



**SIGNET**  
**INDUSTRIES LTD.**

(Formerly SIGNET OVERSEAS LIMITED)

**25<sup>th</sup>**

**Annual Report 2009 - 2010**



**Board of Directors**

Shri Mukesh Sangla  
Shri Saurabh Sangla  
Shri Dipak Kalani  
Shri Deepak Mehta  
Shri Murli Dhar Vashist

**Auditors**

M/s. Ashok Khasgiwala & Co.  
Chartered Accountants  
Indore – 452 001

**Registered Office**

308, ACME Plaza,  
Opp. Sangam Cinema,  
Andheri Kurla Road,  
Andheri (East)  
Mumbai – 400 059

**Administrative & Head Office**

314/3, SDA Compound,  
Lasudia Mori, Dewas Naka,  
Indore – 452 010

**Contents**

Board of Directors	-	-
Notice	-	1
Director's Report	-	3
Auditor's Report	-	13
Balance Sheet	-	16
Profit & Loss Account	-	17
Schedule to Balance Sheet and Profit & Loss Account	-	18



## **NOTICE OF 25<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Signet Industries Limited, will be held at Board Room, 2<sup>nd</sup> Floor, Hotel Kohinoor Continental, J.B.Nagar, Andheri - Kurla Road, Andheri (East), Mumbai – 400 059 on Monday, the 27<sup>th</sup> September, 2010 at 01.00 P.M. to transact the following business :-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2010 and Profit & Loss Account of the Company for the year ended on that date, and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Saurabh Sangla, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT in accordance with the provision of Section 257 and all other applicable provision, if any, of the Companies Act, 1956, Mr. Deepak Mehta, an additional Director of the Company who holds office upto the date of this Annual General Meeting, as per provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provision of Section 257 and all other applicable provision, if any, of the Companies Act, 1956, Mr. Murli Dhar Vashist, an additional Director of the Company who holds office upto the date of this Annual General Meeting, as per provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THIS MEETING.
2. The Register of Members and Share Transfer Register of the Company will remain closed from Monday, 20<sup>th</sup> September 2010 to Monday, 27<sup>th</sup> September, 2010 (both days inclusive).
3. Shareholders desiring any information as regards the accounts are requested to write to the Company at least 10 days before the Annual General Meeting to enable the Management to keep the information ready.
4. Members are requested to kindly bring their copies of the Annual Report to the Meeting.
5. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
6. Members are requested to quote their folio number in all correspondence.
7. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form 2B.

### **ANNEXURE TO NOTICE**

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

#### **ITEM NO.4**

Mr. Deepak Mehta was appointed as an Additional Director of the Company on 22<sup>nd</sup> October 2010, by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, they hold office as Director only up to the date of the ensuing Annual General Meeting. As required by Section 257 of the Act, a notice has been received from some members signifying his intention to propose his appointment as a Director. The Board considered it desirable that the Company should continue to avail itself of their services.

The Directors recommend the resolution as set out no.4 (as an Ordinary Resolution) of the Notice for approval of the Shareholders.



None of the Directors except Mr. Deepak Mehta is concerned or interested in the aforesaid Resolution.

ers it desirable that the Company should continue to avail itself of their services.

**ITEM NO. 5**

Mr. Murli Dhar Vashist was appointed as an Additional Director of the Company on 22<sup>nd</sup> October 2010, by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, they hold office as Director only up to the date of the ensuing Annual General Meeting. As required by Section 257 of the Act, a notice has been received from some members signifying his intention to propose his appointment as a Director. The Board consid-

The Directors recommend the resolution as set out no.5 (as an Ordinary Resolution) of the Notice for approval of the Shareholders.

None of the Directors except Mr. Murli Dhar Vashist is concerned or interested in the aforesaid Resolution.

For & On Behalf of the Board of Directors

Place : Indore

**Mukesh Sangla**

Date : 01.09.2010 Chairman cum Managing Director

**ANNEXURE TO NOTICE**

**Details of Directors seeking appointment /re appointment at the forthcoming Annual General Meeting**

**(In pursuance of Clause 49 of the Listing Agreement)**

<b>Name of Director</b>	<b>Mr. Saurabh Sangla</b>	<b>Mr. Deepak Mehta</b>	<b>Mr. Murli Dhar Vashist</b>
Date of Birth	10.07.1981	01.10.1966	10.06.1974
Date of Appointment	07.07.2003	22.10.2009	22.10.2009
Expertise in specific functional area.	Production, Marketing & Project Implementation	Audit, Finance & Taxation	Taxation, Audit & Finance
Qualification	Industrial Engineering and Operation Research	FCA,	FCA,
List of outside Directorship held	Ornate Leasing & Finance Pvt Ltd. Signet Impex Pvt Ltd Swan Holdings Pvt Ltd Shree Balaji Starch and Chemicals Ltd Adroit Industries (India) Ltd	Yogita Financial Services Pvt Ltd	--
Chairman / Member of the Committee of the Board of Directors of the Company	Audit Committee – Member Shareholder Committee – Member Remuneration Committee - Member	Audit Committee – Member Shareholder Committee – Chairman Remuneration Committee - Member	Audit Committee Member Shareholder Committee – Member Remuneration Committee - Chairman

**DIRECTOR'S REPORT**

To,  
The Members

Directors are pleased to submit their 25<sup>th</sup> Annual Report on the business and operations of the Company along with audited Balance Sheets & Profit and Loss Account for the year ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS**

Financial results of the company for the year under review alongwith figures for previous year are as follows:

Particulars	(Rs. in Lacs)	
	For the year ended 31.03.2010	For the year ended 31.03.2009
Gross Income	36645.89	30537.98
Profit before Interest, Depreciation & Tax	2657.66	1201.79
Less : Interest	1012.53	743.50
Depreciation	183.03	136.62
Profit before Tax	1462.10	321.67
Provision for Tax:		
Current Tax	278.00	107.00
Deferred Tax	28.11	9.12
Fringe Benefit Tax	0	1.70
Net Profit After Tax	1155.98	203.85
Less: Prior Period Adjustment	2.05	-
Profit brought forward	1153.92	203.85

**DIVIDEND**

In order to conserve the resources of the Company and to maintain the liquidity, the Board of Directors has decided not to declare any dividend on Equity shares for the year ended 31<sup>st</sup> March 2010.

**BUSINESS REVIEW**

Year under review proved to be turn around for the company in terms of Sales target and profitability. The revenue realization was Rs. 36645.89 Lacs as compare to previous Year of Rs. 30537.98 Lacs. The Company has earned net Profit for the year Rs. 1155.98 Lacs as compare to previous year figure of Rs. 203.85 Lacs. Company has reported excellent performance during the year under review and accepted new challenges of new economic reforms and Global Markets. Company abilities to neutralize cost increase and improve margins together with purchase efficiency, controlling overheads effectively.

**CHANGE OF NAME OF THE COMPANY**

The Company has changed its name from Signet Overseas Limited to Signet Industries Limited.

**ISSUE OF BONUS SHARE**

The Company allotted 3243000 equity shares as fully paid up bonus shares to its Shareholders on 15<sup>th</sup> December

2009 by utilization of surplus in Profit and Loss account pursuant to a resolution passed by the shareholders.

**DIRECTORS**

In accordance with Section 256 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Saurabh Sangla will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Your Board had appointed Mr. Deepak Mehta and Mr. Murlidhar Vashist as an Additional Director during the Year. They retire at the ensuing Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 but being eligible offers them self for re-appointment.

**DEPOSITS**

Your Company has not accepted any deposits from public within the meaning of the provisions of section 58 A of the companies Act, 1956.

**INSURANCE**

The assets of the Company are adequately insured against the loss of fire, natural calamities and such other risk considered by management of the Company.

**AUDITOR AND THEIR REPORT**

Comments of the auditors in their report for the period ended 31<sup>st</sup> March, 2010, are self explanatory and need no comments.

M/s Ashok Khasgiwala & Co., Chartered Accountants, Indore, will retire at the conclusion of ensuing Annual General Meeting. The Board proposed their re-appointment as Statutory Auditor to audit the accounts of the Company for the year 2010-11. You are requested to consider their re-appointment.

**DECLARATION PURSUANT TO 217(2AA)**

In pursuant to Provision contained in Section 217(2AA) of the Companies act, 1956, Directors of the Company Confirm That :

- I. In the preparation of the annual accounts, applicable accounting standards have been followed.
- II. Accounting Policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31st March 2010 and profit & loss account of the Company for the year ended on that date.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of Companies act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds of the Company and other irregularities.
- IV. Annual accounts of the Company have been prepared on Going Concern basis.

**COMPLIANCE CERTIFICATE**

In accordance with the requirement of provisions of Section 383A of the Companies, Act, 1956, a compliance Certificate from a practicing Company Secretary for the year ended 31<sup>st</sup> March 2010 is attached herewith.

**CORPORATE GOVERNANCE**

Your Company is committed to follow the guidelines of SEBI and Stock Exchanges from time to time. Your Company implemented all of its major stipulation as applicable to the Company. The Statutory Auditor's certificate in accordance with clause 49 of Listing agreement and report on Corporate Governance is annexed to and forming part of the Directors Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A Management discussion and Analysis Report have been attached and forms part the Directors Report.

