

18th ANNUAL REPORT
2010 - 2011



POLYLINK POLYMERS (INDIA) LIMITED



COMPANY INFORMATION

BOARD OF DIRECTORS

Shri U.S. Bhartia	<i>Chairman</i>
Shri R. P. Goyal	<i>Executive Director</i>
Shri J.S. Baijal	<i>Independent Director</i>
Shri K.M.Lal	<i>Independent Director</i>
Shri Ajay Bahragava	<i>Independent Director</i>

BOARD COMMITTEES

Audit Committee

Shri. K.M. Lal
Shri. Ajay Bhargava
Shri. U.S. Bhartia
Shri J.S.Baijal

Remuneration Committee

Shri J.S. Baijal
Shri U.S. Bhartia
Shri K.M.Lal
Shri Ajay Bhargava

Shareholders'/Investor Grievance Committee

Shri U.S. Bhartia
Shri J.S. Baijal
Shri K.M.Lal

COMPANY SECRETARY

Shri Ankit Vageriya

AUDITORS

M/s. K.N.Gutgutia &Co.
Chartered Accountants
New Delhi

BANKERS

AXIS Bank Ltd.

REGISTERED OFFICE

229-230, Village: Valthera
Taluka- Dholka, Dist. Ahmedabad
Gujarat-387810

HEAD OFFICE

506, Saffron Building,
Near Center Point, Ambawadi,
Ahmedabad, Gujarat-380006

INDEX		
<u>Sr. no</u>	<u>Particulars</u>	<u>Page no.</u>
1	Notice	1-2
2	Director's Report	3-7
3	Report on Corporate Governance	8-12
4	Auditor's Certificate	12
5	Auditor's Report	13-15
6	Balance Sheet	16
7	Profit & Loss	17
8	Schedules	18
9	Cash flow Statement	31
10	Balance sheet Abstract	32

IMPORTANT COMMUNICATION TO MEMBERS:

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings, and changes therein from time to time with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, MCS Limited, New Delhi



NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of Polylink Polymers (India) Limited will be held on Thursday the 29th day of September, 2011 at 12.30 P.M. at the Registered Office of the Company at 229-230, Village- Valthera, Taluka – Dholka, District – Ahmadabad, Gujarat 387810 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date, the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri J.S. Baijal, who retires by rotation and being eligible, offers him for reappointment.
3. To appoint a Director in place of Shri Ajay Bhargava, who retires by rotation and being eligible, offers him for reappointment.
4. To appoint Statutory Auditors to hold office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

To consider and if, thought fit to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT subject to provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any modification(s) or re-enactment thereof, for the time being in force) Shri R.P.Goyal be and is hereby reappointed as Director (Finance & Commercial) of the Company for a period of 3 years w.e.f. 1st February, 2010 on the remuneration, perquisites and benefits and amenities but taken together shall not exceed Rs.2,50,000/-p.m.

By order of the Board

Place : Noida
Date : 2nd August, 2011

R.P.Goyal
Executive Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself. The proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer books of the Company will remain closed from 22nd September, 2011 to 29th September, 2011 (both days inclusive). The names of the shareholders, whose share transfer request received in order, either at the Head office/Registered office of the Company, before the book closure, shall be included in the members register as on the date of the Annual General Meeting.
3. MEMBERS ARE REQUESTED TO:
 - A. Immediately notify any change of address to their depository participants (DPs) in respect of their holding in Electronic Form and to the Company in respect of their holding in physical form.
 - B. Send their queries, if any, atleast 15 days in advance of the meeting at the Company's Office at 506,Saffron Building, Near Center Point, Ambawadi, Ahmedabad-380006 so that the information can be made available at the meeting.
 - C. Fill the attendance Slip for attending the meeting and those who hold the shares in dematerialized form requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

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

The chairman informed the committee that Shri R. P. Goyal was appointed as Executive Director W.e.f. 1st February 2007 for a period of 3 years at an overall annual remuneration not exceeding 2, 50,000 per month or 5% of the net profit of the company, as was also approved by the shareholders of the company at their meeting held on 8th September, 2007.



The chairman further informed the Board that since in the current year of 2011-12, Company is not expecting adequate profit to pay the remuneration to the Executive Director, therefore , under the provision of schedule XIII of the Companies act,1956,Board is required to consider and approve the payment of revised to the Executive Director.

The Chairman further informed the Board that Shri R.P. Goyal is involved in the day to day management of the manufacturing plant at Ahmedabad and various ongoing projects and financial matter with regard to conception, planning and execution thereof and has been guiding the activities all through. Shri R.P. Goyal is a Chartered Accountant by profession.

The chairman further added that keeping in view Shri R.P.Goyal' s contribution to the growth of the company , he was included in the Board of Director of the company and it is proposed to review his annual Remuneration subject to the approval of the Shareholders by way of Special Resolution.

The Board of Director had recommend the appointment on Shri R.P.Goyal as whole time Director w.e.f.01.02.2010

In term of clause 49 of listing He qualify as a non-executive director. Except Shri R.P.Goyal none of the Directors is concern or proposed by this resolution.The Board has recommended the proposed resolution set out at the item no. 5 for your approval by way of Special resolution.

The explanatory Statement along with the relevant Resolution may be treated as an abstract of the variation of the terms of contract of Appointment of Executive Director to be Disclosed to the Members pursuant to section 302 of Companies act, 1956.

By order of the Board

Place : Noida

Date : 2nd August, 2011

R.P.Goyal

Executive Director

ITEM NO. 2 & 3

General information of Shri J.S. Baijal, who retire by rotation and eligible to reappoint are as under:

Shri J.S. Baijal, 79 years old is M.A. He is retired IAS officer of Government of India. He has vast experience of finance which he gained during his service as Secretary to Government of India and Executive Director of World Bank etc. He has also served on the Board of various companies as an independent Director .He is not related to any other Director of the Company

General information of Shri Ajay Bhargava, who retire by rotation and eligible to reappoint are as under:

Shri Ajay Bhargava, 36 years old is B.A. (Hons.), Economics from Delhi University and he has done L.L.B. He has approximately 12 year experience in the legal field. Presently he is a partner of Khaitan & Co. Advocates, Notaries, Patents and Trademarks Attorneys; the area of expertise is in litigation as well as corporate laws. He does not hold any shares in the company and he is not related to any other director of the company.

Name	Shri J.S. Baijal	Shri Ajay Bhargava
Date of Birth	06.06.1931	04.02.1973
Qualification	M .A.	LLB
Expertise in Specific functional Area	Retired IAS	Advocate
Date of appointment on the Board of the Company	24.04.1995	30.07.2005
Name(s) of the other companies in which Directorships held (as per Sections 275 and 278 of the of the Companies Act, 1956)	1. Dalmiya Bharat Sugar & Industries Limited 2. Denso India Limited 3. Morgan Stanley Mutual Fund	NIL
Shareholdings with company	NIL	NIL
Relationship with other Directors	NIL	NIL

**DIRECTORS REPORT**

To,
The Members

Your Directors have pleasure in presenting the 18th Annual Report and Audited Statement of Accounts for the year ended on 31st March 2011.

FINANCIAL RESULTS

(Rs. In lacs)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
Sales / Income from operations	3500.62	3387.86
Excise Duty	221.17	193.25
Net Sales	3279.45	3194.61
Misc Income	65.68	31.01
Total Expenditure	3038.61	2979.42
Profit before Interest and Depreciation	306.52	246.20
Interest	167.41	150.46
Gross Profit / (Loss)	139.11	95.74
Depreciation	184.91	189.64
Exceptional Item	19.68	22.13
Prior Period Expenses	0	(243.42)
Profit / (Loss)	(65.48)	127.39

DIVIDEND

In view of the carried forward losses, no Dividend has been recommended by the Board.

OPERATIONS & REVIEW

During the year under review the company has produced 7085 MT of various grades of compounds as against the production of 7303 MT for the year ended on 31st March 2010. Turnover for the year under review was Rs. 3279.46 lacs (net of excise duty) compared to Rs. 3194.62 lacs (net of excise duty) for year ended 31st March 2010 (net of excise duty). Profit/ (loss) for the year ended on 31st March 2011 was Rs. (65.48) compared to Rs. 127.39 for the year ended 31st March 2010

The Performance remain same a per last year however company is under process to introduces new value added Product to improve the performance.

DIRECTORS

Shri J.S. Bajjal and Shri Ajay Bhargava Directors of the company will retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

REVIVAL SCHEME UNDER SICA

Pursuant to requirement of SICA, the company in the year 2009 filed a reference with BIFR to declare for company as a Sick Company and IDBI was appointed as the operating agency to prepare the revival scheme. BIFR has on 12.05.2011 passed an order and approved the Rehabilitation Scheme.

Silent feature of the Scheme includes.

