwater Capital Partners Singapore Fund III Pvt. Ltd. |
|--|---|

(ii) Passing of Special Resolution through postal ballot :

No Special Resolution was passed through Postal Ballot during the financial year 2010-11.

11. DISCLOSURES

- No transaction of material nature has entered into by the Company with Directors or Management and their relative etc. that may have potential conflict with the interest of the company. The Register of Contracts containing transactions in which Directors are interested is placed before the Board regularly.
- Transactions with the related parties are disclosed in Note no. B-14 of Schedule 18 of Notes forming part of the Accounts.
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India in the preparation of financial statements.
- The senior management has made disclosures to the Board relating to all material financial and commercial transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company, at large.
- The Company has complied with various rules and regulations prescribed by Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.
- The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Board of Directors review these procedures periodically.

- The Managing Director CEO / CFO has certified to the Board in accordance with Clause 49 (V) of the Listing Agreement pertaining to CEO / CFO certification for the Year ended March 31, 2011.
- Details of Equity Shares (face value Rs. 10/-) held by non-executive Directors of the Company as at March 31, 2011.

Name of Director	No. of shares held
Susheel G Somani	1227106
Surendra Somani	586982
S J Parekh	50840
S J Taparia	1000
Sanjay Dosi	20
Vinod Mimani	NIL
B K Toshniwal	11000
V N Khanna	18230
Adarsh Somani	932954
Karthik Athreya	NIL

- Subsidiary Monetary Framework

All subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage companies with best interest of their stakeholders. The Company monitors performance of subsidiary companies, inter alia by following means

- Review of financial statements, in particular investment made by the unlisted subsidiary companies by the Audit Committee of the Company.
- All minutes of Board meeting of the unlisted subsidiary companies are placed before the Company's Board.

12. PROCEEDS FROM PUBLIC ISSUE, RIGHT ISSUES, PREFERENTIAL ISSUES:

During the year 2010-2011, company has not raised any money through public issue, right issue, or preferential issue.

13. MEANS OF COMMUNICATION

The Unaudited Financial Results of the Company for each Quarter is placed before the Board of Directors within 45 days from the end of the respective quarter. The Quarterly Financial Results of the Company is published in Economic Times, Free Press Journal, and Navshakti (Mumbai). The Financial Results / office news releases are also made available on the Company's website www.oriconenterprises.com

14. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is annexed hereto and forms part of this Annual report.

15. GENERAL SHAREHOLDERS INFORMATION

Registered Office: 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018.

Annual General Meeting

Day and Date: Saturday 24th September, 2011

Time : 10.00 a.m.

Venue : Shri S K Memorial Hall
Hindi Vidya Bhavan
79, Marine Drive, Mumbai - 400002

Key Financial Reporting F.Y. 2011- 2012

Unaudited Financial Results for the quarter ended June 30, 2011

: on or before August 14, 2011

Unaudited Financial Results for the quarter ended September 30, 2011.

: on or before November 14, 2011

Unaudited Financial Results for the quarter ended December 31, 2011

: on or before February 14, 2012

Unaudited Financial Results for the quarter ended March 31, 2012

: on or before May 15, 2012

Or if Audited Results are given then by 30th May, 2012

Book Closure: The Register of Members and Share Transfer Register will remain closed from 16th September, 2011 to 24th September, 2011 (both days inclusive).

Date of Dividend Payment: Within 25 days of the date of AGM.

Dematerialisation of shares:

The Equity Shares of the Company are compulsory tradeable in the Demat Form by all the investors. The Company's Equity Shares are available for trading in the Depository System of both NSDL and CDSL. As on 31.03.2011 17982193 Equity Shares of Rs. 10/- each representing 98.10% of Equity Shares are held in the Demat Mode. As on 31st March, 2011 the International Security Identification Number (ISIN) of equity shares of face value of Rs. 10/- each was INE 730A01014 and on account of sub-division of shares the said ISIN has been deactivated and new ISIN has been assigned i.e. ISIN for the equity shares of Face Value of Rs. 2/- each is INE730A01022.

Outstanding GDRs/ ADRs/ Warrant or any Convertible Instruments, Conversion date and likely impact on Equity.

As on 31st March 2011, 15% 21,80,000 fully convertible debentures were outstanding which subsequent to the Balance Sheet date, the Company at its Board meeting held on 13th June, 2011 has converted 15%, 21,80,000 fully convertible debentures into 21,80,000 equity shares of Rs. 10/- each fully paid up at a premium of Rs. 152.20 per share and allotted to M/s. Clearwater Capital Partners Singapore Fund III Private Limited. These equity shares allotted on conversion of Debentures (FCDs) ranks pari passu in all respects including as to dividend with the existing fully paid equity shares of the face value Rs. 10/- each of the Company subject to relevant provisions contained in Articles of Association of the Company.

The Company has allotted 1,09,00,000 (One Crores Nine Lacs) Cumulative Convertible Preference Shares (CCPS) of Rs. 10/- each aggregating to Rs. 10,90,00,000/- (Rupees Ten Crores Ninety Lacs only) to the shareholders of Naman Tradvest Pvt Ltd and Zeuxite Investment Pvt Ltd on 17th September, 2010, pursuant to the scheme of merger approved by the Hon'ble High Court Bombay on 27th August, 2010.

The CCPS are convertible in to Equity shares in one or more tranches within a period of five (5) years from the date of allotment in such manner as detailed below:

- 19,00,000 CCPS of Naman Tradvest Pvt Ltd any time after 01st April, 2011 but within a period of five (5) years from the date of allotment ie 17.09.2010.

- b) 30,00,000 CCPS of Zeuxite Investment Pvt Ltd any time after 01st April, 2012 but within a period of five (5) years from the date of allotment ie 17.09.2010.
- c) 60,00,000 CCPS of Zeuxite Investment Pvt Ltd any time after 01st April, 2013 but within a period of five (5) years from the date of allotment ie 17.09.2010.

Green Initiative :

As part of Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA) Government of India, vide its Circular No.17/2011 and Circular 18/2011 dated 21 April 2011 and 29th April, 2011 respectively have taken a "Green Initiative in the Corporate Governance" by allowing services of documents through electronic mode.

In spirit of the above circulars and as part of the Company's Green Initiative, we hence forth propose to send documents like Notice of Annual General Meeting, Financial Report, Annual Report etc henceforth to the shareholders in electronic form.

In view of this:

- a) We suggest you to provide your email address at oricon@bigshareonline.com.
- b) In case your shares are held in dematerialized form, the intimation of the same should be passed on to your Depository Participant.

Listing at Stock Exchanges: The Equity Shares of the Company are listed at Bombay Stock Exchanges Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

Stock Code : Bombay Stock Exchange , Mumbai : 513121

Trading Code : BSE "B" Group.

Stock Market Data

Monthly high and low prices of Equity Shares of the Company quoted at Stock Exchange, Mumbai and during the year ended 31.03.11 are as under:

Month	Oricon Share Price		BSE INDEX	
	High Rupees	Low Rupees	High	Low
April 2010	387.00	333.20	18047.86	17276.80
May 2010	418.00	332.00	17536.86	15960.15
June 2010	405.00	374.55	17919.62	16318.39
July 2010	401.00	362.00	18237.56	17395.58
August 2010	419.70	337.00	18475.27	17819.99
September 2010	368.95	340.80	20267.98	18027.12
October 2010	382.50	326.10	20854.55	19768.96
November 2010	398.60	311.25	21108.64	18954.82
December 2010	402.30	341.85	20552.03	19074.57
January 2011	362.50	336.00	20664.80	18038.48
February 2011	349.70	317.80	18690.97	17295.62
March 2011	337.90	314.00	19575.16	17792.17

Distribution of Shareholding as on 31st March 2011.

No. of Equity Shares held	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
1 to 500	5774	93.58	598367	3.27
501 to 1000	145	2.35	107029	0.58
1001 to 2000	72	1.17	107627	0.59
2001 to 3000	30	0.49	78432	0.43
3001 to 4000	13	0.21	45349	0.25
4001 to 5000	8	0.13	37421	0.20
5001 to 10000	28	0.45	220159	1.20
10001 and above	100	1.62	17135159	93.48
TOTAL	6170	100.00	18329543	100.00

Categories of Shareholding as on 31st March 2011.

Category	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
Indian Promoters	69	1.12	12818271	69.93
Banks/ FI	7	0.11	823140	4.49
FII	1	0.02	892528	4.87
Mutual Funds	0	0.00	NIL	NIL
NRI	27	0.44	89694	0.49
Domestic Companies	156	2.53	1661342	9.06
Resident Individuals	5910	95.78	2044568	11.16
TOTAL	6170	100.00	18329543	100.00

Registered Office / Plant Location :

- 1076 Dr. E. Moses Road
Worli, Mumbai – 400 018.
- Village – Savroli
Khopoli – 410 203
Dist. Raigad.
- M.I.D.C., Murbad,
Dist. Thane - 421 401.

Address for Investor Correspondence :

- Registered office:**
Sanjay Jain
Compliance Officer
Oricon Enterprises Ltd.
1076, Dr. E. Moses Road,
Worli, Mumbai-400 018.
Tel No. 2496 4656-60
E-mail: sanjayjain@ocl-india.com
- Registrar & Transfer Agent:**
Bigshare Services Pvt. Ltd.
E-2 Ansa Industrial Estate,
Saki Vihar Road,
Sakinaka, Andheri (E),
Mumbai – 400 072.
Tel. No. 28470652-53
E-mail: bigshare@bom7vsnl.net.in

Status of compliance with mandatory requirement and adoption of non-mandatory requirements :

- 1) The Company has complied with all mandatory requirement of Clause 49 of the Listing Agreement with the Stock Exchanges as on March 31, 2011
- 2) Adoption / non adoption of non – mandatory requirements as at March 31, 2011 :
 - (a) The Company does not maintains an office for the Non-Executive Chairman.

Further the Company has not adopted the requirement of Independent Director tenure not to exceed a period of nine years on the Board of the Company.
 - (b) The Company has not set up a Remuneration Committee.
 - (c) As the Financial Results are published in the newspaper as well as displayed on the Company's website, the Results are not sent to household of each of the Shareholders.
 - (d) The auditors have issued a qualified opinion for the year ended March 31, 2011.
 - (e) The Board of Directors of the Company consists of an optimal blend of professionals having in depth expertise in their area of specialization.
 - (f) Presently the Company does not have a mechanism for evaluating its Non- Executive Directors by Peer Group comprising of the entire Board of Directors.
 - (g) Presently, the Company does not have a Whistle Blower Policy in place.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of
ORICON ENTERPRISES LIMITED

1. We have examined the compliance of conditions of Corporate Governance by the Oricon Enterprises Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange Limited (herein after referred to as 'the agreement').
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and based on our review and to the best of our information and explanations given to us, we certify that the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement have been complied with in all material aspects by the Company *except for non-appointment of an independent director on the Board of Directors of United Shippers Limited, a material non-listed Indian subsidiary Company.*
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KHANDELWAL JAIN & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.105049W

(NARENDRA JAIN)
PARTNER

Membership no. 048725

Place : Mumbai
Date : 10th August, 2011

**ANNEXURE –II TO THE DIRECTORS’ REPORT
MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

A. ECONOMY AND BUSINESS OUTLOOK:

The growth forecast for the Indian economy for the year 2011-12 is projected to be 8.2 percent as against pre budget survey expectation of 9%. Inflation remains strong despite the aggressive monetary tightening over the past year. Inflation will sustain its 9% pace in coming months, before tighter monetary policy and rising agricultural production reduce food inflation and demand size inflation by year’s end. Reserve Bank of India also in its annual monetary policy review painted a gloomy picture and has said that Indian economy would expand by 8% only.

B. INDUSTRY STRUCTURE AND DEVELOPMENT:

Standalone :

Your Company is now engaged in manufacturing of Pentanes and liquid colorants. The performance of the petrochemicals division is satisfactory. The Company has set up a unit for manufacturing of pet bottles and production is commenced from the month of June 2011.

Consolidated :

The consolidated results represent the results of United Shippers Limited and Oricon Properties Private Limited, Shinrai Auto Services Ltd. as subsidiary companies of the Company and joint venture with Oriental Containers Limited and Claridge Energy LLP. The consolidated results have been covered in Directors’ Report.

C. OPPORTUNITIES & THREATS:

Your Company is in the mode of diversification and is keenly conscious of the emerging opportunities in the diversified business sectors and takes benefit of every good opportunity in the best interest of our members.

D. SEGMENTWISE PERFORMANCE:

Your Company has identified segments reporting in terms of AS 17 issued by Institute of Chartered Accountants of India (ICAI), these are Petrochemicals and Trading. The following are the abridged results of these segments:

Standalone Results :

	Segment Revenue (Rs. in Lacs)	Segment Results Profit/(Loss) from each segment before interest and tax (Rs. in Lacs)
Petrochemicals	2052.92	202.74
Trading	2594.82	34.33
Liquid Colorants	71.43	(43.37)
Total	4719.17	193.70

Consolidated Results :

	Segment Revenue (Rs. in Lacs)	Profit/(Loss) from each segment before interest and tax (Rs. in Lacs)
Shipping & related Logistics	37410.97	5362.88
Automobiles	33257.83	872.77
Packaging	7336.59	531.38
Petrochemicals	2052.92	202.74
Trading	2491.08	34.33
Liquid colorants	71.43	(43.37)
Total	82620.81	4507.65

E. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has effective systems of internal control:

- Effective system of accounting and administrative control.
- Existence of Audit Committee of Directors and system of internal audit by an outside independent firm.
- Performance review system by the management with preset objective.

F. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Standalone

The sales and other income for the year under review were Rs.71.69 crores as against Rs.72.05 crores in the previous financial year. The net profit for the year under review is Rs.8.92 crores as against Rs.9.55 crores in the previous financial year.

Consolidated

The consolidated revenue for the year under review was Rs. 871.13 Crores as against Rs. 575.65 Crores in the previous financial year. The net Profit for the year under review is Rs. 37.24 Crores.

G. HUMAN RESOURCES / INDUSTRIAL RELATIONS:

Your Company has team of qualified and dedicated personnel who have contributed to the consolidation of the operations of your Company. Your Company’s industrial relations continued to be harmonious during the year under review.

As on March 31, 2011 the employee strength (on permanent rolls) of the company was 68.

G. CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company’s objectives, estimates, expectations or projections may constitute “forward looking statements”, within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied in the statements. Important factors that could make a difference to your Company’s operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws and other statutes and other incidental factors.

ANNEXURE-III TO THE DIRECTORS' REPORT

(Information pursuant to the Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

FORM-A

i) Power and Fuel Consumption:

1. Electricity	Current year April 10 to March 11	Previous period April 09 to March 10
a) Purchase units	525087	544601
Total Amount (Rs.)	2952450	2886320
Rate/Units (Rs.)	5.62	5.26
b) Own Generation (in unit)	12252	13608
Total Amount (Rs.)	204047	183373
Rate/Units (Rs.)	16.65	13.48
2. COAL	1529	1250
3. FURNACE OIL QTY. (K. Ltr.)	21	85
4. OWN FUEL (KL)	-	-

ii) Consumption per unit of production:

Product (Pentane Pure ISO Pentane and Steam)	Standard	Current year April 10 to March 11	Previous year April 09 to March 10
Electricity	Not determined	191.00 UNITS/MT	207.35 UNITS/MT
Furnace Oil	0.20 MT/MT of Products	0.19 MT/MT OF Products	0.16 MT/MT of Products
Coal	0.36 - 0.38 MT/MT of product	0.37 MT/MT of product	0.37 MT/MT of product
**Coal	0.17 MT/MT of Steam	0.167 MT/MT of Steam	0.175 MT/MT of Steam

B) Technology Absorption :

Product offering from the Company are continuously upgraded and optimized to explore the export market.

C) Foreign exchange earnings and outgo:

The required information in respect of the Foreign Exchange earnings and outgo has been given in the Notes Forming part of the Accounts for the period ended March 31, 2011.

AUDITORS' REPORT

TO THE MEMBERS OF
ORICON ENTERPRISES LTD.

1. We have audited the attached Balance Sheet of **ORICON ENTERPRISES LIMITED** as at 31st March 2011 and also the Profit & Loss Account and the Cash Flow Statement of the Company 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. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. 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, and read with the amendments made by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of books and records of the company as we considered appropriate and according to the information and explanation given to us we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent they are applicable to the Company.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that :
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of such books;
 - (c) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Profit & Loss Account and the 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.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read together with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - (ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No.105049W

(NARENDRA JAIN)
PARTNER
Membership No.048725

Place : Mumbai
Date : 10th August, 2011

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ORICON ENTERPRISES LIMITED FOR THE YEAR ENDED MARCH 31, 2011)

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, except in case of Furniture and Fixtures, Electrical Installation and Equipments for which quantitative records have been maintained without item wise break up of value.
- b) We are informed that the fixed assets other than Dies and Tools, Furniture and Fixtures, Electrical Installation and Equipments have been physically verified by the management at reasonable intervals during the year and as explained to us no material discrepancies were noticed on such verification.
- c) During the year, the Company has not disposed off any substantial part of fixed assets.
- ii) a) The management has conducted physical verification of the inventory at reasonable intervals, except material in transit and stocks lying with third parties and in bonded warehouse, which are verified with reference to the certificates obtained and/or subsequent clearance of goods. In our opinion, the frequency of physical verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of the inventory and no material discrepancies were noticed on physical verification between the physical stock and book records.
- iii) a) The Company has not granted loans to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- b) The Company had taken unsecured loan from one party covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs.12,39,917/- and the year end balance of loans taken from such party was Rs.12,39,917/-.
- c) In our opinion and according to the information and explanation given to us the rate of interest and other terms and conditions on which these loans have been taken are not prima facie prejudicial to the interest of the Company.
- d) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to the purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements, referred to in section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
- b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable 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 complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under with regard to deposits accepted from the public. According to the information and explanations given to us, no order under the aforesaid Sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956 in respect of the products of the Company.
- ix) a) According to the information and explanations given to us, and the records examined by us, undisputed statutory dues including provident fund, employee's state insurance, income-tax, custom duty, excise-duty, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though *there has been delay in few cases*. According to the information and explanations given to us, there were no undisputed statutory dues which have remained outstanding as at 31st March, 2011 for the period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, and the records examined by us, dues in respect of sales-tax, income-tax, custom duty, wealth-tax, service tax, excise duty, cess as at 31st March, 2011 that have not been deposited with the appropriate authority on account of any disputes and the forum where the dispute is pending are as under:-

Sr. No.	Name of the Statute	Nature of the Dues	Period to which the amount relates	Amount (Rs.)	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty (Classification of goods)	March 2001 to Aug. 2001	62,30,637	Assistant Commissioner of Central Excise
2	Central Excise Act, 1944	Excise Duty (Classification of goods) Penalty	June 1996 to Feb'2001	75,938 30,80,610	Central Excise & Service Tax Appellate Tribunal
3	Central Excise Act, 1944	Excise Duty (Classification of goods) Penalty	July 1998 to Feb 2001	1,41,503 10,24,509	Central Excise & Service Tax Appellate Tribunal

- x) The Company has no accumulated losses as at the end of the financial year and has not incurred cash loss in the current financial year or in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.
- xii) Based on the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a Chit Fund Company or nidhi/mutual benefit fund/society.
- xiv) The Company has maintained proper records of transactions and contracts in respect of dealing and trading in shares, securities, debentures and other investments and the timely entries have generally been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name except to the extent of the exemption granted under Section 49 of the Companies Act, 1956 and save for certain shares which are either lodged for transfer or held with valid transfer forms.