**PARTICULARS OF EMPLOYEES**

There were no employees during the current year drawing the remuneration more than the limit prescribed under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY & FOREIGN EXCHANGE ETC.**

Information in accordance with the provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in annexure 'A' forming part of this report.

**ACKNOWLEDGEMENT**

Your Directors acknowledge the vital role of conscientious and hardworking employee of the Company at all levels towards over all progress of the Company. Stockholders, Customers, Bankers have continued to lend their valuable support to the Company. Your Board takes this opportunity to record their appreciation in this regard.

For & On Behalf of the Board of Directors

Place : Indore  
Date : **29.05.2010** **Mukesh Sangla**  
Chairman cum Managing Director

**ANNEXURE- A**

Information under section 217 (1) (e) read with Companies (Disclosure of Particulars in the Reports of Board of Directors) Rules, 1988. forming part of the Directors Report for the year ended 31st March 2010.

**CONSERVATION OF ENERGY:**

Energy Conservation measures taken:

Energy Conservation measures is an ongoing process and the Company considers it as a high priority area.

During the year energy audits were conducted internally. The main measures adopted in energy conservation includes-

1. Modifications /Improvements in process to result in less consumption of the energies for the same output.
2. Installation of proper equipments to improve the power factor.
3. Continues training of operating staff for effective use of utilities.
4. To achiev significant saving in the energy consumption processing equipments layouts and service utility layouts were redesigned.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, RESEARCH AND DEVELOPMENT :**

- (i) Specific Areas in which R&D carried out by the Company and benefits derived as a result thereof in several years.

Your Company's R&D wing is dedicated to ensure production of best quality products conforming to international standards.

- (ii) Future plan of Action

The Company doing its best to improve its quality and to reduce manufacturing expenses.

**Foreign Exchange Earning and Outgo**

Rs. In lacs

S.N.	Particulars	Current Year	Previous Year
(i)	<b>Foreign Exchange Earnings</b>		
	FOB Value of Exports	NIL	11.33
(ii)	<b>Foreign Exchange Outgo</b>		
	Value of Import on CIF basis	4705.13	2562.45

For & On Behalf of the Board of Directors

Place : Indore  
Date : **29.05.2010** **Mukesh Sangla**  
Chairman cum Managing Director

**SECRETARIAL COMPLIANCE CERTIFICATE**

To

The Members

**Signet Industries Limited**

308, Acme Plaza, Opp. Sangam Cinema,

Andheri Kurla Road, Andheri (E)

Mumbai – 400 059

We have examined the registers, records and books and papers of **Signet Industries Limited** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there-under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010 (01.04.2009 to 31.03.2010). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there-under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies/Regional Director/Central Government/ Company Law Board or other authorities within the time prescribed under the act and the rules made there under.
3. The Company being a Public Limited Company and has maintained minimum prescribed paid up Capital. Comments are not required in respect maximum number of members during the said financial year.
4. The Board of Directors duly 8 Meetings of the Board of Directors of the Company were held on 28th April 2009, 30<sup>th</sup> June 2009, 30<sup>th</sup> July 2009, 22<sup>nd</sup> August 2009, 4<sup>th</sup> September 2009, 22<sup>nd</sup> October 2009, 15<sup>th</sup> December 2009 and 30<sup>th</sup> January 2010. In respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose. No resolution by circulation has been passed by the Company.
5. The Company closed its Register of Members from 23<sup>rd</sup> September 2009 to 30<sup>th</sup> September, 2009 (both days inclusive).
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 30<sup>th</sup> September, 2009 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the minutes book maintained for the purpose. Signatures of Members have been obtained in the attendance register of Shareholders.
7. The Extra ordinary meeting was held 30<sup>th</sup> November 2009 during the financial year after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the minutes book maintained for the purpose. Signatures of Members have been obtained in the attendance register of Shareholders.
8. The Company has not advanced any loans either to its Directors and/ or persons or firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The entries that needed to be entered into the register maintained under section 301 of the Act, have been entered by the Company.
11. As there were no instances falling within the purview of section 314 of the Act, the question of obtaining approvals from the Board of Directors, Members and Central Government, as the case may be, does not arise.
12. The Company has issued duplicate share certificate during the financial year.
13. The Company has
  - (i) delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provision of the Act.
  - (ii) not deposited any amount in a separate Bank account as no dividend was declared during the financial year.
  - (iii) was not required to post warrants to any members of the Company as no dividend was declared during the financial year.
  - (iv) was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund (applicable when Rules are notified) as no dividend was declared during any financial year.
  - (v) duly complied with the requirements of section 217 of the Act.





14. The board of directors of the Company is duly constituted and the appointment and resignation of directors, have been duly made during the financial year.
15. The company has already appointed Managing Director in earlier years and not appointed any Whole time director/ Manager during the financial year.
16. The Company has not appointed any sole- selling agent during the financial year.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional director, registrar or such other authorities prescribed under the provisions of the act.
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there-under.
19. The Company has issued 3243000 equity shares as bonus shares by capitalizing surplus in Profit and Loss account as per resolution passed in Extra Ordinary General Meeting during the financial Year.
20. The Company has not bought back any shares during the financial Year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with provisions of the Act.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company from Financial Institutions, Banks, Directors, Members and others during the financial year ending 2010 are within the borrowing limits of the Company and that necessary resolutions as per Section 293(1)(d) of the Act have been passed previously is duly convened the General Meeting.
25. The Company has not made loans or advances or given guarantees or provided securities to other bodies corporate.
26. The Company has not altered the provisions of Memorandum with respect to the situation of the Company' registered office from one state to another during the financial year.
27. The Company has not altered the provisions of Memorandum with respect to the objects of the Company during the financial year.
28. The Company has altered the provisions of Memorandum with respect to the name of the Company during the financial year.
29. The Company has not altered the provisions of Memorandum with respect to the share capital of the Company during the financial year.
30. The Company has altered its articles of association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year.
32. The Company has not received any money as security from its employees during the year
33. The Company has deposited both employee's and employers' contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

**For M. Maheshwari & Associates**  
Company Secretaries

**MANISH MAHESHWARI**  
FCS 5174  
C.P. No.3860

Place : Indore  
Date : **29.05.2010**



**Annexure A**

Registers as maintained by the Signet Industries Limited,

1. Register of Investment under Section 49
2. Register of Charges under section 143
3. Register of Members under section 150
4. Register of Transfer of Shares
5. Register and Returns under section 163
6. Books of Accounts under Section 209
7. Register of Directors/ Managing Director/ Manager and Secretary under section 303
8. Register of Director's shareholding under section 307
9. Register of Fixed Assets.
10. Register of Issuance of Duplicate Share Certificates.
11. Minutes book of Board and General Meeting.

**Annexure B**

Forms and returns as filed within prescribed time by the Company with the Registrar of Companies during the financial year ending on 31st March, 2010.

1. Balance Sheet under Section 220 for the year-ended 31.03.2009 vide SRN P36445112 dated 19.10.2009.
2. Annual Return under Section 160 as on 30.09.2009 vide SRN P42356667 dated 27-11-2009.
3. Compliance Certificate under Section 383A for the year-ended 31.03.2009 vide SRN P36444727 dated 19.10.2009.
4. Form 32 dated 22.10.2009 under Section 303 vide SRN A72263619 dated 07.11.2009.
5. Form 23 dated 30.09.2009 under Section 192 vide SRN A71277230 dated 22.10.2009.
6. Form 23 dated 30.11.2009 under Section 192 vide SRN A75116830 dated 22.12.2009.
7. Form 2 dated 15.12.2009 under Section 75 vide SRN A75117515 dated 22.12.2009.
8. Form 1A dated 22.10.2009 under Section 21 vide SRN A73559536 dated 27.11.2009.
9. Form 1A dated 22.10.2009 under Section 21 vide SRN A71921225 dated 03.11.2009.
10. Form 1B dated 30.11.2009 under Section 21 vide SRN A75117184 dated 22.12.2009.
11. Form 8 dated 15.07.2009 under Section 135 vide SRN A67388090 dated 18.08.2009 with additional fee.
12. Form 8 dated 26.12.2009 under Section 125 vide SRN A76372499 dated 13.01.2010.
13. Form 8 dated 31.12.2009 under Section 135 vide SRN A76837335 dated 20.01.2010.
14. Form 8 dated 31.12.2009 under Section 135 vide SRN A76837244 dated 20.01.2010.
15. Form 17 dated 17.07.2009 under Section 138 vide SRN A67238188 dated 14.08.2009.
16. Form 17 dated 17.07.2009 under Section 138 vide SRN A67238436 dated 14.08.2009.
17. Form 17 dated 17.07.2009 under Section 138 vide SRN A67238543 dated 14.08.2009.
18. Form 17 dated 17.07.2009 under Section 138 vide SRN A67238550 dated 14.08.2009.
19. Form 17 dated 17.07.2009 under Section 138 vide SRN A67238758 dated 14.08.2009.
20. Form 17 dated 20.08.2009 under Section 138 vide SRN A68891639 dated 10.09.2009.
21. Form 18 dated 22.10.2009 under Section 146 vide SRN A71957518 dated 03.11.2009.