1. Reduction of Equity share capital by 50% by reducing its paid up share value from Rs. 10. to Rs.5 per share
2. The Company mobilize Rs. 175 Lakhs from sale of Surplus assets.
3. Unsecured loan of Rs.330.05 lakhs from M/s Kashipur Holding Limited, are to be converted into Equity.
4. The term loan of IDBI (SASF) of 650.10 Lakhs as on 31.03.2009 to be paid in monthly installments from 1.04.2009 and funded Interest of 243 Lakhs be waived. The present outstanding as on 31.03.2011 is 342 Lakhs.



5. The dues as on 31st march 2009 of Rs. 738.20 lakhs of cash credit with AXIS Bank out of which Rs. 300 Lakhs Converted into WCTL which be paid in 36 Monthly installments with 11 % interest per annum from 1.04.2009. The Present outstanding as on 31.03.2011 is Rs. 210.65 lakhs.

Net worth of the Company is Expected to turn positive in the year 2011-12 accumulated losses is expected to be wiped out in the tear 2017-2018 The promoters have agreed to infuse additional funds as and when necessary during the rehabilitation period.

The company acknowledges the co-operation extent by IDBI Bank, Axis Bank and Stakeholders.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to directors' responsibility statement based up to the management certification, it is hereby confirmed:

that in the preparation of the accounts for the financial period ended 31st March, 2011, the applicable accounting standards have been followed except to the extent mentioned in the notes to Accounts for which proper explanation has been given.

that the directors have selected such accounting policies and applied them constantly 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 period and of the profit and loss of the company for the that period under review;

that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

That the directors have prepared the accounts on a going concern basis.

AUDITORS

The term of office of M/s K.N. Gutgutia & Co., Chartered Accountants, New Delhi as Auditors of the Company expires at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. They have certified that they are eligible for such re-appointment under section 224 (1B) of the Companies Act, 1956. Members are requested to consider their appointment to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUT GO

The information required under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure – I and forms part of this Report.

LISTING OF SHARES

Shares of the Company are listed in the Bombay Stock Exchange and the Company has paid listing fee for the year 2011-12

PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are not given as none of the employees qualify for such disclosure.

MANAGEMENT DISCUSSION AND ANALYSIS

The information required in compliance of clause 49 of the listing agreement is give in Annexure – II and forms part of this Report.

CORPORATE GOVERNANCE REPORT

The company has implemented the procedures and adopted practice in conformity with the Code of Corporate Governance as enunciated in clause 49 of the Listing Agreement with Stock Exchanges. The Corporate Governance Report and the Certificate of CEO, CFO and the Auditor are giving in Annexure – III and forms part of this Report.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation for the support given by Employees, Shareholders, Financial Institutions, Stressed Assets Stabilization Fund and Bankers and look forward to their continued support.

For and on behalf of the Board of Directors

Date : 2nd August 2011

Place : Noida

U. S. BHARTIA

Chairman



ANNEXURE – I TO THE DIRECTORS' REPORT

Information as per Section 217 (1) (e) read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 and forming a part of the Directors' Report for the year ended on 31st March, 2011.

A. CONSERVATION OF ENERGY

Energy Conservation measures taken

The Company's engineers are continuously trying to find out ways and means to conserve energy by combination of operations, elimination of unnecessary processes and various wasteful practices.

Shutting down all electrical machineries and appliances when not in use to avoid unnecessary waste of energy.

Additional investments and proposals, if any, being implemented for reduction of consumption of energy. : Nil

Impact of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods. : Nil

Total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the Schedule thereto. : Not Applicable

B TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B given below:

FORM – B

a. Research and Development (R & D)

Specified Areas in which R & D carried out by the Company.

Development of high impact compound for automobiles sector.

Development of fire resistant compound based on PP, PC, PBT for fire prone area Applications.

Development of process additives for plastics.

Development of Tuffend Nylon for engineering use.

Polymer modification for appliances of domestic and industrial use.

Development of elastomeric blend for cable accessories.

Development of Semi Conducting compound

Development of anti tracking compound for molding.

Development of anti tracking compound for extrusion.

Benefits derived as a result of the above R & D

Commercialization of various products through in-house technology.

Modification of properties of various products for its stringent use with cost reduction.

Import substitution.

Commercialization of various products including development of Thermoplastic semicon compound for power cable.

Future plan of action

Development of FR and FRLS compounds for insulation and sheathing or power cables in fire prone areas.

Development of XLPE compound for pipes.

Development of semi conducting compound.



Development of anti tracking compound for molding & extrusion.

Development of Black insulating compound for extrusion & anti tracking.

Development of Sioplas for anti tracking application.

Process development for manufacturing of XLPE in WP plant.

(b) Technology Absorption, Adaptation & Innovation

Efforts in brief made towards technology, absorption and innovation

Technicians are interacting with users to understand the exact property requirements and also interacting with laboratory for technology absorption. Similarly technicians from laboratory are interacting with shop floor people for absorption of technology and keeps in-house development. The interactions of technicians with market will help in making innovative changes in the products and its adoption in Indian conditions.

Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Upgradation of products and satisfaction to customer.

More and more indigenization of products

Cost reduction in products

Process modification

Information about imported technology (Imported during the last 5 years reckoned from the beginning of the financial year): - None -

C. FOREIGN EXCHANGE EARNING AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans :

Efforts are being made to explore the export market for XLPE Compounds, Engineering Plastics, and Sioplas Compound and also for insulating & sheathing grade polythene compound.

Total Foreign Exchange used and earned :

Foreign Exchange Used : Rs. 66.18 Lacs

Foreign Exchange Earned : Rs. 733.34 Lacs

For and on behalf of the Board of Directors

Date : 2nd August 2011
Place : Noida

U. S. BHARTIA
Chairman



ANNEXURE – II TO THE DIRECTORS’ REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

The information required in compliance of clause 49 of the Listing Agreement and forming a part of the Directors’ Report for the year ended on 31st March, 2011 is given below:

INDUSTRY STRUCTURE AND DEVELOPMENT

The company is manufacturing various compounds for Power cable, Telephone cable and Engineering Plastics. The demand of XLPE compound is growing and therefore company is hopeful to increase its capacity utilization in the years to come. The company has already started manufacturing of Semicon Compound and would further improve it in current year both in terms of quality and cost effectiveness

There is good growth in PP compound during this year and company increased the capacity during the next year.

OPERATION AND THEREATS

The raw material price that mainly depends on petroleum prices and frequent fluctuations affected the profitability.

Since the compound for LT & HT cables being manufactured by the company are import substitute, the company has to face competition from the international manufacturers, some of them dump the materials at very low rates.

Government policies of import and export have affected the procurement as well as prices of the products

The company had to faced stiff competition in XLPE compound segment during the year,as the new manufacturing facility has been installed by other competitors.

INTERNAL CONTROL SYSTEM

The company has adequate internal control systems and procedure with regard to purchase, stores and raw materials including components, plant and machinery, other assets and for sale of goods.

The company has an adequate internal audit system commensurate with size and nature of its business. The company has engaged a firm of Chartered Accountants for its internal audit function. Reports of Internal Auditors are reviewed in the meetings of the Audit Committee of the Board.

INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT

Industrial relations continued to be harmonious and cordial through out the year. The Company has always valued its human resources and believes in unlimited potential of the each employee. The company average employed 49 number of employees as on 31.03.2011.

The company arrange for specific work training, safety/emergency handling training and “in job” training as per ISO 9001:2000 requirement.

CAUTIONARY STATEMENT

Statement in this report on Management’s Discussion and Analysis describing the company’s objectives, projections, estimates, exceptions or predictions may be forward looking statements and are based on certain assumptions and exception of future events. Actual result could however differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations including global and domestic demand-supply conditions, finished goods prices, raw material cost and availability, Changes in government regulations and tax structure, economic developments within India and the countries with which the company has business contracts and other factors such as litigation and industries relations.

The company assume no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information and events.

For and on behalf of the Board of Directors

Date : 2nd August 2011

Place : Noida

U. S. BHARTIA

Chairman

**REPORT ON CORPORATE GOVERNANCE**

A Report on Corporate Governance as required under clause 49 of the Listing Agreement is Enclosed herewith.

REPORT ON CORPORATE GOVERNANCE**A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Good corporate practices ensure that a Company meets its obligations to optimize shareholders value. Corporate governance has assumed great significance in India in the recent past in the form of amendment in the Companies Act, 1956 and Listing Agreement with Stock Exchanges. Most of the provisions of the Corporate Governance code prescribed by the Companies Act and the Listing Agreement have been complied with and balance will be complied within the prescribed period.

B) BOARD OF DIRECTORS**(i) Composition of the Board**

As on 31st March, 2011 the Board of Directors comprised of Five Directors out of which four are Non-Executive Directors, one Executive Director. Out of the Five Directors Company has Three Independent Directors.

(ii) Number of Board Meetings

During the year ended 31st March, 2011, Four Board Meetings were held on 12th May 2010, 10th August 2010, 11th October, 2010 and 11th February, 2011.