- xv) In our opinion and according to the information and explanations given to us, the terms and conditions of guarantees given by the company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the company.
- xvi) In our opinion, the term loans raised during the year have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to us and on an examination of the Balance Sheet of the Company, we report that, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- xviii) The Company has not made any preferential allotment of shares during the year to parties covered in register maintained under section 301 of the Companies Act, 1956.
- xix) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the year covered by our report.
- xx) During the year covered by our Audit Report the Company has not raised any money by public issues.
- xxi) To the best of our knowledge and belief and 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 **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No.105049W

(NARENDRA JAIN)
PARTNER
Membership No.048725

Place : Mumbai
Date : 10th August, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
SOURCES OF FUNDS :			
Shareholders' Funds :			
Share Capital	1	292,349,194	96,349,194
Share Capital Suspense	1A	-	196,000,000
Reserves and Surplus	2	3,987,818,971	3,945,840,229
		<u>4,280,168,165</u>	<u>4,238,189,423</u>
Deferred Income Tax Liability (Refer Note No. B - 17 of Schedule 18)		4,339,216	4,671,519
Deferred Sales Tax Liability		12,914,448	6,122,000
Loan Funds:			
Secured Loans	3	8,556,856	13,019,231
Unsecured Loans	4	561,010,674	614,599,779
		<u>569,567,530</u>	<u>627,619,010</u>
	Total	<u><u>4,866,989,358</u></u>	<u><u>4,876,601,952</u></u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	354,718,106	310,029,615
Less: Depreciation		231,728,249	220,294,383
Net Block		122,989,857	89,735,232
Capital Work in Progress		43,852,029	25,659,766
		<u>166,841,885</u>	<u>115,394,998</u>
Investments	6	3,933,588,492	3,929,272,482
Current Assets, Loans and Advances			
Interest Accrued on Bank Deposits		355,843	383,723
Inventories	7	20,255,307	7,052,961
Sundry Debtors	8	143,860,357	185,298,322
Cash and Bank Balances	9	17,675,551	73,846,733
Loans and Advances	10	974,620,948	935,763,572
		<u>1,156,768,006</u>	<u>1,202,345,311</u>
Less: Current Liabilities & Provisions			
Liabilities	11	330,408,357	325,574,904
Provisions	12	59,800,667	44,835,935
		<u>390,209,024</u>	<u>370,410,839</u>
Net Current Assets		766,558,981	831,934,472
Miscellaneous Expenditure	13	-	-
	Total	<u><u>4,866,989,358</u></u>	<u><u>4,876,601,952</u></u>
Significant Accounting Policies and Notes to the Accounts	18		

Note: The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date annexed
FOR KHANDELWAL JAIN & CO.
Chartered Accountants

NARENDRA JAIN
Partner
Membership No. 048725

Mumbai
10th August, 2011

SANJAY JAIN
Company Secretary

For & on behalf of the Board

S. J. Taparia Chairman

Sanjay Dosi Director

B K Toshniwal Director

Rajendra Somani Managing Director

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

	Schedule	Year ended 31st March, 2011 ₹	Year ended 31st March, 2010 ₹
INCOME			
Sales and other income	14	<u>716,909,980</u>	<u>720,485,661</u>
EXPENDITURE			
Manufacturing and Other expenses	15	<u>487,613,656</u>	<u>525,617,080</u>
Interest & Finance Charges	16	<u>87,135,128</u>	<u>40,270,540</u>
		<u>574,748,784</u>	<u>565,887,619</u>
PROFIT BEFORE DEPRECIATION		142,161,196	154,598,042
Less : Depreciation		<u>14,214,764</u>	<u>12,452,536</u>
PROFIT BEFORE PRIOR PERIOD ADJUSTMENT		127,946,431	142,145,506
LESS/(ADD) : Prior period adjustment		<u>(238,613)</u>	<u>(3,131,377)</u>
Profit before taxation and exceptional items		128,185,044	145,276,883
Less : Provision for Taxation			
Current Tax		<u>39,300,000</u>	53,714,000
Deferred Tax		<u>(332,303)</u>	<u>(5,812,706)</u>
		<u>38,967,697</u>	<u>47,901,294</u>
Profit after taxation		89,217,348	97,375,589
Income tax for earlier years		<u>(16,016)</u>	<u>1,820,855</u>
Profit after taxation		89,233,364	95,554,734
Add : Balance brought forward from previous year		<u>138,317,546</u>	131,235,746
Add: Dividend Distribution Tax for earlier year written back		<u>2,454,121</u>	-
AMOUNT AVAILABLE FOR APPROPRIATIONS		<u>230,005,031</u>	<u>226,790,480</u>
APPROPRIATIONS :			
Proposed dividend on Equity Shares		<u>36,917,177</u>	32,993,180
Tax on above proposed dividend		<u>5,988,889</u>	<u>5,479,755</u>
		<u>42,906,066</u>	<u>38,472,935</u>
Proposed dividend on Preference Shares		<u>5,853,151</u>	-
Tax on above proposed dividend		<u>949,527</u>	-
		<u>6,802,678</u>	-
Transfer to General Reserve		<u>50,000,000</u>	50,000,000
Balance carried to Balance Sheet		<u>130,296,287</u>	<u>138,317,545</u>
		<u>230,005,031</u>	<u>226,790,480</u>
EARNINGS PER SHARE (EPS) on Face value of Rs.2/- each			
On profit after taxation			
Basic Earnings per share (Rs.)		0.90	1.37
Diluted Earnings per share (Rs.)		0.61	0.98

(Refer Note No. B-16 of Schedule 18)

As per our report of even date annexed
FOR KHANDELWAL JAIN & CO.
Chartered Accountants

NARENDRA JAIN
Partner
Membership No. 048725

Mumbai
10th August, 2011

SANJAY JAIN
Company Secretary

For & on behalf of the Board

S. J. Taparia Chairman

Sanjay Dosi Director

B K Toshniwal Director

Rajendra Somani Managing Director

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

(Amount in Rupees)

PARTICULARS	For the Year ended 31.03.2011	Previous Year ended 31.03.2010
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	127,946,431	142,145,506
Adjustments for:		
Depreciation	14,214,764	12,452,536
Deferred Revenue Expenditure written-off	-	18,269,798
Dividend Received	(14,847,760)	(3,194,834)
Interest Expense	86,577,195	38,509,500
Interest Received	(83,497,554)	(41,370,789)
Loss on Sale of long term Investments	5,790	(3,796,375)
Profit on sale of assets	-	(4,085,135)
Loss on sale of assets	17,416	-
Sundry balances written off	333,266	201,234
Sundry balances written back	(10,929)	(5,046,142)
Operating Profit before Working Capital changes	130,738,619	154,085,298
Adjustments for:		
Trade & Other Receivables	(17,168,043)	(463,652,447)
Inventories	(13,202,346)	5,985,373
Debenture issue expenses	-	(13,980,366)
Amalgamation expenses	-	23,590,348
Trade & Other Payables	11,591,024	13,694,653
Cash generated from Operations	111,959,255	(327,457,838)
Direct Taxes Paid (Net of Refund)	(16,253,695)	(4,351,077)
Cash Flow before prior period Adjustments & Exceptional item	95,705,560	(331,808,915)
Prior period adjustments	238,613	3,131,377
Exceptional items	-	-
NET CASH FROM OPERATING ACTIVITIES: TOTAL (A)	95,944,173	(328,677,538)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets (including Capital Work-in-progress)	(66,389,069)	(25,382,945)
Sale of Fixed Assets	710,001	4,106,666
Sale of Investment	678,200	6,296,375
Purchase of Investment	(5,000,000)	(49,276,264)
Interest Received	83,525,434	41,147,809
Dividend Received	14,847,760	3,194,834
NET CASH FROM / (USED IN) INVESTING ACTIVITIES: TOTAL (B)	28,372,326	(19,913,525)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Secured Loans (Net of Repayments)	(4,720,650)	(3,372,622)
Proceeds from Unsecured Loans (Net of Repayments)	(52,029,516)	98,625,944
Proceeds from issue of fully Convertible Debentures	-	353,596,000
Interest paid	(87,878,509)	(37,440,841)
Dividend Paid	(35,859,006)	(11,291,331)
NET CASH FROM FINANCING ACTIVITIES: TOTAL (C)	(180,487,681)	400,117,150
Net Increase in Cash and Cash Equivalents Total: (A+ B+ C)	(56,171,182)	51,526,087
Cash and Cash Equivalents - Opening Balance	73,846,733	10,210,556
Cash and Cash equivalents taken over on amalgamation	-	12,110,090
Cash and Cash Equivalents - Closing Balance	17,675,551	73,846,733
Net increase / (decrease) in Cash and Cash Equivalent	(56,171,182)	51,526,087
NOTES :		
1. Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as specified in the Companies (Accounting Standards) Rules, 2006.		
2. Cash and Cash equivalents at the end of the year include Rs. 1,37,79,240/- (previous year Rs.1,82,59,678/-) which are restricted in use.		
3. Previous year's figures have been regrouped/rearranged/recasted, wherever necessary.		

As per our report of even date annexed
FOR KHANDELWAL JAIN & CO.
Chartered Accountants

NARENDRA JAIN
Partner
Membership No. 048725

Mumbai
10th August, 2011

SANJAY JAIN
Company Secretary

For & on behalf of the Board

S. J. Taparia Chairman

Sanjay Dosi Director

B K Toshniwal Director

Rajendra Somani Managing Director

Schedules Forming Part of the Balance Sheet

SCHEDULE - 1

	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
SHARE CAPITAL		
Authorised: (Refer Note No. B-10 & B-15 of Schedule 18)		
2,39,00,000 (P.Y. 2,87,50,000) Equity Shares of Rs.10 each	239,000,000	287,500,000
1,10,00,000 (P.Y. Nil) Preference Shares of Rs.10 each	110,000,000	-
10,000 (P.Y. 10,000) 11% Cumulative Redeemable Preference Shares of Rs.100 each	1,000,000	1,000,000
	<u>350,000,000</u>	<u>288,500,000</u>
Issued: (Refer Note No. B-15 of Schedule 18)		
1,83,42,072 (P.Y. 96,42,072) Equity Shares of Rs.10 each	183,420,720	96,420,720
1,09,00,000 (P. Y. Nil) 10% Compulsorily Convertible Preference Shares (CCPS) of Rs.10/- each,	109,000,000	-
	<u>292,420,720</u>	<u>96,420,720</u>
Subscribed and Paid-up: (Refer Note No. B-15 of Schedule 18)		
183,29,543 (P.Y. 96,29,543) Equity Shares of Rs. 10 each.	183,295,430	96,295,430
1,09,00,000 (P. Y. Nil) 10% Compulsorily Convertible Preference Shares (CCPS) of Rs.10/- each, (Refer Note No. B-11 of Schedule 18) Share forfeited Account	109,000,000 53,764	- 53,764
Total	<u>292,349,194</u>	<u>96,349,194</u>

Notes :

- 1) a) 19,30,800 Equity Shares are allotted as fully paid up as Bonus shares by capitalising Rs. 31,00,000/- from General Reserve, Rs.1,57,08,000/- from Share Premium and Rs. 5,00,000/- from Capital Redemption Reserve.
- b) 1,00,000 Equity Shares of Rs.10/-each are allotted as fully paid up shares to the shareholders of erstwhile Hempri Containers Pvt Ltd pursuant to the scheme of Amalgamation.
- c) 12,529 Partly paid Equity Shares have been forfeited by the Company during the year 2003-04.
- d) 42,73,875 Equity Shares of Rs.10/-each are allotted as fully paid up equity shares to the shareholders of erstwhile Scientific vacume coatings Pvt Ltd pursuant to the scheme of Amalgamation.
- e) 87,00,000 Equity Shares of Rs.10/-each are allotted as fully paid up equity shares to the shareholders of Zeuxite Investment Pvt Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) pursuant to scheme of amalgamation with the Company.
- f) 1,09,00,000, 10% Compulsorily Convertible Preference Shares (CCPS) are allotted as fully paid up CCPS to the shareholders of Zeuxite Investment Pvt Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) pursuant to scheme of amalgamation with the Company.

SCHEDULE -1A

SHARE CAPITAL SUSPENSE

Nil (P. Y. 87,00,000) Equity Share Suspense of Rs.10/- each [Nil (P.Y. 87,00,000) Equity Share of Rs.10/-each, fully paid, to be issued pursuant to scheme of amalgamation of Zeuxite Investment Pvt. Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) with the Company]	-	87,000,000
Nil (P. Y. 1,09,00,000) 10% Compulsorily Convertible Preference Shares (CCPS) Suspense of Rs.10/- each [Nil (P.Y. 1,09,00,000), 10% CCPS of Rs.10/-each fully paid, to be issued pursuant to scheme of amalgamation of Zeuxite Investment Pvt. Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) with the Company]	-	109,000,000
Total	<u>-</u>	<u>196,000,000</u>

Schedules Forming Part of the Balance Sheet

SCHEDULE - 2

RESERVES AND SURPLUS	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
Capital Reserve		
As per last Balance Sheet	2,982,258,790	1,113,014
Add: On Amalgamation	-	2,996,900,000
Less: Expense on Amalgamation (Net of Tax)	-	15,754,224
	2,982,258,790	2,982,258,790
Capital Redemption Reserve		
As per last Balance Sheet	500,000	500,000
Amalgamation Reserve		
As per last Balance Sheet	13,109,745	13,109,745
Share Premium Account		
As per last Balance Sheet	176,803,666	186,032,106
Less: Expenses on issue of debentures (Net of Tax)	-	9,228,440
	176,803,666	176,803,666
General Reserve		
As per last Balance Sheet	634,850,483	584,850,483
Add: Transferred from Profit and Loss Account	50,000,000	50,000,000
	684,850,483	634,850,483
Profit and Loss Account	130,296,287	138,317,545
Total	3,987,818,971	3,945,840,229

Schedules Forming Part of the Balance Sheet

SCHEDULE - 3

SECURED LOANS	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
Deferred Payment Credits	594,828	428,982
Working Capital Loans from Banks		
Cash Credit	7,613,504	-
Working Capital Demand Loan	-	12,500,000
Interest Accrued & Due on above	348,524	90,249
	8,556,856	13,019,231

Notes :-

Working Capital Loans i.e. Cash Credit / Working Capital Demand Loan is secured by (i) hypothecation of inventories, book debts, (ii) first charge on Company's immovable properties at Khopoli and (iii) hypothecation on Machineries at Company's plant at Khopoli and guaranteed by three Directors jointly and severally.

Deferred payments credits are secured against hypothecation of Specific Capital Assets i.e. Motor Cars.

Instalments repayable within one year Rs.2,38,038/- (P.Y. Rs.4,28,982/-)

SCHEDULE 4

UNSECURED LOAN

Fixed Deposits (Repayable within one year Rs.3,18,000/-) (Previous year Rs.6,86,000/-)	318,000	686,000
Inter Corporate Deposits	5,939,917	15,619,917
Term Loan From :		
Banks	201,156,757	243,138,273
Term loans repayable within one year Rs.4,64,90,648/- (Previous year Rs.4,11,83,551/-)		
15% 21,80,000 (P.Y. 21,80,000) fully Convertible Debentures (Refer Note No. B-9 of Schedule 18)	353,596,000	353,596,000
Interest Accrued & Due on above	-	1,559,589
Total	561,010,674	614,599,779

Schedules forming Part of the Balance Sheet

SCHEDULE - 5 FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As on 1st April 2010	Additions during the year	Addition on Amalgamation	Deductions during the year	As on 31st March, 2011	Upto 31st March 2010	For the Year	Addition on Amalgamation	Deductions during the year	Total upto 31st March 2011	As on 31st March 2011	As on 31st March 2010
Freehold Land	576,814	-	-	-	576,814	-	-	-	-	-	576,814	576,814
Leasehold Land (Note 1)	-	6,135,150	-	-	6,135,150	-	72,009	-	-	72,009	6,063,141	-
Buildings (Note 1 & 2)	50,843,607	21,636,730	-	-	72,480,337	25,867,990	4,176,154	-	-	30,044,143	42,436,194	24,975,617
Residential Flats (Note 3)	473,475	-	-	-	473,475	305,764	8,386	-	-	314,150	159,326	167,711
Plant and Machinery	215,761,003	16,755,189	-	-	232,516,192	160,935,483	7,577,349	-	-	168,512,831	64,003,360	54,825,520
Electric Installations	976,146	1,302,407	-	-	2,278,553	852,391	143,354	-	-	995,745	1,282,808	123,755
Office Equipments (Note 4)	5,803,688	39,870	-	-	5,843,558	4,949,287	118,898	-	-	5,068,183	7,75,375	854,401
Computer	4,659,792	376,104	-	-	5,035,896	4,272,031	231,855	-	-	4,503,887	532,009	387,761
Furniture and Fixtures	6,971,815	618,006	-	-	7,589,821	4,502,864	544,077	-	-	5,046,941	2,542,880	2,468,952
Vehicles	21,462,637	960,246	-	3,508,315	18,914,569	16,303,685	1,272,096	-	2,780,891	14,794,889	4,119,680	5,158,951
Fire Fighting Equipments	435,423	32,306	-	-	467,729	378,819	10,206	-	-	389,025	78,703	56,604
Laboratory Equipments	1,192,651	340,798	-	-	1,533,450	1,107,331	53,177	-	-	1,160,508	372,941	85,320
Weighing Machines	872,563	-	-	-	872,563	818,737	7,203	-	-	825,939	46,625	53,826
TOTAL	310,029,615	48,196,806	-	3,508,315	354,718,106	220,294,383	14,214,764	-	2,780,891	231,728,249	122,989,857	89,735,232
AS AT 31 st MARCH, 2010	299,203,641	11,882,268	11,130	1,067,425	310,029,614	208,863,442	12,452,536	4,298	1,045,893	220,294,383	89,735,232	-

(1) The Company has purchased Leasehold Land alongwith the Building constructed thereon at Murbad from a party for a consideration of Rs. 1,71,00,000/- out of which Rs. 53,20,000/- have been included in addition to Leasehold Land and Rs. 1,17,80,000/- have been included in addition to Building above. Further in respect of the said Leasehold Land, the Leasehold rights have been transferred by MIDC subsequent to the Balance sheet date on 26th July, 2011 however the same is pending for registration with Sub-registrar.

(2) Building includes Rs. 3,42,08,890/- pursuant to the scheme of amalgamation with Scientific Vacuum Coating Pvt. Ltd. with the Company.

(3) Residential flats includes deposit for Shares in Co-operative Society Rs. 5,000/-.

(4) Office equipment includes Rs. 11,030/- pursuant to the scheme of amalgamation with Naman Tradevest Pvt. Ltd. and Zeuxite Investments Pvt. Ltd. with the Company.

Schedules Forming Part of the Balance Sheet

SCHEDULE - 6

INVESTMENTS (At Cost) Long Term Investments Face Value	As at 31st March, 2011		As at 31st March, 2010	
	Nos.	₹	Nos.	₹
A. Unquoted: Equity Shares(fully paid-up)				
1. Equity Shares in Subsidiary Companies				
10 Shinrai Auto Services Ltd. (Formerly known as USL Shinrai Automobiles Ltd.)	5,000,000	50,000,000	5,000,000	50,000,000
10 USL Auto Services Ltd.	-	-	50,000	500,000
10 Oricon Properties Pvt. Ltd. (Formerly known as National Cotton Products Pvt. Ltd.)	6,120,000	1,594,066,696	6,120,000	1,594,066,696
10 United Shippers Ltd.	2,969,552	1,954,150,815	2,969,552	1,954,150,815
2. Investment in Joint Venture				
10 In Equity shares of Oriental Containers Ltd. (Refer Note No. B-19(a) of Schedule 18)	3,246,192	308,866,364	3,246,192	308,866,364
3. Investment in Limited Liability Partnership Firm (Joint Venture)				
In Claridge Energy LLP (Refer Note No. B-19(b) of Schedule 18)	-	5,000,000	-	-
Other Investments (Fully Paid Up)				
4. Unquoted: Equity Shares in Others				
10 New India Co-opreative Bank Ltd.	10	102	10	102
100 Madhavpura Mercantile Co-op Bank Ltd.	875	87,500	875	87,500
10 Saraswat co-operative bank	1,000	10,000	1,000	10,000
B. Unquoted: Preference Shares				
100 14.5 % Redeemable Cumulative Preference Shares in Excel Glasses Ltd	130,000	13,000,000	130,000	13,000,000
C. Quoted : Equity Shares				
10 Soma Paper Mills Ltd.	39,287	1,719,409	39,287	1,719,409
10 Koprán Ltd.	32,500	103,413	32,500	103,413
100 Bayer Crop Science Ltd.	24	2,219	24	2,219
10 Indian Dyestuff Industries Ltd.	13	447	13	447
10 IMP Power Ltd.	25,500	6,581,526	25,500	6,581,526
D. Quoted : Others				
100 6.75 % of Unit Trust of India Bonds	-	-	1,782	183,990
Total		3,933,588,492		3,929,272,482
Aggregate Book Value - Quoted		8,407,014		8,591,005
Unquoted		3,925,181,478		3,920,681,477
Aggregate Market Value- Quoted		2,441,975		4,008,179

Schedules Forming Part of the Balance Sheet

	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
SCHEDULE - 7		
INVENTORIES		
As taken, valued and certified by the Managing Director.		
Stores and spares	3,649,789	640,288
Fuel	247,710	207,076
Raw Materials	9,140,747	3,809,168
Stock in Trade:		
Finished Goods	5,830,859	1,953,415
Others	1,386,202	443,014
Total	<u>20,255,307</u>	<u>7,052,961</u>
SCHEDULE - 8		
SUNDRY DEBTORS		
Unsecured:		
Outstanding for a period exceeding six months:		
Considered Good	47,160,768	7,314,710
Other Debts-Considered Good (includes due from Subsidiary Rs.30,09,000/- [P.Y.Rs. 30,09,000/-])	96,699,589	177,983,611
Total	<u>143,860,357</u>	<u>185,298,322</u>
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash in hand	1,156,795	1,188,692
Bank balances with Scheduled banks :		
In Current Accounts	2,739,516	54,398,363
In Margin Deposit Accounts	13,779,240	18,259,678
Total	<u>17,675,551</u>	<u>73,846,733</u>
SCHEDULE - 10		
LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Advances & deposits to Subsidiary Companies	492,193,898	484,976,002
Advances & Loans to Limited Liability Partnership Firm	38,059,534	-
Advances recoverable in cash or in kind for value to be received	190,599,330	181,175,830
Sundry Deposits	244,318,063	248,802,152
Balance with Excise Authorities	9,450,123	1,394,221
Advance payment of Income-tax	-	19,415,366
(Net of provisions and including refund receivable)		
Total	<u>974,620,948</u>	<u>935,763,572</u>

