

14th Annual Report
2009-10



Healthy Generation
Healthy Nation

THE BRANDS

ASTRAL
FLOWGUARD[™]
PIPE & FITTINGS

ASTRAL
CORZAN[™]
INDUSTRIAL PIPING SYSTEMS

FLOWGUARD[™]
BENDABLE
COMPOSITE PIPE

ASTRAL
BlazeMaster[®]
FIRE SPRINKLER SYSTEMS

ASTRAL
Aquarius[®]
STANDARDS REDEFINED
uPVC PLUMBING SYSTEM FOR OUTER LOOP LINES

ASTRAL
Aquatek[®]
HIGH IMPACT ABS PIPING SYSTEMS

ASTRAL
UNDERGROUND[®]
DRAINAGE SYSTEMS

ASTRAL
DWV[™]
DRAIN WASTE & VENT
LEAK PROOF SYSTEM

ASTRAL
Foamcore[™]
PVC PIPE
FOR DWV & UNDERGROUND SYSTEMS

ASTRAL
ULTRADRAIN[™]
CONVENTIONAL SYSTEM

ASTRAL
AquaSAFE[™]



INTERNATIONAL BUSINESS TIE - UPS

HARVEL[®]

wavin

IPEX

IPS

Lubrizol

SIMONA[®]

SPS

tyco
Euratech (Malaysia) Sdn. Bhd.
Tyco Pipe Systems

THE VISION



Astral shall contribute significantly to building new India and become India's most valuable plastic company.

THE CORE TEAM



Standing left to right
M. M. Vakil
President

Sandeep P. Engineer
Managing Director

Hiranand Savlani
CFO

Key Highlights

(Rs. In Lacs)

Particulars	2005-06	2006-07	2007-08	2008-09	2009-10
Capacity (In M.T.)	4,000	9,074	11,800	25,968	30,867
Utilisation (In M.T.)	2,417	5,090	6,895	11,164	19,411
Sales	5,606.01	10,169.75	14,452.80	20,524.90	30,452.36
Less : Excise Duty	440.63	477.97	871.28	1,198.72	1,433.56
Net Sales	5,165.38	9,691.79	13,581.52	19,326.19	29,018.80
Other Income	21.06	57.43	352.26	542.69	223.63
Total Income	5,186.44	9,749.21	13,933.78	19,868.87	29,242.43
Operating Profit (PBIDT)	789.08	1,397.53	2,421.64	3,507.88	4,418.24
Interest	125.74	188.37	268.67	531.19	484.21
Gross Profit	663.34	1,209.16	2,152.97	2,976.69	3,934.04
Depreciation	137.32	220.24	326.06	617.49	860.43
Profit Before Tax & Exceptional Items	526.01	988.92	1,826.91	2,359.20	3,073.60
Exceptional Items (Exchange Gain/(Loss))	(31.24)	87.09	115.63	(733.67)	299.18
Profit Before Tax	494.77	1,076.02	1,942.53	1,625.53	3,372.78
Tax	93.04	164.99	234.49	165.02	557.34
Profit After Tax	401.72	911.03	1,708.05	1,460.51	2,815.45
Prior Year Adjustments	(0.05)	-	1.13	41.45	12.64
Net Profit	401.77	911.03	1,706.92	1,419.07	2,802.81
Paid Up Equity Capital	907.72	1,123.81	1,123.81	1,123.81	1,123.81
Reserve and Surplus *	699.70	5,169.78	6,740.85	8,028.46	10,568.78
Shareholders' Funds	1,607.42	6,293.59	7,864.65	9,152.26	11,692.59
Loans	1,779.63	2,447.63	3,215.52	3,903.35	4,040.06
Deferred Tax Liability (Net)	135.28	169.00	169.00	169.00	169.00
Capital Employed **	3,515.11	9,143.99	9,533.52	12,623.50	15,286.11
Gross Fixed Assets	2,640.49	3,646.72	5,008.53	9,372.32	11,121.16
Capital Work In Progress	7.55	107.26	1,715.76	601.15	615.54
Net Fixed Assets ***	2,171.36	2,957.48	3,993.24	7,763.31	8,662.67
Net Current Assets	1,343.42	5,845.41	5,540.12	4,854.92	6,618.17
Book Value (Rs.)	90.72	80.81	69.98	81.44	104.04
Earning Per Equity Share (Rs.)	22.33	11.70	15.19	12.63	24.94
Cash Earning Per Equity Share (Rs.)	30.08	14.53	18.09	18.12	32.60
Dividend (%)	-	-	10%	10%	20%
ROACE % (PBIT/Average Capital Employed)	24.51	18.60	22.44	26.09	25.50
PBIDT/Average Capital Employed	29.67	22.08	25.93	31.66	31.66
ROANW(%) (PAT/Average Net Worth)	35.09	23.06	24.11	16.68	26.89
Debt : Equity (Long Term Debt/Total Net Worth)	0.59	0.21	0.22	0.42	0.31
Debt : Equity (Total Debt/Total Net Worth)	1.11	0.39	0.41	0.43	0.35

* Excluding Revaluation Reserves and reducing miscellaneous expenditure.

** Excluding Revaluation Reserves, Miscellaneous Expenditure and Capital Work in Progress.

*** Excluding Revaluation Reserves and Capital Work in Progress.

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COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. K.R. Shenoy	Chairman (Independent Director)
	Mr. Sandeep P. Engineer	Managing Director
	Mrs. Jagruti S. Engineer	Executive Director
	Mr. Pradip N. Desai	Independent Director
	Mr. Nimish G. Dalal	Non Executive Director
	Mr. Kyle A. Thompson	Non Executive Director

PRESIDENT Mr. M. M. Vakil

COMPANY SECRETARY Mr. Nirav K. Shah

CHIEF FINANCIAL OFFICER Mr. Hiranand A. Savlani

AUDITORS Deloitte Haskins & Sells
Chartered Accountants
'Heritage', 3rd Floor,
Near Gujarat Vidhyapith, Off Ashram Road,
Ahmedabad-380 014.

OUR BANKERS Corporation Bank
Industrial Finance Branch, Ashram Road, Ahmedabad.

Standard Chartered Bank
Abhijeet- II, Mithakhali Six Road, Ahmedabad.

IDBI Bank
Nr. Lal Bungalow, Ahmedabad.

REGISTERED OFFICE 901, Parshwa Towers, Opp. Rajpath Club,
Sarkhej- Gandhinagar Highway,
Ahmedabad-380 054, Gujarat, India.

FACTORY (GUJARAT UNIT) Plot No. 1253 & 1264, Village: Santej, Taluka : Kalol,
Dist: Gandhinagar,
Gujarat, India.

FACTORY (HIMACHAL UNIT) Khasra No. # 67-72, Village : Bated,
P.O. : Barotiwala, Dist.: Solan,
Tehsil: Kasauli,
Himachal Pradesh, India.

REGISTRAR & SHARE
TRANSFER AGENTS Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai – 400 072.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 14th Annual Report of the Company together with the audited statements of accounts for the year ended on March 31, 2010.

1. FINANCIAL HIGHLIGHTS

The standalone financial results for the year are as follows:

(Rs. In Lacs)

Particulars	Financial Year	
	2009-10	2008-09
Net Sales/Income from Operations	29,018.80	19,326.18
Other Operating Income	80.40	121.86
Total Income	29,099.20	19,448.04
Total Expenditure	24,824.19	16,360.98
Profit Before Depreciation, Interest, Tax & Exceptional Items	4,275.01	3,087.06
Interest	484.21	531.19
Depreciation	860.43	617.49
Profit Before Exceptional Items	2,930.37	1,938.38
Other Non Operating (Income) Expenses / Exceptional Items	(442.41)	312.85
Profit Before Tax	3,372.78	1,625.53
Provision for Taxation	569.98	206.48
Net Profit for the year	2,802.80	1,419.05

2. DIVIDEND

Your Directors are pleased to recommend a final dividend of Re 1/- per share for the year 2009-2010 in addition to the Interim Dividend of Re 1/- per share, if approved by the shareholders at the Annual General Meeting. The dividend will absorb Rs. 112.38 Lacs in addition to the Interim Dividend of Rs. 112.38 Lacs paid during the year and the Dividend Distribution Tax payable by the Company will amount to Rs. 18.66 Lacs in addition to the Tax of Rs. 19.10 Lacs already paid on Interim Dividend.

3. FINANCIAL AND OPERATIONAL REVIEW

Continuing its growth momentum, your Company, during the year under review, has crossed a land mark figure of Rs. 300 Crores in Sales (Gross). Net sales amounted to Rs. 290.19 Crores compared to Rs. 193.26 Crores in the previous year recording a growth of 50%. The EBITA has increased by 38% from Rs. 30.87 Crores to Rs. 42.75 Crores and Net Profit has increased by 98% from Rs. 14.19 Crores to Rs. 28.03 Crores. Export Sales of your Company also increased from Rs. 379.95 Lacs to Rs. 544.40 Lacs recording a rise of 43.28%.

4. PROJECT IMPLEMENTATION AND PERFORMANCE REVIEW

We are pleased to inform you that in the year 2008-09, your Company increased its installed capacity by 120% from 11,800 M.T. to 25,968 M.T. Your Company has utilized the capacity to the extent of 19,411 M.T. during the year 2009-10 with a utilization rate of 75%. Further, looking to the growth of the Indian economy, particularly in the segment in which your Company operates, your Directors feel that the industry offers good potential for growth and hence decided to further increase the capacity from 25,968 M.T. to 30,867 M.T. during the year. Your Company is planning to further increase its installed capacity during the year 2010-11.

Various products launched by the Company during the last year, such as SWR Pipes, Underground Drainage Pipes, Foam Core Pipes etc. are getting very good response from the local markets. Your Company is planning to launch these products on PAN INDIA basis during the current year 2010-11. Further during the current year, your Company completed the trials of Manholes and Inspection Chambers which will be shortly launched in the Indian Market. Your Company expects a good market for these new products.

We are proud to state that as of now, Astral is the only Company in the Indian market whose CPVC products

are approved by the NSF, signifying the commitment of your Company to maintain the superior quality of its products and its unique brand image.

5. CREDIT RATING

Your Company has secured the following Credit Ratings for various Bank facilities aggregating to Rs. 100 Crores. :

Sr. No.	Facility	Rating
1.	Cash Credit Limit	A-/ Stable
2.	Long Term Loan	A-/ Stable
3.	Proposed Long Term Bank Facility	A-/ Stable
4.	Letter of Credit	P2+
5.	Bank Guarantee	P2+
6.	Proposed Short Term Bank Loan Facility	P2+

6. ADDITIONAL INVESTMENT IN JOINT VENTURE

Your Directors are pleased to inform you that during the year, your Company has increased its stake in ASTRAL TECHNOLOGIES LIMITED - KENYA from 26% to 31.90%. Accordingly, your Company has made additional investment of Rs. 71.01 Lacs by way of investment in equity and unsecured loan in the Joint Venture Company. The JV Company has already placed orders for machineries which are expected to arrive in the month of June, 2010 and it will start commercial production by August 2010. Till then, the Company will import pipes and fittings for trading from Astral Poly Technik Limited, India. After commencing production in Nairobi, it will import only the fittings and also the various pipes which it will not manufacture in its plant. We are quite sure that once the production in Nairobi picks up, the volume growth will increase substantially, as the products will become relatively cheap due to lower import duty and logistic cost.

7. SUBSIDIARY COMPANY

Astral Biochem Private Limited is a wholly owned subsidiary of your Company. The subsidiary Company has already acquired land admeasuring 67,796 Square Mtrs at GIDC-Dahej Dist: Bharuch and is looking forward to setting up a suitable project during the coming years. During the year, there was no activity in the subsidiary Company.

8. CONSOLIDATED FINANCIAL STATEMENT

The shareholders may refer to the statement under Section 212 of the Companies Act, 1956 and information on the financial statements of subsidiary Company appended to the above Statement under Section 212 of the Companies Act, 1956 in this Annual Report, for further information on the subsidiary.

The consolidated financial statements, in terms of Clause 32 of the Listing Agreement and in terms of Accounting Standard 21 issued by the Institute of Chartered Accountants of India (ICAI) also form part of this Annual Report.

9. MANAGEMENT DISCUSSIONS AND ANALYSIS STATEMENT

Management Discussion and Analysis Report which is required under the Listing Agreement with the Stock Exchange is given in Annexure – D to the Directors' Report.

10. CORPORATE GOVERNANCE

A separate report on Corporate Governance, along with Auditors' Certificate relating thereto is given in Annexure – C to the Directors' Report.