Directors' attendance record and Directorship in other public Limited Companies:

Name of Directors	Status	Board Meeting Held during the year	Attended	AGM
Shri U.S. Bhartia	Chairman & Non-executive promoter group Director	4	4	Not Attended
Shri K. M.Lal	Independent & Non-executive director	4	4	Attended
Shri J. S Baijal	Independent & Non-executive director	4	4	Not Attended
Shri Ajay Bhargava	Independent & Non-executive director	4	Nil	Not Attended
Shri R.P Goyal	Executive Director (Finance & Commerce)	4	4	Attended

(iii) Other Directorship

Name of the Directors	Category	No. of Directorship in other Companies	No. of Chairmanship/ Membership in Board Committees.
Shri U. S. Bhartia	Chairman & Non-executive Promoter Group Director	6	4
Shri R. P. Goyal	Executive Director (Finance & Commerce)	0	0
Shri J. S. Baijal	Independent & Non-executive director	3	3
Shri Ajay Bhargava	Independent & Non-executive director	0	0
Shri K. M. Lal	Independent & Non-executive director	5	3



(iv) Code of Conduct for Board of Directors and senior officials of the Company

The Code of Conduct duly approved by the Board has been posted on Company's web-site. All Board members and senior management personnel have affirmed compliance with the code for the year 2010-11 and declaration by E.D./CEO to this effect is enclosed with this report.

C) COMMITTEES OF THE BOARD

AUDIT COMMITTEE

(i) Terms of Reference

Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Audit Committee reviews report of the internal auditors, meets statutory auditors as and when required and discusses their findings, suggestions, internal control system, scope of audit, observations of auditors and other related matters. It also reviews major accounting policies followed by the Company.

(ii) Composition

As on 31st March, 2011, the Committee consists of three Independent Director and a Non-executive Director, namely, Shri K. M. Lal, Chairman, Shri J. S. Baijal, Shri Ajay Bhargava and Shri U. S. Bhartia respectively.

(iii) Attendance record of the Audit Committee

The Committee met four times during the year. The attendance record of the members at the meetings is as follows:

NAME OF THE MEMBER	STATUS	NO. OF MEETINGS ATTENDED
Shri K. M.Lal	Chairman	4
Shri U.S. Bhartia	Member	4
Shri Ajay Bhargava	Member	Nil
Shri J. S Baijal	Member	4

NOTE : None of the Directors is a member of more than 10 Board Level Committees, or a Chairman of more than five such committees as required under Clause 49 of the listing Agreement.

INVESTORS' GRIEVANCE COMMITTEE

(i) Terms of Reference

The Committee has been constituted to look into the redressed of shareholders and investor complaints, non-receipt of Balance Sheet and Non-receipt of declared dividends and any other matter relating to shareholders/investors grievance.

(ii) Composition

As on 31st March, 2011 the committee comprises of three non-executive Independent Directors, namely, Shri U.S. Bhartia, Chairman, Shri J. S Baijal and Shri K.M.Lal.

(iii) Investors' complaints received and resolved during the year

During the year under review, Company had received complaints. All complains / queries received and replied to the satisfaction of shareholders during the year.

REMUNERATION COMMITTEE

(i) Terms of Reference

The Committee has been constituted to consider and review Remuneration of whole Time Director and Executive Director.

(ii) Composition

As on 31st March, 2011, the Committee comprises Four Non-executive Directors namely, Shri J. S Baijal, Chairman, Shri U.S. Bhartia, Shri K. M. Lal and Shri Ajay Bhargava.

(iii) Attendance record of the Remuneration Committee

No meeting of Remuneration Committee was held during the year

**D. REMUNERATION OF DIRECTORS, SITTING FEES ETC. FOR THE YEAR 2010-11**

Shri. R.P Goyal Executive Director was paid salary and perquisites of ₹ 1572000. The Executive Director was entitled to Company's contribution to provident fund and gratuity fund.

Sitting fees paid to non-executive directors for the year ended 31st March, 2011

Name of director	Sitting Fee (₹)
Shri U. S. Bhartia	32000
Shri J. S. Baijal	32000
Shri Ajay Bhargava	Nil
Shri K. M. Lal	32000

E) GENERAL BODY MEETINGS

Details of the last three Annual General meetings are as under:

Year	Location	Date	Time	Special Business	Resolution
2009-10	Block No: 229-230,Village: Valthera Taluka: DholkaDist: Ahmedabad 387 810	30.09.2010	11.00 a.m.	Nil	N.A
2008-09	Block No: 229-230,Village: Valthera Taluka: DholkaDist: Ahmedabad 387 810	13.06.09	11.00 a.m.	Nil	N.A
2007-08	Block No: 229-230,Village: Valthera Taluka: DholkaDist: Ahmedabad387 810	23.08.08	11.00 a.m.	Nil	N.A.

F) DISCLOSURE

The details of related party transaction with the Company as required by Accounting Standard (AS-18) on Related Party Transactions have been given in Schedule K 2 (M) of the Notes to Accounts. Besides this, Company has no materially significant transaction with the related parties viz. Promoters, Directors or the management or relatives and their subsidiaries, etc. that may have a potential conflict with the interest of the Company at large.

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities on any matter related to Capital Markets for non-compliance by the Company during last three years.

Following Non-executive directors are holding equity shares of the company as per following details.

Name of Director	No of Shares
Shri Uma Shankar Bhartia	1117200
Shri Ajay Bhargava	Nil
Shri J.S.Baijal	Nil
Shri K.M.Lal	Nil

MANAGEMENT**Management discussion and analysis**

Management discussion and analysis report forms part of this Annual Report.

Disclosure on Risk Management

The Company has further strengthened the Risk Management System in the Company by taking appropriate steps. The Board of Directors periodically reviews the Risk Assessment and minimizing procedure thereof.

SHAREHOLDERS**a) Means of Communication**

The quarterly, half-yearly and annual Audited Financial Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are published in accordance with the guidelines of Stock Exchanges and are posted on the Web-site of the Company.

**b) Investor Grievances**

As mentioned earlier, the Company has constituted a Investors Grievance Committee for redressing shareholders and investors' complaints. Shri R.P. Goyal is Compliance Officer.

c) Share Transfers

All share transfers are handled by Company's Registrar and Share Transfer Agent M/s. MCS Limited, F-65, Okhla Industrial Area Phase -I New Delhi 110 020 a Category – I Registrar registered with SEBI.

Additional shareholders information**a) Annual General Meeting**

Date : 29th September, 2011

Venue : Block No: 229-230, Village: Valthera, Taluka: Dholka, Dist: Ahmedabad 387 810

Time : 12.30 P.M.

b) Financial Calendar

Financial year : 1st April to 31st March

c) Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2011 to 29th September, 2011 (Both days inclusive)

d) Listing at stock exchanges and stock codes

The name of the Stock Exchanges at which the equity shares are listed and the stock code is as under:

Name of the Stock Exchange	Stock Code No.
Bombay Stock Exchange Ltd.	531454

Listing fee to the Bombay Stock Exchange Limited for the financial year ended 31.03.2011 has been paid.

The ISIN numbers allotted to the Company for Demat of Shares are as under:

NSDL - INE 323D01012

CDSL - INE 323D01012

e) Postal Ballot

During the year ended 31st March, 2011, there has been no ordinary or special resolution passed by the Company's Shareholders through postal ballot.

f) Stock Data

High/Low of market price of the Company's equity shares traded on the Bombay Exchange Mumbai Ltd. during the financial year ended 31st March, 2011 was as follows:

Month	High	Low	Sensex
April, 2010	5.24	4.00	17558.71
May, 2010	5.00	3.40	16944.63
June, 2010	4.80	3.36	17700.90
July, 2010	5.45	3.20	17868.29
August, 2010	10.89	4.28	17971.12
September, 2010	14.70	7.78	20069.12
October, 2010	13.73	10.28	20032.34
November, 2010	12.39	8.72	19521.25
December, 2010	9.94	6.66	20509.09
January, 2011	8.90	6.04	18327.76
February, 2011	6.56	4.95	17823.40
March, 2011	5.55	4.35	19445.22



g) Distribution of shareholding as on 31st March, 2011

Shareholding Pattern

Shareholders	%
Promoter and Associates	68.44
FIs/ Banks	3.22
NRI/ OCB	0.29
Public	28.05

Shares held in electronic form

Shareholders holding shares in electronic form may give instruction regarding bank details which they wish to incorporate on their dividend warrant to their depository participants. As per the regulations of NSDL and CDSL the Company is obliged to print the bank details on the dividend warrants, as furnished by these depositories to the Company.

As on 31st March, 2011, 44.52% of shares were held in dematerialized form and 55.48% in physical form.

Outstanding GDR's/ADR's/Warrants/convertible instruments and their impact on equity : Nil

Plant Locations

Block No: 229-230,Village: Valthera, Taluka: Dholka, Dist: Ahmedabad 387 810

Address for correspondence

Polylink Polymers India Limited, 506, Saffron Building, Near Center Point , Ambawadi, Ahmedabad

Telephone : 079-32918115 Fax : 079-26421864

Website : www.polylinkpolymers.com E-Mail : investor@ polylinkpolymers.com

DECLARATION

To the Members of Polylink Polymers (India) Limited

I, R .P. Goyal , Executive Director of Polylink Polymers (India) Limited do hereby declare that the company had received affirmation from all the members of the Board and Senior Management personnel stating compliance of the Code of Conduct for the year 2010-11 pursuant to the requirement of the clause 49 of the Listing Agreement as amended.