Schedules Forming Part of the Balance Sheet

	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
SCHEDULE - 11		
CURRENT LIABILITIES		
Sundry Creditors :-		
Amount Outstanding to Micro, Small & Medium Enterprises (Refer note B-4 of schedule 18)	-	-
Others (includes due to subsidiary Rs.81,000/- [P.Y. Rs.54,000/-])	147,912,738	129,955,878
<u>Deposit Received</u>		
from Subsidiary Companies	20,500,000	20,500,000
from Others	133,237,816	143,159,204
Unclaimed Dividends	960,340	800,533
Other Liabilities	27,797,464	31,159,289
Total	330,408,357	325,574,904
SCHEDULE - 12		
PROVISIONS		
Proposed Dividend	42,770,328	32,993,180
Tax on Dividend	6,938,416	5,479,755
Gratuity	4,897,000	4,868,000
Leave encashments	1,580,000	1,495,000
Provision for Income Tax (Net of Advance Income Tax)	3,614,923	-
Total	59,800,667	44,835,935
SCHEDULE - 13		
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Deferred Revenue Expenditure:		
Voluntary Retirement Scheme	-	18,269,798
Add: Expenses during the year	-	-
	-	18,269,798
Less: Amount written off during the year	-	18,269,798
Total	-	-

Schedules Forming Part of the Profit and Loss Account

	Year ended 31st March, 2011 ₹	Year ended 31st March, 2010 ₹
SCHEDULE - 14		
SALES AND OTHER INCOME		
Gross Sales	494,382,681	524,421,848
Less : Excise Duty	22,466,085	14,745,811
	<u>471,916,596</u>	<u>509,676,037</u>
Net Sales	471,916,596	509,676,037
Rent Received	142,323,243	152,010,944
(Gross - TDS Rs. 15,795,345/- [P.Y. Rs.21,533,460/-])		
Bad debts written back (Net)	-	47,011
Dividend	14,847,760	3,194,834
Interest	83,497,554	41,370,789
(Gross - TDS Rs. 7,675,834/- [P.Y. Rs.3,524,792/-])		
Surplus on Sale of Assets	-	4,085,135
Profit on Sale of Long term Investment	-	3,796,375
Sundry balances written back (Net)	-	4,844,908
(Refer note no. B-7 of Schedule 18)		
Miscellaneous Income	4,324,827	1,459,626
Total	<u><u>716,909,980</u></u>	<u><u>720,485,661</u></u>
SCHEDULE - 15		
MANUFACTURING AND OTHER EXPENSES		
Purchases of goods & others	256,992,772	343,297,265
Consumption of Raw Materials and Components & goods	161,110,191	94,191,672
Payments to and Provisions for Employees:		
Salaries, Wages and Bonus	16,668,530	15,282,593
Gratuity	87,702	669,952
Contribution to PF, FPF and Superannuation Scheme	1,364,121	1,304,236
Employees Welfare Expenses	1,650,604	1,533,519
	<u>19,770,957</u>	<u>18,790,300</u>
Stores, Spares Consumed	2,583,601	1,399,655
Power and Fuel	13,936,000	12,831,513
Transportation and Forwarding	(739,009)	(232,366)
Share Issue Expenses	-	511,459
Rent	2,777,496	2,342,652
Rates and Taxes	1,830,646	1,895,353
Excise Duty	476,154	(402,778)
Insurance	656,267	842,326
Repairs and Maintenance :		
Building	2,026,567	895,208
Plant & Machinery	1,450,000	337,865
Others	1,063,799	1,485,156
	<u>4,540,366</u>	<u>2,718,229</u>

Schedules Forming Part of the Profit and Loss Account

	Year ended 31st March, 2011 ₹	Year ended 31st March, 2010 ₹
SCHEDULE - 15 (Contd.)		
Directors Sitting Fees	335,000	425,000
Auditor's Remuneration:		
Audit Fees	551,500	551,500
Tax Audit Fees	110,300	110,300
Taxation Matters	330,900	220,600
Other Matters	220,600	590,105
Less: Transferred to Amalgamation Expenses	-	(590,105)
	1,213,300	882,400
Sundry balances written off (Net) (Refer note no. B-7 of Schedule 18)	322,337	-
Donation	445,302	24,553
Brokerage & Commission	97,535	488,815
Legal & Professional Charges	12,101,421	10,663,406
Loss on sale of Fixed Assets	17,416	-
Loss on sale of Long Term Investment	5,790	-
Sales tax paid for earlier years	5,333	-
Vehicle Expenses	4,772,877	4,482,067
Foreign Exchange Fluctuation	(2,019,130)	(6,724,513)
Add / (Less) : Transferred to Parties	2,103,995	6,788,945
	84,865	64,432
Miscellaneous Expenses	8,909,124	5,433,450
Rebate & Discount		
Deferred Revenue Expenditure written off voluntary retirement scheme.	9,188,549	520,309
Voluntary Retirement Scheme	-	18,269,798
(Increase) / Decrease in Stocks (Refer Schedule 17)	(4,820,632)	6,177,570
Total	487,613,656	525,617,080
SCHEDULE - 16		
INTEREST & FINANCE CHARGES		
Debentures	53,039,400	15,693,850
Term Loans	30,611,835	19,665,122
Others	2,925,960	38,509,500
Bank Charges & Other Financial Charges	557,933	1,761,039
	87,135,128	40,270,540
SCHEDULE 17		
(INCREASE)/DECREASE IN STOCKS		
Stocks at commencement :		
Finished Goods	1,953,415	7,064,510
Stock in Trade	443,014	1,509,489
	2,396,429	8,573,999
Less: Stocks at close :		
Finished Goods	5,830,859	1,953,415
Stock in Trade-others	1,386,202	443,014
	7,217,061	2,396,429
(Increase) / Decrease in Stocks	(4,820,632)	6,177,570

SCHEDULE 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2011

(A) SIGNIFICANT ACCOUNTING POLICIES

1. System of Accounting

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, in accordance with accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards prescribed by Companies (Accounting Standards) Rules, 2006 issued by the Central Government and the provisions of the Companies Act, 1956, (the 'Act') to the extent applicable.

2. Revenue Recognition

Revenue from sale of products is recognized when the risk and rewards of ownership of products are passed on to the customers. Revenue is recorded exclusive of sales tax. Sales / Turnover includes sales value of goods and excise duty thereon wherever applicable.

Revenue from services is recognized on rendering of services to the customers. Revenue is recorded exclusive of service tax.

Interest income is recognized on the time proportion basis.

3. Fixed Assets and Depreciation

a. Fixed Asset:

- i. Fixed Assets are stated at cost of acquisition, inclusive of freight, duties, taxes, borrowing cost, erection expenses/ commissioning expenses etc. up to the date the assets are put to use.
- ii. Modvat Credit availed on purchase of fixed assets is reduced from the cost of respective assets.
- iii. Exchange difference on account of foreign exchange fluctuation, if any, is charged to profit & loss Account.

b. Depreciation:

- i. Depreciation has been provided for on straight line method on Plant and Machineries, acquired up to 31st March 1988, at the rates prevailing at the time of the acquisition (as per circular 2/89 dated 07.03.1989 issued by Department of Company Affairs) and for Plant and Machineries, acquired after 31st March 1988, at the rates as per Schedule XIV of the Companies Act, 1956.
- ii. Leasehold Land is amortized over the period of lease.
- iii. Depreciation on other assets has been provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.

4. Investments

Long Term Investments are valued at cost. Provision for diminution in value of investment is made to recognise a decline other than temporary.

5. Inventory

- a) Raw materials are valued at cost (net of modvat) or net realisable value whichever is lower. Cost is ascertained on first in first out (FIFO) basis except in case of raw material liquid colorant where cost is determined on the basis of weighted average method.
- b) Finished goods and work in process inventory are valued at cost or net realisable value whichever is lower.
- c) Stocks of Shares are valued at cost or market value whichever is lower.
- d) Fuel, Stores, Spares and Consumables are valued at weighted average cost or net realisable value whichever is lower.

6. Excise and Customs Duty

Excise and Customs Duty payable in respect of finished goods and raw-material lying at factory/bonded premises are provided for and included in the valuation of inventory.

7. Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date for impairment so as to determine the provision for impairment loss, if any, required, or the reversal, if any, required of impairment loss recognized in previous periods.

8. Employee Benefits

a) Defined Contribution Plan

Company's contribution towards Superannuation Scheme with Life Insurance Corporation of India, Provident Fund, Employee's

State Insurance Scheme, Government Welfare Fund and Employee's Deposit Linked Insurance are accounted for on accrual basis.

b) Defined Benefit Plan

Liability on account of Gratuity is accounted for on the basis of Actuarial Valuation at the end of each year.

c) Other Long term

Liability on account of other long term benefit such as 'leave encashment' is made on the basis of actuarial valuation at the end of the year.

d) Other Short Term

Employee Benefits are charged to revenue in the year in which the related services are rendered.

9. Debentures Issue expenses

Debentures issue expenses are adjusted against securities premium.

10. Government Grants

Special Capital Incentives received for setting up a unit in backward area is treated as capital reserve.

11. Foreign Exchange Transaction

- a. The transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction.
- b. Current Assets and Current Liabilities in Foreign currency outstanding at the Balance Sheet date are translated at the exchange rates prevailing on the date of Balance Sheet. The resulting Exchange Difference, if any, is charged to the Profit & Loss Account.

12. Export Benefit/Incentive

The unutilised Export benefits / incentives against Export as on the Balance Sheet date are recognised as Income of the year.

13. Deferred Revenue Expenditure

- a. Expenditure in the nature of miscellaneous expenditure represented by Deferred Revenue Expenditure (Voluntary Termination Benefits) are amortized in accordance with Accounting Standard 15 (Revised) 'Employee Benefits' issued by the Institute of Chartered Accountants of India.
- b. Premium paid on prepayment and refinancing of term loans is charged off over the tenor of the new loans.

14. Borrowing Costs

Borrowing Costs directly attributable to the acquisition or construction of Fixed Assets are capitalised as part of the cost of the Assets, up to the date the Assets are put to use. Other Costs are charged to the Profit and Loss Account in the year in which they are incurred.

15. Earning Per Share (E.P.S.)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti dilutive.

16. Taxes on income

- a) Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.
- b) Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced up to the balance sheet date. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the profit and loss account of the respective year of change.
- c) Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is reasonable certainty of its realization.
- d) At each balance sheet date the carrying amount of deferred tax assets is reviewed to reassure realization.

17. Other Accounting Policies

These are consistent with the generally accepted accounting practices.

B) NOTES TO THE ACCOUNTS

SCHEDULE - 18

	Year ended 31.03.2011 ₹	Year ended 31.03.2010 ₹
1	-	16,369,699
2		
a)	-	1,700,000
b)	12,573,094	12,573,094
c)	9,221,074	10,524,196
d)	260,107,542	274,954,119
e)	40,000,000	40,000,000
f)	101,158,000	91,062,136
g)		
3		
4		
5		
6		
7		
8		
9		
10.		
11		
(a)		
(b)		

- (c) Out of the total 1,09,00,000, 10%, 19,00,000 CCPS are convertible into equity shares anytime after 1st April, 2011 but within a period of five years from the date of allotment i.e. 17th September, 2010, 30,00,000 CCPS are convertible into equity shares anytime after 1st April, 2012 but within a period of five years from the date of allotment i.e. 17th September, 2010 on equal proportionate basis amongst CCPS holders to the extent of their holding in the Company and 60,00,000 are convertible into equity shares anytime after 1st April, 2013 but within a period of five years from the date of allotment i.e. 17th September, 2010 on equal proportionate basis amongst CCPS holders to the extent of their holding in the Company.
- (d) 25% of above 1,09,00,000 CCPS numbering to 27,25,000 equity shares arising out of conversion of CCPS shall be kept under lock-in for three years from the date of listing of new shares on the Bombay Stock Exchange.
- 12 (a) In view of amalgamation of Naman Tradevest Pvt. Ltd. (NTPL) & Zeuxite Investment Pvt. Ltd. (ZIPL) with the Company in the previous year with effect from 1st October, 2009, the figures of current year are not comparable with the previous year's figures as the current year figures consist of 12 months transactions whereas the previous year consist of 6 months transactions.
- (b) Figures of the previous year have been re-grouped, re-classified and re-arranged wherever necessary.
- 13 The disclosure in respect of Segment information as per Accounting Standard - 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India for the period ended 31st March, 2011 is given as follows :
- (a) Business Segments :
- (i) During the year the Company has set up and commissioned latest 'state of the art' plant for manufacturing liquid colorants in technical collaboration with M/s. Colormatrix U.K at M.I.D.C., Murbad, District Thane, on 16th May, 2010 and accordingly the same has been shown as a separate business segment i.e. liquid colorants

(Amount in Rs.)

(ii) Particulars	Petrochemicals		Trading		Liquid Colorants		Total	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
REVENUE :								
External Revenue	205,291,658	158,146,993	259,482,384	351,529,044	7,142,554	-	471,916,596	509,676,037
Inter-segment Revenue	-	-	-	-	-	-	-	-
Total Revenue	205,291,658	158,146,993	259,482,384	351,529,044	7,142,554	-	471,916,596	509,676,037
RESULT								
Segment Result	20,273,814	26,640,912	3,432,800	7,165,304	(4,337,219)	-	19,369,394	33,806,216
(Less)/ Add:Unallocable Income/(Expenses)							111,656,678	105,478,000
Net of unallocable Expenses							(86,577,195)	(38,509,500)
Less:Interest Expenses							83,497,554	41,370,789
Add:Interest Income							127,946,431	142,145,506
Profit Before Prior Period Adjustment							(238,613)	(3,131,377)
Less/(Add): Prior Period Adjustment							128,185,044	145,276,883
Profit Before Taxation & exceptional item							39,300,000	53,714,000
Less:Provision for Current Tax							(332,303)	(5,812,706)
Less:Provision for Deferred Tax							(16,016)	1,820,855
Less: Income/fringe benefit tax for earlier years							-	-
Less: MAT Credit Entitlement							-	-
Profit After taxation before exceptional item							89,233,364	95,554,734
Exceptional items (Net of Tax)							-	-
Profit After taxation							89,233,364	95,554,734
OTHER INFORMATION								
Segment Assets	82,337,362	68,023,555	83,312,000	131,619,040	67,969,656	-	233,619,019	199,642,595
Unallocable Assets							5,023,579,364	5,047,370,195
Total Assets							5,257,198,383	5,247,012,791
Segment Liabilities	9,878,855	8,837,052	92,801,000	117,056,739	42,252,826	-	144,932,681	125,893,791
Unallocable Liabilities							262,530,007	255,310,567
Total Liabilities							407,462,688	381,204,358
Capital Expenditure								
Segment Capital Expenditure	1,736,428	3,494,514	-	-	25,235,436	-	26,971,864	3,494,514
Unallocable Capital Expenditure							39,417,204	21,899,561
Total Capital Expenditure							66,389,069	25,394,075
Depreciation/Amortisation								
Segment Depreciation/Amortisation	3,656,227	3,460,800	-	-	2,443,838	-	6,100,064	3,460,800
Unallocable Depreciation/Amortisation							8,114,700	27,261,534
Total Depreciation/Amortisation							14,214,764	30,722,334

(b) Secondary Segment Reporting (Geographical Segments):

The distribution of the company's Sales, Assets and Capital Expenditure by Geographical market is as under:

	31.03.2011	31.03.2010
Sales Revenue		
India	470,738,302	504,837,597
Outside India	1,178,294	4,838,440
Total Revenue	471,916,596	509,676,037
Segment Assets		
India	5,257,178,787	5,246,899,197
Outside India	19,596	113,594
Total Assets	5,257,198,383	5,247,012,791
Capital Expenditure		
India	59,300,442	22,000,401
Outside India	7,088,627	3,393,674
Total Capital Expenditure	66,389,069	25,394,075

14 **Related Party Disclosure**

Disclosure requirement as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.

A List of Related Parties

- 1) Subsidiary Companies
 - a. Shinrai Auto Services Ltd. (SASL) (Formerly known as USL Shinrai Automobiles Ltd. (USAL))
 - b. USL Auto Services Ltd. (UASL) [ceased to be subsidiary w.e.f. 01.04.2010]
 - c. Oricon Properties Pvt. Ltd. (OPPL) (Formerly known as National Cotton Products Pvt. Ltd. (NCPPL))
 - d. United Shippers Ltd. (USL) & its subsidiaries
USL Shipping DMCEST, Dubai
Bulk Shipping PTE Ltd, Singapore
USL Packaging Ltd, India (ceased to be a Joint Venture and become Subsidiary w.e.f. 01.04.2010)
- 2) Joint Venture Companies
 - a. Oriental Containers Ltd. (OCL)
 - b. Claridge Energy LLP (w.e.f. 14.07.2010)
- 3) Joint Ventures of Company's subsidiary United Shippers Ltd.
 - a. Dharamtar Infrastructure Limited
 - b. USL NMM Logistics Ltd
 - c. CGU Logistics Ltd
 - d. USL Packaging Ltd, India (ceased to be a Joint Venture and become Subsidiary w.e.f. 01.04.2010)
- 4) Key Management Personnel
Rajendra Somani Managing Director
- 5) Enterprises over which Key Management Personnel & their Relatives exercise significant influence where the Company has entered into Transactions during the year :
 - a. G. Claridge & Co. Ltd
 - b. Oriental Enterprises
 - c. Kopran Ltd
 - d. Shree Gayatri Trust

Note : Related Party Relationships have been identified by the Management and relied upon by the Auditors.

B. DETAILS OF TRANSACTIONS BETWEEN THE COMPANY & RELATED PARTIES & THE STATUS OF OUTSTANDING BALANCES AS ON 31st March, 2011

Nature of Transaction	SASL (Subsidiary)	USL (Subsidiary)	UASL (Subsidiary)	OCJ (Joint Venture)	OPPL (Subsidiary)	OPPL Associates upto 30.09.2009	Kopran Limited	G. Claridge & Co. Ltd.	Shee Gayatri Trust	Claride Energy LLP Joint venture w.e.f. 14.07.2010	Total
a. Interest Earned	21,078,997 (7,964,381)	-	-	(5,650,443)	48,239,090 (16,362,131)	-	3,540,630 (946,233)	-	-	1,875,811	74,734,528 (30,943,188)
b. Rent Expense	-	-	-	-	360,000 (180,000)	(180,000)	-	-	840,000 (840,000)	-	1,200,000 (1,200,000)
c. Rent Income	36,000,000 (30,000,000)	-	-	3,600,000 (7,200,000)	-	-	18,000,000 (13,500,000)	-	-	-	57,600,000 (50,700,000)
d. Repairs & Maintenance (Rates & Taxes)	-	-	-	-	-	-	-	-	360,000 (360,000)	-	360,000 (360,000)
e. Dividend Paid	-	-	-	-	(2,200)	-	-	-	-	-	(2,200)
f. Remuneration to Key Management Personnel	-	-	-	-	-	-	-	-	-	-	-
g. Investment in Capital of Partnership Firm (LLP)	-	-	-	-	-	-	-	-	-	5,000,000	5,000,000
h. Loans & Advances Given	128,971,096 (262,062,836)	-	-	200,000 (176,266,763)	167,861,758 (332,672,651)	(23,133,436)	103,186,567 (40,851,610)	-	-	38,059,534	438,278,955 (834,987,296)
i. Receipts towards Loans & Advances Given	67,158,109 (168,659,754)	-	-	25,208,949 (51,256,991)	222,130,000 (27,710,510)	(25,898,821)	57,000,000 (40,000,000)	(5,150,000)	-	-	371,497,058 (318,676,076)
j. Loans & Advance Taken	-	-	-	-	-	-	-	-	-	-	-
k. Payment towards Loans & Advances taken	-	-	-	-	-	-	-	-	-	-	-
l. Deposit Paid	-	-	-	-	-	-	-	-	-	-	-
m. Receipts towards Deposit paid	-	-	-	-	-	-	-	-	-	-	-
n. Repairs of Vehicles	271,434 (763,028)	-	-	-	-	-	-	-	-	-	271,434 (763,028)
o. Sale of goods	-	-	-	35,434,788 (83,166,851)	-	-	135,406,679 (95,048,522)	-	-	-	170,841,467 (188,215,373)
p. Purchase of Fixed Assets	(500,625)	-	-	-	-	-	-	-	-	-	(500,625)
q. Investment in Equity shares	(49,000,000)	(1,954,150,815)	-	-	(1,237,540,588)	-	-	-	-	-	(3,240,691,403)
r. Reimbursement towards currency exchange fluctuation	-	-	-	(673,061) (-48,13,735)	-	-	-1,846,490 (-52,29,074)	-	-	-	-2,519,551 (-10,042,809)
s. Receipts towards Sale of goods / services	(530,628)	-	-	58,777,912 (101,311,156)	-	-	121,570,511 (83,055,592)	(851,610)	-	-	180,348,423 (184,697,376)
t. Balances as on 31st March, 2011	211,499,999 (149,687,012)	-	(326,849)	100,400,000 (125,408,949)	250,693,899 (304,962,141)	40,615,944 (28,626,266)	47,038,177	(651,610)	(581,236,561)	38,059,534	647,691,609 (74,890,221)
1. Loans & Advances given	3,009,000 (3,009,000)	-	-	31,265,277 (65,281,462)	-	-	-	-	-	-	74,890,221 (66,916,728)
2. Debtors / Other Receivables	(20,500,000)	-	-	-	-	-	-	-	(20,500,000)	-	(20,500,000)
3. Deposits Received	(20,500,000)	-	-	-	-	-	-	-	-	-	30,000,000 (30,000,000)
4. Deposits paid	(50,000,000)	(1,954,150,815)	(500,000)	30,000,000 (30,000,000)	1,594,066,696	(1,594,066,696)	103,413	(103,413)	-	5,000,000	3,807,187,288 (3,907,687,288)
5. Investment in Equity Shares	(50,000,000)	(1,954,150,815)	-	308,866,364 (308,866,364)	-	-	-	-	-	-	5,000,000 (2,550,960)
6. Investment in Capital of Partnership Firm (LLP)	67,313	-	-	-	81,000 (54,000)	-	-	-	3,076,960 (2,496,960)	-	3,225,273 (2,550,960)
7. Creditors for expenses	-	-	-	-	-	-	-	-	-	-	-

* Also refer note no. 2 (g) above.
Note : Figures in bracket relates to previous year.