11. INSURANCE

The fixed assets and stocks of the Company are adequately insured.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed ;
- (ii) the directors have selected such accounting policies and have applied them consistently and have made

judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The annual accounts have been prepared on a going concern basis.

13. DIRECTORS

Mr. K.R. Shenoy and Mr. Pradip N. Desai are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The requisite particulars in respect of directors seeking reappointment are given in Annexure C to the Directors' Report.

14. AUDITORS

M/s. Deloitte Haskins & Sells, the Statutory Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The retiring Auditors have furnished a certificate of their eligibility for re-appointment under section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue.

15. PARTICULARS OF EMPLOYEES

The list of Employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is provided in Annexure- A to the Directors' Report.

16. DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of Section 217(1)(e) with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in the Annexure-B to the Report.

17. ACKNOWLEDGMENTS

Your Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinted efforts of the employees have enabled your Company to remain at the forefront of the industry. The Directors place on record their sincere appreciation for significant contributions made by the employees through their dedication, hard work and commitment towards the success and growth of the Company. The Directors wish to thank Specialty Process LLC., U.S.A. for the technical and financial support extended to the Company throughout the year. The Management would like to express its deep appreciation for the support extended by Corporation Bank, Standard Chartered Bank, IDBI Bank and other agencies working with the Company.

For Astral Poly Technik Limited

For Astral Poly Technik Limited

Sandeep P. Engineer
Managing Director

Pradip N. Desai
Director

Place: Ahmedabad
Date: May 21, 2010

Annexures to Directors' Report

ANNEXURE - A

Statement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 2010

Sr. No.	Name	Age	Qualification	Date of Commencement of Employment	Designation/ Nature of Duties	Experience in Years	Remuneration (Rs.)	Last Employment held with Designation
1	2	3	4	5	6	7	8	9
(A) Employed throughout the year and was in receipt of remuneration which in the aggregate was not less than Rs. 24,00,000/- p.a.								
1.	*Mr. Sandeep P. Engineer	49	B.E.(Chem.)	25.03.1996	Managing Director	26	40,50,000/-	N.A.
2.	Mr. Mayur M. Vakil	53	PGDBM & PGDMM	08.03.2004	President-In-charge of production and marketing of the Company	31	30,57,068/-	Vice President-Supreme Industries Ltd.
(B) Employed for a part of the year and was in receipt of remuneration which in the aggregate was not less than Rs. 2,00,000/- p.m.								
----- Nil -----								

* Promoter of the Company

Notes :

- The remuneration received include salary and other allowances.
- Mr. Sandeep P. Engineer holds 17,37,724 equity shares, which constitutes 15.46% of the paid up capital of the Company.
- Mr. Mayur M. Vakil holds 62,999 equity shares, which constitutes 0.56% of the paid up capital of the Company.

ANNEXURE - B

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

Information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is set out hereunder.

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measure Taken:

Energy conservation continues to be the key focus area of our Company. The Company is making continuous effort for energy conservation. Effective measures have been taken to monitor consumption of energy during the process of manufacture.

(b) Additional investment and proposal for reduction of consumption of energy : NIL

(c) Impact of the above measures:

The impact of the measures taken has been positive.

(d) Total energy consumption and energy consumption per unit of production:

A. Power & Fuel Consumption		31.3.2010	31.3.2009
1. (a) Electricity			
(i) Purchase Unit		1,24,88,077	81,40,635
(ii) Total Amount (Rs.)		6,66,17,883	4,28,53,368
(iii) Rate/ Unit (Rs.)		5.33	5.26
(b) Own Generation			
(i) Through Diesel Generation (kWh)- LDO (Liter)		94,400	74,200
Total Amount (Rs.)		33,24,846	26,55,030
Average Rate (Rs. / Liter)		35.22	35.78
(ii) Through Steam Turbine Generator Unit		Nil	Nil
Unit per Ltr. of fuel			
Oil/Gas cost per Unit			
2. Coal and Lignite		Nil	Nil
(i) Quantity (Tones)			
(ii) Total cost (Rs.)			
(iii) Average Rate (Rs. / Tones)			
3. Furnace Oil		Nil	Nil
(i) Quantity (Liter)			
(ii) Total Cost (Rs.)			
(iii) Average Rate (Rs. / Liter)			
4. Other/Internal Generation		Nil	Nil

B. Consumption Per Unit of Production	Standard	31.3.2010	31.3.2009
1. Electricity (KWH) (Total production during the year was M.T. previous year)	There are many sizes of pipes and fittings hence it is practically not possible to standardise	-	-
2. Furnace Oil (Liter)	Nil	-	-
3. Coal Lignite	Nil	-	-
4. Other	Nil	-	-

B. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION

Research & Development (R & D):

1. Specific areas in which R & D was carried out by your Company

Your Company has emphasized on quality maintenance and product enhancement. Last year, your Company had applied to National Sanitation Foundation (NSF), the world renowned Institute of USA for certification of its products and plant and we are happy to inform you that your Company has received the approvals from NSF. We are proud to say that your Company is the only Company in the country which has manufacturing plant approved by NSF.

Last year, your Company also applied for certification of its Blazemaster Fire Sprinkler System i.e. Pipes, to UL (Underwriter Laboratories – USA) for testing and your Company is happy to inform you that UL has already approved the product. Your Company is now waiting for the BIS (Bureau of Indian Standards) approval and once it is received, your Company will start the commercial production.

2. Benefits derived as a result of the above R & D

Your Company's efforts in quality maintenance and product enhancement have resulted in development of products which provide better quality at a lower cost of production. Further your Company will be eligible for Export of the said approved products to the USA market.

3. Future plan of action

Your Company shall continue to exercise utmost care in maintaining the quality of its products and shall endeavor to upgrade the products and their range.

4. Expenditure on R & D

Your Company is regularly incurring R & D expenses. During the year under review, your Company has spent Rs. 43.11 Lacs on R & D expenses and Rs. 40.55 Lacs on equipment purchased for R & D is shown under the head of Plant & Machineries and Laboratory Equipment. The said expenditures are tabled below:

(Rs. in Lacs)	
Expenditure on R & D	2009-10
(a) Capital Expenses	40.55
(b) Revenue Expenses	43.11
Total (a+b)	83.66
(c) Total R & D expenditure as a percentage of turnover	0.29 %

Technology Absorption, Adaptation and Innovation:

Your Company is using the latest technology of Extrusion Machine imported from Theysohn Extrusionstechnik GmbH, Austria and Ferrometrik Milacron India Limited for Injection Molding.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange Used and Earned

(Rs. in Lacs)

Particulars	31.3.2010	31.3.2009
(a) Total Foreign Exchange Used	8,617.63	9,444.76
(b) Total Foreign Exchange Earned	544.40	359.21

For Astral Poly Technik Limited

For Astral Poly Technik Limited

Sandeep P. Engineer
Managing Director

Pradip N. Desai
Director

Place: Ahmedabad
Date: May 21, 2010

ANNEXURE - C

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

1. CORPORATE GOVERNANCE PHILOSOPHY

Your Company believes in adopting the best corporate governance practices, based on the following principles in order to maintain transparency, accountability and ethics:

- Recognition of the respective roles and responsibilities of the management;
- Independent verification and assured integrity of financial reporting;
- Protection of shareholders' right and priority for investor relations; and
- Timely and accurate disclosure on all material matters concerning operations and performance of your Company.

Keeping the above in mind, your Company is fully committed to conduct its affairs in a fair and transparent manner and to enhance shareholder value while complying with the applicable rules and regulations. We are in compliance with all the requirements of the Corporate Governance Code, enshrined in Clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS

Composition

The Board of your Company consists of 6(six) Directors as on March, 31, 2010, out of which 2(two) are Executive Directors and 4(four) are Non-executive Directors. The Chairman of the Board is Non-Executive Independent Director and 1/3 of the Board is independent. The Composition of the Board is in compliance with the requirements of Clause 49 of the Listing Agreement with the stock exchanges. All the Directors have certified to us that they are not members of more than 10(ten) committees and do not act as Chairman of more than 5(five) committees across all the companies in which they are Directors.

The composition of the Board of Directors as on March 31, 2010 is as follows:

Name of the Director	Category	Total No. of Directorship	Total No. of Membership of the Committees of Board		Total No. of Chairmanship of the Committees of Board	
			Membership in Audit/Investor grievance Committee	Membership in other Committees	Chairmanship in Audit/Investor grievance Committee	Chairmanship in other Committees
Mr. K. R. Shenoy	Independent Chairman	1	-	-	2	-
Mr. Sandeep P. Engineer	Managing Director	4	2	-	-	-
Mrs. Jagruti S. Engineer	Executive Director	4	-	-	-	-
Mr. Nimish G. Dalal	Non Executive Director	1	-	-	-	-
Mr. Kyle A. Thompson	Non Executive Director	1	-	-	-	-
Mr. Pradip N. Desai	Independent Director	3	2	-	-	-

Notes:

1. While considering the total number of directorships, directorships in private companies and Section 25 companies have also been included. Further memberships in various Committees include all Committees whether mandatory in terms of Listing Agreement or otherwise.

Details of Board Meetings held during the financial year 2009-10

During the financial year 2009-10, the Board of Directors of your Company met 5 (Five) times on 28/05/2009, 07/07/2009, 27/07/2009, 13/10/2009 and 19/01/2010.

Dates of Board Meetings and Attendance at the Board Meetings and the last Annual General Meeting

The Board of Directors met 5(Five) times in the financial year 2009-10 and the Details of attendance of each Director at Board Meetings held in financial year 2009-10 and the last Annual General Meeting is as under:

Name of Director	Dates of Board Meetings and Attendance of each director at Board Meeting						Attendance at the last AGM held on July 27, 2009
	28.05.2009	07.07.2009	27.07.2009	13.10.2009	19.01.2010	Total No. of Board Meetings Attended	
Mr. K. R. Shenoy	Yes	No	Yes	Yes	Yes	4	Yes
Mr. Sandeep P. Engineer	Yes	Yes	Yes	Yes	Yes	5	Yes
Mrs. Jagruti S. Engineer	Yes	No	Yes	Yes	Yes	4	Yes
Mr. Nimish G. Dalal	No	Yes	No	No	No	1	No
Mr. Kyle A. Thompson	No	Yes	No	No	No	1	No
Mr. Pradip N. Desai	Yes	No	Yes	Yes	Yes	4	No

Code of Conduct for Board & Senior Management Personnel

Your Company adopted a Code of Conduct for Board Members & Senior Management Personnel and the declaration from the Managing Director stating that all the Directors and the Senior Management Personnel of the your Company have affirmed compliance with the code of conduct has been included in this report. The Code has been posted on your Company's website www.astralcpvc.com.

Profile of Directors seeking appointment / re-appointment

(a) Mr. K. R. Shenoy

Aged 67 years, is an M.Sc. (Statistics) from Mumbai University. He possesses experience of 37 years in the banking sector. He was the Chairman and CEO of the Lakshmi Vilas Bank Limited, Karur, Tamil Nadu till 2002. He has also served in various positions and retired as an Executive Director of Corporation Bank in 1997. He has also served in the RBI during the period 1965-1973 as a Statistical Assistant (3 Years) and Staff Officer Grade-A (5 Years). Presently he is a Director of an NGO in Bangalore and a member of Executive Committee of Bhartiya Vidya Bhavan, Mangalore.

(b) Mr. Pradip N. Desai

Aged 59 years, is a B.Sc (Physics) from Gujarat University. He started his career by setting up his sole proprietorship firm, which was a manufacturing unit of PVC conduit pipes and pressure pipes, which was operational for seven years. He was the Secretary and President of the Paper Merchants' Association, Ahmedabad for six years, a Committee Member of the Gujarat Chamber of Commerce for ten years and the Vice President of All India Federation of Paper Traders' Association. He is also the Director of N.Desai Papers Private Limited, which is distribution Company to distribute paper manufactured by Ballarpur Paper Mills Limited.

3. COMMITTEES OF BOARD

(I) AUDIT COMMITTEE

Terms of Reference

The terms of reference of the Audit Committee include the following as has been mandated in Clause 49 of Listing Agreement and Section 292A of Companies Act, 1956:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Appointment, removal and terms of remuneration of Internal Auditors.

- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
 2. Changes, if any, in accounting policies and practices and reasons for the same;
 3. Major accounting entries involving estimates based on the exercise of judgment by management;
 4. Significant adjustments made in the financial statements arising out of audit findings;
 5. Compliance with listing and other legal requirements relating to the financial statements;
 6. Disclosure of any related party transactions; and
 7. Qualifications in the draft audit report.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Monitoring the use of the proceeds of the initial public offering of the Company.
- Reviewing with the Management, performance of Statutory and Internal Auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing internal audit reports in relation to internal control weaknesses.
- Reviewing management letters / letters of internal weaknesses issued by the statutory auditors.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors, before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

The Chief Financial Officer and the representatives of the Statutory Auditors and Internal Auditors were invited to attend the meetings of the audit committee from time to time.

Composition, meetings and attendance

The Audit Committee of your Company has been constituted as per the requirements of Clause 49 of listing agreement. The Chairman of the Audit Committee is an Independent Director and Two-thirds of the members of the Audit Committee are Independent Directors. During the financial year 2009- 10, the Audit Committee met 4 (four) times on 28/05/2009, 27/07/2009, 13/10/2009 and 19/01/2010.

The composition of the audit committee as on March 31, 2010 and the attendance of the members in the meetings held during the financial year 2009-10 are as follows:

Name of the Member	Designation	No. of meetings attended
Mr. K. R. Shenoy	Chairman	4
Mr. Sandeep P. Engineer	Member	4
Mr. Pradip N. Desai	Member	4

The Company Secretary of the Company acted as the Secretary to the Audit Committee.

(II) INVESTORS' GRIEVANCE COMMITTEE

Terms of Reference

The terms of reference of the Investors' Grievance Committee are to supervise and ensures the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
3. Issue of duplicate / split / consolidated share certificates;
4. Allotment of shares;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

Composition, Meetings and Attendance

The Investors' Grievance Committee of your Company consists of 3 (three) directors. The Chairman of the Investors' Grievance Committee is Non-Executive Independent Director. During the Financial year 2009-2010 Investors' Grievance Committee met 4 (four) times on 28/05/2009, 27/07/2009, 13/10/2009 and 19/01/2010.

The composition of the Investors' Grievance Committee as on March 31, 2010 and attendance of the members in the meetings held during the financial year 2009-10 are as follows :

Name of the Member	Designation	No. of meetings attended
Mr. K. R. Shenoy	Chairman	4
Mr. Sandeep P. Engineer	Member	4
Mr. Pradip N. Desai	Member	4

Name and designation of Compliance Officer

Mr. Nirav K. Shah, Company Secretary is the Compliance Officer of the Company.

Status of Investors' complaints

The status of investors complaints as on March 31, 2010 is as follows :

Number of complaints as on April 01, 2009	NIL
Number of complaints received during the year ended on March 31, 2010	8
Number of complaints resolved up to March 31, 2010	8
Number of complaints pending as on March 31, 2010	NIL

The complaints received were mainly in the nature of non-receipt of Annual Report and Revalidation of expired dividend warrants. None of the complaints were pending for a period of more than one month.

There were no pending requests for transfer of shares of the Company as on March 31, 2010.

4. GENERAL BODY MEETINGS

The details of last three Annual General Meetings of the Company are as follows:

Financial Year	Date Time Venue
2008-2009	July 27, 2009 at 11.00 a.m. at the Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad
2007-2008	June 19, 2008 at 11.00 a.m. at the Rajpath Banquet Hall, Rajpath Club, S.G.Highway, Ahmedabad
2006-2007	July 9, 2007 at 11.00 a.m. at the Rajpath Banquet Hall, Rajpath Club, S.G.Highway, Ahmedabad

Details of special resolutions passed

Details of the special resolutions passed in last three Annual General Meetings are as follows:

Financial year	Particulars of Special Resolutions passed
2008-2009	NIL
2007-2008	NIL
2006-2007	NIL

The Company was not required to pass any resolution by means of Postal ballot during the financial year 2009-2010.

No special resolution is proposed to be conducted through postal ballot at the ensuing Annual General Meeting of the Company.

No Extra Ordinary General Meeting was held during the financial year 2009-2010.

5. DISCLOSURES

(a) Disclosure on materially significant related party transactions

There were some related party transactions during the financial year 2009-10 and the same do not have potential conflict with the interest of the Company at large. The details of related party transactions as per Accounting Standard – 18 are included in the notes to the accounts of Auditors Report.

(b) Details of non-compliance with regard to capital market

The equity shares of the Company got listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) with effect from March 20, 2007. The Company has complied with all the requirements of listing agreement as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). The Company has complied with Clause 38 of the listing agreement with respect to payment of listing fees to the Exchanges and Annual Custodial Fees to the Depositories for the year 2010-11.

There were no penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to Capital Markets, during last year.

(c) Disclosure of accounting treatment

There is no deviation in complying the treatments prescribed in any Accounting Standard in preparation of financial statements for the year 2009-10.

(d) Board disclosures – risk management

The Board members of the Company have been appraised about the risk assessment and minimization procedures intended to be adopted. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimization procedures are under progress and the Board members are periodically informed of the status.

(e) Details of remuneration and pecuniary benefits to the Directors

(Rs. In Lacs)

Name of the Director	Salary	Perquisites	Sitting Fees	Others	Total
Mr. K. R. Shenoy	1.00	-	-	-	1.00
Mr. Sandeep P. Engineer	40.50	-	-	-	40.50
Mrs. Jagruti S. Engineer	9.00	-	-	-	9.00
Mr. Nimish G. Dalal	-	-	-	-	-
Mr. Kyle A. Thompson	-	-	-	-	-
Mr. Pradip N. Desai	-	-	-	-	-
TOTAL	50.50	-	-	-	50.50

Notes:

1. There are no pecuniary relationships or transactions of the non-executive directors vis-à-vis Company as mentioned above.
2. Mr. Sandeep P. Engineer was appointed as Managing Director on revised terms w.e.f. February 1, 2009 at the Board Meeting of the Company held on January 28, 2009 for a period of three years and the same was confirmed by the members at the Annual General Meeting held on July 27, 2009.
3. Mrs. Jagruti S. Engineer was appointed as Executive Director w.e.f. September 1, 2006 for five years at the Annual General Meeting of the Company held on August 10, 2006.
4. The shareholding of Directors as on March 31, 2010 is as under:

Details of Shareholding of Directors

Sr. No.	Name of Director	Shareholding	%
1.	Mr. K. R. Shenoy	Nil	Nil
2.	Mr. Sandeep P. Engineer	17,37,724	15.46
3.	Mrs. Jagruti S. Engineer	9,14,341	8.14
4.	Mr. Nimish G. Dalal	6,29,417	5.60
5.	Mr. Kyle A. Thompson	Nil	Nil
6.	Mr. Pradip N. Desai	38,571	0.34

(f) Certification from CEO and CFO

The requisite certification from the Managing Director and Chief Financial Officer required to be given under Clause 49 (V) has been placed before the Board of Directors of the Company and is being reproduced hereunder for your reference.

CEO and CFO Certification

The Board of Directors
Astral Poly Technik Limited

We, Mr. Sandeep P. Engineer, Managing Director and Mr. Hiranand Savlani, Chief Financial Officer of the Company hereby certify that:

- (a) We have reviewed the financial Statement and the cash flow statement for the year 2009-2010 and that to the best of our knowledge and belief:
 - (i) these statements does not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are , to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein , if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For, Astral Poly Technik Limited

Sandeep P. Engineer
Managing Director

Place : Ahmedabad
Date : May 21, 2010

For, Astral Poly Technik Limited

Hiranand Savlani
Chief Financial Officer

Place : Ahmedabad
Date : May 21, 2010

- g) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the listing agreement

The Company has complied with all the mandatory requirements as mandated under Clause 49 of listing agreement. A certificate from the Statutory Auditors of the Company to this effect has been included in this report.

- (h) Whistle blower policy
The Company does not have a whistle blower policy.

6. MEANS OF COMMUNICATION TO SHAREHOLDERS

- (a) Quarterly / Annual results
The quarterly / annual results and notices as required under Clause 41 of the listing agreement are normally published in the Leading Daily New Papers in English & Local Language i.e. Gujarati editions.
- (b) Posting of information on the website of the Company
The annual / quarterly results of the Company, Shareholding pattern, Code of conduct for Board and senior management and the official news releases are posted on its website www.astralcpvc.com.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is provided as Annexure - D to the Directors' Report.

8. GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting (Proposed): Fourteenth Annual General Meeting :

Day and date	Monday, August 9, 2010
Time	11.00 a.m.
Venue	The Karnavati Banquet Hall, Karnavati Club, S. G. Highway, Ahmedabad - 380058.

(b) Financial Year 2010-2011 (tentative schedule) :

Financial year	April 1 to March 31
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(c) Board meetings for approval of quarterly results :

Quarter	Tentative Date of Announcement of Board Meeting [F.Y.: 2010-2011]
Ist Quarter Results	August 14, 2010
II nd Quarter Results	November 14, 2010
III rd Quarter Results	February 14, 2011
IV th Quarter Results	May 15, 2011

Annual results for financial year ended

March 31, 2011 (Audited) : Within 6 months of the close of financial year.

Annual general meeting for the year 2010-11 : In accordance with Section 166 of
Companies Act, 1956.

(d) Book Closure date :

The Share Transfer book and Register of Members will remain closed from July 30, 2010 to August 9, 2010 (Both days inclusive)

(e) Dividend Payment date :

The Dividend for the year ended March 31, 2010 will be paid to the members whose names will appear on the Register of Members of the Company at the end of Business Hours on August 9, 2010.

(f) Listing on Stock Exchanges :

The equity shares of the Company are listed on the following stock exchanges in India since March 20, 2007:

1.	The Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.
2.	National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

The Company has paid Annual Listing fees to the above Stock Exchanges for the Current financial year 2010-2011.

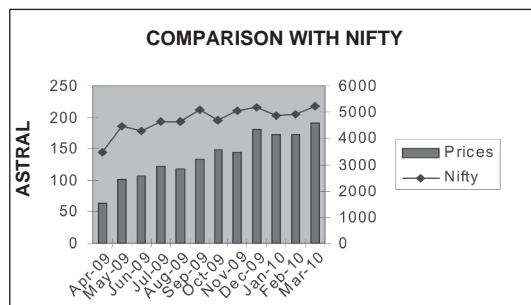
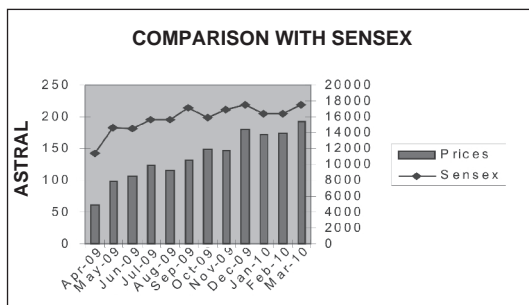
(g) Stock code :

The Bombay Stock Exchange Limited (BSE)	532830
The National Stock Exchange of India Limited (NSE)	ASTRAL
International Security Identification Number (ISIN) for Equity Shares held in Demat form with NSDL and CDSL	INE006I01012

(h) Stock Market data :

(In Rs.)

MONTH	BSE		NSE	
	High	Low	High	Low
APRIL, 2009	68.00	37.75	67.70	36.50
MAY, 2009	98.60	62.75	100.80	61.30
JUNE, 2009	124.00	94.20	123.65	96.00
JULY, 2009	127.20	90.00	127.15	91.50
AUGUST, 2009	123.95	107.00	125.05	107.00
SEPTEMBER, 2009	144.80	114.00	144.85	111.25
OCTOBER, 2009	149.80	126.10	149.80	127.00
NOVEMBER, 2009	163.95	139.70	174.95	137.65
DECEMBER, 2009	190.00	143.25	189.90	141.10
JANUARY, 2010	198.00	156.00	197.40	168.00
FEBRUARY, 2010	205.80	168.00	205.90	159.20
MARCH, 2010	205.00	173.25	205.00	171.20



(i) Registrar and Share Transfer Agents:

All the work relating to the share registry for shares held in physical form as well as shares held in electronic form (Demat) are being done at one single point at Bigshare Services Private Limited. The detailed address is as under :

BIGSHARE SERVICES PRIVATE LIMITED

E-2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (E), Mumbai – 400072

Tel: 022-28470652 Fax No. 022-28475207

E-mail : ipo@bigshareonline.com

Website: www.bigshareonline.com

Contact person: Mr. N.V.K. Mohan

(j) Share Transfer System :

The shares of Company are compulsorily traded in dematerialized form. Shares received in physical form are transferred within a period of 30 days from the date of lodgment subject to documents being valid and complete in all respects. The request for dematerialization of shares are also processed by the R&T agent within stipulated period and uploaded with the concerned depositories. In terms of Clause 47(c) of the Listing Agreement, Company Secretary in Practice examines the records and processes of share transfers and issue half yearly certificates which is being sent to the stock exchanges.