For **Polylink Polymer (India) Limited**

Place : Noida

Date : 02nd August, 2011

R.P. Goyal

Executive Director

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT S WITH STOCK EXCHANGE

To the members of Polylink Polymers (India) Limited

We have examined the compliance of condition of corporate Governance by Polylink Polymers (India) Limited ("The Company") for the year ended 31st March 2011, as stipulated in clause 49 of the Listing agreement of the said company with the stock exchange the compliance of condition of corporate

governance is the responsibility of the company's management . Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the condition of corporate governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

in our opinion and to the best of our information and according to the explanation sought and replies given to us by the company ,its Directors and officers . We certify that the company has complied with , in all material respect ,the the mandatory condition of corporate governance as stipulated in clause 49 of the abovementioned Listing Agreement except that its code of conduct was not available on the Company's website.

We further state that such Compliance is neither an assurance as to the future viability of the company nor the efficiency with which the Management has conducted the affairs of the Company.

For **K.N. Gutgutiya & Company**

Chartered Accountants

ICAI's FRN 304253E

(B.R. Goyal)

Partner

Place : New Delhi

Dated : 2nd august , 2011

M.No. 12172



AUDITORS' REPORT

**TO THE MEMBERS OF
POLYLINK POLYMERS (INDIA) LIMITED**

We have audited the attached Balance Sheet of **POLYLINK POLYMERS (INDIA) LIMITED** as at 31st March 2011, the Profit and 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.

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 amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Further to above, we report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of such books.
3. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards (AS) referred in section 211(3c) of the Companies Act, 1956.
5. On the basis of written representation received from the Directors of the Company as on 31st March, 2011, and taken on record by the Board of Directors, none of the Directors is disqualified, as on 31st March, 2011 from being appointed as Director under section 274(1)(g) of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with accounting policies and notes thereon and together with Schedules annexed thereto and;

subject to

- (i) ***"Note No 2(H)" in Schedule "K" to the accounts regarding the fact that accounts of the company have been prepared on the basis that the company is a going concern, though its entire net worth has eroded, on the basis and belief that the company shall survive in view of the "Negotiated settlement (as mentioned in Note 2 E in Schedule "K" to the Accounts) arrived at with the stressed Assets stabilisation fund" during the earlier years and the assured support of the promoter/promoter Group Companies as informed to us as well as BIFR approved scheme where it will get relief under Rehabilitation Scheme,***
- (ii) ***that in the event of non-fulfilment of any condition of the said negotiated settlement, the company shall be liable to pay full amount of waiver (Rs. 12.22 Crore) alongwith further interest thereon and***
- (iii) ***Note No. 2 (P) Schedule "K" regarding remuneration of the Executive Director requiring Members approval,***

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 Standards generally accepted in India.

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
- b) In the case of Profit & Loss Account, of the Loss (without considering Prior-period adjustments) for the year ended on that date.
- c) In the case of Cash Flow Statement, of the cash flows for the said year ended on that date.



As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate, we further state that:

i. In respect of Fixed Assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The Fixed Assets were physically verified by the management during the period and discrepancies noticed on such verification have been properly dealt with in the accounts.
- c) No substantial / major fixed assets have been disposed off during the year.

ii. In respect of Inventory:

- a) The inventory has been physically verified during the year by the management at reasonable intervals.
- b) In our opinion, 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) The Company is maintaining proper records of inventory and the discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.

iii. In respect of Loans:

- a) The Company has taken interest free unsecured loan from two Companies listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount of loan availed during the year was Nil and the year end balance of such loans was Rs 330.03 Lacs (including Opening Balance).
- b) In our opinion, the terms and conditions on which unsecured loans have been taken are not, prima facie, prejudicial to the interest of the Company.
- c) The said loans do not carry any specific repayment term, hence, we are unable to comment as to its regularity in its repayment and no comment as to the regularity in respect of payment of interest is required in view of the fact that the said loans do not carry any interest.
- d) The Company has not granted unsecured Loans to the Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and hence clause (iii)(a) to (iii)(d) of para 4 of the said Order is not applicable to it.

iv. In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the 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 weaknesses in internal control system of the Company.

- v. a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us the transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices/ rates 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 not accepted deposits from the Public.

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 given to us, the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for any of the products of the Company.
- ix. According to the records of the Company, it is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Sales tax, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and Other Statutory dues applicable to it and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they become to payable.
- x. According to the information and explanation given to us, there are no dues of Sale Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- xi. ***The Company has been registered for a period of more than five years and its accumulated losses at the end of the financial year are more than 50% of its net worth and it has not incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.***
- xii. Based upon our audit procedures and according to the information and explanation given to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to the Bank / Institution or in payment of interest to the Bank. No interest was payable during the year to the said Stressed Assets Stabilisation Fund.
- xiii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiv. The provisions of any special statute applicable to chit fund/ nidhi / mutual benefit fund / societies are not applicable to the Company.
- xv. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- xvi. The Company has not given, during the year, any guarantee for loans taken by others from bank or Financial Institutions.
- xvii. During the year, the Company has not raised any fresh Term loan from Bank / Financial Institution, except certain loans have been renamed as working capital Term Loan.
- xviii. According to the information and explanations given to us and on the basis of an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis has been used for long term investments.
- xix. Accordingly to the information and explanations given to us, during the year the Company has not made, preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1951.
- xx. The Company has not issued debentures during the year.
- xxi. The Company has not raised any money by public issues during the year.
- xxii. Based upon on our audit procedure performed and according to the information and explanation given to us and to the best of our knowledge and belief no fraud on or by the Company has been noticed or reported during the year.

For **K.N. Gutgutiya & Company**
Chartered Accountants
ICAI's FRN 304253E

Place : New Delhi
Dated : 2nd August , 2011

(B.R. Goyal)
Partner
M.No. 12172



BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE	AS AT 31ST MARCH, 2011 (RS.)	AS AT 31ST MARCH, 2010 (RS.)
I SOURCES OF FUNDS :			
1 SHARE HOLDERS FUNDS			
a) Share Capital	A	155,105,000	155,105,000
b) Reserve & Surplus	B	2,500,000	2,500,000
2 LOAN FUNDS			
a) Secured Loans	C	110,850,466	123,754,879
b) Unsecured Loans		52,985,955	50,249,252
TOTAL		321,441,420	331,609,131
II APPLICATION OF FUNDS :			
1 FIXED ASSETS			
GROSS BLOCK	D	335,429,552	331,108,420
Less: DEPRECIATION		228,108,183	209,692,176
NET BLOCK		107,321,369	121,416,244
2 CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	E	34,545,635	22,717,995
Sundry Debtors		44,363,367	37,234,997
Cash and Bank Balances		2,531,962	3,093,126
Loan & Advances		12,234,643	16,677,488
		93,675,607	79,723,605
3 LESS : CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	F	46,179,413	29,624,967
Provisions		1,918,308	1,900,142
		48,097,721	31,525,109
4 NET CURRENT ASSETS		45,577,886	48,198,497
5 MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
6 DEBIT BALANCE IN PROFIT & LOSS ACCOUNT		168542165	161,994,390
TOTAL		321,441,420	331,609,131
Significant Accounting Policies & Notes on Accounts	K		

Schedule A to F & K form an integral part of the Balance Sheet.

In terms of our report of even date.

For **K N Gutgutia & Co.**
Chartered Accountants

For and on behalf of the board

B R Goyal
Partner
M. No.12172
New Delhi
Date : 25th May,2011

U.S.Bhartia
Chairman

R.P.Goyal
Director (F & C)

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

	Schedule	For the Year Ended 31st March,2011 (Rs.)	For the Year Ended 31st March,2010 (Rs.)
I INCOME :			
Gross Sales		332,201,088	328,173,404
Less : Exciseduty		22,116,576	19,324,744
Net Sales		310,084,512	308,848,660
Job-Work Charges(Including TDS Rs. 3,57,124/- Prev.Year Rs.1,36,415/-)		17,861,175	10,612,976
Other Income	G	6,568,279	3,100,794
Increase /(Decrease) In Stocks	H	52,332	6,350,860
Total		334,566,298	328,913,290
II EXPENDITURE :			
Manufacturing & Other Expenses	I	303,016,531	303,313,075
Exciseduty On Closing Stock		897,149	980,615
Interest & Finance Charges	J	16,741,133	15,045,603
Depreciation		18,491,050	18,963,761
Advance Licence / Debts Written Off (Refer Note 2d(III) Of Scheduled 'K')		1,968,209	2,213,082
		341,114,073	340,516,136
Profit / (Loss) Before Taxation & Prior Period Adjustments		(6,547,775)	(11,602,846)
Adjustment of Prior Period Interest		0	24,342,242
Net(Loss) / Profit For The Year		(6,547,775)	12,739,396
Add : Loss Brought Forward From Previous Year		(161,994,390)	(174,733,786)
Total Net Loss Carried To Balance Sheet		(168,542,165)	(161,994,390)
Significant Accounting Policies & Notes On Accounts	K		
Number of equity shares outstanding during the period (Rs.10/- Each)		15,510,500	15,510,500
Basic Earning Per Share		(0.42)	0.82

Schedule A to F & K form an integral part of the Profit & Loss Account.
In terms of our report of even date.