**ANNEXURE TO THE DIRECTORS' REPORT  
REPORT ON CORPORATE GOVERNANCE**

**I Company's Philosophy**

Your Company's Philosophy on code of Corporate Governance is based on attainment of high level of transparency, accountability, and adequate disclosures and economic value addition. All employees are guided by the Company's policies on important issues, including our relationship with consumers, stakeholders and Government.

**II Board of Directors**

As per Listing Agreement, the Board should have an optimum combination of executive and non-executive Directors with not less than 50% of the Board consisting of non-executive Directors. In case of a non-executive Chairman, at least one-third of the Board should consist of Independent Directors and in the case of an executive Chairman at least half of the Board should be Independent Directors.

The Board of Directors of Company has a mix of Executive and Non Executive Directors. The Chairman of the Board of your Company is an Executive director. The Board of Directors of the Company consists of 5 Directors, of which 3 are non-executive as on 31<sup>st</sup> March 2010. During the year, 8 Meetings of the Board of Directors of the Company were held on 28th April 2009, 30<sup>th</sup> June 2009, 30<sup>th</sup> July 2009, 22<sup>nd</sup> August 2009, 4<sup>th</sup> September 2009, 22<sup>nd</sup> October 2009, 15<sup>th</sup> December 2009 and 30<sup>th</sup> January 2010. The maximum gap between any two meetings did not exceed four months.

The particulars of the Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting as also the number of other directorships and committee memberships as on date are as follows.

Name of Director	Category	No. of Board Meetings attended	Attend-ance in last AGM	No. of other Directorship	Committee Membership Chairman	Member
Mr. Mukesh Sangla	Promoter – Executive Director	8	Yes	6	-	-
Mr. Saurabh Sangla	Promoter – Executive Director	8	Yes	5	-	3
Mr. Dipak Kalani	Independent	8	Yes	5	1	2
Mr. Pankaj Kalani	Independent	3	No	5	-	-
Mr. Deepak Mehta	Independent	2	N.A.	1	1	2
Mr. Murli Dhar Vashist	Independent	2	N.A.	-	1	2

**III Audit Committee**

The objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting processes with a view to ensuring accurate and proper disclosure and the transparency, and quality of financial reporting. The committee also reviews the financial and risk management policies, and the adequacy of internal control systems of the Company, and meets Statutory Auditors periodically.

Your Company has an Audit Committee consisting of Three Independent Directors as its members, and the Audit Committee Meetings were held on 28th April 2009, 30<sup>th</sup> July 2009, 4<sup>th</sup> September 2009, 22<sup>nd</sup> October 2009, 30<sup>th</sup> January, 2010 The details of the meetings held and attended are as given below:

Name of Director	Meetings held	No. of Meetings attended
Mr. Pankaj Kalani	3	3
Mr. Dipak Kalani	5	5
Mr. Saurabh Sangla	5	5
Mr. Deepak Mehta	1	1
Mr. Murli Dhar Vashist	1	1

**IV Remuneration Committee**

The Remuneration Committee has reviewed the terms of remuneration of Managing Director. The Committee Meeting was held on 28th April 2009 during the year 2009-2010. The composition of the remuneration committee is as follows:



Mr. Dipak Kalani, Mr. Saurabh Sangla, Mr. Deepak Mehta and Mr. Murli Dhar Vashist.

**V Shareholders and Investor's Grievance Committee**

The Board has constituted the shareholders and Investors Grievance Committee during the year to look into the redress of investors' complaints. There were no complaints pending for reply as on 31<sup>st</sup> March 2010 and no share transfers pending for registration as on the said date. The composition of the Shareholders and Investor's Grievance Committee is as follows:

Mr. Dipak Kalani, Mr. Saurabh Sangla, Mr. Deepak Mehta and Mr. Murli Dhar Vashist.

**VI General Body Meetings**

The details of Annual General Meetings held in last 3 years are as under:

Year	Venue	Date	Time
2008-2009	308, Acme Plaza, Opp. Sangam Cinema, Andheri Kurla Road, Andheri (E) Mumbai – 400 059	30.09.2009	04.00 P.M.
2007-2008	308, Acme Plaza, Opp. Sangam Cinema, Andheri Kurla Road, Andheri (E) Mumbai – 400 059	29.09.2008	04.00 P.M.
2006-2007	308, Acme Plaza, Opp. Sangam Cinema, Andheri Kurla Road, Andheri (E) Mumbai – 400 059	29.09.2007	04.00 P.M.

The details of Extra Ordinary General Meetings held in last 3 years are as under:

Year	Venue	Date	Time
2009-2010	308, Acme Plaza, Opp. Sangam Cinema, Andheri Kurla Road, Andheri (E) Mumbai – 400 059	30.11.2009	04.00 P.M.

The shareholders passed all the resolutions including the special resolutions set out in the respective notices. No Postal Ballots were used for voting at these meetings.

**VII Disclosure**

- i. During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions viz., Promoters, Directors or the Management, their subsidiaries or relatives that had a potential conflict with the interest of the Company at large.
- ii. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period.

**VIII Means of Communication**

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after the Board has approved them. These are widely published in national and regional newspapers.

**IX General Shareholders Information**

**Annual General Meeting**

Date 27.09.2010

Day Monday

Time: 01.00 P.M.

Venue: Board Room, 2nd Floor, Hotel Kohinoor Continental,

J.B.Nagar, Andheri - Kurla Road,

Andheri (East), Mumbai – 400 059

**Date of Book Closure**

The Register of Members and Share Transfer Register of the Company will remain close from Monday, 20<sup>th</sup> September 2010 to Monday, 27<sup>th</sup> September, 2010 (both days inclusive).

**Financial Calendar 2010-2011**

1	First Quarter Results	August 2010
2	Second Quarter & Half Yearly Results	November 2010
3	Third Quarter Results	February 2011
4	Fourth Quarter	May 2011

**Listing of Securities****Name of the Stock Exchanges**

Madhya Pradesh Stock Exchange,  
201, Palika Plaza, M.T.H. Compound  
Indore - 452001.

**The Stock Exchange Mumbai,**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Your Company confirms that it has paid annual listing fees to the Stock Exchanges for the year 2009-10 and as such there are no arrears.

**Market Price Data**

High/ low of market price of the Company's equity shares traded on BSE during the last financial year was as follows.

Month	Quotation at Mumbai Stock Exchange	
	High (Rs.)	Low (Rs.)
April, 2009	-	-
May, 2009	36.45	34.75
June, 2009	-	-
July, 2009	-	-
August, 2009	-	-
September, 2009	-	-
October, 2009	38.25	38.25
November, 2009	40.15	40.15
December, 2009	46.45	16.20*
January, 2010	19.60	17.85
February, 2010	27.35	20.55
March, 2010	-	-

\*Price from December 11, 2009 is Ex-Bonus.

**Registrar & Transfer Agent**

As per the directives of SEBI, the Company has appointed M/s. Ankit Consultancy Pvt. Ltd., 2<sup>nd</sup> Floor, Alankar Point, Geeta Bhawan Square, A. B. Road, Indore – 452001 as its Registrar and Share Transfer Agent and all the Share transfer and the relating queries may please be forwarded to the Share Transfer Agent directly at their address.

**Share Transfer Systems**

Shares received for transfer in physical form are registered and dispatched within thirty days of receipt of the documents. If shares are under objection then the same are returned within fifteen days. Request for dematerialization of shares are processed within fifteen days.

**Distribution of Shareholding**

Distribution of Shareholding as on 31<sup>st</sup> March 2010 is as under:

Shareholding of nominal value of Rs. Rs.	No. of Shareholders	% of Shareholders	Shares amount in Rs.	% of share holding
1-1000	9	8.18	2,650	0.01
1001- 5000	45	40.92	1,35,000	0.28
5001 – 10000	30	27.26	1,98,000	0.41
10001 - 20000	4	3.64	50,000	0.10
20001 – 30000	-	-	-	-
30001 – 40000	-	-	-	-
40001 – 50000	-	-	-	-
50001 – 100000	-	-	-	-
100001 & above	22	20.00	4,82,59,350	99.20
Total	110	100.00	4,86,45,000	100.00

The Shareholding Pattern as on 31<sup>st</sup> March 2010 is given below:

S.No	Category	No. of Shares held	% Shareholding
1	Promoter	14,91,300	30.66
2	Private Corporate Bodies	33,35,885	68.58
3	Indian Public	37,315	0.76
	Total	48,64,500	100.00

**Dematerialization of Shares and Liquidity**

As on 31<sup>st</sup> March 2010, 4428750 equity shares was held in dematerialized form and 435750 Equity were in physical form.

**Address for Correspondence**

The Shareholders may address their communications to.