(k) Distribution of shareholding :

The distribution of shareholding of the Company as on March 31, 2010 is as follows :

No. of Equity Shares Held	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Capital
Upto 5000	4,616	97.00	13,12,401	11.68
5001-10000	85	1.79	6,31,222	5.61
10001-20000	26	0.55	3,82,104	3.40
20001-30000	9	0.19	2,31,328	2.06
30001-40000	3	0.06	1,12,022	1.00
40001-50000	2	0.04	90,494	0.81
50001-100000	6	0.12	4,34,396	3.86
100001- and above	12	0.25	80,44,089	71.58
Total	4,759	100.00	1,12,38,056	100.00

(l) Shareholding Pattern :

The Shareholding Pattern of the Company as on March 31, 2010 is as follows :

Category	No. of Shares	% of Total Capital
Promoters (including persons acting in concert)	71,71,616	63.82
Foreign Institutional Investors	1,33,051	1.18
Non-resident Indians/Overseas Corporate Bodies	2,37,673	2.11
Mutual Funds, Financial Institutions and Banks	2,01,389	1.79
Private Corporate Bodies	5,95,110	5.30
Resident Indians	28,99,217	25.80
Grand Total	1,12,38,056	100.00

(m) Shares in Suspense Account:

As per Clause 5A of the listing agreement total 50 shares are lying in the Escrow Account maintained by the Registrar in the name of BIGSHARE SERVICES PVT. LTD. - ESCROW ACCOUNT - ASTRAL POLY TECHNIK LTD. - IPO with IDBI Bank having DP ID IN300450 13481768 and voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(n) Dematerialization of shares and liquidity :

As on March 31, 2010, 70.86% of the total Equity Shares are held in dematerialized form with National Securities Depository Ltd [NSDL] and Central Depository Services Limited [CDSL]. The details of which is as under:

Sr. No.	Mode of Holding	No. of Shares	% of Total Capital
1.	NSDL	69,46,499	61.81
2.	CDSL	10,17,238	9.05
3.	Physical	32,74,319	29.14
	TOTAL	1,12,38,056	100.00

(o) GDRs/ADRs/Warrants or Convertible Instruments outstanding as on the date of this report : Nil

(p) Plant Location :

Gujarat Unit	Himachal Pradesh Unit
Plot No. 1253 & 1264, Village: Santej, Taluka: Kalol, Dist: Gandhinagar, Gujarat, India.	Khasra No. #67-72, Village:Bated, P.O. Barotiwala, Dist: Solan, Tehsil: kasauli, Himachal Pradesh.

(q) Address for correspondence :

Shareholders' correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned above.

Shareholders' may also contact Company Secretary at the Registered Office of the Company for any assistance.

Registered and Corporate Office
901, Parshwa Towers, Opp. Rajpath Club,
Sarkhej - Gandhinagar Highway,
Ahmedabad - 380 054, Gujarat, India.
Tel. No. : (079) 30112100, Fax No. : (079) 26872214
Email : info@astralcpvc.com website : www.astralcpvc.com

For Astral Poly Technik Limited

For Astral Poly Technik Limited

Sandeep P. Engineer
Managing Director

Pradip N. Desai
Director

Place: Ahmedabad
Date: May 21, 2010

ANNEXURE - D

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENTS

Industry Structure and Developments

Polymer Industry in India is growing at a very fast rate. India is expected to be the 3rd largest consumer of plastics in the world after USA and China by 2011. The per capita consumption of plastics which is presently very low in India at 6 Kgs a year, is expected to increase to 12 Kgs a year by 2011. This clearly indicates that the future of this segment of industry is very bright.

One of the specific market segments with which your Company is closely connected is "Housing." It has been estimated that the Indian middle class population would increase from 50 million in 2007 to 583 million by 2025. One estimate places the current short fall in dwelling units in the country at 25 million underlining a huge demand for housing in India. Investment in residential and commercial construction in the country has increased phenomenally from US \$ 12 Billion in 2005 to US \$ 60 Billion in 2010. It is further expected to increase to US \$ 90 Billion in 2015. These figures clearly reflect the market potential available in the Housing and Commercial segments. Your Company is well poised to fully exploit this potential to the benefit of all its stake holders.

As India's growth story unfolds with the GDP growth hovering between 9 – 10 % during the next 2 to 3 years (the GDP growth for 2009-2010 is estimated at 8.5%), the plumbing segment is expected to grow at 20% p.a. during this period. It will provide a strong impetus to the efforts of your Company which is a market leader in the CPVC segment, to further penetrate the market with a bouquet of as many as 11 innovative value added products providing one- stop solution in meeting the various plumbing needs of leading builders of the country, many of whom are the existing customers of your Company.

Starting of manufacturing facilities at Nairobi (Joint Venture in Kenya) will help your Company in introducing its products and establishing its Brand in East African territories.

Against the backdrop of the robust growth of the Indian economy and the concomitant growth in the real estate and infrastructure sectors, your Company is confident of maintaining its growth trajectory. This is borne out by the fact that your Company has grown over 50% in top line even on a higher base during the last financial year with a growth of 97% in bottom line. Your Company has been growing at 40% CAGR during the last 7 years.

Opportunities and Threats

When your Company increased the installed capacity in the year 2008-09 from 11,800 M.T. to 25,968 M.T., an increase of 120% it appeared to be a threat to the Company since your Company was implementing a large capex plan during the recession. However, as the economy recovered and came out of recession, your Company was in readiness to meet the increasing demand from the market delivering a top line growth of 50% backed by 75% capacity utilization.

As explained above, the huge shortages in housing persist in the economy and government is supporting in a big way affordable housing. There is also considerable emphasis on infrastructure spending. The growth in commercial construction, malls and SEZ throughout the country offer great opportunity to your Company for development of business. The increased awareness of CPVC products both within and outside the country gives a boost to the replacement demand for various products of your Company. In many old constructions where metallic pipes need to be replaced because of the problems of corrosion, scaling and rusting, CPVC pipes and fittings are used.

The increasing brand consciousness amongst the builders, architects, plumbers and consumers will help the Company to perform better in the years ahead supported by its concerted and continued efforts in brand promotional activities.

The increasing imports of CPVC raw material a derivative of crude and the fluctuations in the exchange rate of foreign currency could affect the profitability of the Company. Volatility in crude prices will also affect the raw material cost of PVC/CPVC resin.

Outlook

A distinct advantage which your Company is enjoying is its presence in different segments of construction and infrastructure industry such as housing, commercial construction, airports, hotels, malls, hospitals etc. With a diversified demand base your Company expects to turn out robust results in the coming years when the economy is expected to grow at the rate of 9 – 10 % p.a.

Your Company continues its endeavors to increase its operational efficiency and its innovativeness by bringing out new value added products in the market thereby building sustainable competitive edge over others. The main thrust of your Company is on product innovation and diversification. All out efforts are made to reduce cost of production, to make the products more competitive in the market. Your Company's strategic alliance with Speciality Process LLC, USA, continues to play a significant role in the growth of your Company.

To be competitive in the market your Company has to focus on reduction of cost of its products and to take maximum advantage of incentives available in the country for units established in the backward areas. With this end in view, your Company is continuously increasing its production at Himachal Pradesh unit which enjoys the benefits of lower Excise Duty, power at concessional tariff and Income Tax.

Your Company is focusing more and more on widening and deepening its distribution channels. Your Company firmly believes that a strong distribution network is a key factor for the success and growth of the Company. Therefore, your Company is continuously strengthening the network of distributors so much so that today, there is not a single state in the country where Astral's distributor is not present. Addition of innovative products under the brand Astral will also enable your Company to have greater market access even with the existing network of distributors.

As a part of its expansion drive your Company has recently purchased land measuring approx. 44,000 Sqr. yards at Dholka. The location is just 40 Km away from the Corporate office of the Company situated at Ahmedabad.

Exports to the neighbouring countries such as Nepal, Bangladesh and Sri Lanka and to the JV partner in Kenya are steadily increasing and once the plant in Kenya becomes operational, exports will increase further.

Your Company is planning to launch two more products in the year 2010-11. The first product is Manholes /Inspection Chambers for which trials have already been completed at the factory. The product is going to be launched in the first quarter. The second product is Blaze Master Fire Sprinkler pipes for which UL approval has already been received. But we are waiting for BIS approval. Once BIS approval is received, the product will be introduced in the market.

Astral is now in a position to provide the complete solution for Plumbing which covers Drinking Water, Sanitation, Waste Water, Rain Water Harvesting, Hot Water and Transportation of Chemicals etc.

Risk and Concerns

Foreign Exchange Risk

Being significantly dependent on imports and loans designated in foreign currency, the Company is exposed to the risk of fluctuation in exchange rate of foreign currency. Appropriate decisions are taken for hedging the exposure from time to time based on the market scenario.

Raw Material Prices

Since significant part of the raw material is imported, any increase in the import price or fluctuation in currency may affect the margins of your Company. Further, the price of raw material is to some extent, linked to International crude price, which may affect the price of raw material. But your Company has been successfully managing this risk for the past several years. Whenever the revision in raw material prices is on the higher side, it is passed on to the customers.

Internal Controls and their adequacy

Your Company has appropriate system of Internal Controls and procedures commensurate with the size of the Company and its nature of business. Independent Internal Auditors continuously review the adequacy and effectiveness of the internal control systems on the on – going operations of the Company, which provides reasonable assurance of adequacy and effectiveness, control, governance and risk management procedures to the Audit Committee. The recommendations of Internal Auditors and the Audit Committee are followed up effectively for implementation.

Financial Performance

An overview of the financial performance is given in the Directors' Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems.

Human Resources

Your Company continues to maintain constructive relationship with its employees with a positive environment so as to improve efficiency. Industrial relations at both the plants were cordial. Your Company places great value on the commitment, competence and vigor shown by its employees in all aspects of business. Your Company confirms its commitment to take initiative to further align its HR policies in order to meet the growing needs of its business.

Your Company has employee focus in the sense that it provides fulfillment, stretch and opportunity for development to its employees at all levels. It is because of the considerable skill and motivation of the employees, that your Company is able to deliver performance satisfaction. Your Board would like to express its sincere appreciation and gratitude to all employees on behalf of the stakeholders of your Company, who benefit from their hard work.

Cautionary Statement

Some of the statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in economic conditions affecting demand, supply and price conditions in the domestic and overseas markets in which the Company operates, change in the Government regulations, tax laws and other statutes or other incidental factors.

The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future

For Astral Poly Technik Limited

For Astral Poly Technik Limited

Sandeep P. Engineer
Managing Director

Pradip N. Desai
Director

Place: Ahmedabad
Date: May 21, 2010

DECLARATION

The Members,
Astral Poly Technik Limited

I, Sandeep P. Engineer, Managing Director of Astral Poly Technik Limited hereby declare that, as of March 31, 2010, all the Board Members and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

For, Astral Poly Technik Limited

Place : Ahmedabad
Date: May 21, 2010

Sandeep P. Engineer
Managing Director

Auditors' Certificate on Corporate Governance

To
The Members,
Astral Poly Technik Limited

We have examined the compliance of the conditions of Corporate Governance by Astral Poly Technik Limited for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Deloitte Haskins and Sells
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : May 21, 2010

(Gaurav J. Shah)
Partner
(Membership No. 35701)

Auditors' Report

To
The Members,
Astral Poly Technik Limited

1. We have audited the attached Balance Sheet of Astral Poly Technik Limited ("the Company") as at 31st March, 2010 the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date both 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 the 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 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows :
 - 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;
 - c. The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.
 - e. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2010;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2010 take on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For Deloitte Haskins and Sells
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : May 21, 2010

(Gaurav J. Shah)
Partner
(Membership No. 35701)

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date)

1. Having regard to the nature of the Company's business/activities/result, clauses (10), (12), (13) and (14) of CARO are not applicable.
2. In respect of its fixed assets :
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
3. In respect of its inventory :
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
4. In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us :
 - (a) The Company has granted loans to three such parties during the year. At the year-end, the outstanding balances of such loans aggregated Rs. 851.07 Lacs and the maximum amount involved during the year was Rs. 851.07 Lacs.
 - (b) The rate of interest, if any, and other terms and conditions of such loans are, in our opinion, *prima facie* not prejudicial to the interests of the Company.
 - (c) The receipts of principal amounts and interest have been as per stipulations.
 - (d) There are no overdue amounts during the year and hence the question of taking reasonable steps for recovery of principal amount and interest does not arise.
 - (e) The Company has not taken any loans, secured or unsecured from any such companies, firms or other parties.
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
6. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us :
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.