For **K N Gutgutia & Co.**
Chartered Accountants

For and on behalf of the board

B R Goyal
Partner
M. No.12172
New Delhi
Date : 25th May,2011

U.S.Bhartia
Chairman

R.P.Goyal
Director (F & C)



SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
SCHEDULE "A" - SHARE CAPITAL		
A AUTHORISED		
25000000 Equity Shares of Rs.10/- each	250,000,000	250,000,000
B ISSUED, SUBSCRIBED AND PAID UP		
15510500 Equity Shares of Rs 10/- each fully paid up (Including Rs.250 Lacs as conversion of loan into equity)	155,105,000	155,105,000
	155,105,000	155,105,000
SCHEDULE "B" - RESERVE AND SURPLUS		
CAPITAL RESERVE		
Capital Subsidy of the Government of Gujarat	2,500,000	2,500,000
	2,500,000	2,500,000
SCHEDULE "C"		
(A) SECURED LOANS		
(I) TERM LOANS		
a) FROM IDBI / SASF		
- Negotiated Settlement dues (See Note 2 E of schedule 'K')*	34,200,000	46,200,000
- Interest Payable to SASF	5,291,666	1,225,000
(II) WORKING CAPITAL FACILITIES		
a) Cash Credit Facilities From Axis Bank Ltd	35,170,877	34,596,349
b) WCTL Loan-Axis Bank Ltd	21,065,584	30,000,000
b) Outstandings under Letter of Credit from Axis Bank Ltd	15,122,339	11,733,530
	110,850,466	123,754,879
(B) UNSECURED LOAN		
Un secured loan From Body Corporate (Interest Free)	33,002,974	34,502,974
Bills Discounted with a Body Corporate	6,157,453	0
Sales Tax Defferment (Interest Free) (See Note 2F of schedule 'K') (Payable within a year Rs.16.19 lacs, Previous year Rs.16.19 lacs)	8,095,266	8,095,265
Electricity Duty Defferment (Payable within a year Rs.19.12 lacs, Previous year Rs.19.12 lacs)	5,730,262	7,651,013
	52,985,955	50,249,252



NOTES :-

1. Term loans facilities from IDBI and / or Negotiated Settlement Dues of Stressed Assets Stabilization Fund (SASF) are secured by way of charge by deposit of title deeds and mortgage of all immovable properties of the company including its movable plants & machinery machinery spares , tools and other movable both present and future (save and except - book debts) subject to the charge created / to be created by the company in favour of its bankers on the company's stock and book debts to secure its working capital requirement; and personally guaranteed by a Director and an Ex-Director of the company. Also certain promoters / Group companies / Associates belonging to the promoters have pledged their certain shareholdings.
2. Working capital facilities from Axis Bank Ltd is secured by hypothecation of current assets(by way of first charge) including company's stock (present & future) of Raw materials,Semi finished and finished goods,Consumable stores and Book Debts and also by way of second charge over all immovable properties of the company and personally guaranteed by one Director ,and also by way of corporate guarantee of an associate company,Namely Facit Commosales Private Ltd.and further pledge of their or its share holdings in certain company.
- 3 Secured loans due for repayment within one year Rs.250.00 lacs,(Previous year Rs.268.00 lacs).However the company is making efforts to get the repayment dates as rescheduled.

SCHEDULE "D" - FIXED ASSETS AS AT 31.03.2011

(Amount In Rupees)

Particulars	Gross Block				Depreciation				Net Block	
	As At 01.04.2010	Addition During The Year	Deduction During The Year	Total Upto 31.03.2011	As At 01.04.2010	Provision During the Year	Deduction During the Year	Total Upto 31.03.2011	As At 31.03.2011	As At 31.03.2010
Land	2,022,683	0	0	2,022,683	0	0	0	0	2,022,683	2,022,683
Buildings										
Factory	64,314,381	219,000	0	64,533,381	27,414,447	2,148,100	0	29,562,547	34,970,833	36,899,933
Others	3,923,723	0	0	3,923,723	963,189	63,957	0	1,027,146	2,896,578	2,960,535
Plant & Machinery	235,061,778	4,372,183	0	239,433,961	162,290,722	15,033,290	0	177,324,012	62,109,949	72,771,056
Electrical Installations and Fittings	17,097,862	0	0	17,097,862	11,366,180	812,148	0	12,178,328	4,919,534	5,731,682
Office Equipments	1,157,788	0	0	1,157,788	5,707,99	54,995	0	625,794	531,994	586,989
Computers	2,976,229	49,950	0	3,026,179	2,513,813	144,734	0	2,658,547	367,632	462,416
Furniture & Fixtures	3,060,592	0	0	3,060,592	2,471,807	117,926	0	2,589,733	470,859	588,785
Vehicles	1,493,383	0	320,000	1,173,383	501,633	115,900	75,043	542,490	630,893	991,750
Total	331,108,420	4,641,133	320,000	335,429,552	208,092,590	18,491,050	75,043	226,508,597	108,920,955	123,015,829
Previous Year	327,557,925	3,869,099	318,604	331,108,420	189,190,691	18,963,761	61,862	208,092,590		
Less: Provision For Impairment Of Fixed Assets									1,599,586	1,599,586
									107,321,369	121,416,243



	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
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SCHEDULE "E" - CURRENT ASSETS, LOANS AND ADVANCES**A CURRENT ASSETS****INVENTORIES :**

- Stores/Spares	2,926,882	2,910,281
- Packing Materials	806,411	844,711
- Raw Materials	19,183,627	7,386,620
- Finished Goods (Including waste Rs.1,30,917/- Prev.year Rs.5,04,732/-) (Including in Transit Rs.16,71,962/-,Prev. year Rs.6,59,916/-)	11,279,295	11,169,324
- Work-in-Progress	349,420	407,059
	<u>34,545,635</u>	<u>22,717,995</u>

SUNDRY DEBTORS - Unsecured

Over six months- Good	625,645	1,054,751
Other Debts- Good	43,737,722	36,180,246
	<u>44,363,367</u>	<u>37,234,997</u>

* Including Export Incentive Receivable / to be utilised Rs.34,33,136/-.
(Previous year Rs.48,87,783/-)

CASH & BANK BALANCES :

- Cash Balance in hand	89,278	138,347
- With Scheduled Banks in Current Accounts	79,933	169,304
- Fixed Deposit With Scheduled Bank for Margin Money	2,362,751	2,785,475
	<u>2,531,962</u>	<u>3,093,126</u>

B LOANS AND ADVANCES (Unsecured, Considered Good)

a) Advances recoverable in cash or in kind or value to be received	2,693,165*	3,667,190*
b) Deposits with State Electricity Board	2,049,556	2,049,556
c) VAT Recoverable/adjustable from Sales Tax Authorities	5,195,039	9,477,845
d) Balance with Excise Authorities on current accounts	643,493	317,315
e) TDS Recoverable	1,522,700	980,898
f) Security and Other Deposits	130,691	184,684

* Including capital advance Rs.Nil,Previous year Rs.18,98,091/-)

	<u>12,234,643</u>	<u>16,677,488</u>
	<u>93,675,607</u>	<u>79,723,605</u>



	As at 31st March,2011 (Rs.)	As at 31st March,2010 (Rs.)
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SCHEDULE " F " : CURRENT LIABILITIES AND PROVISIONS**A. CURRENT LIABILITIES**

Sundry Creditors (Excludig Acceptances 1,51,22,339/- Previous year Rs.1,77,33,530/- shown in working capital.)	34,337,310	16,611,227
Other Liabilities	11,787,952	13,013,740
Book Overdraft	54,151	0
	<u>46,179,413</u>	<u>29,624,967</u>

* According to the records of the company,no party has registered it self with the company under Micro,Small and Medium enterprise Development Act, 2006 and hence,no disclosure of amount payable to theme could be made.