15 The Company has received approval from the shareholders on 22nd March, 2011 regarding sub-division of equity shares from Rs. 10/- each to Rs. 2/- per share and consequent amendment in the authorized share capital of the Company, the Issued, Suscribed and Paid-up Equity Shares of the Face Value of Rs. 10/- each to face value of Rs. 2/- each. Accordingly subsequent to the Balance Sheet date on the record date i.e. 15th July, 2011 the authorized share capital of the Company, the issued, Subscribed and Paid-up Equity Shares of the Face Value of Rs. 10/- each has been sub-divided into the five equity shares of the face of Rs. 2/- each.

16 Earnings per Share

Particulars	Year ended March 2011	Year ended March 2010
(a) Profit after Taxation	89,233,364	95,554,734
(b) Less - Preference Dividend	6,802,678	-
(c) Profit after taxation and preference dividend	82,430,685	95,554,734
Basic EPS		
Weighted average number of equity shares of Rs.2/- each	91,647,715	48,147,715
Weighted average number of equity shares of Rs.2/- each in share capital suspense	-	21,690,410
(d) Total weighted average number of equity shares of Rs.2/- each	91,647,715	69,838,125
Earnings per share (EPS),		
Basic Earnings per share on Profit after taxation (Rs.) [(c) / (d)]	0.90	1.37
Diluted EPS		
Weighted average number of equity shares of Rs.2/- each	91,647,715	48,147,715
Weighted average number of equity shares of Rs.2/- each in share capital suspense	-	21,690,410
Weighted average number of potential equity shares of Rs.2/- each on account of Compulsorily Convertible Preference Shares (CCPS)	54,500,000	27,175,340
(e) Total weighted average number of equity shares of Rs.2/- each	146,147,715	97,013,465
(f) Earnings per share (EPS),		
Diluted Earnings per share on Profit after taxation (Rs.) [(a) / (e)]	0.61	0.98

Note: a) Weighted average number of equity share have been considered at the face value of Rs. 2/- each fully paid up for the purpose of calculation of Earning Per Share (EPS) and accordingly EPS have been stated based on the post split face value of Rs. 2/- each. EPS for the previous year ended 31st March, 2010 has been re-worked on the basis of new face value of Rs. 2/- per share for sake of comparability. (Refer Note No. 15 above)

b) Potential equity shares that could arise on conversion of 21,80,000 fully convertible debentures are not resulting into dilution of EPS. Hence, they have not been considered in working of diluted EPS in accordance with AS 20.

17 The Tax effects of Significant Timing (Temporary) Differences that resulted in Deferred Tax Assets & Liabilities & description of the Financial Statement items that creates these differences are as follows:

Particulars	Deferred Tax Assets/(Liability) As at 31.03.2011 Rupees	Deferred Tax Assets / (Liability) as at 31.03.2010 Rupees
Deferred Tax Liabilities:		
1 Depreciation	(13,632,095)	(14,243,958)
2 Deferred Revenue Expenditure	-	-
Total (A)	(13,632,0945)	(14,243,958)
Deferred Tax Assets:		
1 Provision for Gratuity/Leave Encashment	1,730,328	1,736,315
2 On expenses pertaining to Amalgamation to claimed under Sec. 35DD	7,562,551	7,836,124
Total (B)	9,292,879	9,572,439
Net Deferred Tax Asset / (Liability)	(4,339,216)	(4,671,519)

18 Consequent to Accounting Standard-15-"Employee Benefits" (Revised 2005) becoming effective, the company has made the provision for Defined Contribution Plan and Defined Benefit Plan.

I. Defined Contribution Plan:

During the year the company has recognised Rs.3,08,700/- (Previous year Rs.2,93,600/-) towards Superannuation Scheme with Life Insurance Corporation of India and Rs.10,55,421/- (Previous period Rs.10,10,636/-) towards Provident Fund, Employee's State Insurance Scheme, Government Welfare Fund and Employee's Deposit Linked Insurance etc. as Defined Contribution Plan Obligation.

II. Defined Benefit Plan:

Gratuity

Liability is computed on the basis of Gratuity payable on retirement, death and other withdrawals as per the Act and already accrued for past service, with the qualifying wages/salaries appropriately projected, as per the Projected Unit Credit Method.

I. Actuarial Assumption	Year Ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2011	Year ended 31.03.2010
Particulars	Gratuity (%)	Gratuity (%)	Leave Encashment (%)	Leave Encashment (%)
Discount Rate Current	8%	8%	8%	8%
Rate of Increase in Compensation Levels	6%	6%	6%	6%
ii. Table Showing Change in Benefit Obligation	Gratuity (Rs.)	Gratuity (Rs.)	Leave Encashment (Rs.)	Leave Encashment (Rs.)
Projected Benefit Obligations (PBO) at the beginning of the year	4,868,000	4,351,000	1,495,000	1,452,000
Interest Cost	387,092	341,962	115,931	-
Service Cost	288,069	274,039	135,594	127,096
Benefits paid	(58,702)	(152,952)	(91,719)	(123,172)
Actuarial (gain) / loss on Obligations	(587,459)	53,951	(74,806)	39,076
Projected Benefit Obligations (PBO) at the end of the year	4,897,000	4,868,000	1,580,000	1,495,000
III. Tables of Fair value of Plan Assets				
Fair Value of Plan Assets at the beginning of the year	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions	58,702	152,952	91,719	123,172
Benefits paid	(58,702)	(152,952)	(91,719)	(123,172)
Gain / (loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the year	-	-	-	-
IV. Tables of change in Plan Assets				
Fair Value of Plan Assets at the beginning of the year	-	-	-	-
Actual return on Plan Assets	-	-	-	-
Contributions	58,702	152,952	91,719	123,172
Benefits paid	(58,702)	(152,952)	(91,719)	(123,172)
Fair value of Plan Assets at the end of the year	-	-	-	-
V. Funded Status				
Funded Status	(4,897,000)	(4,868,000)	(1,580,000)	(1,495,000)
VI. Limits of Corridor not considered since total actuarial gain/loss is being recognised				
Actuarial (loss) for the year - Obligation	587,459	(53,951)	74,806	(39,076)
Actuarial gain (loss) for the year - Plan Assets	-	-	-	-
Sub-Total	587,459	(53,951)	74,806	(39,076)
Actuarial loss recognised	(587,459)	53,951	(74,806)	39,076
Unrecognised actuarial gains (losses) at the end of the year	-	-	-	-
VII. The Amounts to be recognised in Balance Sheet and Income Statement and the related analysis				
Present Value of Obligation	4,897,000	4,868,000	1,580,000	1,495,000
Fair value of Plan Assets	-	-	-	-
Difference	4,897,000	4,868,000	1,580,000	1,495,000
Unrecognised Actuarial gains (losses)	-	-	-	-
Unrecognised Transitional Liability	-	-	-	-
Liability Recognised in Balance Sheet	4,897,000	4,868,000	1,580,000	1,495,000
VIII. Net Periodic Cost				
Current Service Cost	288,069	274,039	135,594	127,096
Interest Cost	387,092	341,962	115,931	-
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (gain) loss recognised in the period	(587,459)	53,951	(74,806)	39,076
Expenses Recognised in the Income Statement	87,702	669,952	176,719	166,172
IX. Movements in the liability recognised in the Balance Sheet:				
Opening Net Liability	4,868,000	4,351,000	1,495,000	1,452,000
Expense as above	87,702	669,952	176,719	166,172
Contributions paid	(58,702)	(152,952)	(91,719)	(123,172)
Closing Net Liability	4,897,000	4,868,000	1,580,000	1,495,000

19. (a) OCL is a jointly controlled entity with 30% voting power, incorporated in India, in accordance with Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures". The aggregate amounts related to Company's interest in the joint venture are as follows.

Particulars	31-March-2011	31-March-2010
Assets	844,380,250	717,244,793
Reserve & Surplus	349,234,279	180,829,221
Liabilities	311,709,221	218,403,995
Income	739,210,571	663,949,170
Expenses	713,176,153	620,719,138
Dividend received	-	-
Contingent Liability	986,497	807,302
Capital commitments	-	15,155,818
Unfulfilled export commitments	253,814,706	194,726,314

- (b) (i) During the year on 14th July, 2010, the Company has entered into a partnership in M/s Claridge Energy LLP with 50% sharing ratio. The said LLP has started its commercial production w.e.f. 4th April, 2011 and therefore the Profit and Loss for the period ended 31st March, 2011 is Nil. Detail of the partnership Firm is as under.

Name of the Firm : M/s Claridge Energy LLP

Name of the Partners	Capital Contribution as at 31.03.2011	Sharing Ratio
Oricon Enterprises Ltd. ('the Company')	5,000,000	50%
Vinod Pareek	2,584,000	25%
Rashmi Pareek	2,594,000	25%
Total	10,178,000	100%

- (ii) Claridge Energy LLP is a jointly controlled entity, incorporated in India, in accordance with Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures". The aggregate amounts related to Company's interest in the joint venture are as follows.

Particulars	31-March-2011 ()
Assets	24,953,813
Reserve & Surplus	-
Liabilities	19,864,813
Income	1,288,863
Expenses	1,288,863
Dividend received	-
Contingent Liability	-
Capital commitments	-

This being the first year of the enterprise, comparable previous year figures are not made available.

20. Additional information pursuant to the Provision of Paragraph 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

- a) Particulars in respect of Goods Manufactured:-

Class of Goods	Unit of Quantity	Licensed Capacity		Installed Capacity		Actual Current year	Production Previous year
		31-3-2010	31-3-2011	31-3-2010	31-3-2011		
Petrochemical Products	M. T.	14,600	14,600	10,000	10,000	6,491	3,317
Liquid Colorants	M. T.	N. A.	600	N. A.	600	11,959	N. A.

- (a) Licenced and installed capacities are based on maximum utilisation of Plant & Machinery on Annual basis.
- (b) Installed capacities are as certified by the Management and accepted by the Auditors being technical matter.
- (c) Production figures in tonnes are estimated from the respective quantities in numbers by applying standard tonnage ratios used by the Company.

b) Particulars of Opening & Closing Stocks :

Class of Goods	Unit of Quantity	As at 31st March, 2009		As at 31st March, 2010		As at 31st March, 2011	
		Quantity	Value Rupees	Quantity	Value Rupees	Quantity	Value Rupees
Petrochemical Products	M. T.	141	7,064,510	36	1,953,415	98	5,830,859
Shares	Nos.	30,351	1,509,489	17,286	443,014	50,536	1,386,202

c) Particulars in respect of Sales :

Class of Goods	Unit of Quantity	Current Year		Previous Year	
		Quantity	Value Rupees	Quantity	Value Rupees
1 Petrochemical Products (Manufactured)	M.T.	6,429	205,291,658	3,422	158,146,993
2 Liquid Colorants	M.T.	11,959	7,142,554	-	-
Sub-total (i)			212,434,212		158,146,993
3 <u>Sale of Goods (Traded)</u>					
(i) Shares	Nos.	20,000	818,502	41,462	7,221,809
(ii) S S Sheets & Plate	M.T.	357.11	93,327,822	560.84	142,210,868
(iii) Chemicals	Kgs.	19,874	120,492,843	33,600	107,006,474
(iv) Aluminium Foil	Kgs.	9,206	1,683,777	-	-
(v) Husk	Qtl	28,186	11,309,748	-	-
(vi) Tin Free Steel Sheets	M.T.	497.770	28,042,554	1,916	93,166,851
(vii) Waste Paper	Kgs.	-	-	322,840	1,923,042
(viii) Tinplates	M.T.	74	3,807,138	-	-
Sub-total (ii)			259,482,384		351,529,044
Total (i) + (ii)			471,916,596		509,676,037
4 <u>Purchases of Goods (Traded)</u>					
(i) Shares	Nos.	53,250	1,630,945	28,397	3,664,045
(ii) S S Sheets & Plate	M.T.	357.11	93,276,766	561	141,700,054
(iii) Chemicals	Kgs.	19,874	118,137,122	33,600	104,866,446
(iv) Aluminium Foil	Kgs.	9,206	1,611,050	-	-
(v) Husk	Nos.	28,186	11,087,910	-	-
(vi) Tin Free Steel Sheets	M.T.	497.770	27,478,804	1,916	91,181,385
(vii) Waste Paper	Kgs.	-	-	322,840	1,885,335
(viii) Tinplates	M.T.	74	3,770,175	-	-
			256,992,772		343,297,265
5) Materials & Components consumed/sold :					
Naptha / N.G.L	M.T.	3,713	156,738,583	3,475	94,191,672
Base Colour	M.T.	12,077	4,371,608	-	-
			161,110,191		94,191,672
d) C.I.F.Value of Imports:					
Goods (Raw Material)	M.T.	21,356	1,00,34,158	-	-
Goods (Packing Material & Stores)	Nos.	918	43,61,966	-	-
Goods (Trading)		-	141,582,954		197,933,166
			155,979,078		197,933,166
e) Expenditure in Foreign Currency (on actual payment basis)					
Debenture Interest			5,30,39,400		1,56,93,850
Legal & Professional Fees			4,83,131		1,25,00,000
Travelling & Others			405,770		499,680

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTSTO THE BOARD OF DIRECTORS OF
ORICON ENTERPRISES LIMITED

1. We have examined the attached Consolidated Balance Sheet of **ORICON ENTERPRISES LIMITED** ("the Company") and its subsidiaries and joint ventures ("the Group") as at 31st March, 2011 and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated financial statements are the responsibility of the Company's Management and have been prepared by them on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
 2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with the identified financial framework and are free of material misstatements. 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 consolidated financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. (a) We did not audit financial statements of two subsidiaries and the consolidated financial statements of one subsidiary, whose individual / consolidated financial statements reflect total assets of Rs. 69,328.30 lakhs as at 31st March, 2011, total revenue of Rs.73,997.18 lakhs and net cash outflow amounting to Rs.433.11 lakhs for the year then ended.
(b) We did not audit the financial statements of a joint venture company in which the proportionate share in total assets as at 31st March, 2011 amounts to Rs.8,443.80 lakhs, proportionate share in total revenues amounts to Rs.7,392.11 lakhs and proportionate share in net cash outflow amounts to Rs.141.78 lakhs for the year then ended.
(c) We did not audit the financial statements of a joint venture limited liability partnership in which the proportionate share in total assets as at 31st March, 2011 amounts to Rs.249.54 lakhs, proportionate share in total revenues amounts to Rs. Nil and proportionate share in net cash inflow amounts to Rs.15.66 lakhs for the year then ended.
- These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these entities, is based solely on the reports of those respective auditors.
4. *Note no. B-22(a) of schedule 18 regarding non disclosure of information in respect of employee benefits by a subsidiary as required by the Accounting Standard (AS) 15 "Employee Benefits" as notified under the Companies (Accounting Standard) Rules, 2006.*
 5. *Note no. B-23(b) of schedule 18 regarding payment of Managerial Remuneration of Rs.27.01 lakhs in excess of the limits prescribed under schedule XIII of the companies Act, 1956 by a subsidiary in the previous financial year and is subject to the approval of Central Government.*
 6. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standards (AS) 21 on "Consolidated Financial Statements" and Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures" as notified under the Companies (Accounting Standard) Rules, 2006 and on the basis of the separate / consolidated audited financial statements of the components of the Group included in the consolidated financial statements.
 7. On the basis of the information and according to the explanations given to us, and on the consideration of the separate audit report on individual / consolidated financial statements of the components of the Group, we are of the opinion that the attached consolidated financial statements, *subject to our comment in paragraph 4 & 5 above* and read together with significant accounting policies in schedule 18 and notes appearing thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - (ii) in the case of the consolidated Profit and Loss Account, of the consolidated Profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.105049W**(NARENDRA JAIN)**
PARTNER
Membership No.048725Place : Mumbai
Date : 10th August, 2011

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2011

	Schedule	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
SOURCES OF FUNDS :			
Shareholders' Funds :			
Share Capital	1	292,349,194	96,349,194
Share Capital Suspense	1 A	-	196,000,000
Reserves and Surplus	2	4,415,273,438	4,101,151,160
		<u>4,707,622,632</u>	<u>4,393,500,354</u>
Minority Interest		1,405,359,947	1,209,604,371
(Refer Note No. B-13 of Schedule 18)			
Deferred Income Tax Liability		72,786,860	58,493,574
(Refer Note No. B-21 of Schedule 18)			
Deferred Sales Tax Liability		54,493,701	54,767,856
Loan Funds:			
Secured Loans	3	375,130,969	688,421,303
Unsecured Loans		622,454,630	731,325,863
		<u>997,585,599</u>	<u>1,419,747,166</u>
Total		<u>7,237,848,740</u>	<u>7,136,113,321</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	5,517,740,328	5,070,772,734
Less: Depreciation & Impairment		1,073,396,419	981,874,027
Net Block		4,444,343,906	4,088,898,707
Capital Work in Progress		241,779,040	106,611,939
Pre-Operative Expenses		888,166	-
		<u>4,687,011,115</u>	<u>4,195,510,646</u>
Investments	6	624,304,840	602,341,034
Current Assets, Loans and Advances			
Inventories	7	376,913,535	308,969,477
Interest Accrued and Due		21,454,301	8,709,889
Sundry Debtors	8	711,657,305	732,234,986
Cash and Bank Balances	9	513,809,339	749,826,146
Loans and Advances	10	1,862,824,105	1,573,961,260
		<u>3,486,658,585</u>	<u>3,373,701,758</u>
Less: Current Liabilities & Provisions			
Liabilities	11	1,474,600,644	967,640,460
Provisions	12	85,525,154	67,799,657
		<u>1,560,125,800</u>	<u>1,035,440,117</u>
Net Current Assets		<u>1,926,532,785</u>	<u>2,338,261,641</u>
Miscellaneous Expenditure	13	-	-
Total		<u>7,237,848,740</u>	<u>7,136,113,321</u>

As per our report of even date annexed
FOR KHANDELWAL JAIN & CO.
 Chartered Accountants

NARENDRA JAIN
 Partner
 Membership No. 048725

Mumbai
 10th August, 2011

SANJAY JAIN
 Company Secretary

For & on behalf of the Board

S. J. Taparia Chairman
 Sanjay Dosi Director
 B K Toshniwal Director
 Rajendra Somani Managing Director

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

	Schedule	Year Ended 31st March, 2011 ₹	Year ended 31st March, 2010 ₹
INCOME			
Sales and other income	14	<u>8,711,250,152</u>	<u>5,756,594,143</u>
EXPENDITURE			
Manufacturing and Other expenses	15	<u>7,503,092,151</u>	<u>5,022,125,952</u>
Interest & Finance Charges	16	<u>160,588,400</u>	<u>104,080,112</u>
		<u>7,663,680,551</u>	<u>5,126,206,064</u>
PROFIT BEFORE DEPRECIATION		<u>1,047,569,601</u>	<u>630,388,080</u>
Less : Depreciation		<u>205,763,667</u>	<u>113,120,553</u>
Less : Provision for Impairment loss		-	<u>1,927,668</u>
PROFIT BEFORE PRIOR PERIOD ADJUSTMENT (LESS) / ADD : Prior period adjustment		<u>841,805,934</u>	<u>515,339,859</u>
Profit before taxation and exceptional items		<u>842,044,544</u>	<u>518,485,617</u>
Less : Provision for Taxation			
- Current Tax		<u>243,110,293</u>	<u>133,570,519</u>
- Deferred Tax		<u>14,293,286</u>	<u>8,031,148</u>
- Wealth Tax		<u>223,928</u>	<u>204,455</u>
Mat Credit Entitlement		<u>(4,680,000)</u>	<u>(10,140,000)</u>
Profit after taxation		<u>589,097,040</u>	<u>386,819,495</u>
Income tax for earlier year(s)		<u>(16,016)</u>	<u>1,850,290</u>
Profit after taxation before Minority Interest		<u>589,113,056</u>	<u>384,969,205</u>
Less: Minority Interest		<u>(216,705,683)</u>	<u>(106,527,009)</u>
Add / (Less) : Share of profit / (Loss) of associate		-	<u>1,997,528</u>
Profit after taxation		<u>372,407,373</u>	<u>280,439,724</u>
Add : Balance brought forward from previous year		<u>262,031,048</u>	<u>85,120,986</u>
Add: Dividend Distribution Tax for earlier year written back		<u>2,454,121</u>	-
AMOUNT AVAILABLE FOR APPROPRIATIONS		<u>636,892,542</u>	<u>365,560,709</u>
APPROPRIATIONS :			
Proposed dividend on Equity Shares		<u>36,917,177</u>	<u>32,993,180</u>
Tax on Proposed Dividend		<u>10,846,955</u>	<u>5,479,755</u>
Tax on Dividend for earlier year		<u>2,523,377</u>	-
		<u>50,287,509</u>	<u>38,472,935</u>
Proposed dividend on Preference Shares		<u>5,853,151</u>	-
Tax on above proposed dividend		<u>949,527</u>	-
		<u>6,802,678</u>	-
Transfer to :-			
General Reserve		<u>70,075,636</u>	<u>65,056,727</u>
Balance carried to Balance Sheet		<u>509,726,719</u>	<u>262,031,048</u>
		<u>636,892,542</u>	<u>365,560,709</u>
EARNINGS PER SHARE (EPS) on Face value of Rs.2/- each			
On profit after taxation			
Basic Earnings per share (Rs.)		3.99	4.02
Diluted Earnings per share (Rs.)		2.55	2.89
(Refer Note No. B-20 of Schedule 18)			