- (b) Where each of such transaction is in excess of Rs. 5 Lacs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.
7. According to the information and explanations given to us, the Company has not accepted any deposit from the public.
 8. In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 9. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
 10. According to the information and explanations given to us, in respect of statutory dues :
 - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March 2010 on account of dispute.
 11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions.
 12. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
 13. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
 14. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
 15. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
 16. The Company did not have any outstanding debentures during the year.
 17. The Company has not raised any money by way of public issues during the year.
 18. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins and Sells
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : May 21, 2010

(Gaurav J. Shah)
Partner
(Membership No. 35701)

Balance Sheet As At 31st March, 2010

(Rs. In Lacs)

Particulars	Schedule	As At 31.03.2010	As At 31.03.2009
SOURCES OF FUNDS :			
SHARE HOLDERS' FUNDS			
Share Capital	1	1,123.81	1,123.81
Reserves & Surplus	2	10,689.92	8,149.65
		11,813.73	9,273.46
LOAN FUNDS			
Secured Loans	3	4,040.06	3,894.61
Unsecured Loans	4	-	8.73
DEFERRED TAX LIABILITY (NET) (Refer Note : 17)		169.00	169.00
Total		16,022.79	13,345.80
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	5	11,121.16	9,372.32
Less : Depreciation		2,337.35	1,487.87
Net Block		8,783.81	7,884.45
Capital Work-in-Progress		615.54	601.15
		9,399.35	8,485.60
INVESTMENTS	6	5.27	5.23
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	7	6,972.67	4,953.79
Sundry Debtors	8	6,743.11	4,128.41
Cash and Bank Balances	9	377.40	219.42
Loans and Advances	10	2,588.38	1,888.46
		16,681.56	11,190.08
LESS : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	11	8,336.21	5,190.19
Provisions	12	1,727.18	1,144.97
		10,063.39	6,335.16
NET CURRENT ASSETS		6,618.17	4,854.92
Miscellaneous Expenditure (To the extent not written off or adjusted)		-	0.05
Total		16,022.79	13,345.80
Significant Accounting Policies & Notes on Accounts	22		

As per our report of even date

For and on behalf of the Board

For, Deloitte Haskins & Sells
Chartered Accountants

(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 21, 2010

(Nirav K. Shah)
Company Secretary
Place : Ahmedabad
Date : May 21, 2010

Profit & Loss Account For The Year Ended On 31st March, 2010

(Rs. In Lacs)

Particulars	Schedule	2009-10	2008-09
I N C O M E			
Gross Sales	13	30,452.36	20,524.90
Less : Excise duty		1,433.56	1,198.72
Net Sales		29,018.80	19,326.18
Other Income	14	522.81	542.69
Increase / (Decrease) in Stock	15	1,595.88	853.18
Total		31,137.49	20,722.05
E X P E N D I T U R E			
Materials Consumed	16	21,578.38	14,037.44
Manufacturing Expenses	17	1,507.87	863.67
Personnel Costs	18	875.49	656.19
Administrative Expenses	19	412.22	386.85
Selling and General Expenses	20	2,046.11	2,003.69
Interest and Finance Charges	21	484.21	531.19
Depreciation		860.43	617.49
Total		27,764.71	19,096.52
PROFIT FOR THE YEAR BEFORE TAX		3,372.78	1,625.53
Provision For Tax			
Current Tax		557.06	149.05
Wealth Tax		0.28	0.32
Fringe Benefit Tax		-	15.66
Short provision of income tax in earlier years		12.64	41.45
PROFIT AFTER TAX		2,802.80	1,419.05
Balance of Profit Brought Forward		4,097.78	2,810.21
AMOUNT AVAILABLE FOR APPROPRIATIONS		6,900.58	4,229.26
APPROPRIATIONS			
General Reserve		220.00	-
Dividend			
- Interim		112.38	-
- Proposed Final Dividend		112.38	112.38
Corporate Dividend Tax		37.76	19.10
BALANCE CARRIED TO THE BALANCE SHEET		6,418.05	4,097.78
Earnings Per Share (In Rs.) - Basic & Diluted (Face Value of Rs. 10/- each) (Refer Note : 10)		24.94	12.63
Significant Accounting Policies & Notes on Accounts	22		

As per our report of even date

For and on behalf of the Board

For, Deloitte Haskins & Sells
Chartered Accountants(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 21, 2010(Nirav K. Shah)
Company Secretary
Place : Ahmedabad
Date : May 21, 2010

Cash flow statement for the year ended on 31st March, 2010

(Rs. In Lacs)

Sr. No.	Particulars	2009-10	2008-09
A	Cash flow from Operating Activities		
	Net Profit before tax and Extraordinary items	3,372.78	1,625.53
	Adjustments for :		
	Depreciation	860.43	617.49
	Interest charges paid	484.21	531.19
	Provision for Doubtful debts	34.00	20.00
	Unrealised foreign exchange	(338.23)	126.01
	Loss/(Profit) on sale of fixed assets	4.33	3.61
	Preliminary Expenses written off	0.05	0.05
	Prior Year Adjustments (Net)	(94.55)	(310.03)
	Dividend Income	(0.01)	(0.40)
	Interest Received	(34.92)	(104.30)
	Operating profit before Working Capital Changes	4,288.09	2,509.15
	Adjustments for :		
	(Increase)/Decrease in Inventory	(2,018.89)	(2,304.67)
	Increase in Trade & Other Receivables	(3,280.96)	(1,554.77)
	Increase/(Decrease) in Trade Payables	4,085.13	867.92
	Cash generated from Operations	3,073.37	(482.37)
	Direct Taxes Paid	(521.29)	(174.20)
	Net Cash from Operating Activities	2,552.08	(656.57)
B	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(1,771.21)	(4,414.55)
	Proceeds from the sales of fixed assets	7.08	24.19
	Capital work-in-progress	(14.39)	1,114.60
	Increase/(Decrease) in Loans & Advances	(75.54)	(779.81)
	Interest received	34.92	104.30
	Dividend Income	0.01	0.40
	Increase in Investment in subsidiary and joint venture	(0.04)	(5.16)
	Net Cash used in Investing Activities	(1,819.17)	(3,956.03)
C	Cash flow from Financing Activities		
	Miscellaneous Expenditure incurred for increase in Capital	-	-
	Dividend paid	(262.96)	(131.48)
	Interest	(484.21)	(531.19)
	Net proceeds from Borrowing	172.25	2,906.34
	Net Cash flow from Financing Activities	(574.92)	2,243.67
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	157.99	(2,368.93)
	Cash and Cash Equivalents at the beginning of the year	219.42	2,588.31
	Effect of Foreign Exchange rate changes	(0.01)	0.04
	Cash and Cash Equivalents at the end of the year	377.40	219.42

- Notes: 1. Cash and Cash Equivalents represent Cash and Bank Balances. (refer schedule 9)
2. Fixed Deposits of Rs. 9.70 Lacs are pledged with a bank towards letters of Credit/Bank Guarantees.
3. Cash and Cash Equivalents include Rs. 0.62 Lacs (P.Y. : Rs. 0.23 Lacs) of unpaid dividend not available for use by the Company.
4. The previous year's figures have been regrouped wherever necessary.
5. The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting standard - 3 on cash flow statements issued by the Institute of Chartered Accountants Of India.

As per our report of even date

For and on behalf of the Board

For, Deloitte Haskins & Sells
Chartered Accountants

(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director

(Gaurav J. Shah)
Partner
Membership No.: 35701

(Nirav K. Shah)
Company Secretary

Place : Ahmedabad
Date : May 21, 2010

Place : Ahmedabad
Date : May 21, 2010

Schedules to the Financial Statements

		(Rs. In Lacs)	
Particulars	As At 31.03.2010	As At 31.03.2009	
SCHEDULE - 1 : SHARE CAPITAL			
AUTHORISED			
1,50,00,000 Equity Shares of Rs.10/- each	1,500.00	1,500.00	
	1,500.00	1,500.00	
ISSUED, SUBSCRIBED AND PAID UP			
1,12,38,056 Equity Shares of Rs. 10/- each fully paid up	1,123.81	1,123.81	
(Of the above, 42,16,354 Equity Shares were allotted as fully paid-up bonus shares by capitalisation of surplus in the Profit and Loss Account)			
Total	1,123.81	1,123.81	
SCHEDULE - 2 : RESERVES & SURPLUS			
GENERAL RESERVE			
Balance as per last Balance Sheet	-	-	
Add : Transferred from Profit and Loss Account	220.00	-	
	220.00	-	
CAPITAL RESERVE			
Balance as per last Balance Sheet (Refer Note : 14)	40.00	40.00	
REVALUATION RESERVE			
Balance as per last Balance Sheet	121.14	121.14	
SECURITIES PREMIUM ACCOUNT			
Balance as per last Balance Sheet	3,890.73	3,890.73	
PROFIT & LOSS ACCOUNT			
Total	6,418.05	4,097.78	
	10,689.92	8,149.65	
SCHEDULE - 3 : SECURED LOANS			
From Banks			
a) Term Loans (Refer Note 1 below)			
i) In Rupee	1,270.23	3,750.70	
ii) In Foreign Currency	2,349.27	114.26	
b) Cash Credit/Short Term (Refer Note 1 below)			
i) In Rupee	349.62	0.01	
ii) In Foreign Currency	-	-	
c) Vehicle Loans (Refer Note 2 below)	70.94	29.64	
Notes: 1. Secured by way of first pari-passu charge, both present and future, in respect of all the current assets of the Company and Fixed assets and further secured by personal guarantees of Directors.			
2. Secured by way of hypothecation of respective motor vehicles purchased.			
Total	4,040.06	3,894.61	
SCHEDULE - 4 : UNSECURED LOANS			
Short Term			
a) From Others			
Trade Deposits	-	8.73	
Total	-	8.73	

Schedules to the Financial Statements

SCHEDULE - 5 : FIXED ASSETS

(Rs. In Lacs)

Sr. No.	Assets	Gross Block				Depreciation				Net Block	
		As At 01.04.2009	Additions	Deductions	As At 31.03.2010	As At 01.04.2009	For The Year	Deductions	As At 31.03.2010	As At 31.03.2010	As At 31.03.2009
1	Land	430.65	-	-	430.65	-	-	-	-	430.65	430.65
2	Buildings *	2,300.67	112.70	-	2,413.37	101.22	70.97	-	172.19	2,241.18	2,199.45
3	Plant & Machinery	6,309.69	1,518.99	4.65	7,824.03	1,319.38	756.81	2.09	2,074.10	5,749.93	4,990.31
4	Furniture & Fixtures	199.21	56.31	-	255.52	26.52	14.84	-	41.36	214.16	172.69
5	Vehicles	132.10	83.21	17.72	197.59	40.75	17.82	8.87	49.70	147.89	91.35
	Total	9,372.32	1,771.21	22.37	11,121.16	1,487.87	860.43	10.96	2,337.35	8,783.81	7,884.45
	Capital Work In Progress (Includes Advances)									615.54	601.15
		9,372.32	1,771.21	22.37	11,121.16	1,487.87	860.43	10.96	2,337.35	9,399.35	8,485.60
	Previous Year	5,008.53	4,415.36	51.57	9,372.32	894.15	617.49	23.77	1,487.87	8,485.60	5,830.14

* Note : Includes Rs. 750/- being face value of 15 number of shares of Rs. 50/- each held in Kant Apartment Co-operative Housing Society Limited.