B. PROVISIONS

For Retirement Benefits	1,021,159	919,527
For Exciseduty on Closing Stock	897,149	980,615
	<u>1,918,308</u>	<u>1,900,142</u>
	<u>48,097,721</u>	<u>31,525,109</u>

**SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH,2011**

	For the Year ended 31st March,2011 (Rs.)	For the Year ended 31st March,2010 (Rs.)
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SCHEDULE "G" - OTHER INCOME

Scrap Sales	806,122	571,892
Export Incentives	2,540,608	1,906,426
Notice Pay	91,044	82,476
Rent (Including TDS Rs. 86034/-, P/y Rs.59562/-)	780,000	540,000
Insurance claim (Including sales of burned material) (See Note 2G of schedule 'K')	2350505	0
	<u>6,568,279</u>	<u>3,100,794</u>

SCHEDULE "H" - INCREASE/(DECREASE) IN STOCKS

Closing Stocks		
- Process	349,420	407,059
- Waste	130,917	504,732
- Finished goods	11,148,378	10,664,592
	<u>11,628,715</u>	<u>11,576,383</u>
Opening Stocks		
- Process	407,059	319,732
- Waste	504,732	360,488
- Finished goods	10,664,592	4,545,303
	<u>11,576,383</u>	<u>5,225,523</u>
Net Increase /(Decrease) in Stock	<u>52,332</u>	<u>6,350,860</u>



	For the Year ended 31st March, 2011 (Rs.)	For the Year ended 31st March, 2010 (Rs.)
SCHEDULE "I" - MANUFACTURING & OTHER EXPENSES		
Raw Material consumed (Including for job works)	231,655,239	236,113,085
Stores & spares consumed	1,400,665	1,947,106
Packing Material consumed (Including for job works)	8,615,485	6,500,022
Job work charges Paid	303,289	822,221
Power & Fuel	16,919,125	14,304,038
Salaries, Wages, Allowances, Gratuity, etc.	12,315,053	11,634,445
Staff Welfare Expenses	433,063	402,905
Contribution to Provident & Other Funds	689,839	626,750
Travelling expenses	530,630	502,041
Conveyance	274,063	382,254
Vehicle Running & Hire Charges	1,166,799	957,712
Communication Expenses	491,368	717,374
Repairs Maintenance		
- Plant & Machinery	633,094	1,239,484
- Buildings	425,139	283,770
- Others	155,267	318,802
Insurance	708,268	809,585
Printing, Stationery and computer expenses	151,314	120,208
Rent, Rates & Taxes	476,735	491,435
Legal & Professional Expenses	1,053,541	1,248,758
BIFR & Restructuring Expenses	116,263	1,306,522
Security Expenses	348,249	334,157
Office Maintenance	384,867	351,636
Selling and Distribution Expenses (Refer note 2D(i) of schedule 'K')	1,391,375	1,674,267
Freight & Cartage Expenses	11,525,157	10,302,143
Clearing & Forwarding Expenses-Export	8,859,019	7,607,979
Business Promotion Expenses	81,471	79,359
Directors' Sitting Fees	96,000	96,000
Secretarial Expenses	244,237	308,987
Auditors Remuneration - As Audit Fees	100,000	100,000
- For certification	40,000	40,000
- Expenses	40,360	64,167
Internal Audit Fees	40,000	40,000
Prior Period Expenses	689,088	359,870
Loss on sale of Fixed Assets	93,957	116,742
Miscellaneous Expenses	568,514	1,109,251
	303,016,531	303,313,075
SCHEDULE "J" - INTEREST & FINANCE CHARGES		
To Bank (On working capital & WCTL)	9,283,502	10,617,579
To IDBI / SASF on negotiated settlement Dues	4,066,666	1,225,000
To Others	4,083,749*	3,971,034*
Less: Received on Bank Deposits and from Others (Including TDS Rs. 26398/-, P/y Rs. 21266/-)	(692,784)	(768,010)
	16,741,133	15,045,603

* Including Rs.11,49,325/- Cash Discounts, (Previous year Rs.8,61,534/-) and Foreign Exchange Fluctuation Rs.1,71,330/- (Previous year Rs.11,81,519/-).



SCHEDULE "K" : NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

1 Significant Accounting Policies

A. RECOGNITION OF INCOME & EXPENDITURE

- i) These accounts are prepared on the historical cost basis and on the Accounting principles of going concern, Accounting policies not specifically referred to are in accordance with the Accounting standards issued by the Institute of Chartered Accountants of India. The Company has adopted the Mercantile system of accounting. If not stated otherwise, claims are accounted for as receivable if the management is of the opinion that the chance of recovery is more than not.

B. FIXED ASSETS : DEPRECIATION

- i) Fixed assets are recorded on historical cost inclusive of capitalised portion of Pre-operative Expenses and net of recoverable taxes.
- ii) Depreciation is provided on Straight Line Method in the manner and at the rates mentioned in Schedule XIV to the Companies Act, 1956 (as amended) on the cost of assets as referred to above.

C. INVENTORIES

- i) Finished Products : at lower of cost or net realisable value
- ii) Stock in process : at cost arrived by estimating percentage of completion.
- iii) Raw Materials : at lower of cost or estimated net realisable value (FIFO Basis)
- iv) waste and scrap : at net realisable value
- v) Stores, Packing Materials & Spares : Costs have been calculated with reference to Conversion cost and the expenses incurred to bring the inventory to its present condition and location.
at cost or below cost (FIFO Basis) and Chemicals

D. FOREIGN CURRENCY TRANSACTIONS

- i) All transactions in foreign currency, are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.
- ii) Balance in form of Current Assets and Current Liabilities in foreign currency outstanding at the close of the year, are converted in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance sheet, and Resultant gain or loss is accounted for in Profit and loss Account.
- iii) In respect of Forward Contracts for Foreign Exchange, the cost / premium is spread over the life of the contract.

E. RESEARCH & DEVELOPMENT (R & D)

Revenue expenses on Research and Development are charged to Profit and Loss Account and capital expenditure on R & D is added to Fixed Assets.

F. CONTINGENT LIABILITIES

Contingent liabilities are generally not provided for in the accounts and are shown separately in notes to the Accounts. (Refer note 1(0) and 2(A) of schedule 'K').

G. REVENUE RECOGNITION

Domestic Sales are accounted for at the time of despatch. Export sales are accounted with reference to the date of bill of lading. Sales figures are after deduction of usual Trade / Quantity Discounts, Returns, excise duty and taxes.



H. EXPORT BENEFITS:

Export benefits are accounted for on accrual basis based upon estimated benefits to accrue.

I. GOVERNMENT GRANTS

Government grants/subsidy in relation to the project and not related to any fixed assets are credited to Capital Reserve.

J. EMPLOYEE BENEFIT

(i) Gratuity liability as per Gratuity Act. has been provided for all the eligible employees on the basis of actuarial valuation are funded with LIC under Group Gratuity Scheme. Leave encashment benefit is accounted for on basis of estimated liability at the year end and not on the actuarial valuation basis in view of the fact that it will not materially affect in terms of total amount.

(ii) Employer's contribution to Employee's provident fund is accounted for on accrual basis and charged to the Profit and Loss Account.

K. EXCISE DUTY

Excise Duty payable on the closing stock, awaiting removal, has been accounted for and added to the value of closing stock.

L. DEFERRED TAXATION:

The company has adopted Accounting standard-22 (AS-22) as to 'Accounting for Taxation of income' issued by the Institute of Chartered Accountants of India.

M. IMPAIRMENT OF ASSETS

The Company, in accordance with the Accounting Standard 28 (AS-28) in respect of impairment of Assets, issued by the Institute of Chartered Accountants of India, has adopted the practice of assessing at each Balance Sheet date whether there is any indication that an asset may be impaired and if any such exists then the company provides for the loss for impairment of Assets after estimating the recoverable amount of the assets.

N. PROVISIONS AND CONTINGENT LIABILITY

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligations. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. But where there is a possible obligation but the likelihood of outflow of resources is remote, no provision / disclosure is made.

O i) FINANCE LEASES

In respect of assets acquired on or after 1st April, 2001, under finance lease the same are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term. Lease payments are apportioned between the interest charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Interest component is charged to the Profit and Loss Account.

ii) OPERATING LEASE

The revenue for operating lease is recognised in terms of the agreement.



2 Notes on Accounts

A. Contingent liabilities, not provided for in respect of the following:

	For the year ended 31st March,2011 (Rs.)	For the year ended 31st March,2010 (Rs.)
i) Claims against the company not acknowledged as debt	1,080,850	1,080,850

B. Under the Micro, Small and medium Enterprise Development Act,2006 Which came into force on October 2,2006 certain disclosure are required to be made relating to Micro, Small and Medium Enterprise. The company is in the process of obtaining relevant information from its suppliers about their coverage under the Act. Since the relevent information is not readily available, no disclosures could be made in the Accounts.

C. i) Foreign exchange variation (Net) dealt with in the profit and loss account Rs. 1,71,330/- (Debit) (previous year year Rs.11,81,519/- (Debit)),details of the same are as under :

	For the year ended 31st March,2011 (Rs.)	For the year ended 31st March,2010 (Rs.)
(Loss)/ Gain on Creditors	64,470	235,097
(Loss)/ Gain on Debtors	(235,800)	(1,416,615)
Total(Loss)/Gain	(171,330)	(1,181,519)

ii) Unhedged Foreign Exchange Exposure : Debtors Rs.50,26,579/-

D. i) Selling and Distribution expenses include Rs.13.88 Lacs as Commission/Discount.(Previous year Rs.13.16 Lacs)

ii) The company identified during 2008-09 certain fixed assets,which were not under use or were unusable / surplus,the the relisable value (estimated by management) was lower by Rs.15,99,586/- which was provided.There are no further loss as to assets impairment during the year.

iii) write downs and Write offs :During the year the Company reviewed the recoverability of claims and upon such review following amounts were written off / written back :

	For the year ended 31st March,2011 (Rs. in lacs)	For the year ended 31st March,2010 (Rs. in lacs)
Non utilization of advance license (written off)	19.68	19.45
Non Recoverable VAT Claims (written off)	0	2.68
Total Rs.	19.68	22.13

iv) Excise duty Expenses represents provision on Closing Stocks for domestic sales.