Mr. Sanjay Agrawal,  
Compliance Officer,  
314/3, SDA Compound  
Lasudia Mori, Dewas Naka  
Indore – 452 010

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry Structure and Development**

The polymer Industry occupies a place of prominence in the Indian economy in view of its massive potential for employment, growth and exports. There has been increasing emphasis on its planned development aimed at optimum utilization of available raw materials for maximizing the returns, particularly from exports.

A modest pick in the Indian economy has boosted the market share of the company's Product in Domestic Market. Best possible efforts are made to explore the Global Markets for Companies existing product. Efforts are also on to diversify range of products for global market. Research for Global Market demand and supply for products has been undertaken and results will be yielded very shortly over the period ahead. Your Directors are very positive towards future growth.

**Outlook on Threats, Risks and Concerns**

The Company does not foresee any commercial or other threats, which could disrupt the operations of its business.

Taking into account all the above it is expected that while the growth in profitability would be a challenge, the concrete plans and strategies which, are afoot should see growth in turnover and profits in the years to come.

**Financial & Operational Performance**

(Rs. in Lacs)

Particulars	Year ending 31.03.2010	Year ending 31.03.2009	% Changes
Gross Income	36645.89	30537.98	20.00
Net Profit After Interest, Depreciation & Tax	1155.98	203.85	467.07

**Internal Control Systems and Adequacy**

The Company has a well – established procedure for internal control systems. The Company also has internal audit team reporting directly to the top management. The weak areas are being reviewed for further strengthening.

**Human Resources**

Your Company believes in philosophy of communicating with the entire team in a two way process. Company also believes in the principal of proper delegation of authority which results in uplift of commitment level, responsibility and accountability of entire team right from Managing Director to lowest level of administration. Every efforts are made to implement the suggestions received and to encourage staff for more suggestion.

**Cautionary Statement**

Actual performance may differ from projections made as the Company's operations are subject to various economic conditions, government regulations and other incidental factors.

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Signet Industries Limited**

We have examined the compliance of corporate governance by Signet Industries Limited, Mumbai for the year ended on 31<sup>st</sup> March 2010, as stipulated in clause 49 of the Listing agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by Signet Industries Limited 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 Signet Industries Limited.

On the basis of our review and according to the information and explanation given to us and representation made to us by the management, we state that to the best of our knowledge and belief, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges.

**For Ashok Khasgiwala & Co.**  
Chartered Accountants

Place : Indore  
Date : **29.05.2010**

**(Avinash Baxi)**  
(Partner)  
M.No.79722



**AUDITORS REPORT**

To,  
The Members of  
**SIGNET INDUSTRIES LIMITED**  
*(Formerly Signet Overseas Limited)*

1. We have audited the attached Balance Sheet of **SIGNET INDUSTRIES LIMITED** *(Formerly Signet Overseas Limited)* as at 31<sup>st</sup> March, 2010 and also the Profit & Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 (as amended), issued by the Central Government of India in terms of Sub Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are prepared in compliance with the Accounting standards referred to in Section 211 (3C) of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2010 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, said accounts read with the 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 accounting principles generally accepted in India;
    - i. In the case of the Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2010;
    - ii. In the case of Profit & Loss Account, of the Profit for the year ended on that date; and
    - iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **ASHOK KHASGIWALA & CO.**,  
CHARTERED ACCOUNTANTS.  
(Firm Reg. No. 0743C)

**CA Avinash Baxi**  
Partner  
M.No. 79722

Place : Indore  
Date : **29.05.2010**





**ANNEXURE TO AUDITOR'S REPORT**

Referred to in paragraph 3 of our report of even date.

- i. In respect of its Fixed Assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - b. As per the information given to us the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
  - c. During the year, the Company has not disposed off a substantial part of fixed assets and we are of the opinion that the going concern status of the company is not affected.
- ii. In respect of Inventories:
  - a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company is maintaining proper records of inventory. As explained to us there were no discrepancies noticed on physical verification of inventory as compared to the book records.
- iii. a. According to the information and explanations given to us, the Company has not granted loans secured or unsecured to companies, firms or other parties covered in the register maintained U/s 301 of the Companies Act, 1956. Hence the provisions of clauses iii(b), iii(c) and iii(d) of the Order are not applicable to the company.  
b. According to the information and explanations given to us, the Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained U/s 301 of the Companies Act, 1956. Hence the provisions of clauses iii(f) and iii(g) of the Order are not applicable to the company.
- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system in respect of these areas.
- v. In respect of transactions covered U/s 301 of the Companies Act, 1956.
  - a. According to the information and explanations given to us, we are of the opinion that the company has no contract or arrangements that need to be entered into the register maintained U/s 301 of the Companies Act, 1956.
  - b. In our opinion provisions of clause v(b) of the Order are not applicable to the company.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from public to which the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. As per information and explanations given to us Central Government has not prescribed maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 for the product of the Company, hence provisions of clause 4 (viii) of the order are not applicable to the Company.



- ix. a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. There were no undisputed statutory dues in arrears, as at 31<sup>st</sup> March, 2010 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, the particulars of dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited with appropriate authorities on account of any dispute are as under :

Name of the Statute	Nature of Liability	Period to which the amt. Relates	Forum where dispute is pending	Amount (in Rs.)
Income Tax Act, 1961.	Income Tax	2006-07	CIT Appeal	718731
Sales Tax	Central Sales Tax	2006-07	Dy. Comm Commercial Tax (Appeal)	123333
Custom & Central Excise	Excise Duty	2007-08	Commissioner (Appeal)	1575198
Custom & Central Excise	Excise Duty	2009-10	Add. Commissioner	1604310
Custom & Central Excise	Excise Duty	2009-10	Commissioner	12245850

- x. In our opinion, the Company has no accumulated losses as at 31<sup>st</sup> March 2010 and it has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a Financial Institution or Bank. The Company has not issued any debenture.
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- xv. According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any Bank or financial institution.
- xvi. According to the information and explanations given to us, the term loan has been applied for the purpose it was raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us the, Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Act.
- xix. According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- xx. The Company has not raised money by public issues during the year under audit.
- xxi. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **ASHOK KHASGIWALA & CO.**,  
CHARTERED ACCOUNTANTS  
(Firm Reg. No. 0743C)

**CA Avinash Baxi**  
Partner  
M.No. 79722

Place : Indore  
Date : **29.05.2010**

**BALANCE SHEET AS AT 31ST MARCH, 2010**

	Schedule No.	Rupees	AS AT 31.03.2010 Rupees	AS AT 31.03.2009 Rupees
<b>I . SOURCES OF FUNDS</b>				
(1) Shareholder's funds				
a) Share Capital	<b>A</b>	<b>48,645,000.00</b>		16215000.00
b) Reserves and Surplus	<b>B</b>	<b>263,640,355.31</b>		180677544.43
			<b>312,285,355.31</b>	<b>196892544.43</b>
(2) Loan Funds				
a) Secured Loans	<b>C</b>	<b>568,794,290.15</b>		391408305.33
b) Unsecured Loans	<b>D</b>	<b>189,299,906.49</b>		331639811.75
			<b>758,094,196.64</b>	<b>723048117.08</b>
(3) Deferred Tax Liability- Net			<b>42,526,059.00</b>	39714989.00
			<b>1,112,905,610.95</b>	<b>959655650.51</b>
<b>II . APPLICATION OF FUNDS</b>				
(1) Fixed Assets	<b>E</b>			
a) Gross Block		<b>304,208,701.88</b>		229997319.68
b) Less : Depreciation		<b>71,194,261.30</b>		53667178.30
c) Net Block			<b>233014440.58</b>	<b>176330141.38</b>
(2) Investments	<b>F</b>		<b>62,080,880.00</b>	<b>62892393.00</b>
(3) Current Assets, Loans and Advances	<b>G</b>			
(a) Inventories		<b>127,522,433.00</b>		132639439.00
(b) Sundry Debtors		<b>861,799,378.54</b>		763467686.36
(c) Cash and Bank Balances		<b>118,614,636.86</b>		139952499.74
(d) Loans and Advances		<b>172,693,819.51</b>		133119896.21
		<b>1,280,630,267.91</b>		<b>1169179521.31</b>
(3) Less :				
Current Liabilities & Provisions	<b>H</b>			
a) Current liabilities		<b>452,900,963.81</b>		443908978.55
b) Provisions		<b>9,919,013.73</b>		4837426.63
		<b>462,819,977.54</b>		<b>448746405.18</b>
Net Current Assets			<b>817,810,290.37</b>	720433116.13
			<b>1,112,905,610.95</b>	<b>959655650.51</b>
<b>NOTES TO THE ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES</b>	<b>O</b>		<b>0.00</b>	<b>0.00</b>

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**Mukesh Sangla**  
Managing Director**Saurabh Sangla**  
DirectorAS PER OUR REPORT OF EVEN DATED  
**FOR ASHOK KHASGIWALA & CO.**  
CHARTERED ACCOUNTANTS**CA Avinash Baxi**  
Partner  
M.No.:79722Place: Indore  
Date : 29.05.2010

**PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH , 2010**

	Schedule	Amount 2009-10 Rupees	Amount 2008-09 Rupees
<b>INCOME</b>			
Sales & Services	I	<b>3,607,692,250.73</b>	3,045,195,476.35
Other Income	J	<b>66,769,181.06</b>	7,897,965.60
Increase (Decrease) in Stock	K	<b>-9,872,152.00</b>	704,988.42
		<b><u>3,664,589,279.79</u></b>	<u>3,053,798,430.37</u>
<b>EXPENDITURE</b>			
Materials	L	<b>3,321,779,494.38</b>	2,884,963,358.96
Expenses	M	<b>77,043,404.61</b>	48,655,485.80
Financial Expenses	N	<b>101,253,293.92</b>	74,349,969.92
Depreciation		<b>18,303,406.00</b>	13,662,398.99
		<b><u>3,518,379,598.91</u></b>	<u>3,021,631,213.67</u>
<b>Profit for the year before taxation</b>		<b>146,209,680.88</b>	32,167,216.70
Provision for taxation			
Current Tax		<b>27,800,000.00</b>	10,700,000.00
Deferred Tax		<b>2,811,070.00</b>	912,143.00
Fringe Benefit Tax		<b>0.00</b>	170,000.00
<b>Profit for the year after taxation</b>		<b>115,598,610.88</b>	20,385,073.70
<b>Less : Prior Period Adjustments (See Note Schedule E)</b>		<b>205,800.00</b>	0.00
<b>Balance Carried to Balance Sheet</b>		<b>115,392,810.88</b>	20,385,073.70
Earning Per Share		<b>23.76</b>	12.57
<b>NOTES TO THE ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES</b>	O		

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**Mukesh Sangla**  
Managing Director**Saurabh Sangla**  
DirectorAS PER OUR REPORT OF EVEN DATED  
**FOR ASHOK KHASGIWALA & CO.**  
CHARTERED ACCOUNTANTS**CA Avinash Baxi**  
Partner  
M.No.:79722Place: Indore  
Date : 29.05.2010



**Schedule Annexed to and forming part of the Balance Sheet as at 31st March 2010 And Profit & Loss Account for the year ended on that date**

	As at 31st March, 2010 Rupees	As at 31st March 2009 Rupees
<b>SCHEDULE-A : SHARE CAPITAL</b>		
<b>Authorised :</b>		
50,00,000 Equity Shares of Rs. 10 each	<b>50,000,000.00</b>	50,000,000.00
<b>Issued Subscribed &amp; Paid Up</b>		
4864500 Equity Shares (Pre. Year 1621500 Equity Shares of Rs. 10 each fully paid)	<b>48,645,000.00</b>	16,215,000.00
(of the above 621500 Equity Shares and 32,43,000 equity shares are issued as bonus shares by capitalisation of general reserve and balance in profit and loss account respectively.)	<b>48,645,000.00</b>	16,215,000.00
<b>SCHEDULE-B : RESERVES &amp; SURPLUS</b>		
a. Share Premium		
Since Last Year	<b>40,500,000.00</b>	40,500,000.00
b. General Reserves		
Since Last Year	<b>3,625,425.00</b>	3,625,425.00
c. Surplus in Profit & Loss Account		
Since Last Year	136,552,119.43	116,167,045.73
Add : Profit for the year	115,392,810.88	20,385,073.70
	251,944,930.31	136,552,119.43
	32,430,000.00	0.00
Less : Issue of Bonus Shares	219,514,930.31	136,552,119.43
	<b>263,640,355.31</b>	180,677,544.43
<b>SCHEDULE-C : SECURED LOANS</b>		
A. Form Banks		
(i) Term Loan	<b>71,850,939.53</b>	64,077,490.08
(ii) Corporate Loan	<b>98,640,438.00</b>	0.00
(iii) Working Capital loan From Banks	<b>387,304,417.95</b>	315,089,958.77
(iv) Loan From LIC of India	<b>10,709,500.00</b>	11,674,842.00
(v) Others Loan (Vehicle loan)	<b>288,994.67</b>	566,014.48
	<b>568,794,290.15</b>	391,408,305.33
<b>Notes :</b>		
I. a.	Term loan from State Bank of Indore and UCO bank are secured by hypothecation by way of first charge over all plant & machinery, book debts and movable assets in respect of wind power generating unit at Jodha Dist. Jaselmer Rajasthan and Sangli Maharashtra subject to first pari passu charge on wind mill at Jodha dist. Jaselmer Rajasthan in favour of the State Bank of Indore and personally guaranteed by Directors. Installment of term loan due within next twelve months Rs. 96 lacs (Pre. Year Rs. 93.00 lacs)	
b.	Term Loans from UCO Bank and State Bank of Patiala are secured by first pari passu Mortgage over the land & building, Plant & Machinery and other movable and immovable fixed assets of the company at Kelodhala, Indore with other term lending banks and institutions (both existing & future) and personally guaranteed by Directors. Installment of term loan due within next twelve months Rs. 70 lacs (Pre. Year 40 lacs).	
II.	Corporat Loan from Uco Bank is secured by way of extention of charge on etire current and fixed assets of the company and personally guaranteed by Directors. Installment of term loan due within next twelve months Rs. 986.40 lakhs (Pre. Year Rs. nil)	
III.	Working Capital Loans from Banks are secured against hypothecation of stock of finished goods, current assets & charge on book debts, second pari passu charge on the Fixed Assets present and future of the company and personally guaranteed by Directors.	
B.	Loan taken from LIC of India is secured by lien/ assignement of Keyman Insurance policy.	
C.	Other Loans (vehicle ) are secured by exclusive first charge on assets purchased under agreement and personal guarantee of Directors. Installment of other loan due within next twelve months Rs. 303972 (Pre. Year Rs. 321764 )	
<b>SCHEDULE-D : UNSECURED LOANS</b>		
SHORT TERM		
From Bank (Refer Note No. 7 Schedule O)	9,243,651.49	181,639,811.75
Intercorporate Deposits	180,056,255.00	150,000,000.00
	<b>189,299,906.49</b>	<b>331,639,811.75</b>



	GROSS BLOCK (AT COST)						DEPRECIATION				NET BLOCK	
	As on 01.04.2009 Rs.	Additions Rs.	Deduction Rs.	Total	As on 31.03.2010 Rs.	Upto 31.03.2009 Rs.	For the year Rs.	Adjustment Rs.	Total Rs.	As on 31.03.2010 Rs.	As on 31.03.2009 Rs.	
	Land	100760.00	0	0.00	100760.00	100760.00	0.00	0.00	0.00	0.00	100760.00	100760.00
PLANT & MACHINERY	48635741.24	57442354.70	1924000.50	104154095.44	104154095.44	12177852.32	3353999.00	561617.00	14970234.32	89183861.12	36457888.92	
Windmill	107912344.00	2000000.00	0.00	109912344.00	109912344.00	12001299.67	5220836.00	-205800.00	17427935.67	92484408.33	95911044.33	
FURNITURE & FIXTURES	13058575.00	164663.00	0.00	13223238.00	13223238.00	887125.56	830423.00	0.00	1717548.56	11505689.44	12171449.44	
OFFICE EQUIPMENTS	2832240.00	58618.00	0.00	2890858.00	2890858.00	1398761.75	135676.00	0.00	1534437.75	1356420.25	1433478.25	
VEHICLE	19931694.12	987950.00	754781.00	20164863.12	20164863.12	17523375.14	1933513.00	420506.00	19036382.14	1128480.98	2408318.98	
COMPUTER	908939.00	39600.00	0.00	948539.00	948539.00	598101.49	149986.00	0.00	748087.49	200451.51	310837.51	
DYES & MOULDS	36617026.32	14933266.00	0.00	51550292.32	51550292.32	9080662.37	6668421.00	0.00	15749083.37	35801208.95	27536363.95	
Factory Building	0.00	1263712.00	0.00	1263712.00	1263712.00	0.00	10552.00	0.00	10552.00	1253160.00	0.00	
<b>Total</b>	<b>229997319.68</b>	<b>76890163.70</b>	<b>2678781.50</b>	<b>304208701.88</b>	<b>304208701.88</b>	<b>53667178.30</b>	<b>18303406.00</b>	<b>776323.00</b>	<b>71194261.30</b>	<b>233014440.58</b>	<b>176330141.38</b>	
PREVIOUS YEAR	195703911.58	34293408.10	0.00	229997319.68	229997319.68	40004779.31	13662398.99	0.00	53667178.30	176330141.38	—	

Note : Depreciation adjustment includes Rs.205800 being depreciation related to prior period/ earlier year