As per our report of even date annexed
FOR KHANDELWAL JAIN & CO.
Chartered Accountants

NARENDRA JAIN
Partner
Membership No. 048725

Mumbai

SANJAY JAIN
Company Secretary

For & on behalf of the Board

S. J. Taparia Chairman

Sanjay Dosi Director

B K Toshniwal Director

Rajendra Somani Managing Director

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

(Amount in ₹)

PARTICULARS	Current year ended 31.03.2011	Previous year ended 31.03.2010
CASHFLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	841,805,933	515,339,859
Adjustments for:		
Depreciation	205,763,667	113,120,553
Provision for Impairment loss	3,855,335	1,927,668
Deferred Revenue Expenditure written-off	-	18,269,798
Preliminary Exps written off	-	304,302
Provision for Investment	751,961	-
Navlakhi Jetty written off	-	2,543,451
Dividend Received	(14,042,866)	(7,594,265)
Interest Expense	151,444,196	95,855,717
Interest Received	(211,545,986)	(102,194,365)
Profit on disposal of Subsidiary	(153,203)	-
Profit on Sale of long term Investments	(18,528,813)	(13,632,703)
Surplus on sale of assets (Net)	(1,866,561)	(1,448,674)
Sundry balances written off	7,128,385	227,839
Sundry balances written back	(111,421)	(5,055,112)
Operating Profit before Working Capital changes	964,500,627	617,664,069
Adjustments for:		
Trade & Other Receivables	(365,853,320)	(9,706,508)
Inventories	(67,944,058)	(150,889,059)
Foreign Currency Translation Reserve	(4,103,018)	(25,730,867)
Debenture issue expenses	-	(13,980,366)
Amalgamation expenses	-	(23,590,348)
Trade & Other Payables	482,761,457	(196,405,188)
Cash generated from Operations	1,009,361,687	197,361,733
Direct Taxes Paid (Net of Refund)	(144,095,351)	(53,337,576)
Cash Flow before prior period Adjustments & Exceptional item	865,266,336	144,024,157
Prior period adjustments	238,613	3,145,758
NET CASH FROM OPERATING ACTIVITIES: TOTAL (A)	865,504,949	147,169,915
CASHFLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets (including Capital Work-in-progress)	(717,080,241)	(423,938,601)
Pre-operative Expenses	(888,166)	-
Sale of Fixed Assets	18,909,990	15,322,693
Proceeds from disposal of subsidiary	500,000	-
Sale of Investment	292,850,624	88,641,795
Purchase of Investment	(297,037,578)	(350,590,202)
Interest Received	198,801,574	135,620,178
Dividend Received	14,042,866	7,594,265
NET CASH FROM / (USED IN) INVESTING ACTIVITIES: TOTAL (B)	(489,900,931)	(527,349,872)
CASHFLOW FROM FINANCING ACTIVITIES		
Repayments of Secured Loans (Net of Proceeds)	(313,396,177)	(84,238,579)
Repayment of Unsecured Loans (Net of Repayments)	(106,376,261)	25,148,156
Proceeds from issue of fully Convertible Debentures	-	353,596,000
Proceeds from Share Premium	-	58,827,729
Interest Paid	(153,466,003)	(95,031,841)
Dividend Paid	(38,382,384)	(11,291,331)
NET CASH FROM FINANCING ACTIVITIES: TOTAL (C)	(611,620,826)	247,010,134
Net Increase in Cash and Cash Equivalents Total: (A+ B+ C)	(236,016,807)	(133,169,824)
Cash and Cash Equivalents - Opening Balance	749,826,146	39,877,155
Cash and Cash equivalents taken over on amalgamation	-	12,110,090
Cash and Cash Equivalents adjusted on consolidation	-	831,008,725
Cash and Cash Equivalents - Closing Balance	513,809,339	749,826,146
Net increase / (decrease) in Cash and Cash Equivalent	(236,016,807)	(133,169,824)

Notes:

- Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as specified in the Companies (Accounting Standards) Rules, 2006.
- Cash and Cash equivalents at the end of the year include Rs.2,75,85,508/- (previous year Rs.4,31,01,605/-) which are restricted in use.
- Previous year's figures have been regrouped / rearranged / recasted , wherever necessary.

 As per our report of even date annexed
 FOR KHANDELWAL JAIN & CO.

 Chartered Accountants
 NARENDRA JAIN
 Partner
 Membership No. 048725

 Mumbai
 10th August, 2011

 SANJAY JAIN
 Company Secretary

For & on behalf of the Board

S. J. Taparia Chairman
Sanjay Dosi Director
B K Toshniwal Director
Rajendra Somani Managing Director

Schedules Forming Part of the Consolidated Balance Sheet
SCHEDULE - 1

SHARE CAPITAL	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
Authorised: (Refer Note No. B-8 & B-19 of Schedule 18)		
2,39,00,000 (P.Y. 2,87,50,000) Equity Shares of Rs.10 each	239,000,000	287,500,000
1,10,00,000 (P.Y. Nil) Preference Shares of Rs.10 each	110,000,000	-
10,000 (P.Y. 10,000) 11% Cumulative Redeemable Preference Shares of Rs.100 each	1,000,000	1,000,000
2,00,000 (P.Y. 2,00,000) Preference Shares of Rs.100 each	20,000,000	20,000,000
70,00,000 (P.Y. 70,00,000) Preference Shares of Rs.10 each	70,000,000	70,000,000
30,00,000 (P.Y. 30,00,000) Unclassified shares of Rs.10 each	30,000,000	30,000,000
	470,000,000	408,500,000
Issued: (Refer Note No. B-19 of Schedule 18)		
1,83,42,072 (P.Y. 96,42,072) Equity Shares of Rs.10 each	183,420,720	96,420,720
1,09,00,000 (P.Y. Nil) 10% Compulsorily Convertible Preference Shares (CCPS) of Rs.10/- each	109,000,000	-
	292,420,720	96,420,720
Subscribed and Paid-up: (Refer Note No. B-19 of Schedule 18)		
1,83,29,543 (P.Y. 96,29,543) Equity Shares of Rs. 10 each.	183,295,430	96,295,430
1,09,00,000 (P.Y. Nil) 10% Compulsorily Convertible Preference Shares (CCPS) of Rs.10/- each, (Refer Note No. B-9 of Schedule 18)	109,000,000	-
Share forfeited Account	53,764	53,764
T o t a l	292,349,194	96,349,194

Notes :

- 1) a) 19,30,800 Equity Shares are allotted as fully paid up as Bonus shares by capitalising Rs. 31,00,000/- from General Reserve, Rs. 1,57,08,000/- from Share Premium and Rs. 5,00,000/- from Capital Redemption Reserve.
- b) 1,00,000 Equity Shares of Rs.10/- each are allotted as fully paid up shares to the shareholders of erstwhile Hempri Containers Pvt Ltd pursuant to the scheme of Amalgamation.
- c) 12,529 Partly paid Equity Shares have been forefited by the Company during the year 2003-04.
- d) 42,73,875 Equity Shares of Rs.10/- each are allotted as fully paid up equity shares to the shareholders of erstwhile Scientific vacume coatings Pvt. Ltd. pursuant to the scheme of Amalgamation.
- e) 87,00,000 Equity Shares of Rs.10/- each are allotted as fully paid up equity shares to the shareholders of Zeuxite Investment Pvt Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) pursuant to scheme of amalgamation with the Company.
- f) 1,09,00,000, 10% Compulsorily Convertible Preference Shares (CCPS) are allotted as fully paid up CCPS to the shareholders of Zeuxite Investment Pvt Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) pursuant to scheme of amalgamation with the Company.

SCHEDULE -1A
SHARE CAPITAL SUSPENSE

Nil (P. Y. 87,00,000) Equity Share Suspense of Rs.10/- each	-	87,000,000
[Nil (P.Y. 87,00,000) Equity Share of Rs.10/-each, fully paid, to be issued pursuant to scheme of amalgamation of Zeuxite Investment Pvt Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) with the Company]		
(P. Y. 1,09,00,000) 10% Compulsorily Convertible Preference Shares (CCPS) Suspense of Rs.10/- each.	-	109,000,000
(P.Y. 1,09,00,000), 10% CCPS of Rs.10/-each,fully paid, to be issued pursuant to scheme of amalgamation of Zeuxite Investment Pvt Ltd. (ZIPL) and Naman Tradvest Pvt. Ltd. (NTPL) with the Company]		
T o t a l	-	196,000,000

Schedules Forming Part of the Consolidated Balance Sheet
SCHEDULE - 2

RESERVES AND SURPLUS	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
Capital Reserve		
As per Last Balance Sheet	2,982,258,790	1,113,014
Add: On Amalgamation	-	2,996,900,000
Add: On Consolidation (Refer Note No.26 of Schedule 18)	453,988	-
Less: Expense on Amalgamation (Net of Tax)	-	15,754,224
	<u>2,982,712,778</u>	<u>2,982,258,790</u>
Capital Redemption Reserve		
As per Balance Sheet	500,000	500,000
Amalgamation Reserve		
As per Balance Sheet	13,109,745	13,109,745
Foreign Currency Translation Reserve		
As per Balance Sheet	(12,914,088)	(12,914,088)
Add : Addition during the year	(4,103,018)	-
	<u>(17,017,106)</u>	<u>(12,914,088)</u>
Share Premium Account		
As per Balance Sheet	206,328,768	186,032,106
Add: Addition during the year	-	29,525,102
Less: Expenses on issue of debentures (Net of Tax)	-	9,228,440
	<u>206,328,768</u>	<u>206,328,768</u>
General Reserve		
As per Balance Sheet	649,836,897	584,780,170
Add: Transferred from Profit and Loss Account	70,075,636	65,056,727
	<u>719,912,533</u>	<u>649,836,897</u>
Profit and Loss Account	509,726,719	262,031,048
Total	<u><u>4,415,273,438</u></u>	<u><u>4,101,151,160</u></u>

Schedules Forming Part of the Consolidated Balance Sheet
SCHEDULE - 3

SECURED LOANS	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
Term Loans		
From Bank	210,171,894	220,277,697
From Others	68,552,321	359,487,956
Interest Accrued & Due on above	625,314	913,683
Deferred Payment Credits	2,561,501	1,266,239
Working Capital Loans from Banks		
Cash Credit	92,735,477	93,885,478
Working Capital Demand Loan	-	12,500,000
Interest Accrued & Due on above	484,462	90,249
	<hr/>	<hr/>
Total	375,130,969	688,421,303
	<hr/> <hr/>	<hr/> <hr/>

Notes :-

Term Loans from Banks are secured by hypothecation of one plastic closure machine at Goa of the jointly controlled entity and equipments, vehicles, warehouses, building and mortgage of the vessel and Land of the jointly controlled entity / subsidiary.

Term Loans from others are secured by hypothecation of equipments, vehicles, amount receivable, book debts, current assets and by corporate guarantee by the Company.

Deferred payments credits are secured by the hypothecation of the related vehicle.

Cash credit are secured by hypothecation of inventories, sundry debtors, present and future of jointly controlled entity / subsidiary and second charge of movable assets of the jointly controlled entity. Working capital facility from Central Bank of India are secured by first charge on movable and immovable property of the jointly controlled entity at Murabd and Goa.

Working Capital Loans taken by the Company is secured by :

- (i) hypothecation of inventories, book debts,
- (ii) first charge on Company's immovable properties at khopoli and
- (iii) hypothecation on Machineries at Company's plant at Khopoli and guaranteed by three Directors jointly and severally.

SCHEDULE - 4
UNSECURED LOAN

Fixed Deposits	318,000	686,000
Inter Corporate Deposits	42,554,479	120,160,618
Term Loan From :		
Banks	225,986,151	254,388,273
15% 21,80,000 (P.Y. 21,80,000) fully Convertible Debentures (Refer Note No. B-7 of Schedule 18)	353,596,000	353,596,000
Interest Accrued & Due on above	-	2,494,972
	<hr/>	<hr/>
Total	622,454,630	731,325,863
	<hr/> <hr/>	<hr/> <hr/>

Schedules forming Part of the Consolidated Balance Sheet

SCHEDULE - 5

FIXED ASSETS

(Amount in Rupees)

DESCRIPTION	GROSSBLOCK				DEPRECIATION				NETBLOCK			
	As on 1st April 2010	Adjustment on Consolidation	Addition During the year	Deductions during the year	As on 31st March, 2011	Upto 31st March 2010	Adjustment on Consolidation	For the Impairment Year	Deductions during the year	Total Upto 31st March 2011	As on 31st March 2011	As on 31st March 2010
Intangible Assets												
Goodwill on Consolidation (Net) (Refer Note no. B-12 of Schedule 18)	261,052,601	-	-	259,498	260,793,103	-	-	-	-	-	260,793,103	261,052,601
Other Goodwill	833,943	-	-	-	833,943	667,130	166,813	-	-	833,943	-	166,812
License Fees	5,705,063	-	-	-	5,705,063	1,786,545	570,506	-	-	2,357,051	3,348,011	3,918,519
Tangible Assets												
Leasehold Land (Note 1)	11,499,111	-	6,135,150	-	17,634,261	572,229	-	225,193	-	797,422	16,836,839	10,926,882
Freehold Land (Note 2)	2,395,416,553	-	50,507,122	1,087,615	2,444,836,060	-	-	-	-	-	2,444,836,060	2,395,416,553
Buildings (Note 1 & 3)	232,775,973	-	62,180,537	-	294,956,510	69,863,645	-	14,112,782	-	83,976,427	210,980,083	162,912,328
Residential Flats (Note 4)	8,315,823	-	-	290,422	8,025,402	806,433	-	69,092	23,275	852,250	7,173,151	7,509,390
Plant and Machinery	679,568,127	7,875,501	110,748,481	361,323	797,830,786	271,789,548	3,923,187	44,515,888	46,748	320,181,875	477,648,911	407,778,579
Electric Installations (AC)	19,911,060	-	8,813,839	-	28,724,899	9,599,335	-	1,597,481	-	11,196,816	17,528,083	10,311,725
Office Equipments (Note 5)	19,391,167	-	1,396,257	120,428	20,666,997	13,119,994	-	949,783	62,410	14,007,367	6,659,629	6,271,173
Computer	22,466,134	-	4,134,799	63,500	26,537,433	18,213,894	-	2,282,917	45,125	20,451,686	6,085,747	4,252,240
Furniture and Fixtures	30,466,512	-	5,593,434	-	36,059,947	17,873,406	-	2,799,011	-	20,672,418	15,387,529	12,593,106
Vehicles	93,773,163	2,370,054	20,498,854	9,338,202	107,300,869	48,801,826	2,345,182	13,264,173	6,685,053	57,726,128	49,577,741	44,971,337
MOTOR TRUCKS	153,071,291	(2,073,053)	54,759,364	17,937,295	187,820,307	101,415,696	(2,345,073)	18,307,660	15,084,720	102,293,563	85,526,744	51,655,595
Fire Fighting Equipments	562,166	-	50,129	-	612,295	407,071	-	20,246	-	427,316	184,979	155,085
Laboratory Equipments	2,097,488	-	351,036	-	2,448,523	1,371,939	-	103,537	-	1,475,477	973,047	725,549
Weighing Machines	915,295	-	-	-	915,295	837,952	12,654	-	-	850,606	64,689	77,343
Vessels & Barges	810,347,880	-	200,568,712	31,076,948	979,839,644	219,187,110	-	62,782,162	23,827,784	258,141,488	721,698,156	591,160,770
Excavator & Payloader	322,603,383	-	48,524,876	74,932,267	296,195,992	205,560,274	-	43,983,767	72,389,456	177,154,585	119,041,408	117,043,109
TOTAL	5,070,772,734	8,172,502	574,262,590	135,467,498	5,517,740,328	981,874,027	3,923,295	205,763,667	118,164,570	1,073,396,419	4,444,343,909	4,088,898,707
AS AT 31 st MARCH, 2010	382,145,875	2,324,915,416	2,406,896,821	43,185,378	5,070,772,734	246,165,696	649,971,467	113,120,555	1,927,868	981,874,027	4,088,898,707	-

Notes:

- The Company has purchased Leasehold Land alongwith the Building constructed thereon at Murbad from a party for a consideration of Rs. 1,71,00,000/- out of which Rs. 53,20,000/- have been included in addition to Leasehold Land and Rs. 1,17,80,000/- have been included in addition to Building above. Further in respect of the said Leasehold Land, the Leasehold rights have been transferred by MIDC subsequent to the balance sheet date on 26th July, 2011 however the same is pending for registration with Sub-registrar.
- (i) Land amounting to Rs. 229,40,00,000/- includes dilapidated building.
(ii) One of the subsidiary has revalued its Land on 14.03.2005 and addition of Rs. 48,51,07,747/- was made to value of Land on the basis of valuation report.
Also it has revalued its land on 31st October, 2009 and addition of Rs. 174,36,24,464/- was made to value of Land on the basis of valuation report.
- Building includes Rs. 3,42,08,890/- pursuant to the scheme of amalgamation with Scientific Vacuum Coating Pvt.Ltd with the Company.
- (i) Residential flats includes deposit for Shares in Co-operative Society Rs. 9,875/-.
(ii) Residential flats at Murbad and vehicles are pending registration in the name of the Company.
(iii) Office equipment includes Rs. 11,030/- pursuant to the scheme of amalgamation with Naman Tradevest Pvt.Ltd. and Zeuxite Investments Pvt.Ltd. with the Company.