E. i) Stressed Assets Stabilization Fund (SASF),to whom IDBI assigned its debt recoverable from the company,has gave its approval of Negotiated Settlement (NS)(Letter dated June 27,2005 vide letter no.BY/ SASF/ POLPIL/906 and further amended by letter dated July 16,2005 vide letter No.BY/SASF/POLPIL/1146) at a sum of Rs.15.50 crores in full and and final settelement of its principal,Interest and over due interest etc.accrued up to 31.03.2005,for which cut off date was determind as 01.04.2005; against the total outstading of Rs.27,72,66,619/-. The said SASF has rescheduled, from time to time, repayment dates. The company is contigently liable for past waivers in case of defaults.

ii) Interest is payable commencing from 1.1.2010 as past interest has been deffered by the said SASF Interest has been provided from 01.01.2010 to 31.03.2011 at the agreed rate in these Accounts.

iii) As the net worth of the company fully eroded as per the Audited Balance sheet of the company as at 31.03.2009,the company has been referred to BIFR under the SICA provisions.The Rehabilitation Scheme



as prepared by IDBI, being the Operating Agency appointed by the BIFR, is being considered by the said BIFR.

- F The Company is yet to start repayment of Sales Tax Deferment Loan against which the company might be liable for interest for delayed payment. The company has not received any demand so far.
- G During the year, finished goods amounting to Rs 24.57 lacs (Qty- 22.074 MT) burnt due to fire in factory and claim amounting to Rs 19.65 lacs has been received from insurance company and Rs 3.85 lacs has been received from sale of salvage resulting into a net loss of Rs 1.07 lacs.
- H. Though Company's entire net worth has been eroded, it has prepared its accounts on a 'Going Concern Basis' as the management is hopeful that company can be revived in view of the Negotiated Settlement finalised with the Stressed Assets Stabilization Fund (SASF) to whom the IDBI has assigned its debt recoverable from the company and with the continued support of its promoters / promoter group companies as well as the reference to BIFR made by the Company. and the Rehabilitation scheme framed by IDBI and being considered by BIFR.
- I. Debtors, Creditors and Advances are subject to confirmations.
- J. a) There are certain leasing arrangements for Office premises / House accommodation. Monthly charges in this respect are charged to P & L Account.
b) The company has given Office premises & Godown on lease to one of the associates company. The rental income of Rs.7.80 lacs (P/y - Rs 5.40 lacs) has been recognised in the accounts for the year.

K. DEFERRED TAXATION :

The Institute of Chartered Accountants of India, has made mandatory, w.e.f. 1.4.2001, the Accounting standard-22 (AS-22) in respect of 'Accounting for Taxation of Income' Accordingly, the company has computed deferred tax liability and assets as at 31.03.2011 and also based upon the data available, it is to create deferred tax assets. However, no such assets have been recognised keeping in view of prudence and also as the company is not virtually certain supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

- L. There is no separate reportable segment as the company is predominantly engaged in only one segment, i.e. 'Polymers Compounding' therefore, Accounting standard-17 to Segment Reporting, issued by the Institute of Chartered Accountants of India, is not applicable to it.

M. EARNING PER SHARE:

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
i) Profit (Loss) as per Profit & Loss Account (Rs.)	(6,547,775)	12,739,396
ii) No. of Equity Shares	15,510,500	15,510,500
iii) Basic Earning per share	(0.42)	0.82

N. Disclosure pursuant to AS-15 (Revised)

(a) For Gratuity (Defined Benefit) (Funded with L.I.C as group gratuity policy)

	As on 31/03/2011	As on 31/03/2010
1 Assumptions		
Discount Rate	8.00%	8.00%
Salary Escalation	7.00%	7.00%
2 Changes in present value of obligations		
Present value of obligations as at beginning of year	16.59	11.93
Interest cost	1.33	0.95
Current Service Cost	1.61	1.34
Benefits Paid	(2.50)	(2.09)
Actuarial (gain)/Loss on obligations	1.74	4.44
Present value of obligations as at end of year	18.77	16.59



	As on 31/03/2011	As on 31/03/2010
3 Changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	5.95	5.90
Expected return on plan assets	0.51	0.53
Contributions	2.14	1.61
Benefits paid	(2.50)	(2.09)
Actuarial Gain / (Loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	6.11	5.95
4 Fair value of plan assets		
Fair value of plan assets at beginning of year	5.94	5.90
Actual return on plan assets	0.51	0.53
Contributions	2.15	1.60
Benefits Paid	(2.50)	(2.09)
Fair value of plan assets at the end of year	6.10	5.95
Funded status	(12.66)	(10.64)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	NIL	NIL
5 The amounts to be in the balance sheet and statements of profit and loss		
Present value of obligations as at the end of year	18.77	16.59
Fair value of plan assets as at the end of the year	6.11	5.95
Funded status	(12.66)	(10.64)
Net Asset/(liability) recognized in balance sheet	12.66	10.64
6 Expenses Recognised in statement of Profit & loss		
Current Service cost	1.60	1.34
Interest Cost	1.33	0.95
Expected return on plan assets	(0.51)	(0.53)
Net Actuarial (gain)/Loss recognised in the year	1.74	4.43
Expenses recognised in statement of Profit & loss	4.16	6.21

(b) For Provident fund Defined Contribution Plans

Total amount of Provident fund Expenses recognised in the Profit & Loss Account is Rs. 6.90 lacs, (Previous year Rs.6.27 lacs)

0. Related party disclosure as require by Accounting Standard-18 (AS-18) "Related Parties Disclosure" issued by the Institute of Chartered Accountants Of India are given below :

i) LIST OF RETLATED PARTIES :

- | | |
|--|--|
| A. Associate Companies : | B. Key Management Personnel & their relatives |
| - Kashipur Holdings Ltd | - Mr R.P.Goyal -Director(Finance & Commercial) |
| - India Glycols Ltd | - Mrs Neeta Goyal(Wife of shri R.P.Goyal) |
| C. Enterprise over which key managerial personnel or their relatives have control: | |
| - N2N Impex Pvt. Ltd. | |



ii) Details of Transaction with related parties during the year :

Sr. no.	Transaction Particular	Associated Companies (Rs.)	Key Management Personnel & Enterprises over which Key Management Personnel and / or their relatives have control (Rs.)	Total (Rs.)	Balance as on 31st Mar.2011 (Rs.)
1	Loan Received /Repayment	0 (Red-7500000)	Repayment- 1,500,000 (Received -1,500,000)	1,500,000 (9,000,000)	33,002,974 (34,502,974)
2	Material Purchase on High Seas basis	5,777,529 (4,309,423)*		5,777,529 (4,309,423)*	5,491,238 (4,309,423)*
3	Rent Received	780,000 (540,000)*		780,000 (540,000)	0 (0)*
4	Rent Paid	0 (6,000)		0 (6,000)	0 (0)*
5	Bills Discounted	6,157,453 (0)*		6,157,453 (0)*	6,157,453 (0)*

* Figures in brackets represents previous year.

The remuneration to Related party vide note no.'P' below

P. MANAGERIAL REMUNERATION :

A. To Shri R.P.Goyal(Director Finance & Commercial).

	For the year ended 31st March,2011 (Rs.)	For the year ended 31st March,2010 (Rs.)
(a) Salary	900,000	900,000
(b) Contribution to Provident Fund	108,000	108,000
(c) House Rent Allowance	360,000	360,000
(e) Medical Reimbursements	90,000	90,000
(f) Leave Travel Allowance	90,000	90,000
(g) Reimbursement of Electricity Charges	24,000	24,000
(h) Perks in the shape of Telephone & use of car		

*Note : The remuneration and perks are subject to approval of the members of the company at its ansuring Annual General Meeting.

The above remuneration details do not include provision of gratuity as the provision is an oveall basis.

B. Director's Meeting Fees

	For the year ended 31st March,2011 (Rs.)	For the year ended 31st March,2010 (Rs.)
i) Shri U.S.Bhartia	32,000	32,000
ii) Shri J.S.Baijal	32,000	32,000
iii) Shri K.M.Lal	32,000	32,000



Q. Additional Information :

1 Installed Capacity (only in respect of products meant for sale)

Class of goods	Installed Capacity p.a. (MT)	
	As at 31st March, 2011	As at 31st March, 2010
XLPE, MDPE & Other plastic Compounds	14,604	14,604

Notes:- Installed capacity is as certified by the management being a technical matter and relied upon by the Auditors accordingly.