(Rs. In Lacs)

Particulars	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 6 : INVESTMENTS (At Cost)		
Long Term Investment - Trade		
a) Quoted		
22 Nos. of Equity Shares of Rs. 10/- Each in Parsvnath Developers Limited (Market Value as on 31.03.2010 Rs. 0.03 Lacs (P.Y. : Rs. 0.01 Lacs))	0.07	0.07
b) Unquoted		
638 Nos. (P.Y. : 520 Nos.) of Equity Shares of KSHS 50/- each in Astral Technologies Limited, Kenya	0.20	0.16
In Wholly Owned Subsidiary Company		
a) Unquoted		
50,000 Nos. (P.Y. : 50,000 Nos.) of Equity Shares of Rs. 10/- each in Astral Biochem Private Limited	5.00	5.00
Investments purchased and sold during the year : (Refer Note : 12)		
Total	5.27	5.23
SCHEDULE - 7 : INVENTORIES		
Raw Materials	2,536.49	1,818.41
Goods Traded In	992.73	1,287.81
Finished Goods	3,443.45	1,847.57
Total	6,972.67	4,953.79
SCHEDULE - 8 : SUNDRY DEBTORS (Unsecured)		
Outstanding over six months		
Considered good	140.03	102.92
Considered doubtful	57.27	32.46
Less : Provision	57.27	32.46
	140.03	102.92
Others - Considered good	6,603.08	4,025.49
Total	6,743.11	4,128.41

Schedules to the Financial Statements

(Rs. In Lacs)		
Particulars	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 9 : CASH AND BANK BALANCES		
Cash on Hand	3.23	3.16
Balances with Scheduled banks		
In Current Accounts	364.47	158.47
In Fixed Deposits	9.70	57.79
(Includes Rs. 9.70 Lacs (P.Y. : Rs. 57.79 Lacs) under Bank Lien for Letters of Credit and Bank Guarantees)		
Total	377.40	219.42
SCHEDULE - 10 : LOANS AND ADVANCES (Unsecured Considered Good)		
Advances recoverable in cash or in kind or for value to be received	735.81	474.56
Balance with Excise Authority	1,387.57	953.46
Advance to Subsidiary - Astral Biochem Private Limited	465.00	460.44
(Maximum Balance outstanding during the year Rs. 465.00 Lacs (P.Y. : Rs. 511.27 Lacs))		
Total	2,588.38	1,888.46
SCHEDULE - 11 : CURRENT LIABILITIES		
Sundry Creditors	3,600.57	1,347.70
Acceptances	4,697.49	3,772.95
Advance from Debtors	23.60	42.80
Interest accrued but not due	14.55	26.74
Total	8,336.21	5,190.19
SCHEDULE - 12 : PROVISIONS		
For Taxation (Net of Advance Tax and TDS)	100.17	49.53
For Fringe Benefit Tax	-	1.94
For Wealth Tax	0.28	0.32
For Proposed Dividend	112.38	112.38
For Tax on Dividend	18.67	19.10
For Provision For Expenses	1,495.68	961.70
Total	1,727.18	1,144.97
(Rs. In Lacs)		
Particulars	2009-10	2008-09
SCHEDULE - 13 : SALES		
Domestic Sales	29,907.96	20,144.95
Export Sales	544.40	379.95
Total	30,452.36	20,524.90
SCHEDULE - 14 : OTHER INCOME		
Interest Received (Gross)	34.92	104.30
{Tax deducted at source from Interest Rs. 4.39 Lacs (P.Y. : Rs. 26.38 Lacs)}		
Profit on Sale of Other Investments (Current)	1.52	-
Foreign Exchange Fluctuation Gain	299.18	-
Miscellaneous Income	92.64	128.36
Excess Provision of Expenses in Earlier Year now Written Back	94.55	310.03
Total	522.81	542.69
SCHEDULE - 15 : INCREASE / (DECREASE) IN STOCK		
Closing Stock of Finished Goods	3,443.45	1,847.57
Less :		
Opening Stock of Finished Goods	1,847.57	994.39
Total	1,595.88	853.18

Schedules to the Financial Statements

		(Rs. In Lacs)	
Particulars	2009-10	2008-09	
SCHEDULE - 16 : MATERIALS CONSUMED			
Opening Stock	3,106.21	1,654.73	
Add : Purchases	22,001.39	15,488.93	
	25,107.60	17,143.66	
Less : Closing Stock	3,529.22	3,106.22	
Total	21,578.38	14,037.44	
SCHEDULE - 17 : MANUFACTURING EXPENSES			
Factory Stores and Other Expenses	83.53	97.34	
Excise Duty on Finished Goods	153.91	27.01	
Freight Inward & Loading and Unloading Charges	221.11	105.34	
Power and Fuel	699.43	455.08	
Repairs and Maintenance			
Plant and Machinery	241.05	152.64	
Building	65.73	19.16	
Research and Development Expenses	43.11	7.10	
Total	1,507.87	863.67	
SCHEDULE -18 : PERSONNEL COSTS			
Salaries, Wages and Bonus	789.49	579.16	
Contributions to Provident Fund, Gratuity and Other Funds	54.90	54.54	
Staff Welfare Expenses	31.10	22.49	
Total	875.49	656.19	
SCHEDULE -19 : ADMINISTRATIVE EXPENSES			
Electricity Expenses	9.20	9.96	
Rent Expenses	51.60	42.71	
Repairs and Maintenance - Others	14.64	16.90	
Insurance	24.42	8.22	
Audit Fees	4.03	4.99	
Computer Expenses	13.39	15.80	
Traveling, Conveyance and Vehicle Expenses	99.65	104.43	
Loss on sale of Assets (Net)	4.33	3.61	
Telephone Expenses	29.26	28.77	
Printing and Stationery	28.76	18.48	
Security Service Charges	34.89	28.39	
Legal and Professional Fees	39.87	45.26	
Donation Expenses	4.80	0.70	
Miscellaneous Expenses	53.38	58.63	
Total	412.22	386.85	

Schedules to the Financial Statements

(Rs. In Lacs)		
Particulars	2009-10	2008-09
SCHEDULE -20 : SELLING AND GENERAL EXPENSES		
Discount on Sales	952.62	462.58
Advertisement Expenses	27.85	15.00
Commission	167.21	133.37
Packing Expenses	338.28	232.25
Free Sample Expenses	29.37	14.54
Postage and Courier Charges	10.51	14.34
Sales Promotion Expenses	205.46	135.62
Traveling Expenses	92.45	79.31
Provision for Bad and Doubtful Debts	34.00	20.00
Foreign Exchange Fluctuation Loss	-	733.67
Freight & Carting Expenses	188.31	162.96
Preliminary Expenses Written Off	0.05	0.05
Total	2,046.11	2,003.69
SCHEDULE - 21 : INTEREST AND FINANCE CHARGES		
Interest to Banks		
On Term Loans	323.46	286.11
On Working Capital Loans	95.51	154.41
Bank and Finance Charges	65.20	90.65
Other Interest	0.04	0.02
Total	484.21	531.19

SCHEDULE – 22

Significant accounting policies and notes on accounts

A. SIGNIFICANT ACCOUNTING POLICIES :-

1. Basis of Preparation of Financial Statements

The financial statements have been prepared on a going concern basis under the historical cost convention, except in case of certain fixed assets which are re-valued, on accrual basis of accounting in accordance with the generally accepted accounting principles and applicable provisions of the Companies Act, 1956. Except where otherwise stated, the accounting principles are consistently applied.

2. Use of Estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP), requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

3. Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of freight, duties, taxes & incidental expenses related to acquisition/installation, adjusted by revaluation of Land in 2004-05.

4. Lease

Operating lease rentals are expenses with reference to lease terms and other considerations. There are no finance leases.

5. Impairment of Assets
An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. Impairment is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.
6. Depreciation
Depreciation is charged under Straight Line Method in accordance with the rates and manner as specified in Schedule XIV of the Companies Act, 1956.
7. Investments
Long Term investments are stated at cost less provision for diminution in value other than temporary, if any.
8. Inventories
Inventories are valued at lower of cost and net realizable value. Cost is determined on first-in-first-out (FIFO) basis. The cost of finished goods comprises of raw materials, direct labour, other direct costs and related production overhead, but excludes interest expenses. Net realizable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.
9. Revenue Recognition
Sales are recognized on transfer of significant risks and rewards of ownership to the buyer. Sales are net of trade discounts but exclude Excise duty and Sales Tax.
10. Cenvat
Cenvat (Central Value Added Tax) credit in respect of Excise, Custom and Service tax is accounted on accrual basis on purchase of eligible inputs, capital goods and services. The balance of cenvat credit is reviewed at the end of each year and amount estimated to be unutilisable is charged to the Profit and Loss Account for the year.
11. Foreign Currency Transactions
Transactions denominated in foreign currencies are normally recorded at exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

Any income or expenses on account of exchange difference either on settlement or on translation are recognised in the Profit and Loss Account.
12. Borrowing costs
Borrowing costs relating to (i) funds borrowed for qualifying assets are capitalised up to the date the assets are put to use, and (ii) funds borrowed for other purposes are charged to the Profit and Loss Account.
13. Taxes on Income
Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods by applying tax rates that have been substantively enacted by the balance sheet date. Deferred tax assets are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
14. Research & Development Expenditure
Research and Development expenses of revenue nature are charged to the Profit and Loss Account and the expenditure on capital assets is added to the fixed assets.

15. Employee Benefits

Contributions to Provident Fund, a defined contribution scheme, is made to a government administered Provident Fund and is charged to the Profit and Loss account as incurred. The Company has no further obligations beyond its monthly contributions to this fund. Provision for gratuity, under a LIC administered fund, which is in the nature of defined benefit plan, is provided based on valuations, as at the balance sheet date, made by the independent actuaries. Termination benefits are recognised as expense as and when incurred.

Short Term employee benefits are recognized as an expenses at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

16. Amortization of Miscellaneous Expenditure

Preliminaries Expenses are being written off equally over a period of ten years.

Share issue expenses are deducted from the balance of Securities Premium Account as per the permission of Section 78 of the Companies Act, 1956.

17. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

B. NOTES ON ACCOUNTS :-

1. Contingent Liabilities not provided for :

(Rs. In Lacs)

Sr. No.	Particulars	As At 31.03.2010	As At 31.03.2009
1	Bank Guarantees	23.94	34.01
2	Letters of Credit for Purchases	64.34	389.30
3	Export Obligations under EPCG Scheme (Duty Involved)	6.89	26.27
4	Capital Contracts remaining to be executed	607.87	362.05

2. Interest in Joint Venture :

During the year, the Company has further acquired 5.90% ownership interest in joint venture Company Astral Technologies Limited ('ATL'), incorporated in Kenya, so now the total ownership interest in the said joint venture is 31.90%. Its proportionate share in the assets, liabilities, income and expenses etc. in the said joint venture Company is given below:

(Rs. In Lacs)

Particulars	As At 31.03.2010	As At 31.03.2009
Net Fixed Assets	2.25	1.34
Net Current Assets	78.48	17.71
Loans/Borrowings	86.20	20.18
Income	69.27	8.37
Expenses (including Depreciation and taxation)	78.00	8.30
Contingent Liabilities	-	-
Capital Commitments (estimated amount of contracts remaining to be executed)	10.54	-

3. Employee Benefits :

The disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 are given below :

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised is charged off the year are as under:

Employer's Contribution to Provident Fund Rs. 37.13 Lacs

Defined Benefit Plan

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

Status of gratuity plan as required under AS 15 [Revised]:

a. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(Rs. In Lacs)

Particulars	2009-10	2008-09
Obligations at the beginning of the year	32.15	19.18
Current service cost	9.58	8.23
Interest cost	2.67	1.52
Actuarial (gain) / loss	1.66	4.27
Benefits paid	(0.18)	(1.05)
Obligations at the end of the year	45.88	32.15

b. Reconciliation of opening and closing balances of the fair value of plan assets:

(Rs. In Lacs)

Particulars	2009-10	2008-09
Plan assets at the beginning of the year, at fair value	26.18	17.02
Expected return on plan assets	3.72	1.94
Actuarial gain / (loss)	(0.11)	(0.12)
Contributions	26.91	8.39
Benefits paid	(0.18)	(1.05)
Plan assets at the end of the year, at fair value	56.52	26.18

c. Reconciliation of the present value of the defined benefit obligation & fair value of plan assets :

(Rs. In Lacs)

Particulars	2009-10	2008-09
Obligations at the end of the year	45.88	32.15
Plan assets at the end of the year, at fair value	56.52	26.18
Liability / (Assets) recognised in Balance sheet as on 31-Mar-10	(10.64)	5.97

d. Gratuity cost for the year :

(Rs. In Lacs)

Particulars	2009-10	2008-09
Current service cost	9.58	8.23
Interest cost	2.67	1.52
Expected return on plan assets	(3.72)	(1.94)
Net Actuarial (gain)/Loss	1.77	4.39
Net gratuity cost	10.30	12.20

e. Investment details of plan assets :

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

f. Assumptions :

Particulars	2009-10	2008-09
Discount Rate	8.30%	7.91%
Expected return on plan assets	9.00%	9.00%
Annual Increase in Salary Costs	5.00%	5.00%

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

g. Experience History :

(Rs. In Lacs)

Particulars	2009-10	2008-09	2007-08
Defined Benefit Obligation at the end of the period	45.88	32.15	19.18
Plan Assets at the end of the period	56.52	26.18	17.02
Funded Status	(10.64)	5.97	2.16
Experience Adjustments on Plan Liabilities	--	--	--
Experience Adjustments on Plan Assets	--	--	--

h. Contributions expected to be paid to the plan during the next financial year Rs.10.00 Lacs (P.Y.: Rs. 16.00 Lacs)

The Liability for Leave Encashment and compensated absences as at year end is Rs.32.68 Lacs (P.Y.: Rs.25.59 Lacs)

4. Accumulated Depreciation upto March 31, 2010 (Schedule '5') includes impairment loss on Plant & Machinery – Rs. 96.20 Lacs (P.Y.: Rs. 96.20 Lacs).