Schedules Forming Part of the Consolidated Balance Sheet
SCHEDULE - 6

INVESTMENTS (At Cost) Long Term Investments Face Value	As at 31st March, 2011		As at 31st March, 2010	
	Nos.	Rupees	Nos.	Rupees
Other Investments (Fully Paid Up)				
A. Unquoted: Equity Shares in others				
1. Equity Shares in Subsidiary & associate Companies				
10 New India Co-operative Bank Ltd.	10	102	10	102
100 Madhavpura Mercantile Co-op Bank Ltd.	875	87,500	875	87,500
10 Saraswat co-operative bank .	1,000	10,000	1,000	10,000
10 United Shippers Ltd		-		
10 Dharamtar Cement Pvt. Ltd.	1,980	19,800	1,980	19,800
10 Suraj Containers Ltd	5,000	50,000	5,000	50,000
B. Unquoted: Preference Shares / NCD				
100 14.5 % Redeemable Cumulative Preference Shares in Excel Glasses Ltd	130,000	13,000,000	260,000	26,000,000
100 5 % Redeemable Cumulative Preference Shares in Blue Nile Finvest pvt Ltd	5,000	500,000	5,000	500,000
10 14 % Preference Shares One time Leafin Services Ltd	239,000	2,390,000	239,000	2,390,000
Fully redeemable, unlisted, unrated, secured non-convertible debenture - Avantha Holdings Ltd.		106,243,000		-
C. Unquoted : Mutual Funds				
Canara Bank Mutual Fund		52,553,728		133,142,884
IDFC FMP		50,000,000		-
SBI Mutual Fund		50,000,000		-
Birla Sunlife Fixed Term Plan		50,000,000		-
D. Unquoted : Bonds				
Bonds		286,330,448		245,535,870
E Other Investment		1,000		1,000
F. Quoted : Equity Shares				
10 Soma Paper Mills Ltd.	39,287	1,719,409	39,287	1,719,409
10 Kopran Ltd.	37,748	338,225	37,748	338,225
10 KJMC Financial Service Ltd.	106,420	91,140	106,420	191,140
10 KJMC Global Market I Ltd	106,420	607,065	106,420	607,065
10 Hindustan Tin Works Ltd	-	-	205,832	9,056,608
100 Bayer India Ltd.	24	2,219	24	2,219
10 Indian Dyestuff Industries Ltd.	13	447	13	447
10 Canara Bank	5,700	199,500	5,700	199,500
10 Punjab National Bank	3,682	1,435,980	3,682	1,435,980
10 Solvay pharma India Ltd.	818	2,345,711	60,621	173,837,768
10 The Aluminium Industries Ltd	45,000	450,000	45,000	450,000
10 IMP Power Ltd.	25,500	6,581,526	25,500	6,581,526
G. Quoted : Bonds				
10 6.75 % of Unit Trust of India Bonds	-	-	1,782	183,990
Total		625,056,801		602,341,034
Less : Provision for Investment		(751,961)		-
		624,304,840		602,341,034
Aggregate Book Value - Quoted		13,871,223		194,603,878
Unquoted		610,433,617		407,737,156
Aggregate Market Value- Quoted		16,921,242		217,453,426

Schedules Forming Part of the Consolidated Balance Sheet

SCHEDULE - 7	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
INVENTORIES		
Stores and spares	29,830,665	23,221,589
Fuel	779,401	776,512
Raw Materials	54,739,857	45,180,636
Material / Work-in-process	18,857,408	14,732,707
Stock in Trade:		
Finished Goods	130,669,937	102,229,096
Others	103,666,202	102,723,014
Goods-in-transit	38,370,065	20,105,923
Total	376,913,535	308,969,477
SCHEDULE 8		
SUNDRY DEBTORS		
Unsecured:		
Outstanding for a period exceeding six months:		
Considered Good	82,481,813	70,946,501
Considered doubtful	250,000	672,324
Less: Provision for doubtful debts	(250,000)	(672,324)
Other Debts-Considered Good	629,175,492	661,288,485
Total	711,657,305	732,234,986
SCHEDULE 9		
CASH AND BANK BALANCES		
Cash on hand	4,067,360	3,800,810
Cheques in hand	-	2,029,890
Bank balances with Scheduled banks :		
In Current Accounts	224,065,416	321,060,409
In Fixed Deposit Accounts	258,091,055	379,833,432
In Margin Deposit Accounts	27,585,508	43,101,605
Total	513,809,339	749,826,146
SCHEDULE 10		
LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Loans & Inter corporate Deposits	613,038,537	447,783,104
Advances recoverable in cash or in kind for value to be received	927,804,333	726,205,834
Advances & Loans to Limited Liability Partnership Firm	19,029,767	-
Sundry Deposits	272,095,551	282,990,919
Balance with excise and custom authorities	13,964,749	7,737,762
Advance payment of Income-tax (Net of provision)	-	95,024,860
Fringe Benefit Tax (Net of provision)	159,034	166,647
MAT Credit Entitlement	16,732,133	12,052,133
Total	1,862,824,105	1,573,961,260

Schedules Forming Part of the Consolidated Balance Sheet

	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
SCHEDULE - 11		
CURRENT LIABILITIES		
Sundry Creditors :-		
Amount Outstanding to Micro, Small & Medium Enterprises	4,144,151	4,588,813
Others	690,735,204	654,588,425
Bills Payable	8,887,997	8,874,668
Deposit Received	583,845,061	143,366,449
Unclaimed Dividends	960,340	800,533
Advance from Customers	45,212,597	21,839,937
Interest Accrued but not due	367,321	-
Book overdraft	-	567
Other Liabilities	140,447,975	133,581,069
Total	<u>1,474,600,646</u>	<u>967,640,460</u>
SCHEDULE 12		
PROVISIONS		
Proposed Dividend	42,770,328	32,993,180
Tax on Dividend	11,796,482	5,479,755
Gratuity	18,198,573	14,669,847
Leave encashments	8,364,935	14,452,419
Provision for Tax (net of advance tax)	4,170,908	-
Wealth Tax (net of advance tax)	223,928	204,455
Total	<u>85,525,154</u>	<u>67,799,657</u>
SCHEDULE 13		
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary Expenses	-	304,302
Less: Amount written off during the period	-	304,302
	<u>-</u>	<u>-</u>
Deferred Revenue Expenditure:		
Voluntary Retirement Scheme	-	18,269,798
Add: Expenses during the year	-	-
	<u>-</u>	<u>18,269,798</u>
Less: Amount written off during the period	-	18,269,798
Total	<u>-</u>	<u>-</u>

Schedules Forming part of the Consolidated Profit and Loss amount
SCHEDULE 14
SALES AND OTHER INCOME

	Year ended 31st March, 2011 Rupees	Year ended 31st March, 2010 Rupees
Sales and Services	8,351,466,839	5,500,660,248
Less : Excise Duty	89,385,407	64,642,347
Sales and Services (Net)	<u>8,262,081,432</u>	<u>5,436,017,900</u>
Rent Received	106,290,332	120,378,643
Bad debts written back (Net)	-	47,011
Dividend	14,042,866	7,594,265
Interest	211,545,986	102,194,365
Foreign Exchange Gain (Net)	1,017,348	25,939,965
Surplus on Sale of Assets	1,866,561	1,448,674
Insurance Claim	3,095,057	185,648
Profit on Sale of Long Term Investment	18,528,813	13,632,703
Profit on disposal of Subsidiary (Refer Note No. B-24(b) of Schedule 18)	153,203	-
Sundry balances w/ back (Net) (Refer Note No. B-6 of Schedule 18)	-	4,827,273
Insurance Commission	13,311,406	12,127,831
Service Tax Credit	53,440,699	17,653,005
Miscellaneous Income	25,876,449	14,546,860
Total	<u><u>8,711,250,152</u></u>	<u><u>5,756,594,143</u></u>

SCHEDULE 15
MANUFACTURING, OPERATING AND OTHER EXPENSES

Purchases of goods & others	2,858,413,292	2,537,626,006
Consumption of Raw Materials and Components & goods	577,018,815	449,117,707
Stores, Spares Consumed	237,265,973	202,509,161
Power and Fuel Charges	365,425,490	194,167,500
Registration & Octroi charges	322,052,954	257,783,866
Charter Freight Charges & Other Freight	1,227,189,921	649,342,115
Port Dues & Other Expenses / Certification	232,499,746	106,230,821
Vessel Expenses	151,764,049	33,154,846
Barge & Tug Freight Hire Charges	120,121,111	52,011,371
Stevedoring Charges	30,494,536	15,668,468
Shortages	29,946,410	(5,238,158)
Demurrages / Despatch	48,118,477	(1,632,590)
Handling Charges	52,398,282	37,645,834
Storage Charges	21,014,534	14,854,915
Machinery Hire Charges	20,159,035	21,937,416
Payloader & Excavator Expenses / Machinery	30,974,870	14,057,582
Dumper & Tipper Expenses	58,119,968	23,251,182
Jetty Rent & Utilization Charges	146,483,109	45,479,455
Payments to and Provisions for Employees:		
Salaries, Wages, and Bonus	220,699,770	132,082,328
Gratuity	5,178,383	4,046,386
Contribution to PF, FPF and other funds	14,757,909	10,549,094
Employees Welfare Expenses	9,620,245	9,810,047
	<u>250,256,307</u>	<u>156,487,854</u>
Job Charges	15,774,564	11,867,531
Transportation and Forwarding	417,180,354	98,666,496
Share Issue Expenses	-	511,459
Rent / License fees	18,091,402	13,907,635
Rates and Taxes	2,472,595	3,225,091
Excise Duty	1,607,367	(41,260)
Insurance	59,368,007	45,588,189
Repairs and Maintenance :		
Building	6,066,305	2,291,506
Plant & Machinery	10,307,130	5,206,228
Others	7,853,916	3,541,054
	<u><u>24,227,351</u></u>	<u><u>11,038,787</u></u>

Schedules Forming part of the Consolidated Profit and Loss amount
SCHEDULE 15 (CONTD.)

	Year ended 31st March, 2011 Rupees	Year ended 31st March, 2010 Rupees
Directors Sitting Fees	763,720	843,880
Auditor's Remuneration:		
Audit Fees	1,891,152	1,632,193
Tax Audit Fees	139,419	128,073
Taxation Matters	330,900	220,600
Other Matters	220,600	590,105
Less: Transferred to Amalgamation Expenses	-	(590,105)
Out of Pocket Expenses	-	7,454
	2,582,071	1,988,320
Charity & Donation	3,943,669	173,850
Managerial Remuneration (Refer Note No. B-23 of Schedule 18)	34,428,149	19,384,051
Brokerage & Commission	2,399,736	4,285,092
Legal & Professional Charges	30,299,064	22,200,117
Sales tax paid for earlier years	5,333	-
Vehicle Expenses	27,353,904	11,787,363
Selling & Marketing Expenses	12,148,871	10,149,869
Foreign Exchange fluctuation	3,089,420	-
Provision for Investment	751,961	-
Miscellaneous Expenses	91,974,191	61,494,182
Sundry balances w/ off (Refer Note No. B-6 of Schedule 18)	7,016,964	-
Navlakhi Jetty written off	-	2,543,451
Preliminary Exps written off	116,445	304,302
Deferred Revenue expenditure written off :		
Voluntary Retirement Scheme	-	18,269,798
(Increase) / Decrease in Stocks (Refer Schedule 17)	(32,219,866)	(120,517,604)
Total	7,503,092,151	5,022,125,952

D Schedules Forming part of the Consolidated Profit and Loss amount

	Year ended 31st March, 2011 Rupees	Year ended 31st March, 2010 Rupees
SCHEDULE 16		
INTEREST & FINANCE CHARGES		
Interest		
Debtures	53,039,400	15,693,850
Term Loans	32,462,873	20,238,756
Others	65,941,923	59,923,112
Bank Charges & Other Financial Charges	9,144,204	8,224,394
Total	<u>160,588,400</u>	<u>104,080,112</u>
 SCHEDULE 17		
(INCREASE)/DECREASE IN STOCKS		
Stocks at commencement :		
Finished Goods	102,229,096	84,722,006
Stock in Trade	102,723,014	1,509,489
Materials in Process	14,732,707	12,935,719
	<u>219,684,817</u>	<u>99,167,214</u>
 Less: Stocks at close :		
Finished Goods	130,669,937	102,229,096
Stock in Trade-others	103,666,202	102,723,014
Materials in Process	18,857,408	14,732,707
	<u>253,193,547</u>	<u>219,684,817</u>
(Increase) / Decrease in Stocks	<u>(33,508,729)</u>	(120,517,604)
Less : Transferred to Pre-operative Expenses	<u>(1,288,863)</u>	-
	<u>(32,219,866)</u>	<u>(120,517,604)</u>

Schedule 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A) SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Consolidation

The consolidated financial statements relates to Oricon Enterprises Limited ("the company" or "the parent company"), its subsidiary companies, associate and its Joint Venture "collectively referred to as the Group".

a. Basis of Accounting

The consolidated financial statements of the Company, its subsidiaries and associate are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1956, Accounting Standard 21 "Consolidated Financial Statements", Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures" as notified by Companies (Accounting Standards) Rules 2006.

b. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the parent company, its subsidiaries and jointly controlled entity have been consolidated / proportionately consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and transactions resulting in unrealized profits or losses on intra-group transactions and are presented to the extent possible, in the same manner as the Company's independent financial statements except in respect of accounting policy for depreciation on fixed assets.
- ii. Interest in jointly controlled entities (incorporated Joint Ventures) is accounted using proportionate consolidation method.
- iii. The excess of the cost to the company of its investment in subsidiary / jointly controlled entity over the company's portion of equity of the subsidiary / jointly controlled entity as at the date on which investment in subsidiary / jointly controlled entity is made, is recognized in the financial statement as Goodwill. The excess of Company's share of equity and reserve of the subsidiary / joint venture Company over the cost of acquisition is treated as Capital Reserve.
- iv. Investment in associate companies have been accounted for, by using equity method whereby

investment is initially recorded at cost and the carrying amount is adjusted thereafter for post acquisition change in company's share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for investment individually.

- v. Minority Interests in the CFS is identified and recognized after taking into consideration:

- The amount of equity attributable to minority's at the date on which investments in a subsidiary is made.
- The minority's share of movements in equity since the date parent subsidiary relationships came into existence.

- d. The particulars of subsidiaries, associate and jointly controlled entity which are considered for consolidation and the percentage of voting power therein of the company as on 31st March, 2011 are as under:

Name of Company	w.e.f.	Country of Incorporation	Percentage of voting power as at 31st March, 2011	Percentage of voting power as at 31st March, 2010	Reporting Date	Financial Status Audited / Unaudited
Subsidiaries						
Shinrai Auto Services Ltd (SASL)	March 31, 2006	India	100%	100%	March 31, 2011	Audited
Oricon Properties Pvt. Ltd. (OPPL)	October 1, 2009	India	100%	100%	March 31, 2011	Audited
USL Auto Services Ltd (UASL)*	March 31, 2006 to April 1, 2010	India	-	100%	-	-
United Shippers Ltd (USL)	October 1, 2009	India	50.19%	50.19%	March 31, 2011	Audited
Fellow Subsidiaries						
USL Shipping DMCEST (A 100% subsidiary of United Shippers Ltd)	October 1, 2009	Dubai	50.19%	50.19%	March 31, 2011	Audited
Bulk Shipping PTE Ltd (A 100% subsidiary of United Shippers Ltd)	October 1, 2009	Singapore	50.19%	50.19%	March 31, 2011	Audited
USL Packaging Ltd (A 100% subsidiary of United Shippers Ltd)**	April 1, 2010	India	50.19%	-	March 31, 2011	Audited
Jointly Controlled Entity						
Oriental Containers Ltd (OCL)	April 1, 2009	India	30%	30%	March 31, 2011	Audited
Clardge Energy LLP- (Partnership Firm)	July 14, 2009	India	50%	-	March 31, 2011	Audited
Dharamtar Infrastructure Ltd (A joint venture of United Shippers Ltd)	October 1, 2009	India	19.87%	19.87%	March 31, 2011	Audited
USL NMM Logistics Ltd (A joint venture of United Shippers Ltd)	October 1, 2009	India	25.10%	25.10%	March 31, 2011	Audited
USL Packaging Ltd (A joint venture of United Shippers Ltd)**	October 1, 2009 to March 31, 2010	India	-	25.10%	-	-
CGU Logistcis Ltd (A joint venture of United Shippers Ltd)	October 1, 2009	India	11.30%	11.30%	March 31, 2011	Audited

formerly known as USL Shinrai Automobiles Ltd (USAL)

formerly known as National Cotton Products Pvt Ltd (NCPPL)

* ceased to be a Subsidiary w.e.f. April 1, 2010.

** ceased to be a Joint Venture and becomes a Subsidiary w.e.f. April 1, 2010.

2. Method of Accounting

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, in accordance with accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards prescribed by Companies (Accounting Standards) Rules, 2006 issued by the Central Government and the provisions of the Companies Act, 1956, (the 'Act') to the extent applicable.

3. Revenue Recognition

Revenue from sale of products is recognized when the risk and rewards of ownership of products are passed on to the customers. Revenue is recorded exclusive of sales tax. Sales / Turnover includes sales value of goods and excise duty thereon wherever applicable. In case of uncertainty revenue recognition is postponed till the time of actual realization.

Revenue from services is recognized on rendering of services to the customers. Revenue is recorded exclusive of service tax.

Interest income is recognized on the time proportion basis.

4. Export Benefit / Incentive

Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds. The export incentives are reduced from the purchase price of the imported materials.

5. Fixed Assets and Depreciation

a. Fixed Asset:

- i. Fixed Assets are stated at cost of acquisition, inclusive of freight, duties, taxes, borrowing cost, erection expenses / commissioning expenses etc. up to the date the assets are put to use except in case of subsidiary OPPL where Land is stated on revaluated amount.
- ii. Modvat Credit availed on purchase of fixed assets is reduced from the cost of respective assets.
- iii. Goodwill arising on consolidation is shown as intangible assets and is stated at cost and impairment is recognized, if any.
- iv. Exchange difference on account of foreign exchange fluctuation, if any, is charged to profit & loss Account.

b. Depreciation:

- i. The Company provides depreciation on Plant and Machineries on straight line method and on other assets on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956, except as stated below.
- ii. Leasehold Land is amortized over the period of lease.

- iii. The subsidiary United Shippers Ltd provides depreciation on addition at 100% of the applied rate if purchased in the first half of the year and at 50% of the applied rate if purchased in the second half of the year.
- iv. In case of subsidiary, Shinrai Auto Services Limited and United Shippers Ltd. depreciation on the Plant & Machinery is provided for on written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
- v. In case of subsidiary USL Shipping DMCEST, depreciation on fixed assets is provided by using reducing balance method over their estimated useful lives.
- vi. In case of Joint Venture, Oriental Containers Ltd, depreciation is provided on its tangible assets on the straight-line method ('SLM'), pro-rata to the period of use at the rates specified in Schedule XIV to the Companies Act, 1956 except at higher rates for the tangible assets acquired on the purchase of the "packaging division" of Oricon Enterprises Limited, wherein the depreciation is provided based on the estimated useful lives of the tangible assets so acquired, determined by the Company's management based on the technical evaluation by a certified valuer conducted at the time of the business purchase.
- vii. In case of Joint Venture, Oriental Containers Ltd, Intangible assets comprises of license fees and goodwill. Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured. Acquired intangible assets are recorded at the consideration paid for acquisition. These intangible assets are amortized on straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use.

Assets	Period (in years)
Licence Fees	10
Goodwill	5

- viii. In case of jointly controlled entity CGU Logistics Limited, depreciation on Vessel is provided by using the straight line method based on technical evaluation of the economic useful life of various components of the vessel or at rate prescribed under Schedule XIV to the Companies Act, 1956, whichever is higher and depreciation on all other assets are depreciated by using straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956.

6. Investments

Long Term investments are valued at cost. Provision for diminution in value investment is made to recognize a decline other than temporary.

Current investments are valued at cost or market value whichever is lower on the last day of financial year.

An investment in an associate is accounted for in consolidated financial statements under the equity method.

7. Inventory

Raw materials are valued at cost (net of modvat) or net realisable value which ever is lower. Cost is ascertained on first in first out (FIFO) basis except in case of raw material liquid colorant where cost is determined on the basis of weighted average method.

Finished goods and work in process inventory are valued at cost or net realisable value whichever is lower.

Fuel, Stores, Spares and Consumables are valued at weighted average cost or net realisable value whichever is lower.

Stocks of Shares are valued at cost or market value whichever is lower.

8. Foreign Exchange Transaction

The transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. In case of subsidiary USL the chartered freight expenditure are recorded at actual rates. Current Assets and Current Liabilities in Foreign currency outstanding at the Balance Sheet date are translated at the exchange rates prevailing on the date of Balance Sheet. The resulting Exchange Difference, if any, is charged to the Profit & Loss Account.

Forward foreign exchange contracts relating to highly probable forecast transaction (not intended for trading or speculation purpose), the Company follows the guidance in the Announcement of the Institute of Chartered Accountants of India ('ICAI') dated 29 March 2008 whereby for each category of derivatives, the Company records any net mark-to-market losses. Net mark-to-market gains are not recorded for such derivatives.

Assets and liabilities of foreign subsidiary are translated at closing exchange rate and income and expenditure are translated at average exchange rate for the year. The difference arising on such translation is debited / credited to foreign currency translation reserve.

9. Employee Benefits

Defined Contribution Plan

Company's contribution towards Superannuation Scheme with Life Insurance Corporation of India, Provident Fund, Employee's State Insurance Scheme, Government Welfare Fund and Employee's Deposit Linked Insurance are accounted for on accrual basis.

Defined Benefit Plan

Liability on account of Gratuity is accounted for on the basis of Actuarial Valuation at the end of each year.

Other Long term

Liability on account of other long term benefit such as 'leave encashment' is made on the basis of actuarial valuation at the end of the year.

Other Short Term

Employee Benefits are charged to revenue in the year in which the related services are rendered.

In case of subsidiary, Shinrai Auto Services Limited provision for leave encashment is accounted for on actual basis and charged to Profit & Loss Account.

10. Debentures Issue expenses

Debentures issue expenses are adjusted against securities premium.

11. Government Grants

Special Capital Incentives received for setting up a unit in backward area is treated as capital reserve.

12. Deferred Revenue Expenditure

- a. Expenditure in the nature of miscellaneous expenditure represented by Deferred Revenue Expenditure (Voluntary Termination Benefits) are amortized in accordance with Accounting Standard 15 (Revised) 'Employee Benefits' issued by the Institute of Chartered Accountants of India.
- b. Premium paid on prepayment and refinancing of term loans is charged off over the tenor of the new loans.

13. Borrowing Costs

Borrowing Costs directly attributable to the acquisition or construction of Fixed Assets are capitalized as part of the cost of the Assets, up to the date the Assets are put to use. Other Costs are charged to the Profit and Loss Account in the year in which they are incurred.

14. Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date for impairment so as to determine the provision for impairment loss, if any, required, or the reversal, if any, required of impairment loss recognized in previous periods.

15. Leases

Lease rentals in respect of assets acquired under operating leases are charged off to the profit and loss account on a straight line basis.

16. Earning Per Share (E.P.S.)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti dilutive.

17. Taxes on income

- a. Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.
- b. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced up to the balance sheet date. Deferred tax assets

and liabilities are recognized for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the profit and loss account of the respective year of change.