2 Particulars in respect of finished goods and other materials.

Particulars	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Qty MT	Value Rs.	Qty MT	Value Rs.
i) Opening Stock	251.176	10,664,592	62.800	4,545,303
XLPE, MDPE & Other Plastic Compounds				
Waste	16.948	504,732	12.336	360,488
ii) -Production	7085.342		7303.436	
XLPE, MDPE & Other Plastics Compounds				
* Excludes 2657.650 MT Produce on job basis (Previous year 1468.670 M.T.)				
Waste	52.104		31.462	
iii) Sales	7077.906 **	331,572,622 *	7115.060	327,688,630 *
XLPE, MDPE & Other Plastic Compounds				
Waste	53.875	628,466 *	26.850	484,774 *
* Gross including Excise Duties				
iv) Closing Stock	258.612	11,148,378	251.176	10,664,592
XLPE, MDPE & Other Plastic Compounds				
Waste	15.177	130,917	16.948	504,732

** Including 22.074 MT brunt due to fire.

3 Raw Material Consumed

Particulars	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Qty MT	Value Rs.	Qty MT	Value Rs.
LLDPE/LDPE	867.720	63,368,633	1133.308	77,929,883
PP/PBT	2080.625	142,147,523	2164.175	127,704,583
HDPE	7.434	482,919	1.225	84,152
EVA	9.927	747,613	20.523	1,447,921
CARBON BLACK	7.645	838,890	15.962	1,658,794
FILLER	4139.988	10,794,928	4049.321	11,633,590
CHEMICALS & PROCESSING ADDITIVES *	0*	10,225,144	0 *	12,484,566
OTHERS *	0*	3,049,589	0 *	3,169,596
(Not more than 10% of the total Consumption)				
	7113.339	231,655,239	7384.513	236,113,085

* Quantitative details are not practical to be given.



4 Value of imported and indigenous raw material, stores and spare parts consumed and percentage thereof:

Consumption of raw materials :

	For the year ended 31st March,2011		For the year ended 31st March,2010	
	Rs.	%	Rs.	%
- Imported	14,151,779	6.11%	15,147,490	6.42%
- Indigenous	217,503,460	93.89%	220,965,595	93.58%
	231,655,239	100.00%	236,113,085	100.00%

* Including Purchase in high seas Purchase.

Consumption of Packing , stores & spare parts:

	For the year ended 31st March,2011		For the year ended 31st March,2010	
	Rs.	%	Rs.	%
- Imported	322,338	3.22%	146,040	1.73%
- Indigenous	9,693,812	96.78%	8,301,088	98.27%
	10,016,150	100.00%	8447128	100%

5 Expenditure in foreign currency

	For the year ended 31st March,2011	For the year ended 31st March,2010
- Foreign Travel	27,339	112,728
- Commission on Export Sale	123,254	118,811
- Spares	1,203,349	456,579

6 Value of imports on CIF basis

- Raw material & chemicals	5,263,688	1,657,296
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7 Earning in foreign exchange

- FOB value of Export *	73,334,147	64,913,969
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* Excluding Deemed Exports Rs.17,38,250/- (Previous year Rs.65,34,625/-)

R. Previous period's figures have been regrouped / rearranged wherever considered necessary to confirm to this year's classification.

In terms of our report of even date.

For **K N Gutgutia & Co.**
Chartered Accountants

For and on behalf of the board

B R Goyal
Partner
M. No.12172
New Delhi
Date :25th May,2011

U.S.Bhartia
Chairman

R.P.Goyal
Director (F & C)



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

	01.04.2010 TO 31.03.2011 (Amount in Rs)	01.04.2009 TO 31.03.2010 (Amount in Rs)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit (Loss) Before Tax and Extraordinary items	(6,547,775)	12,739,396
Adjustment for :		
Depreciation	18,491,050	18,963,761
Interest (Dr.) (net) on working capital & Others	12,674,467	13,820,603
Interest (Dr.) (net) on Term Loan IDBI	4,066,666	1,225,000
Write Back of Interest	0	(24,342,242)
Bad Debts Written off /Advances Written off	44,835	(546,295)
Advance Licence/VAT Written off	1,968,209	2,213,082
Loss on Sale/Write off of Fixed Assets	93,957	116,742
Earened Leave Encashment	282,677	170,319
Unrealised Foreign Exchange (Gain) / Loss	55,621	98,492
	37,677,482	11,719,462
Operating profit before working capital changes	31,129,707	24,458,858
Adjustment for :		
(Increase)/Decrease in Debtors and Other Curent Assets	(4,754,191)	20662189
(Increase)/Decrease in Inventories	(11,827,640)	2774606
Increase/(Decrease) in Trade & other Payables and Provisions	16,289,936	(4992825)
Interest (Dr.)	(13,367,251)	(14588613)
Net Cash Inflow/(outflow) from Operating Activities (A)	17,470,562	28,314,215
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets & Capital Advances	(4,641,133)	(3,869,099)
Proceeds from sale of Fixed Assets	151,000	140,000
Interest Received on FDR	692,784	768,010
Net Cash Inflow/(outflow) from Investing Activities (B)	(3,797,349)	(2,961,089)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from / (payment of) Long term/short term Borrowings	(1,329,964)	(32,703,749)
Increase /(Decrease) in unsecured loan (Net)	(12,904,413)	7,087,247
Net cash Inflow/(outflow) from financing activities (C)	(14,234,377)	(25,616,502)
Net increase/ (Decrease) in cash and cash equivalents (A+B+C)	(561,164)	(263,376)
Cash and cash equivalents at the beginning of the year (Opening Balance)	3,093,126	3,356,502
Cash and cash equivalents at the closing of the year (Closing Balance)	2,531,962	3,093,126

Note : Previous period's figures have been regrouped / rearranged wherever considered necessary to confirm to make them comparable

In terms of our report of even date.

For **K N Gutgutia & Co.**
Chartered Accountants

For and on behalf of the board

B R Goyal
Partner
M. No.12172
New Delhi
Date :25th May,2011

U.S.Bhartia
Chairman

R.P.Goyal
Director (F & C)

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE****I Registration Details**

Registration No.	32905	State Code	04
Balance Sheet date	31.03.2011		

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

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Preferential Allot	NIL

III Position of Mobilization and development of funds(Amount in Rs.Thousand)

Total Liabilities	369,539	Total Assets	369,539
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Souce of fund

Paid up capital	155,105	Reserve & Surplus	2,500
Secured Loans	110,850	Unsecured Loans	52,986

Application of Funds

Net Fixed Assets	107,321	Investment	Nil
Net Current Assets	45,578	Misc Expenditure	Nil

(to the extenet not written off or adjustment)

Accumulated Profit / (Loss)	(168,542)
-----------------------------	-----------

IV Performance of the Company(Amount in Rs.Thousand)

Turnover & other income	334,566	Total Expenditure	341,114
Profit / (Loss) before Tax	(6,548)	Profit / (Loss) after Tax	(6,548)
Earning per Share (in Rs.)	(0.42)	Dividend (%)	NIL

V Generic names of Three Principal Products / Services of the Company (As per Monetary terms)

Item Code No.(ITC Code)	Product Description
(i) 8556	Silane Grafted Polymeric Granuals
(ii) 39016000	Polythelene Granuals
(iii) 39023000	Propylene Granuals

In terms of our report of even date.

For **K N Gutgutia & Co.**
Chartered Accountants

For and on behalf of the board

B R Goyal
Partner
M. No.12172**U.S.Bhartia**
Chairman**R.P.Goyal**
Director (F & C)New Delhi
Date :25th May,2011

POLYLINK POLYMERES (INDIA) LIMITED

Registered Office : 229-230, Village - Valthera, Taluka - Dholka, Dist. : Ahmedabad - 387 810

PROXY FORM

DP Id* _____ Regd. Folio No. _____

Client Id* _____

I/We _____

of _____ in the district of

_____ being a member/members of the above named Company, hereby appoint

Mr./Mrs. _____ of _____ in the

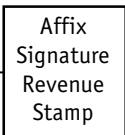
district of _____ or failing him/her Mr./Mrs. _____ of

_____ in the district of _____

as my/our Proxy to vote for me/our behalf at the at the Annual General Meeting of the Company to be held on Thursday, the 29th September, 2011.

Signed the _____ day of _____ 2011

Signature _____



* Applicable for members holding shares in dematerialised form.

- 1. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of meeting.

POLYLINK POLYMERES (INDIA) LIMITED

Registered Office : 229-230, Village - Valthera, Taluka - Dholka, Dist. : Ahmedabad - 387 810

ATTENDANCE SLIP

Full name of the Member attending : _____

Name of Proxy : _____

I hereby record my presence at the Annual General Meeting being held at the Registered Office of the Company on Thursday, the 29th September, 2011.

Regd. Folio No. _____

DP Id* _____

Client Id* _____

No. of Share held _____

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)

* Applicable for members holding shares in dematerialised form.

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

BOOK - POST

If undelivered, please return to

POLYLINK POLYMERS (INDIA) LIMITED

229-230, Village - Valthera,

Taluka - Dholka,

Dist.: Ahmedabad - 387810