5. Auditors' remuneration :

(Rs. In Lacs)

Sr. No.	Particulars	2009-10	2008-09
a.	For Statutory Audit	4.00	4.00
b.	Service Tax	0.62	0.53
c.	For Other Services	2.06	0.98
	Total	6.68	5.51

6. Managerial Remuneration :

(Rs. In Lacs)

Particulars	2009-10	2008-09
Remuneration	38.00	33.00
Allowances	12.50	9.50
Total	50.50	42.50

Commission is not payable to the directors and hence the computation of net profit under section 349 of the Companies Act, 1956 has not been given.

7. Related Party Disclosures :

1. Name of the party and relationships

a) Companies and firms in which Directors/Directors' Relatives exercise control / significant influence:

Kairav Chemicals Limited
Saumya Polymers Private Limited
Astral Biochem Private Limited
Astral Technologies Limited

b) Key management personnel

Mr. Sandeep P. Engineer
Mrs. Jagruti S. Engineer
Mr. K.R. Shenoy

c) Relatives of key management personnel

Sandeep P. Engineer HUF
Mr. Bipin R. Mehta
Mrs. Rekha B. Mehta
Mrs. Hansa P. Engineer

2. Transactions carried out with related parties referred in (1) above, in ordinary course of business and their year end balances

(Rs. In Lacs)

Particulars	Related Referred in 1 (a) above	Related Referred in 1 (b) above	Related Referred in 1 (c) above	Total
Part I : Volume of Transactions				
a) Unsecured Loans Given				
Astral Biochem Private Limited	4.56	-	-	4.56
	(460.44)	-	-	(460.44)
Kairav Chemicals Limited	-	-	-	-
	(299.75)	-	-	(299.75)
Astral Technologies Limited	65.81	-	-	65.81
	(20.52)	-	-	(20.52)
b) Subscription to Share Capital				
Astral Technologies Limited	0.04	-	-	0.04
	(0.16)	-	-	(0.16)
Astral Biochem Private Limited	-	-	-	-
	(5.00)	-	-	(5.00)

(Rs. In Lacs)

Particulars	Related Referred in 1 (a) above	Related Referred in 1 (b) above	Related Referred in 1 (c) above	Total
c) Purchase of Goods/Assets				
Kairav Chemicals Limited	1,434.08	-	-	1,434.08
	(1,125.62)	-	-	(1,125.62)
d) Sale of Goods / Assets				
Astral Technologies Limited	156.97	-	-	156.97
	(162.22)	-	-	(162.22)
Kairav Chemicals Limited	335.69	-	-	335.69
	(239.54)	-	-	(239.54)
e) Rent Received				
Kairav Chemicals Limited	3.31	-	-	3.31
	(3.24)	-	-	(3.24)
f) Dividend Paid				
Saumya Polymers Pvt. Ltd.	31.52	-	-	31.52
	(15.76)	-	-	(15.76)
Mr. Sandeep P. Engineer	-	34.75	-	34.75
	-	(17.38)	-	(17.38)
Mrs. Jagruti S. Engineer	-	18.29	-	18.29
	-	(9.14)	-	(9.14)
Mr. Bipin R. Mehta	-	-	1.30	1.30
	-	-	(0.65)	(0.65)
Mrs. Hansa P. Engineer	-	-	0.01	0.01
	-	-	(0.01)	(0.01)
g) Interest on Loans / FDs				
Kairav Chemicals Limited	29.98	-	-	29.98
	(5.36)	-	-	(5.36)
h) Remuneration				
Mr. Sandeep P. Engineer	-	40.50	-	40.50
	-	(31.50)	-	(31.50)
Mrs. Jagruti S. Engineer	-	9.00	-	9.00
	-	(9.00)	-	(9.00)
Mr. Bipin R. Mehta	-	-	13.75	13.75
	-	-	(13.00)	(13.00)
Mr. K. R. Shenoy	-	1.00	-	1.00
	-	(2.00)	-	(2.00)
i) Rent Paid				
Sandeep P. Engineer (H.U.F.)	-	-	3.60	3.60
	-	-	(3.60)	(3.60)
Mrs. Hansaben P. Engineer	-	-	0.60	0.60
	-	-	(0.60)	(0.60)

(Rs. In Lacs)

Particulars	Related Referred in 1 (a) above	Related Referred in 1 (b) above	Related Referred in 1 (c) above	Total
Part II : Balance at the end of the period				
a) Unsecured Loans Given				
Kairav Chemicals Limited	299.75	-	-	299.75
	(299.75)	-	-	(299.75)
Astral Biochem Private Limited	465.00	-	-	465.00
	(460.44)	-	-	(460.44)
Astral Technologies Limited	86.32	-	-	86.32
	(20.52)	-	-	(20.52)
b) Subscription to Share Capital				
Astral Biochem Private Limited	5.00	-	-	5.00
	(5.00)	-	-	(5.00)
Astral Technologies Limited	0.20	-	-	0.20
	(0.16)	-	-	(0.16)
c) Purchase of Goods/Assets				
Kairav Chemicals Limited	-	-	-	-
	(114.53)	-	-	(114.53)
Mr. Sandeep P. Engineer	-	99.50	-	99.50
	-	(99.50)	-	(99.50)
Mrs. Jagruti S. Engineer	-	87.50	-	87.50
	-	(87.50)	-	(87.50)
d) Sale of Goods / Assets				
Astral Technologies Limited	18.38	-	-	18.38
	(80.49)	-	-	(80.49)
e) Interest on Loans / FDs				
Kairav Chemicals Limited	26.98	-	-	26.98
	(4.15)	-	-	(4.15)
f) Current Liabilities				
Mr. Sandeep P. Engineer	-	3.02	-	3.02
	-	(2.23)	-	(2.23)
Mrs. Jagruti S. Engineer	-	0.75	-	0.75
	-	(0.75)	-	(0.75)
Mr. K. R. Shenoy	-	-	-	-
	-	(0.50)	-	(0.50)
Mr. Bipin R. Mehta	-	-	1.00	1.00
	-	-	(1.00)	(1.00)

Figures in brackets are in respect of the previous year.

8. Segment Reporting :

The Company is engaged mainly in production of plastic products and as such is the only reportable segment as per Accounting Standard on Segment Reporting (AS - 17) issued by the Institute of Chartered Accountants of India. The geographical segmentation is not relevant as export turnover is not significant in respect of total turnover.

9. Operating Lease :

The Company is Lessee under various operation leases under which rental expenses for the year was Rs. 51.60 Lacs (P.Y.: Rs. 42.71 Lacs). The Company has not executed any non cancellable lease agreement.

10. Earnings Per Share :

(Rs. In Lacs)

Particulars	As at 31.03.2010	As at 31.03.2009
Profit after tax (Rs. in Lacs)	2,802.80	1,419.05
Weighted Average No. of Equity Shares Outstanding	1,12,38,056	1,12,38,056
Basic & Diluted Earnings Per Share (In Rs.) (Face Value of Rs. 10/- each)	24.94	12.63

11. Derivative Instruments :

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding Forward Exchange Contracts entered into by the Company :

As at	No. of Contracts	US \$ Equivalent (Lacs)	INR Equivalent (Lacs)
March 31, 2010	8	69.07	3,102.62
March 31, 2009	3	10.00	507.50

Expenditure on account of premium on forward exchange contracts to be recognized in the profit and loss of subsequent accounting period aggregates to Rs. 22.68 Lacs (P.Y.: Rs. 1.35 Lacs).

Foreign Currency Exposures not hedged by derivative instruments as at March 31, 2010 on payable amounting US\$ 140.80 Lacs Equivalent INR 6,377.82 Lacs (P.Y. : US\$ 79.61 Lacs Equivalent INR 4,045.80 Lacs) and on receivables amounting US\$ 3.47 Lacs Equivalent INR. 156.00 Lacs (P.Y. : US\$ 1.72 Lacs Equivalent INR 87.43 Lacs)

12. Following current investments have been purchased and redeemed by the Company during the year ended March 31, 2010 :

Sr. No.	Particulars	No. of Units	Face Value	Cost (Rs. In Lacs)
1	Reliance Floating Rate Fund - Growth Plan - Growth Option	1,13,26,759.52	10/-	1,625.00
2	Reliance Liquid Fund - Treasury Plan - Institutional Option - Growth Option - Growth Plan	18,05,122.02	10/-	400.08
3	Reliance Liquid Fund - Treasury Plan - Retail Option - Daily Dividend Option	3,28,064.92	10/-	50.00
4	Reliance Liquid Fund - Treasury Plan - Retail Option - Growth Option - Growth Plan	22,10,978.78	10/-	475.00
5	Reliance Money Manager Fund - Institutional Option - Growth Plan	1,07,900.07	10/-	1,328.18
6	Reliance Money Manager Fund - Retail Option - Growth Plan	18,619.53	10/-	225.02
7	Reliance Medium Term Fund - Retail Plan - Growth Plan - Growth Option	17,58,841.40	10/-	325.01
	TOTAL			4,428.29

13. Information pursuant to provision of paragraphs 3 & 4 of part II, schedule VI of the Companies Act, 1956:

[A] Opening and Closing Stock of goods manufactured :-

(Rs. In Lacs)

Sr. No.	Product	Unit	Closing Stock		Opening Stock	
			Qty.	Rs.	Qty.	Rs.
1	Pipes	Mtrs./Pcs	3,527,894	1,710.90	1,636,295	1,078.77
2	Fittings	Pcs.	12,482,307	1,347.67	5,225,783	625.71
3	Others	Mtrs./ Pcs.	1,912,495	139.07	1,955,391	50.61

[B] Opening and Closing Stock of goods traded :-

(Rs. In Lacs)

Sr. No.	Product	Unit	Closing Stock		Opening Stock	
			Qty.	Rs.	Qty.	Rs.
1	Fittings	Pcs.	789,882	572.99	1,331,395	677.24
2	Pipes	Pcs.	105,477	235.08	159,903	355.35
3	Adhesive	Tins	158,788	116.67	200,489	164.98
4	Others	Pcs.	63,478	54.88	72,248	77.69

[C] Consumption of Raw Materials :-

(Rs. In Lacs)

Sr. No.	Product	Unit	2009-10		2008-09	
			Qty.	Rs.	Qty.	Rs.
1	Resin	Kgs.	22,197,802	16,639.33	9,973,215	9,718.18
2	Others	Kgs.	126,051	332.07	48,945	87.80
3	Brass Fittings	Pcs.	12,965,421	2,390.07	7,933,113	1,515.65

[D] Production and Sales of goods manufactured during the year :-

INSTALLED CAPACITY			2009-10 M.T. 30,867		2008-09 M.T. 25,968	
Sr. No.	Product	Unit	2009-10		2008-09	
			Prod'n. in Qty.	Sales in Qty.	Prod'n. in Qty.	Sales in Qty.
1	Pipes	Mtrs.	35,946,611	34,055,012	22,982,102	22,245,669
2	Fittings	Pcs.	76,580,798	69,324,274	42,127,176	42,543,448
3	Others	Mtrs./ Pcs.	8,267,535	8,310,431	4,607,186	3,612,783

[E] Purchase and Sales of goods traded during the year :-

Sr. No.	Product	Unit	2009-10		2008-09	
			Purchase in Qty.	Sales in Qty.	Purchase in Qty.	Sales in Qty.
1	Fittings	Pcs.	1,854,055	2,395,568	2,985,784	2,516,111
2	Pipes	Pcs.	1,067	55,492	160,377	41,929
3	Adhesive	Tins	1,276,561	1,318,262	1,396,688	1,413,157
4	Others	Pcs.	902	9,672	5,854	12,371