PARTICULARS	As at 31st March, 2010 Rupees	As at 31st March 2009 Rupees
<b>SCHEDULE - F : INVESTMENTS (AT COST)</b>		
<b>A. GOVT. SECURITIES</b>		
<b>National Savings Certificates</b>		
Deposited with Govt. Authorities	5,000.00	5,000.00
	<u>5,000.00</u>	<u>5,000.00</u>
<b>B. INVESTMENT IN SHARES (QUOTED)</b>		
Nil Equity Shares of Rs. 1/- each (pre.year 68600 Eq. shares of Rs. 1/- each) of Adani Enterprise Ltd. Fully Paid up.	0.00	811,513.00
2000 Equity Shares of Rs. 10/- each (pre.year 2000 Eq. shares of Rs. 10/- each) of Andhra Petro Chemicals Ltd. Fully Paid up.	47,740.00	47,740.00
4000 Equity Shares ( 4000 Eq. Shares ) of Rs. 10/- each of Tirupati Starch & Chemicals Ltd. Fully Paid up.	58,500.00	58,500.00
15000 Equity Shares ( 15000 Eq. Shares ) of Rs. 2/- each of DCW Ltd. Fully Paid up	131,600.00	131,600.00
500 Equity Shares ( 500 Equity Shares ) of Rs. 10 each of Nagarjun Fertilizers Ltd. Fully Paid up	10,500.00	10,500.00
1000 Equity Shares of Rs. 10 each of Raymond Synthetics Ltd. Fully Paid up.	8,450.00	8,450.00
5000 Equity Shares of Rs. 10 each of Kaveri Engg. Ind. Ltd. Fully Paid up.	135,000.00	135,000.00
3200 Equity Shares of Rs. 10 each of Vanavil Dies & Chemical Ltd. Fully Paid up	200,800.00	200,800.00
63600 Equity Shares of Rs. 10 each of Tribhuvan Housing Finance Ltd.	500,000.00	500,000.00
7800 Equity Shares of Rs. 10 each of UCO Bank Ltd.	93,600.00	93,600.00
435 (Pre.Yr. 435) Equity Shares of Rs. 10 each of Reliance Power Ltd (Includes 163 bonus shares)	122,400.00	122,400.00
5000 Equity Shares of Rs. 10 each of M.P. Investments Ltd.	274,565.00	274,565.00
4000 Equity Shares of Rs. 10 each of Herald Commerce Ltd	457,725.00	457,725.00
(Aggregated Mkt. Value of Quoted Investment Rs. 20.80 Lakhs (Pre. Year Rs. 101.99 Lakhs)	<u>2,040,880.00</u>	<u>2,852,393.00</u>
<b>C. INVESTMENT IN SHARES (UN QUOTED)</b>		
1490650 Equity Shares of Rs. 10 each of Adroit Industries (India) Ltd	60,000,000.00	60,000,000.00
	<u>60,000,000.00</u>	<u>60,000,000.00</u>
<b>D. INVESTMENT IN MUTUAL FUND (UN QUOTED)</b>		
5000 Units of Morgan Stanley Mutual Fund	35,000.00	35,000.00
	<u>35,000.00</u>	<u>35,000.00</u>
<b>TOTAL INVESTMENTS (A+B+C+D)</b>	<u><b>62,080,880.00</b></u>	<u><b>62,892,393.00</b></u>



<b>SCHEDULES FORMING PART OF PROFIT &amp; LOSS A/C FOR THE YEAR ENDED 31ST MARCH, 2010</b>		
	<b>AS AT 31st March, 2010</b>	<b>AS AT 31st March, 2009</b>
<b>SCHEDULE - G : CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>INVENTORIES</b>		
(As Valued and Certified by Management)		
Raw Materials	26,145,218.00	21,194,669.00
Finished Goods	98,759,933.00	108,563,089.00
Stores & Spares	2,617,282.00	2,881,681.00
	<b><u>127,522,433.00</u></b>	<b><u>132,639,439.00</u></b>
<b>SUNDRY DEBTORS</b>		
(Unsecured, considered good)		
Over Six Months	11,796,629.56	23,051,020.71
Others	850,002,748.98	740,416,665.65
	<b><u>861,799,378.54</u></b>	<b><u>763,467,686.36</u></b>
<b>CASH AND BANK BALANCES</b>		
Cash in Hand	3,615,207.40	3,485,623.55
<b>BALANCE WITH SCHEDULED BANK</b>		
In Current Account	15,080,064.31	7,015,419.19
In Fixed Deposits (Pledged with Banks)	99,919,365.15	129,451,457.00
(refer note no. 7 Schedule no. O )	<b><u>118,614,636.86</u></b>	<b><u>139,952,499.74</u></b>
<b>LOANS AND ADVANCES</b>		
Advance recoverable in cash or kind or for which value to be received	135,268,765.51	114,206,533.21
Security Deposit	37,425,054.00	18,913,363.00
	<b><u>172,693,819.51</u></b>	<b><u>133,119,896.21</u></b>
<b>SCHEDULE - H : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors [Includes Rs. Nil (Pre. Year Rs. Nil) due for capital goods] (refer note no. 6 Schedule no. O )	445,237,987.45	439,017,859.32
Other Liabilities	7,657,082.98	4,526,012.00
Bank Overdraft as per Books of Account	5,893.38	331,107.23
	<b><u>452,900,963.81</u></b>	<b><u>443,874,978.55</u></b>
<b>PROVISIONS</b>		
For Tax (Net off advance Tax Rs. 38336070.90 Pre. Year Rs. 34743299.37)	9,354,350.73	4,446,608.63
For Employee Benefits	564,663.00	424,818.00
	<b><u>9,919,013.73</u></b>	<b><u>4,871,426.63</u></b>
	<b><u>462,819,977.54</u></b>	<b><u>448,746,405.18</u></b>
<b>SCHEDULE - I : SALES &amp; SERVICES</b>		
Sales	3,598,709,824.11	3,044,477,593.40
Less : Excise duty	14,765,781.00	14,098,859.00
	<b><u>3,583,944,043.11</u></b>	<b><u>3,030,378,734.40</u></b>
Commission (Gross)	23,679,084.62	14,682,084.75
Service Charges (Job Work)	69,123.00	134,657.20
(TDS Rs. Pre. Year Nil)	<b><u>3,607,692,250.73</u></b>	<b><u>3,045,195,476.35</u></b>





	AS AT 31st March, 2010	AS AT 31st March, 2009
<b>SCHEDULE - J</b>		
<b>OTHER INCOME</b>		
Interest received ( Gross )(T.D.S. Rs.1855965 Pre.Yr Rs. 1612646)	9,963,738.04	7,494,875.60
Dividend (Gross)	0.00	41,186.00
Insurance claims received	0.00	43,970.00
Miscellaneous Income	2,787,735.00	0.00
Service charges on High Seas	0.00	317,934.00
Profit on Sales of Fixed Assets	12,996.00	0.00
Profit on Sales of Investments	54,004,712.02	0.00
	<b><u>66,769,181.06</u></b>	<b><u>7,897,965.60</u></b>
<b>SCHEDULE - K : INCREASE/ (DECREASE) IN STOCK</b>		
Closing Stock	98,759,933.00	108,563,089.00
Less : Opening Stock	108,563,089.00	109,016,684.58
(Increase) / Decrease in excise duty on cl stock	68,996.00	1,158,584.00
	<b><u>9,872,152.00</u></b>	<b><u>704,988.42</u></b>
<b>SCHEDULE - L : MATERIALS Raw Material</b>		
<b>Opening Stock</b>	21,194,669.00	5,692,613.00
Purchases	152,055,515.13	114,531,794.90
	<u>173,250,184.13</u>	<u>120,224,407.90</u>
Less : Closing Stock	26,145,218.00	21,194,669.00
<b>Raw Material Consumed</b>	(A) 147,104,966.13	99,029,738.90
Purchase of Goods Traded in	(B) 3,174,674,528.25	2,785,933,620.06
Total (A+B)	<b><u>3,321,779,494.38</u></b>	<b><u>2,884,963,358.96</u></b>
<b>SCHEDULE - M : OTHER EXPENSES</b>		
Power and Fuel	10,452,511.00	8,160,812.00
Manufacturing Expenses	5,885,597.00	1,152,816.00
Salary, Wages & Bonus	13,010,079.00	13,737,480.00
Contribution to Provident and Other Funds	517,516.00	396,565.00
Stores and Spares Consumed	12,625,230.92	4,135,991.45
Rent	3,505,805.87	1,738,263.25
Repairs & Maintenance		
Plant and Machinery	812,988.00	1,463,681.00
Others	882,247.00	699,087.00
Insurance	3,903,474.70	2,837,328.00
Travelling Expenses (Including Director's Travelling Rs. 562623.87 Pre. Year Rs. 580932.75)	1,335,089.87	1,208,798.52
Legal & Professional	3,354,325.00	878,743.00
Telephone Expenses	745,905.32	625,699.33
Rates & taxes	6,893,351.96	836,349.79
Selling & Distribution Expenses	9,497,778.00	5,931,142.27
Commission	22,030.00	2,146,257.00
Loss on Sale of Fixed Assets	551,595.50	0.00
Other expenses	3,047,879.47	2,706,472.19
	<b><u>77,043,404.61</u></b>	<b><u>48,655,485.80</u></b>
<b>SCHEDULE - N : FINANCIAL CHARGES</b>		
<b>INTEREST</b>		
On Term Loan	9,266,167.45	9,600,175.08
Others	67,013,408.12	50,128,331.34
	<u>76,279,575.57</u>	<u>59,728,506.42</u>
Bank Charges/Commission	24,973,718.35	14,621,463.50
	<b><u>101,253,293.92</u></b>	<b><u>74,349,969.92</u></b>



**SIGNET INDUSTRIES LIMITED**  
(formerly Signet Overseas Limited)

**SCHEDULE : O**

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**i) ACCOUNTING CONVENTION**

The accounts have been prepared in accordance with the historical cost convention.