- c. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is reasonable certainty of its realization.
- d. At each balance sheet date the carrying amount of deferred tax assets is reviewed to reassure realization.
- e. Income tax on income of CGU logistics Ltd from qualifying fleet is provided on the basis of Tonnage

tax scheme whereas income tax on other income is provided as per other provisions of the Income tax Act, 1961.

- f. Minimum Alternate Tax (MAT) obligation in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax during the specified period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

18. Other Accounting Policies

These are set out under "Significant Accounting Policies" as given in the financial statements of Oricon Enterprises Limited and its Group.

SCHEDULE - 18
B) NOTES TO THE CONSOLIDATED ACCOUNTS

	Year ended 31.03.2011 (Rs. in Lacs)	Year ended 31.03.2010 (Rs. in Lacs)	
1	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	1,567.00	1,188.26
2	Contingent Liabilities not provided for in respect of:		
a)	Guarantees given by Company's Bankers and counter-guaranteed by the Company	373.00	1,056.00
b)	Disputed demands of Excise Duty & Service Tax	135.60	133.80
c)	Income Tax demands disputed in appeals	1,082.21	427.24
d)	Assignment of sales tax liability	2,601.08	2,418.45
e)	Letter of Credit	1,011.58	910.62
f)	Unfulfilled export commitments	2,538.15	1,947.26
g)	Custom Duty Demand under Appeal	175.00	175.00
h)	The subsidiary USL has provided Corporate Guarantee of Rs. 87.44 lakhs (Previous Year Rs.465 lakhs) to Barclays Bank against Working Capital Loan provided to C G U Logistics Ltd. The said subsidiary has also provided Corporate Guarantee of Rs.979 lakhs (Previous Year Rs.1268 lakhs) to State Bank of India against the term loan provided to Dharamtar Infrastructure Limited.		
i)	i) In case of subsidiary United Shippers limited, the Income Tax Department has reopened the assessment for A.Y. 2000-01, against which the company has filed a writ petition in the High Court, Mumbai challenging the opening of reassessment proceedings and obtained stay order for further proceedings by the department till the High Court decides the matter.		
j)	<u>Sales tax deferral scheme</u> The jointly controlled entity, OCL is deferring its sales tax obligation under the 3 incentive schemes (EC3052-1988, EC3636-1993 and EC4633-1993) of which the deferral period in respect of 2 schemes had lapsed (EC3052-1988 and EC3636-1993) prior to the business transfer from the Company to OCL. The Company had filed a writ petition with Honorable High Court of Mumbai, for extending the time limit till the full utilization of deferment benefit, stating that pattern of utilisation of the benefit had suffered due to change in regulations pertaining to purchase tax levy. While the writ petition is pending disposal, the Company has received an ad interim order allowing deferment till the quantum of incentive is exhausted. In the event of an adverse decision from the Honorable High Court of Mumbai and the DOJ, there will be immediate cash outflows of the amount aggregating to Rs.45.07 lakhs (Previous Year Rs.45.07 lakhs).		
3	Some of the balances of Sundry Debtors, Deposits, Loans & Advances, Sundry Creditors are subject to confirmation from the respective parties and consequential reconciliation/adjustment arising therefrom, if any. The management, however, does not expect any material variation.		
4	In the opinion of the Management, Current Assets, Loans Advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known and determined liability is adequate and not in the excess of the amount reasonably required.		
5	The Shares / Debentures held as investment by the company have been classified as Long term Investment by the Management. No provision for the diminution if any, in the value of other investment has been made in the accounts as the Management is of the view that such diminution is not of permanent nature and the same is not intended to be traded except provision for diminution of Rs. 7.52 lacs where the management is of the view that the same is of permanent use.		
6	Sundry Debit balances written off (Net)' amounting to Rs.70.17 lakhs are net of sundry credit balances written back amounting to Rs.1.11 lakhs. (Previous Year 'Sundry credit balances written back (Net)' amounting to Rs.48.27 lakhs are net of sundry debit 'balances written off amounting to Rs.2.28 lakhs).		
7	Subsequent to the Balance Sheet date, the Company at its Board meeting held on 13th June, 2011 has converted 15%, 21,80,000 fully convertible debentures into 21,80,000 equity shares of Rs.10/- each fully paid up at a premium of Rs.152.20 per share and allotted to M/s. Clearwater Capital Partners Singapore Fund III Private Limited. These equity shares allotted on conversion of Debentures (FCDs) ranks pari passu in all respects including as to dividend with the existing fully paid equity shares of the face value Rs.10/- each of the Company subject to relevant provisions contained in Articles of Association of the Company.		
8	The Authorised Share Capital of the Company stands increased from Rs.2885 lakhs comprising of 2,87,50,000 Equity Shares of Rs.10/- each and 10,000 11% Cummulative Redeemable Preference Shares of Rs.100/- each, to Rs.3500 lakhs comprising of 2,39,00,000 Equity Shares of Rs.10/- each, 1,10,00,000 Preference Shares of Rs.10/- each and 10,000 11% Cummulative Redeemable Preference Shares of Rs.100/- each, w.e.f. 9th September, 2010 being the effective date for scheme of amalgamation of Naman Tradevest Private Limited (NTPL) and Zeuxite Investments Private Limited (ZIPL) with the Company, approved by Hon'ble High court of judicature at Bombay dated 27th August, 2010. However the process of filing of necessary Form with Registrar of Companies and payment of the applicable filing fee and stamp duty were pending as at 31st March, 2011 which have been subsequently completed on 30th April, 2011.		

- 9 (a) During the year on 17th September, 2010, the Company has allotted 1,09,00,000, 10% Compulsorily Convertible Preference Shares (CCPS) of Rs.10/-each, fully paid, which were lying in the Share Capital Suspense Account as at 31st March, 2010.
- (b) The CCPS shall be converted into equity shares in the ratio of one (1) new equity share of the face value of Rs.10/- each of the Company for every one (1) CCPS of the face value of Rs.10/- each credited as fully paid up.
- (c) Out of the total 1,09,00,000, 10% CCPS, 19,00,000 CCPS are convertible into equity shares anytime after 1st April, 2011 but within a period of five years from the date of allotment i.e. 17th September, 2010, 30,00,000 CCPS are convertible into equity shares anytime after 1st April, 2012 but within a period of five years from the date of allotment i.e. 17th September, 2010 on equal proportionate basis amongst CCPS holders to the extent of their holding in the Company and 60,00,000 CCPS are convertible into equity shares anytime after 1st April, 2013 but within a period of five years from the date of allotment i.e. 17th September, 2010 on equal proportionate basis amongst CCPS holders to the extent of their holding in the Company.
- (d) 25% of above 1,09,00,000 CCPS numbering to 27,25,000 equity shares arising out of conversion of CCPS shall be kept under lock-in for three years from the date of listing of new shares on the Bombay Stock Exchange.
- 10 In case of Subsidiary M/s. National Cotton Products Pvt. Ltd. the name has been changed to M/s. Oricon Properties Private Limited with effect from 1st November 2010 and in case of Subsidiary M/s. USL Shinrai Automobiles Ltd the name has been changed to M/s. Shinrai Auto Services Limited with effect from 27th December, 2010.
- 11 The Subsidiary United Shippers Ltd. has entered into an agreement with Gujarat Maritime Board vide agreement dated 7th October, 1998 and has obtained license to develop, complete, construct, renovate and use of existing jetty/ wharf including construction of offshore and onshore goods facilities and right to use Jetty for 10 years on guarantee of minimum cargo to be handled 4 lakhs M.T. p.a. or minimum wharfage charges of Rs.120 lakhs p.a. payable to Gujarat Maritime Board.

Gujarat Maritime Board has extended the rights to use jetty for a further period of 5 years w.e.f. 23.02.2010, with stipulation of minimum guaranteed wharfage of Rs.120 lakhs p.a.

- 12 Movement in 'Goodwill on Consolidation' (Net of Capital Reserves on consolidation) included in the Fixed Assets during the year :

(Amount in Rs. lakhs)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Goodwill on Consolidation (Net) as at 01.04.10	2,610.53	91.81
Add: Goodwill arising on USL becoming subsidiary w.e.f. 01.10.09	-	8,593.10
Add: Capital Reserve arising on OPPL ceases to be associate (38%) and becomes subsidiary w.e.f. 01.10.09	-	(4,876.77)
Add: Capital Reserve arising on acquisition of 62% of equity capital of OPPL and becomes subsidiary w.e.f. 01.10.09	-	(1,161.95)
Add: Capital Reserve arising on OCL becoming a jointly controlled entity	-	(35.66)
Less: Goodwill written off on cessation of the subsidiary UASL	(2.59)	-
Goodwill on Consolidation (Net) as at 31.03.11	2,607.93	2,610.53

- 13 Movement in 'Minority Interest' during the year :

(Amount in Rs. lakhs)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Minority Interest balance as at 01.04.10	12,096.04	-
Add: Minority Share in Opening Reserve of subsidiary USL	-	10,865.92
Add: Minority Share in Share Premium of subsidiary USL	-	293.03
Less: Minority Share in Foreign Currency Translation Reserve of subsidiary USL	(40.72)	(128.17)
Add: Minority Share in Profit of subsidiary USL	2,167.06	1,065.27
Less: Minority Share of dividend including dividend tax of subsidiary USL pertaining to previous year paid in the current year	(172.40)	-
Less : Minority share in Capital Reserve arising cessation of a jointly controlled entity USL Packaging Ltd. of Usl (subsidiary) and becoming subsidiary of USL (subsidiary) w.e.f. 1st April, 2010	3.62	-
Minority Interest balance as at 31.03.11	14,053.60	12,096.04

- 14 (a) The figures of current year are not comparable with the previous year's figures due to the following.
- Current year figures consist of 12 months transactions of the subsidiaries OPPL and USL whereas previous years figures consist of 6 months transactions of these subsidiaries.
 - In view of amalgamation of Naman Tradvest Pvt Ltd (NTPL) & Zeuxite Investment Pvt Ltd (ZIPL) with the Company in the previous year with effect from 1st October, 2009, the figures of the current year consist of 12 months whereas the previous year consist of 6 months.
 - Interest in Claridge Energy LLP, a jointly controlled partnership firm has been accounted using proportionate consolidation method as prescribed in Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures" w.e.f. 14th July, 2010.
- (b) Figures of the previous year have been re-grouped, re-classified and re-arranged wherever necessary.
- 15 (a) Depreciation on plant & machinery is charged on straight line method by the Group except by the subsidiaries Shinrai Auto Services Ltd and United Shippers Ltd which follows written down value method. Thus out of the total depreciation on plant & machinery of Rs.445.16 lakhs (Previous Year Rs.397.09 lakhs) included in the consolidated balance sheet, 12.62% i.e. Rs.56.20 lakhs (Previous Year 8.40% i.e. Rs.33.36 lakhs), as a percentage of Rs.445.16 lakhs (Previous Year Rs.397.09 lakhs), is provided on written down value method and the balance is provided on the straight line method of depreciation.
- (b) Depreciation on assets excluding goodwill, licence fees, leasehold land, freehold land and plant & machinery is charged on written down value method by the Group except by the venturer (30%) Oriental Containers Ltd which follows straight line method. Thus out of the total depreciation on assets excluding goodwill, licence fees, leasehold land, freehold land and plant & machinery of Rs.1602.85 lakhs (Previous Year Rs.725.29 lakhs) included in the consolidated balance sheet, 1.78% i.e. Rs.28.60 lakhs (Previous Year 2.70% i.e. Rs.19.58 lakhs), as a percentage of Rs.1602.85 lakhs (Previous Year Rs.725.29 lakhs), is provided on straight line method and the balance is provided on written down value method of depreciation.
- 16 During the period, the company has reviewed its fixed assets for impairment loss as required by Accounting Standards 28 "Impairment of Assets". In the opinion of management no provision for impairment loss is considered necessary.
- 17 The disclosure in respect of Segment information as per Accounting Standard - 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India for the period ended 31st March, 2011 is given as follows:
- (a) Business Segments:
- (i) During the year the Company has set up and commissioned latest 'state of the art' plant for manufacturing liquid colorats in technical collaboration with M/s. Colormatrix U.K. at M.I.D.C., Murbad, Distric Thane, on 16th May, 2010 and accordingly the same has been shown as a separate business segment i.e. Liquid colorats.

Particulars	PETROCHEMICALS		TRADING		AUTOMOBILES		PACKAGING		SHIPPING & RELATED LOGISTICS		LIQUID COLORATS		TOTAL	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
REVENUE :														
External Revenue	2,052.92	1,581.47	2,491.08	3,715.79	33,257.83	26,566.49	7,336.59	6,467.11	37,410.97	16,029.31	71.43	-	82,620.81	54,360.18
Inter-segment Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	2,052.92	1,581.47	2,491.08	3,715.79	33,257.83	26,566.49	7,336.59	6,467.11	37,410.97	16,029.31	71.43	-	82,620.81	54,360.18
RESULT														
Segment Result	202.74	266.41	34.33	74.45	872.77	923.89	531.38	990.72	5,362.88	2,252.18	(43.37)	-	6,960.73	4,507.65
Add: Unallocable Income net of unallocable expenditure													856.32	582.36
Less: Interest Expenses													(1,514.44)	(958.56)
Add: Interest Income													2,115.46	1,021.94
Profit Before Prior Period Adjustment													8,418.06	5,153.40
Less: (Add): Prior Period Adjustment													2.39	(31.46)
Profit Before Taxation & exceptional item													8,420.45	5,184.86
Less: Provision for Current Tax													2,431.10	1,335.71
Less: Provision for Deferred Tax													142.93	80.31
Less: Income / fringe benefit tax for earlier years													(0.16)	(18.50)
Less: Wealth Tax													2.24	2.04
Less: MAT Credit Entitlement													(46.80)	(101.40)
Profit After taxation and before Minority Interest and share of loss of associate													5,891.13	3,846.69
Less: Minority Interest													(2,167.06)	(1,065.27)
Less: Share of loss of associate													-	19.98
Profit After taxation before exceptional item													3,724.07	2,804.40
OTHER INFORMATION														
Segment Assets	823.37	680.24	833.12	2,338.99	4,556.13	3,928.29	8,443.80	7,084.20	25,463.73	22,304.05	679.70	-	40,799.86	36,335.77
Unallocable Assets													47,179.89	45,379.76
Total Assets													87,979.75	81,715.53
Segment Liabilities	98.79	88.37	928.01	1,170.57	1,403.22	1,076.55	3,260.12	2,085.48	5,029.37	4,665.20	422.53	-	11,142.04	9,086.16
Unallocable Liabilities													19,785.02	14,496.90
Total Liabilities													30,927.66	23,583.06
Capital Expenditure														
Segment Capital Expenditure	17.36	34.95	-	-	131.31	216.01	1,070.89	1,160.57	4,698.48	2,583.54	252.35	-	6,170.40	3,995.06
Unallocable Capital Expenditure													905.38	244.32
Total Capital Expenditure													7,075.78	4,239.38
Depreciation/Amortisation														
Segment Depreciation / Amortisation	36.56	34.61	-	-	107.95	73.26	350.69	321.56	1,455.02	632.70	24.44	-	1,974.66	1,062.13
Unallocable Depreciation / Amortisation													82.97	274.09
Total Depreciation / Amortisation													2,057.64	1,336.22

(ii)

b. Secondary Segment Reporting (Geographical Segments):

The distribution of the company's Sales, Assets and Capital Expenditure by Geographical market is as under:

	31.03.2011	31.03.2010
	(Rs. in Lacs)	
Sales Revenue		
India	80,488.95	45,694.90
Outside India	2,131.87	8,665.28
Total Revenue	82,620.81	54,360.18
Segment Assets		
India	87,736.49	75,280.39
Outside India	243.25	6,435.15
Total Assets	87,979.75	81,715.54
Capital Expenditure		
India	6,379.90	23,424.61
Outside India	695.88	744.41
Total Capital Expenditure	7,075.78	24,169.02

18 **Related Party Disclosure**

Disclosure requirement as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.

A Names of the Related Parties and nature of relationship:

1.) Key Management Personnel and his / her relatives

- | | | |
|----|-------------------------------------|--|
| a. | Rajendra Somani | Managing Director |
| b. | Sevantilal J. Parekh | Chairman Cum Managing Director in a subsidiary |
| c. | Varun Somani | Managing Director in a subsidiary |
| d. | V . N. Kamath | |
| e. | Balmukund Gaggar | |
| f. | Ramkishore Singhi | |
| g. | Sarla S Parekh, Sujata Parekh Kumar | |
| h. | Captain Sanjay Goel | |
| i. | Rajeev Merchant | |
| j. | Paras Dakalia | |
| k. | Sachin Tipnis | |

2.) Enterprises over which Key Management Personnel & their Relatives exercise significant influence where the Company has entered into Transactions during the year:

- a. G. Claridge & Co. Ltd
- b. Oriental Enterprises
- c. Kopran Ltd
- d. Shree Gayatri Trust

3.) Joint Ventures of the Company

- a. Oriental Containers Ltd. (OCL)
- b. Claridge Energy LLP (w.e.f. 14.07.2010)

4.) Joint Ventures of the Subsidiary

- a. Dharamtar Infrastructure Limited (DIL)
- b. USL NMM Logistics Ltd. (UNLL)
- c. CGU Logistics Ltd. (CLL)
- d. USL Packaging Ltd. (UPL) (ceased to be joint venture w.e.f. 01.04.2010)

Note : Related Party Relationships have been identified by the Management and relied upon by the Auditors.

19 The Company has received approval from the shareholders on 22nd March, 2011 regarding sub-division of equity shares from Rs.10/- each to Rs.2/- per share and consequent amendment in the authorized share capital of the Company, the Issued, Subscribed and Paid-up Equity Shares of the Face Value of Rs.10/- each to face value of Rs.2/- each. Accordingly subsequent to the Balance Sheet date on the record date i.e. 15th July, 2011 the authorized share capital of the Company, the Issued, Subscribed and Paid-up Equity Shares of the Face Value of Rs.10/- each has been sub-divided into five equity shares of the face value of Rs.2/- each.

B. DETAILS OF TRANSACTIONS BETWEEN THE COMPANY & RELATED PARTIES & THE STATUS OF OUTSTANDING BALANCES AS ON 31st March, 2011.