**ii) FIXED ASSETS**

- a. Fixed assets are stated at cost of acquisition, net of tax/duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use; less accumulated depreciation.
- b. Assets under erection / installation and advance given for capital expenditure are shown as "Capital work in progress". Expenditure during construction period are shown as " pre-operative expenses" to be capitalized on erection / installations of the assets.

**iii) DEPRECIATION**

Depreciation on fixed assets is being provided on straight line method as the rates prescribed in schedule XIV of the companies Act, 1956.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the month of addition / disposal.

**iv) VALUATION OF INVENTORIES**

Inventories are valued at lower of cost or market value on FIFO basis. Cost of inventory is generally comprise of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as cost of finished goods and goods in transit stated at cost.

**v) INVESTMENTS**

Investments are stated at cost. No provision is made for Diminution in the value of investments, if any, since the same is considered by Board as temporary, while investments are of long-term in nature.

**vi) BORROWING COST**

Borrowing costs attributable to acquisitions and construction of assets are capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit & Loss Account.

**vii) FOREIGN CURRENCY TRANSACTION**

- a. All transactions in foreign currency, are recorded at the rates of exchange prevailing at the date of transaction.
- b. Monetary items in the form of Loans, Current assets and Current liabilities in foreign currencies, outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss is accounted during the year.
- c. In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and the exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets / liabilities.

**viii) REVENUE RECOGNITION**

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

**ix) SALES**

Sales are inclusive of income from wind power generation, services, export incentive and exchange fluctuation on export receivables and net of trade discount / rebate.

**x) TAXES ON INCOME**

Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1956.

Deferred Tax is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal on one or more subsequent period.

Deferred Tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**xi) IMPAIRMENT OF ASSETS**

An asset is impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior period is reversed if there has been a change in the estimate of recoverable amount.

**xii) EMPLOYEE BENEFITS****(a) Post- employment benefit plans**

- i) Defined Contribution Plan - Contributions to provident fund and Family Pension Fund are accrued in accordance with applicable statute and deposited with appropriate authorities.
- ii) Defined Benefit Plan - The Liability in respect of gratuity is determined using actuarial valuation carried out as at balance sheet date. Actuarial gains and losses are recognized in full in Profit and Loss Accounts for the year in which they occur.

**(b) Short term employment benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when

**xiii) SEGMENT ACCOUNTING POLICIES**

- (1) The company has disclosed business segment as the primary segment. Segment have been identified taking into account the type of products, the differing risk return and the internal reporting system. The various segment identified by the company comprised as under :-

<u>Name of Segment</u>	-	<u>Comprised of</u>
Polymer	-	Manufacturing and trading of Poly products
Wind Power Unit	-	Wind turbine power unit
Other	-	Merchant trading of various product

- (2) Segment revenue, segment results, segment assets and segment liabilities include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that can not be allocated between the segments are shown as un allocable corporate assets and liabilities respectively.
- (3) The Company has identified geographical segments as the secondary segment. Secondary segments comprise of domestic and export markets. However, revenue from export sales do not exceed 10% of the total revenue. Segment assets/liabilities pertaining to export market also do not exceed 10%. Hence, no disclosure is required in respect of geographical segments.





	Gratuity.	
	2009-10	2008-09
Defined Benefit obligation at beginning of the year.	424818	303591
Current services cost	112199	77839
Interest cost	41619	30514
Actuarial (gain)/ loss	(13973)	12874
Benefit paid	—	—
Defined Benefit obligation at year end.	564663	424818

Disclosure as per AS – 15 (Revised) 'Employee Benefits' for the year ended March 31, 2010.

	Gratuity.	
	2009-10	2008-09
Current services cost	112199	77839
Interest cost	41619	30514
Expected return on plan assets	—	—
Actuarial (gain)/ loss	(13973)	12874
Net cost	139845	121227

The principal actuarial assumptions used as at March 31, 2010 are as follows.

	2009-10	2008-09
Discount Rate	8.00%	7.75 %
Rate of escalation in salary	5.00%	5.00 %
14. Auditors Remuneration	2009-10	2008-09
Audit Fees (Including S. Tax)	82725	84270
15. EARNING PER SHARE (EPS)		
	2009-10	2008-09
(a) Net Profit/(Loss) after tax	115392811	20385074
(b) Weighted Average Number of Equity Shares	4864500	1621500
(c) Nominal Value of Per ordinary Share	10	10
(d) Basic & Diluted Earning Per Share	23.72	12.57



**16 SEGMENT REPORTING**

(a) BUSINESS SEGMENT PARTICULARS	Poly Product	Wind Mill	Merchant Trading	UNALLOCABLE	TOTAL
Segment revenue	2,841,003,894.73	15,020,972.00	751,667,384.00	66,769,181.06	3,674,461,431.79
	2,295,896,989.35	15,813,656.00	733,846,735.00	7,536,061.60	3,053,093,441.95
Segment result(PBIT)	177,229,762.22	9,127,193.00	5,565,768.00	30,566,533.23	222,489,256.45
	97,499,192.45	10,558,200.66	1,099,853.10	-17,261,523.09	91,895,723.12
<b>Less : Interest</b>					76,279,575.57
					59,728,506.42
Profit before Exceptional/					146,209,680.88
Exceptional/Extraordinary item					32,167,216.70
					0.00
					0.00
Profit (+) Loss(-) before tax					146,209,680.88
					32,167,216.70
<b>Less :Current Tax</b>					27,800,000.00
					10,700,000.00
Deferred Tax					2,811,070.00
					912,143.00
Fringe Benefit Tax					0.00
					170,000.00
Profit (+)Loss(-)after tax					115,598,610.88
					20,385,073.70
Prior Period Adjustments					205,800.00
					0.00
Net Profit					115,392,810.88
					20,385,073.70
Segment Assets	1,247,218,085.33	97,520,896.98	12,445,449.33	155,106,356.85	1,512,290,788.49
	996,472,061.96	98,456,914.33	65,250,089.03	185,229,837.37	1,345,408,902.69
Segment Liabilities	678,562,716.01	0.00	0.00	2,841,059.13	681,403,775.14
	563,397,396.20	3,923,422.35	57,694,499.00	958,290.75	625,973,608.30
Segment Depreciation	10,032,972.00	5,220,836.00	0.00	3,049,598.00	18,303,406.00
	6,005,320.50	5,125,836.34	0.00	2,531,242.15	13,662,398.99

**Note :** Previous year's figures are given in italics.

**(b) Secondary Segment Geographical**

The company's operating facilities are located in India.

	2009-10	2008-09
Domestic Revenue	3,607,692,250.73	3,044,052,204.35
Export Revenue	0.00	1,143,272.00

**Unallocable Segment Assets excludes**

Investments	62,080,880.00
	62,892,393.00

**Unallocable segment liabilities excludes**

Provision for tax	9,354,350.73
	4,446,608.63
Secured loan	568,794,290.15
	391,408,305.33
Unsecured loan	180,056,255.00
	150,000,000.00
Deferred Tax liabilities	42,526,059.00
	39,714,989.00
Employee Benefits	564,663.00
	424818.00

**17. DEFERRED TAX**

DEFERRED TAX LIABILITY (NET)	DEFERRED TAX AS AT 31.03.2010	DEFERRED TAX AS AT 31.03.2009
DEFERRED TAX LIABILITY		
Liability of deferred tax for Depreciation	42717989	39714989
	42717989	39714989
DEFERRED TAX ASSETS		
For Disallowance U/s 43B & 40A(9)	191930	0
For Depreciation Loss		
Deferred Tax Liability (Net)	42526059	39714989



18. Additional information pursuant to Paragraph 3,4C of part II of schedule VI of the Companies Act, 1956 (as certified by management)

<b>CAPACITY &amp; PRODUCTION</b>	2009-2010	2008-2009
<b>A. LICENCE CAPACITY</b>		
Installed Capacity		
i) Polymers and Extruded Plastic Products (Mts)	9000.000	4000.000
ii) Wind Power (MW)	1.4	1.4
<b>B. PRODUCTION #</b>		
Polymers and Extruded Plastic Products (Mts)	2022.845	1331.127
Wind Power (KWH)	4160305	4276758

# Includes production done 3406.207 Kg. (Pre. Year 6770 kg ) for others.

	2009-2010		2008-2009	
	Qty	Amount in Rs.	Qty	Amount in Rs.
<b>A) SALES ♦</b>				
PVC Resin (MT)	22985.341	1561796093	15450.947	1053310792
Plasticizers	1073.310	80546820	698.570	53867250
Polymers	14890.412	1195926237	17535.983	1196752653
Wind Power Units (Units)	4160305	15020972	4276758	15813656
Other Goods (MT)	—	745419703	—	732745849

♦ Sales includes excess/shortage.