Nature of Transaction	OC (Joint Venture) (w.e.f. 12.07.2010)	Clairidge Energy LLP (Joint Venture) (w.e.f. 12.07.2010)	OPL (Associate) (Associate) (w.e.f. 30.06.09)	DIL	UNLL	CL	UPL (Associate) (w.e.f. 31.03.2010)	Rajendra Somani	S. J. Parekh	Varun Somani	Kopran Limited	G. Clairidge & Co. Ltd.	Relative of Key Management	Shree Gayatri Trust	Total
Interest Earned		9.38	-	207.15	7.10	2.77	-	-	-	-	35.41	-	-	-	261.81
Rent Expense	(39.55)	NA	-	(154.00)	(2.00)	(5.00)	(1.00)	-	-	-	(362.30)	-	-	-	(564.45)
Rent Income	25.20	NA	(1.80)	-	-	-	-	-	-	-	-	-	0.60	8.40	9.00
Revenue	(50.40)	NA	-	-	-	-	-	-	-	-	180.00	-	-	-	(10.90)
Repairs & Maintenance (Rates & Taxes)	-	NA	-	53.82	17.72	10.05	-	-	-	-	-	-	-	-	205.20
Dividend Paid	-	NA	-	(94.00)	(8.00)	(40.00)	(2.00)	-	-	-	-	-	-	-	(185.00)
Remuneration to Key Management Personnel	-	NA	-	-	-	-	-	-	-	-	-	-	-	-	81.59
Loans & Advances Given	1.40	190.30	(231.33)	490.29	-	-	-	20.21	259.83	27.01	-	-	-	-	3.60
Receipts towards Loans & Advances Given	176.46	NA	(258.99)	(1,001.00)	28.00	(232.00)	(2.00)	(20.67)	(125.00)	(27.01)	1,031.87	-	-	-	(144.40)
Loans & Advances Taken	(358.80)	NA	-	-	(57.00)	-	-	-	-	-	(456.00)	(51.50)	-	-	3.60
Payment towards Loans & Advances taken	-	NA	-	-	-	-	-	-	-	-	-	-	-	-	(3.60)
Deposit Paid	-	NA	-	83.95	(5.00)	(233.00)	-	-	-	-	-	-	-	-	(3.60)
Receipts towards Deposit Paid	-	NA	-	(810.00)	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods, services & facilities	-	NA	-	146.55	61.10	0.15	-	-	-	-	-	-	-	-	307.06
Sale of goods / Services	248.04	NA	-	(190.00)	(35.00)	-	-	-	-	-	-	-	-	-	(172.69)
Purchase of Fixed Assets	(652.17)	NA	-	-	-	-	-	-	-	-	1,354.07	-	-	-	1,713.86
Investment in Equity shares	-	NA	-	-	-	-	-	-	-	-	(950.49)	-	-	-	(1,465.20)
Reimbursement towards currency exchange fluctuation	(4.71)	NA	-	-	-	-	-	-	-	-	-	-	-	-	774.46
Receipts towards Sale of goods / services	411.45	NA	-	-	-	-	-	-	-	-	-	-	-	-	(2,417.29)
Guarantees given to Bank against term loan	(709.18)	NA	-	831.60	-	87.44	-	-	-	-	-	-	-	-	(1,048.00)
Balances as on 31st March, 2011															83.95
1. Loans & Advances given	702.80	190.30	-	2,106.34	48.22	-	-	-	-	-	470.38	-	-	-	3,519.04
	(877.86)	NA	-	(2,496.00)	(71.00)	-	(16.00)	-	-	(4,084.40)	-	-	-	-	(7,555.26)
2. Debtors / Other Receivables / Unbilled Revenue	218.66	-	-	75.24	0.15	4.24	-	-	-	-	406.16	-	-	-	704.65
	(386.97)	NA	-	(44.00)	-	(7.00)	(3.00)	-	-	-	(286.26)	-	(0.15)	-	(727.38)
3. Deposits Received	-	NA	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Deposits Paid	-	NA	-	83.95	-	-	-	-	-	-	-	-	-	-	(90.00)
5. Investment in Equity Shares	-	NA	-	-	-	-	-	-	-	-	-	-	-	-	83.95
6. Creditors for Expenses / Advance billing	-	NA	-	7.69	(1.00)	-	-	-	-	-	1.03	-	-	-	1.03
	-	NA	-	(1.00)	(1.00)	-	-	(2.35)	-	-	(1.03)	-	-	-	(1.03)
7. Guarantees given to Bank against term loan	-	NA	-	831.60	-	87.44	-	-	-	-	-	-	-	-	919.04
	-	NA	-	(1,288.00)	-	(465.00)	-	-	-	-	-	-	-	-	(1,733.00)

20. Earnings per Share

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
(a) Profit after Taxation (Rs. in lakhs)	3,724.07	2,804.40
(b) Less - Preference Dividend (Rs. in lakhs)	68.03	-
(c) Profit after taxation and preference dividend (Rs. in lakhs)	3,656.05	2,804.40
Basic EPS		
Weighted average number of equity shares of Rs.2/- each	91,647,715	48,147,715
Weighted average number of equity shares of Rs.2/- each in share capital suspense	-	21,690,410
(d) Total weighted average number of equity shares of Rs.2/- each	91,647,715	69,838,125
Earnings per share (EPS),		
Basic Earnings per share on Profit after taxation (Rs.) [(c) / (d)]	3.99	4.02
Diluted EPS		
Weighted average number of equity shares of Rs.2/- each	91,647,715	48,147,715
Weighted average number of equity shares of Rs.2/- each in share capital suspense	-	21,690,410
Weighted average number of potential equity shares of Rs.2/- each on account of Compulsorily Convertible Preference Shares (CCPS)	54,500,000	27,175,340
(e) Total weighted average number of equity shares of Rs.2/- each	146,147,715	97,013,465
(f) Earnings per share (EPS),		
Diluted Earnings per share on Profit after taxation (Rs.) [(a) / (e)]	2.55	2.89

Note: a) Weighted average number of equity shares have been considered at the face value of Rs.2/- each fully paid up for the purpose of calculation of Earning Per Share (EPS) and accordingly EPS have been stated based on the post split face value of Rs. 2/- each. EPS for the previous year ended 31st March, 2010 has been re-worked on the basis of new face value of Rs.2/- per share for sake of comparability. (Refer Note No.19 above)

b) Potential equity shares that could arise on conversion of 21,80,000 fully convertible debentures are not resulting into dilution of EPS. Hence, they have not been considered in working of diluted EPS in accordance with AS 20.

21. (a) The Tax effects of Significant Timing (Temporary) Differences that resulted in Deferred Tax Assets & Liabilities & description of the Financial Statement items that creates these differences are as follows:

	Particulars	Deferred Tax Assets/(Liability) as at 31.03.2011 Rupees in Lacs	Deferred Tax Assets/(Liability) as at 31.03.2010 Rupees in Lacs
1	<u>Deferred Tax Liabilities</u>		
	Depreciation	(881.30)	(783.65)
	Total (A)	(881.30)	(783.65)
	<u>Deferred Tax Assets:</u>		
1	Unabsorbed depreciation under the income Tax Act, 1961	-	37.02
2	Provision for Gratuity/Leave Encashment	67.42	83.32
3	On expenses pertaining to Amalgamation to claimed under Sec. 35DD	75.63	78.36
4.	Disallowable under Income Tax Act, 1961	10.38	-
	Total (B)	153.43	198.71
	Net Deferred Tax Liability	(727.87)	(584.94)

22 (a) The subsidiary USL has not made separate disclosure in respect of gratuity and leave encashment in the notes to accounts in respect of employee benefits in its consolidated financial statements and consequently have not been included in the disclosure as mentioned in (b) (II) below. The liability in respect of gratuity and leave encashment in respect of the subsidiary USL as at 31st March, 2011 amounts to Rs.20.43 lakhs (Previous Year Rs.14.60 lakhs) and Rs.19.78 lakhs (Previous Year Rs.92.88 lakhs) respectively.

(b) Consequent to Accounting Standard-15-"Employee Benefits" (Revised 2005) becoming effective, the company has made the provision for Defined Contribution Plan and Defined Benefit Plan.

I. Defined Contribution Plan:

During the year the Group has recognised Rs.30.77 lakhs (Previous year Rs.44.85 lakhs) towards Superannuation Scheme with Life Insurance Corporation of India and Rs.141.97 lakhs (Previous year Rs.112.87 lakhs) towards Provident Fund, Employee's State Insurance Scheme, Government Welfare Fund and Employee's Deposit Linked Insurance etc. as Defined Contribution Plan Obligation.

II. Defined Benefit Plan:
Gratuity

Liability is computed on the basis of Gratuity payable on retirement, death and other withdrawals as per the Act and already accrued for past service, with the qualifying wages / salaries appropriately projected, as per the Projected Unit Credit Method.

Leave Encashment

Liability is computed on the basis of Leave Encashment payable on separation as also in service, as per Rules and already accrued for past service, with the qualifying wages / salaries appropriately projected, as per the Projected Unit Credit Method.

i. Actuarial Assumption	Year Ended 31.03.2011	Year ended 31.03.2010
Particulars	Gratuity (%)	Gratuity (%)
Discount Rate Current	8%	8%
Rate of Increase in Compensation Levels	6%	6%
Note: Assumption considered above relates to the parent company.		
ii. Table Showing Change in Benefit Obligation	Gratuity (Rs. in Lacs) Year Ended 31.03.2011	Gratuity (Rs. in Lacs) Year ended 31.03.2010
Adjustment on account of opening balances in respect of joint venture (OCL) and subsidiary (USAL)	-	70.23
Interest Cost	10.40	8.82
Service Cost	10.87	10.74
Past Service Cost	8.09	0.39
Benefits paid	(1.58)	(3.61)
Actuarial (gain) / loss on Obligations	1.66	2.02
Projected Benefit Obligations (PBO) at the end of the period	161.55	132.10
iii. The Amounts to be recognised in Balance Sheet and Income Statement and the related analysis		
Present Value of Obligation	161.55	43.51
Adjustment on account of opening balances in respect of joint venture (OCL) and subsidiary (USAL)	-	88.59
Fair value of Plan Assets	-	-
Unrecognised Actuarial gains (losses)	-	-
Unrecognised Transitional Liability	-	-
Liability Recognised by Group except subsidiary USL	161.55	132.10
Liability Recognised by subsidiary USL	20.43	14.60
Liability Recognised by Group in Consolidated Balance Sheet	181.99	146.70
iv. Net Periodic Cost		
Current Service Cost	10.87	10.74
Interest Cost	10.40	8.82
Past Service Cost	8.09	0.39
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the period	1.66	2.02
Expenses Recognised by Group except subsidiary USL in the Income Statement	31.03	21.96
Expenses Recognised by subsidiary USL in the Income Statement	20.75	18.50
Expenses Recognised by Group in the Income Statement	51.78	40.46
v. Movements in the liability recognised in the Balance Sheet:		
Opening Net Liability	132.10	43.51
Adjustment on account of opening balances in respect of joint venture (OCL) and subsidiary (USAL)	-	70.23
Expense as above	31.03	21.96
Contributions paid	(1.58)	(3.61)
Net Liability of Group except subsidiary USL	161.55	132.10
Net Liability of subsidiary USL (P.Y. subsidiary USL)	20.43	14.60
Net Liability of Group in Consolidated Balance Sheet	181.99	146.70

23 (a) Remuneration to Managing Director(s)

(Rs. in Lacs)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Salary	181.41	129.99
Contribution to Provident Fund & other funds	25.17	14.30
Perquisites	54.31	15.96
Commission	83.40	33.60
Total	344.28	193.84

- (b) In the previous financial year, the Subsidiary Shinrai Auto Services Ltd. (SASL) has paid managerial remuneration of Rs.27.01 lakhs to managing director in excess of the limits prescribed under schedule XIII of the companies Act, 1956. Pending the approval from Central Government, the remuneration paid in excess is being held in trust by the managing director.

- 24 (a) With effect from 1st April, 2010 USL Auto Services Ltd. (UASL) (100%) a wholly owned subsidiary, ceases to be subsidiary, accordingly the financial results of UASL have not been included in preparation of consolidated financial statements. The said subsidiary's financial statements for the year ended 31st March, 2010 reflect total assets of Rs.0.87 lacs and total revenue of Rs.0.09 lacs.

- (b) Calculation of Profit on disposal of the investment in the subsidiary United Auto Services Ltd. (UASL)

Amt. Rs. in lakhs

Proceeds from the disposal of investment in a subsidiary	5.00
Less: the carrying amount of its assets less liabilities as of the date of disposal i.e. 1st April, 2010	0.87
Less : Goodwill Written off on cessation of subsidiary	2.59
Profit on the disposal of the investment in the subsidiary	1.54

- 25 (a) During the year on 14th July, 2010, the Company has entered into a partnership in M/s Claridge Energy LLP with 50% sharing ratio. The Profit and loss for the period ended 31st March, 2011 is Nil. The said Limited Liability Partnership (LLP) has started its commercial production w.e.f. 4th April, 2011. Detail of the Partnership Firm is as under.

Name of the Firm : M/s Claridge Energy LLP

Name of the Partners	Capital Contribution (Rs. in lakhs) as at 31.03.2011	Sharing Ratio
Oricon Enterprises Ltd. ('the Company')	50.00	50%
Vinod Pareek	25.84	25%
Rashmi Pareek	25.94	25%
Total	101.78	100%

- (b) The LLP has not started the business operations during the period and hence expenses incurred during the period are treated as pre-operative expenditures.

- 26 Details of Capital Reserve arising on consolidation :

Amt. Rs. in lakhs

Capital Reserve on investment in interest in the jointly controlled entity Claridge Energy LLP	0.89
Capital Reserve arising on cessation of a jointly controlled entity USL Packaging Ltd of USL (subsidiary) and becoming subsidiary of USL (subsidiary) w.e.f. 1st April, 2010	3.65
Total Capital Reserve arising on consolidation	4.54

- 27 Disclosures of derivative instruments in respect of jointly controlled entity OCL:

The jointly controlled entity has forward contracts to hedge its risk associated with foreign currency fluctuations on the forecasted revenue and firm orders denominated in foreign currency. The said forward contracts are without any underlying transactions.

- (a) The details of forward contract outstanding at the year end are as follows:

Currency	As at 31.03.2011	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010	As at 31.03.2010	As at 31.03.2010
	No. of contracts	Buy amount	INR equivalent	No of contracts	Buy amount	Rs. in lakhs
USD	-	-	-	2	3.00	137.63
EURO	-	-	-	4	2.40	147.70

As at 31 March 2011, the jointly controlled entity has revalued the forward contract by marking the same to market and recognized a loss of Rs.Nil (P.Y. Rs.1.74 lakhs) by debiting foreign exchange loss.

(b) The un-hedged foreign currency exposure as on 31 March 2011 is given below:

	Amt. in lakhs			
	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010	As at 31.03.2010
	Foreign currency	Local currency	Foreign currency	Local currency
USD currency				
Payable	14.77	659.66	9.67	434.92
Receivable	5.44	243.06	3.84	172.89
EURO currency				
Payable	16.45	1,040.16	9.01	547.75
GBP currency				
Payable	0.01	0.72	-	-

28 In case of jointly controlled entity OCL, during the year due to Fire at Goa factory, OCL has incurred a loss of inventory aggregating Rs.55.29 lakhs and loss to building and industrial goods hoist aggregating Rs.8.88 lakhs. In respect of loss incurred, OCL lodged an Insurance Claim of Rs.55.83 lakhs towards inventory and Rs.8.97 lakhs towards building and industrial goods hoist on 24th September 2010, along with other estimated incidental costs. Of the above claim, OCL has received Rs.24 lakhs on 13th March 2011 as adhoc interim relief.

Further adjustments required for the balance amount, if any, will crystalize upon final settlement of the said claim and hence, cannot be ascertained now. Pending final settlement, the loss has been fully charged to the profit and loss account and the in as adhoc interim relief has been recorded as other income in its financial settlements.

As per our report of even date annexed
 FOR KHANDELWAL JAIN & CO.
 Chartered Accountants

NARENDRA JAIN
 Partner
 Membership No. 048725

Mumbai
 10th August, 2011

SANJAY JAIN
 Company Secretary

For & on behalf of the Board

S. J. Taparia	Chairman
Sanjay Dosi	Director
B K Toshniwal	Director
Rajendra Somani	Managing Director

Balance Sheet Abstract & Company's General Business Profile

I. Registration Details

 Registration No. :

 State Code

 Balance Sheet Date
 Date Month Year

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

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

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

Total Liabilities	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="8"/>	Total Assets	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="8"/>
Source of Funds		Reserves & Surplus	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="9"/>
Paid-up Capital	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="4"/> <input type="text" value="9"/>	Unsecured Loans	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="0"/>
Deferred Tax Liability	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="3"/> <input type="text" value="9"/>	Investments	<input type="text" value="-"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="8"/> <input type="text" value="8"/>
Secured Loans	<input type="text" value="-"/> <input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="7"/>	Miscellaneous Expenditure	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>
Application of Funds		Accumulated Losses	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>
Net Fixed Assets	<input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="2"/>		
Net Current Assets	<input type="text" value="-"/> <input type="text" value="7"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="9"/>		

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

Turnover	<input type="text" value="-"/> <input type="text" value="7"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="1"/> <input type="text" value="1"/>	Total Expenditure	<input type="text" value="-"/> <input type="text" value="5"/> <input type="text" value="8"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="6"/>
+/- Profit / Loss Before Tax **	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="5"/>	+/- Profit / Loss After Tax	<input type="text" value="3"/> <input type="checkbox"/> <input type="text" value="-"/> <input type="text" value="8"/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="3"/>

** Profit before exceptional items

(Please tick (3) appropriate box + for profit, — for loss)

Earning per Share in Rs.	<input type="text" value="-"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="0"/>	Dividend rate %	<input type="text" value="1"/> <input type="text" value="8"/>
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V. Generic names of Three Principal Products / Services of the Company (as per monetary terms)

Not Applicable

Note : For ITC Code of Products please refer to the publication Indian Trade Classification based on harmonised commodity description and ending system by Ministry of Commerce, Directorate General of Commercial Intelligence & Statistics Kolkata - 700 001.

- f) Earnings in Foreign Exchange on Exports of Goods (F.O.B Value) 1,178,294 4,484,600
- g) Value of Raw-Materials, Spare parts and Components Consumed / sold and percentage of the total Consumption:

	Current Year Percentage	Value Rupees	Previous Year Percentage	Value Rupees
(A) Raw Materials and Components				
Imported	3	4,371,608	—	—
Indigenous	97	156,738,583	100	94,191,672
	<u>100</u>	<u>161,110,191</u>	<u>100</u>	<u>94,191,672</u>
(B) Stores, and Spares				
Imported	57	14,80,175	—	—
Indigenous	43	11,03,426	100	1,399,655
	<u>100</u>	<u>2,583,601</u>	<u>100</u>	<u>1,399,655</u>

As per our report of even date annexed
FOR KHANDELWAL JAIN & CO.
Chartered Accountants

NARENDRA JAIN
Partner
Membership No. 048725

Mumbai
10th August, 2011

SANJAY JAIN
Company Secretary

For & on behalf of the Board

S. J. Taparia Chairman
Sanjay Dosi Director
B K Toshniwal Director
Rajendra Somani Managing Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES, FOR THE YEAR ENDED 31ST MARCH 2011

1.	Name of the subsidiary :	United Shippers Ltd.	Shinrai Auto Services Ltd.	Oricon Properties Private Ltd.
2.	Financial year of the Subsidiary Company ended on:	31st March, 2011	31st March, 2011	31st March, 2011
3.	Holding Company's Interest Number of Shares — Extent of Holding :	2969552 50.19%	50,00,000 100%	6120000 100%
4.	The net aggregate of the Subsidiary's profits (Losses) so far as it concerns members of the Holding Company is not dealt with in the Holding and Company's accounts i) For the Financial year of the subsidiary (Rs. in Lacs) : ii) For the previous financial years of the subsidiary since it became the Holding Company's subsidiary (Rs. in Lacs) :	 4350.42 2138.63	 117.61 337.94	 4193.77 25.70
5.	The net aggregate amount of Profit/Losses of the Subsidiary dealt with in the company's accounts i) For the Financial year of the Subsidiary (Rs. in Lacs) : ii) For the previous financial years of the subsidiary since it became the Holding Company's subsidiary :	 Nil Nil	 Nil Nil	 Nil Nil

FINANCIAL INFORMATION RELATING TO SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH 2011

	UNITED SHIPPERS LTD. (AMT. ₹ IN LACS)	SHINRAI AUTO SERVICES LTD. (AMT. ₹ IN LACS)	ORICON PROPERTIES PVT. LTD. (AMT. ₹ IN LACS)
Capital	591.67	500.00	612.00
Reserves	26016.85	70.92	21831.32
Total Assets	34259.25	4886.56	30209.35
Total Liabilities	34259.25	4886.56	30209.35
Details of Investment (except in case of investments in subsidiaries)	5988.27	-	39.73
Turnover	39161.90	37237.22	1382.78
Profit before taxation	6154.76	180.29	542.27
Provision for taxation	1804.34	62.68	122.50
Profit after taxation	4350.42	117.61	419.77
Proposed dividend	1511.12	-	-

For & on behalf of the Board

S. J. Taparia	Chairman
Sanjay Dosi	Director
B K Toshniwal	Director
Rajendra Somani	Managing Director

Mumbai
10th August, 2011

SANJAY JAIN
Company Secretary

FINANCIAL HIGHLIGHTS (CONSOLIDATED)

[RS. IN LACS]			
Particulars	2010-11	2009-10	2008-09
Total Income	87,112	57,566	24,358
Total Expenditure	75,030	50,190	22,661
EBIDTA	12,080	7,376	1,697
Depreciation	2,057	1,150	190
Interest & Finance Charges	1,606	1,041	533
Profit Before Tax	8,420	5,185	974
Profit After Tax	3,724	2,804	784
Share Capital	1,832	963	963
Reserve & Surplus	44,152	41,012	8,706
Networth	47,076	43,935	9,487
Total Debt	10,520	14,744	3,726
Gross Block	57,594	51,773	3,942
Net Block	46,870	41,955	1,481
Investments	6,243	6,023	6,728
Net Current Assets	19,265	23,383	5,187
Cash and Cash Equivalent	5,138	7,498	399
No. of Equity Shares	1,83,42,072	96,29,543	96,29,543
E P S	3.99	4.02	8.14



Regd. Office : 1076, Dr.E.Moses Road, Worli, Mumbai - 400 018

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the Entrance of the Hall.

I/We hereby record my presence at **Forty First** Annual General Meeting of the Company, on **Saturday, 24th September, 2011 at 10.00 a.m.** at Shri S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 79, Marine Drive, Mumbai-400 002.

Full name of the Shareholder in Block Letters _____

Folio No : _____

DPID No. : _____

Client I.D. No. : _____

Name of Proxyholder _____

Signature of Proxyholder

Signature of the Shareholder

ORICON ENTERPRISES LTD.

Regd. Office: 1076, Dr. E. Moses Road, Worli, Mumbai 400 018.

PROXY FORM

I/We _____
of _____ in the district of _____ being a
Member/Members of the above-named Company, hereby appoint Shri _____
of _____ in the district of _____
or failing him Shri _____ of _____
in the district of _____

_____ as my /our Proxy to vote for me/us and on my/our behalf
at **Forty First** Annual General Meeting of the Company to be held on **Saturday, 24th September, 2011 at 10.00 a.m.** at
Shri S. K. Somani Memorial Hall, Hindi Vidya Bhavan, 79, Marine Drive, Mumbai-400 002 and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix
Re. 1
Revenue
Stamp

Signature

Folio No. : _____

DPID No. : _____

Client ID No. : _____

NOTE: The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

Book-Post

To:



If undelivered, please return to:



1076, Dr. E. Moses Road, Worli,
Mumbai - 400 018.

Saroj Indl. Co-op. Prod. Soc. Ltd.
2309 1252, 2308 3635

Notes

A series of horizontal dotted lines spanning the width of the page, intended for handwritten notes.