<b>ON CONSIGNMENT</b>				
Polymers	8461.500	460795061	13495.250	754803356
<b>B) OPENING STOCK</b>				
Plasticizers	8.100	555272	9.410	787144
PVC Resin	345.223	22629365	897.460	56441105
Polymers (MT)	1228.139	81329845	614.793	21272953
Other Goods (MT)	—	4048607	—	30515483

<b>C) CLOSING STOCK</b>				
Plasticizers	0.00	0.000	8.100	555272
Polymers (MT)	741.874	65463195	1228.139	81329845
PVC Resin	539.378	32145445	345.223	22629365
Other Goods (MT)	—	1151293.93	—	4048607

<b>D) PURCHASE OF GOODS TRADED IN</b>				
Plasticizers	1065.210	79770804	697.260	53298955
Polymers(MT)	12381.302	838359871	16817.972	1041710654
PVC Resin	23179.496	1515143771	14898.710	968316021
Other Goods (MT)	—	741400082	—	726536970

<b>E) RAW MATERIAL CONSUMED</b>				
Polymers (MT) *	2059.362	109313961	1368.707	81464449
Others	—	37791005	—	17565290

VALUE OF IMPORTED AND INDEGENOUS RAW MATERIAL CONSUMED

	Value	%	Value	%
<b>Imported</b>	0	0	0	0
<b>Indegenous</b>	147104966	100.00	99029739	100

VALUE OF IMPORTED AND INDEGENOUS STORES & SPARES CONSUMED

	Value	%	Value	%
<b>Imported</b>	0	0	0	0
<b>Indegenous</b>	12625231	100	4135991	100

VALUE OF IMPORT ON CIF BASIS 470512901 256245297

EARNING IN FOREIGN CURRENCY

<b>FOB Value of Exports</b>	—	<b>48499</b>
<b>Merchant Export</b>	—	<b>1084777</b>

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Mukesh Sangla  
Managing Director

Saurabh Sangla  
Director

AS PER OUR REPORT OF EVEN DATED  
FOR ASHOK KHASGIWALA & CO.  
CHARTERED ACCOUNTANTS

CA Avinash Baxi  
Partner  
M.No.:79722

Place: Indore  
Date : 29.05.2010



**SIGNET INDUSTRIES LIMITED**  
*formally signet overseas limited*  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010**

	<b><u>2009-2010</u></b>	<b><u>2008-2009</u></b>
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit Before Tax & Extraordinary Items	146,209,680.88	32,167,216.70
<b><u>ADJUSTMENT FOR :</u></b>		
Depreciation	18,303,406.00	13,662,398.99
Interest Paid	76,279,575.57	59,728,506.42
Loss/(Profit) on sales of Fixed Assets	538,599.50	0.00
Profit on sales of Investments	(54,004,712.02)	0.00
Dividend	0.00	(41,186.00)
Interest Received	(9,963,738.04)	(7,494,875.60)
Operating Profit Before Working Capital Change	177,362,811.89	98,022,060.51
<b><u>ADJUSTMENT FOR :</u></b>		
Inventories	5,117,006.00	(17,930,141.42)
Trade & Other Receivables	(137,905,615.48)	43,444,236.70
Trade & Other Payables	9,165,830.26	15,105,864.11
Cash Flow From Operations	53,740,032.67	138,642,019.90
Taxes Paid (Including dividend tax)	(22,892,257.90)	(9,504,930.00)
Net Cash From Operating Activities	30,847,774.77	129,137,089.90
<b><u>NET CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Fixed Assets	(76,890,163.70)	(34,293,408.10)
Dividend	0.00	41,186.00
Interest Received	9,963,738.04	7,494,875.60
Sales of Fixed Assets	1,158,059.00	0.00
Sales of Investments	54,816,225.02	0.00
Net Cash Used in Investing Activities	(10,952,141.64)	(26,757,346.50)
<b><u>NET CASH FLOW FINANCIAL ACTIVITIES</u></b>		
Proceed From Borrowing	221,984,601.63	47,483,288.31
Repayment of Borrowings	(186,938,522.07)	0.00
Dividend Paid	0.00	0.00
Interest Paid	(76,279,575.57)	(59,728,506.42)
Net Cash Flow From Financing Activities	(41,233,496.01)	(12,245,218.11)
Net Increase/(Decrease) in Cash & Cash Equivalent	(21,337,862.88)	90,134,525.29
Cash & Cash Equivalents at Beginning of the Year	139,952,499.74	49,817,974.45
Cash & Cash Equivalents at End of the Year	118,614,636.86	139,952,499.74

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Mukesh Sangla  
Managing DirectorSaurabh Sangla  
DirectorAS PER OUR REPORT OF EVEN DATED  
FOR ASHOK KHASGIWALA & CO.  
CHARTERED ACCOUNTANTSCA Avinash Baxi  
Partner  
M.No.:79722Place: Indore  
Date : 29.05.2010





<b>ANNEXURE – I</b>		
<b>INFORMATION PURSUANT TO THE PROVISIONS OF PART-IV SCHEDULE VI OF THE COMPANIES ACT. 1956</b>		
<b>BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE</b>		
<b>I. REGISTRATION DETAILS</b>		
Registration No.	L51900MH1985PLC035202	
State Code	11	
Balance Sheet Date	31.03.2010	
<b>II. CAPITAL RAISED DURING THE YEAR</b>		
Public Issue	Nil	
Right I Issue	Nil	
Bonus Issue	32,430	
Private Placement	Nil	
<b>III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>		
(Amount in Thousands)		
Total Liabilities	462,820	
Total Assets	1,280,630	
<b>A. Source of Funds</b>		
Paid Up Capital	48,645	
Reserve and surplus	263,640	
Secured Loan	568,794	
Unsecured Loan	189,300	
Deferred Tax Liability	42,526	
<b>Total Liabilities</b>	1112,905	
<b>B. Application of Funds</b>		
Net Fixed Assets	233,014	
Investment	62,081	
Net Current Assets	817,810	
Misc. Expenditure	-	
<b>Total Assets</b>	1112,905	
<b>IV. PERFORMANCE OF THE COMPANY</b>		
Turnover & Other Income	3,664,589	
Total Expenditure	3,518,380	
Profit Before Tax	146,210	
Profit After Tax	115,599	
Earning Per Share (in Rs.)	24	
Dividend Rate %	-	
<b>V. GENERIC NAMES OF PRINCIPAL PRODUCT /SERVICE IN THE COMPANY</b>		
	Nil	
Place : Indore	<b>Mukesh Sangla</b>	<b>Saurabh Sangla</b>
Date : 29.05.2010	Managing Director	Director

**SIGNET INDUSTRIES LIMITED**

308, Acme Plaza,  
Opposite Sangam Cinema, Andheri Kurla Road, Andheri (E), Mumbai 400 059  
**(PLEASE COMPLETE THIS SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL)**

**ATTENDANCE SLIP**

**25th ANNUAL GENERAL MEETING**

308, Acme Plaza,  
Opposite Sangam Cinema, Andheri Kurla Road, Andheri (E), Mumbai 400 059  
**Monday, 27th September, 2010 at 01.00 p.m.**

Member's Name (in capital letters)\_\_\_\_\_

Folio No.\_\_\_\_\_ No. of Share Held\_\_\_\_\_

Member's Signature

Proxy's Name (in Capital Letters)\_\_\_\_\_

Proxy's Signature

.....Cut Here.....

**SIGNET INDUSTRIES LIMITED**

308, Acme Plaza,  
Opposite Sangam Cinema, Andheri Kurla Road, Andheri (E), Mumbai 400 059

**PROXY FORM**

I/We \_\_\_\_\_ of

Being a member/s of the Company, hereby appoint\_\_\_\_\_

of\_\_\_\_\_ in District of \_\_\_\_\_

or failing him\_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_

\_\_\_\_\_ in the District of \_\_\_\_\_ as my/our proxy to vote for me/our behalf

at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, 27th September, 2010 at 01.00 p.m.or any adjournment thereof.

My/Our Registered Folio No. is\_\_\_\_\_

Signed this\_\_\_\_\_ day of \_\_\_\_\_ 2010

affix  
Re. 1  
Revenue  
Stamp

N.B. : This proxy form must be deposited at the Registered Office of the Company at 308, Acme Plaza, Opposite Sangam Cinema, Andheri Kurla Road, Andheri (E), Mumbai 400 059 not later than 48 hours before the time for holding the meeting.

Աղբերի (Է) Մարքայի ՎՊՕ ՕՋԾ  
Օբյեկտի Չարձակման Հիմնարկի Աղբերի Հարկի Բաժնի  
308, Կոմիտաս Բլուզի

**ՏՈՒՆԵՆԻ ԻՆԴՍՏՐԻԱՅԷ ԴԻՄԻՏԵՐ**

Ի մարզիկները, Բլեզու արտադրող :  
ՏՈՒՆԵՆԻ ԻՆԴՍՏՐԻԱՅԷ ԴԻՄԻՏԵՐ

---

---

---

ԵՄ

Բո՞ք - Բո՞ք