[F] Value of Imported and Indigenous Raw Material and components Consumed :-

(Rs. In Lacs)

Sr. No.	Particulars	2009-10		2008-09	
		Value	% of Total Consumption	Value	% of Total Consumption
1	Imported	10,482.46	54.14	6,155.29	54.37
2	Indigenous	8,879.00	45.86	5,166.35	45.63
	TOTAL	19,361.46	100.00	11,321.64	100.00

14. The plant and machineries and equipments located at the Company's Himachal Pradesh unit Costing Rs. 277.33 Lacs carry first charge in favour of the Government of Himachal Pradesh for a period of five years effective from the year 2005-06 during which the Company was granted a cash subsidy of Rs. 30.00 Lacs for the investments made by the Company in the state.
15. There are no dues to Micro and Small Enterprises as at March 31, 2010. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 as been determined to the extent such parties have been identified on the basis of information available with the Company.
16. Earnings and Expenses in foreign currency and CIF value of Imports :

a) CIF Value of Imports

(Rs. In Lacs)

Particulars	2009-10	2008-09
Capital Goods	333.91	568.17
Resin, Pipes & Fittings	10,380.47	7,619.54

b) Expenditure in foreign currency

(Rs. In Lacs)

Particulars	2009-10	2008-09
Interest	64.49	125.36
Traveling	14.06	29.60

c) Earnings in foreign currency

(Rs. In Lacs)

Particulars	2009-10	2008-09
Value of Export Sales	544.40	359.21

17. Provision for current tax has been made in accounts under MAT, Since the Company estimates that there will be no taxable profits under normal working of taxable income for the year, Deferred Tax Charges / Credits have not been recognized in view of the tax holiday enjoyed by a unit of the Company and on considerations of prudence as set out in AS 22 on "Accounting for Taxes on Income".
18. Previous year's figures have been regrouped and reclassified, wherever necessary, so as to make them comparable.

As per our report of even date

For and on behalf of the Board

For, Deloitte Haskins & Sells
Chartered Accountants

(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 21, 2010

(Nirav K. Shah)
Company Secretary
Place : Ahmedabad
Date : May 21, 2010

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details

Registration No.	L25200GJ1996PLC029134	State Code	04
Balance Sheet Date	31st March, 2010		

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

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Issue	NIL

III. Position of mobilisation and deployment of funds (Amount Rs. In thousands)

	Total Liabilities	Total Assets
	1602279	1602279
SOURCES OF FUNDS	Paid-up Capital	Reserves & Surplus
	112381	1068992
	Secured Loans	Unsecured Loans
	404006	NIL
APPLICATION OF FUNDS	Net Fixed Assets	Investments
	939935	527
	Net Current Assets	Misc. Expenditure
	661817	NIL
	Accumulated Losses	
	NIL	

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

Turnover & Other Income	3113749	Total Expenditure	2776471
Profit Before Tax	337278	Profit After Tax	280280
Earning Per Share	24.94	Dividend Rate %	20 %

V. Generic names of three principal products of the Company (As per monetary terms)

Item code no. (ITC code)	39173990
Product description	Pipes
Item code no. (ITC code)	39174000
Product description	Fittings

Auditors' Report On Consolidated Financial Statements

To
The Board of Directors
Astral Poly Technik Limited

1. We have audited the attached Consolidated Balance Sheet of Astral Poly Technik Limited ("the Company") its subsidiary and jointly controlled entity (the Company, its subsidiary and jointly controlled entity constitute "the Group") as at March 31, 2010 the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date both annexed thereto. The Consolidated Financial Statements includes the jointly controlled entity accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary and joint venture, whose financial statements reflect total assets of Rs. 923.17 Lacs as at March 31, 2010, total revenue of Rs. 253.18 Lacs and net cash outflows amounting to Rs. 257.74 Lacs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose report has been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the subsidiary and joint venture is based solely on the reports of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiary and joint venture and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2010;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Deloitte Haskins and Sells
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : May 21, 2010

(Gaurav J. Shah)
Partner
Membership No. 35701

Consolidated Balance Sheet As At 31st March, 2010

(Rs. In Lacs)

Particulars	Schedule	As At 31.03.2010	As At 31.03.2009
SOURCES OF FUNDS :			
SHARE HOLDERS' FUNDS			
Share Capital	1	1,123.81	1,123.81
Reserves & Surplus	2	10,642.06	8,132.53
		11,765.87	9,256.34
LOAN FUNDS			
Secured Loans	3	4,126.26	3,894.61
Unsecured Loans	4	-	8.73
DEFERRED TAX LIABILITY (NET)		167.55	168.64
Total		16,059.68	13,328.32
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	5	11,563.51	9,808.41
Less : Depreciation		2,338.42	1,488.02
Net Block		9,225.09	8,320.39
Capital Work-in-Progress		646.03	631.45
		9,871.12	8,951.84
Goodwill on Consolidation		1.37	0.07
INVESTMENTS	6	0.07	0.07
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	7	7,025.18	4,980.21
Sundry Debtors	8	6,759.44	4,093.55
Cash and Bank Balances	9	428.79	225.61
Loans and Advances	10	2,041.15	1,412.87
		16,254.56	10,712.24
LESS : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	11	8,340.45	5,189.15
Provisions	12	1,727.17	1,146.80
		10,067.62	6,335.95
NET CURRENT ASSETS		6,186.94	4,376.29
Miscellaneous Expenditure		0.18	0.05
Total		16,059.68	13,328.32
Significant Accounting Policies & Notes on Accounts	22		

As per our report of even date

For and on behalf of the Board

For, Deloitte Haskins & Sells
Chartered Accountants

(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 21, 2010

(Nirav K. Shah)
Company Secretary
Place : Ahmedabad
Date : May 21, 2010

Consolidated Profit & Loss Account For The Year Ended On 31st March, 2010

(Rs. In Lacs)

Particulars	Schedule	2009-10	2008-09
I N C O M E			
Gross Sales	13	30,470.20	20,465.03
Less : Excise duty		1,433.56	1,198.72
Net Sales		29,036.64	19,266.31
Other Income	14	524.17	568.75
Increase / (Decrease) in Stock	15	1,595.88	853.18
Total		31,156.69	20,688.24
E X P E N D I T U R E			
Materials Consumed	16	21,605.47	14,019.15
Manufacturing Expenses	17	1,507.87	863.67
Personnel Costs	18	885.93	657.42
Administrative Expenses	19	416.89	387.37
Selling and General Expenses	20	2,046.69	2,005.40
Interest and Finance Charges	21	491.89	531.20
Depreciation		861.34	617.64
Total		27,816.08	19,081.85
PROFIT BEFORE TAX		3,340.61	1,606.39
Provision For Tax			
Current Tax		557.06	149.05
Deferred Tax		(1.09)	(0.36)
Wealth Tax		0.28	0.32
Fringe Benefit Tax		-	15.66
Short provision of income tax in earlier years		12.64	41.45
PROFIT FOR THE YEAR AFTER TAX		2,771.72	1,400.27
Balance of Profit Brought Forward		4,079.00	2,810.21
AMOUNT AVAILABLE FOR APPROPRIATIONS		6,850.72	4,210.48
APPROPRIATIONS			
General Reserve		220.00	-
Dividend			
- Interim		112.38	-
- Proposed Final Dividend		112.38	112.38
Corporate Dividend Tax		37.76	19.10
BALANCE CARRIED TO THE BALANCE SHEET		6,368.20	4,079.00
Earnings Per Share (In Rs.) - Basic & Diluted		24.66	12.46
(Face Value of Rs. 10/- each)			
(Refer Note : 10 of schedule 22)			
Significant Accounting Policies & Notes on Accounts	22		

As per our report of even date

For and on behalf of the Board

For, Deloitte Haskins & Sells
Chartered Accountants

(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 21, 2010

(Nirav K. Shah)
Company Secretary
Place : Ahmedabad
Date : May 21, 2010

Consolidated Cash flow statement for the year ended on 31st March, 2010
(Rs. In Lacs)

Sr. No.	Particulars	2009-10	2008-09
A	Cash flow from Operating Activities		
	Net Profit before tax and Extraordinary items	3,340.61	1,606.39
	Adjustments for :		
	Depreciation	861.34	617.64
	Interest	491.89	531.20
	Provision for Doubtful debts	34.00	20.00
	Unrealised foreign exchange	(338.24)	127.67
	Loss/(Profit) on sale of fixed assets	4.37	3.61
	Preliminary Expenses written off	0.05	0.05
	Dividend Income	(0.01)	(0.40)
	Prior Year Adjustments	(94.55)	(310.03)
	Interest Received	(34.92)	(104.30)
	Operating profit before Working Capital Changes	4,264.54	2,491.83
	Adjustments for :		
	(Increase)/Decrease in Inventory	(2,026.58)	(2,331.09)
	Increase in Trade & Other Receivables	(3,351.31)	(1,517.28)
	Increase/(Decrease) in Trade Payables	4,083.40	3,199.88
	Cash generated from Operations	2,970.05	1,843.34
	Direct Taxes Paid	(520.22)	(174.20)
	Net Cash from Operating Activities	2,449.83	1,669.14
B	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(1,778.50)	(4,850.64)
	Proceeds from the sales of fixed assets	8.09	24.19
	Capital work-in-progress	(14.58)	1,084.31
	Increase/(Decrease) in Loans & Advances	-	(300.97)
	Interest received	34.92	104.30
	Dividend Income	0.01	0.40
	Pre-Operative Expenses	(0.18)	(0.09)
	Net Cash used in Investing Activities	(1,750.24)	(3,938.50)
C	Cash flow from Financing Activities		
	Dividend paid	(262.96)	(131.48)
	Interest	(491.89)	(531.20)
	Proceeds from Long Term Borrowings	258.43	569.30
	Net Cash flow from Financing Activities	(496.42)	(93.38)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	203.17	(2,362.74)
	Cash and Cash Equivalents at the beginning of the year	225.61	2,588.31
	Effect of Foreign Exchange rate changes	(0.01)	0.04
	Cash and Cash Equivalents at the end of the year	428.79	225.61

- Notes: 1. Cash and Cash Equivalents represent Cash and Bank Balances. (refer schedule 9)
2. Fixed Deposits of Rs. 9.70 Lacs are pledged with a bank towards letters of Credit/Bank Guarantees.
3. Cash and Cash Equivalents include Rs. 0.62 Lacs (P.Y. : Rs. 0.23 Lacs) of unpaid dividend not available for use by the Company.
4. The previous year's figures have been regrouped wherever necessary.
5. The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting standard - 3 on Cash Flow statements issued by the Institute of Chartered Accountants Of India.

As per our report of even date

For and on behalf of the Board

For, Deloitte Haskins & Sells
Chartered Accountants

(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 21, 2010

(Nirav K. Shah)
Company Secretary
Place : Ahmedabad
Date : May 21, 2010

Schedules to the Consolidated Financial Statements

		(Rs. In Lacs)
Particulars	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 1 : SHARE CAPITAL		
AUTHORISED		
1,50,00,000 Equity Shares of Rs.10/- each	1,500.00	1,500.00
	1,500.00	1,500.00
ISSUED, SUBSCRIBED AND PAID UP		
1,12,38,056 Equity Shares of Rs. 10/- each fully paid up	1,123.81	1,123.81
(Of the above, 42,16,354 Equity Shares were allotted as fully paid-up bonus shares by capitalisation of surplus in the Profit and Loss Account)		
Total	1,123.81	1,123.81
SCHEDULE - 2 : RESERVES & SURPLUS		
GENERAL RESERVE		
Balance as per last Balance Sheet	-	-
Add : Transferred from Profit and Loss Account	220.00	-
	220.00	-
CAPITAL RESERVE		
Balance as per last Balance Sheet (Refer Note : 13)	40.00	40.00
REVALUATION RESERVE		
Balance as per last Balance Sheet	121.14	121.14
SECURITIES PREMIUM ACCOUNT		
Balance as per last Balance Sheet	3,890.73	3,890.73
PROFIT & LOSS ACCOUNT	6,368.20	4,079.00
FOREIGN CURRENCY TRANSLATION RESERVE	1.99	1.66
Total	10,642.06	8,132.53
SCHEDULE - 3 : SECURED LOANS		
From Banks		
a) Term Loans (Refer Note 1 below)		
i) In Rupee	1,270.23	3,750.70
ii) In Foreign Currency	2,349.27	114.26
b) Cash Credit/Short Term (Refer Note 1 below)		
i) In Rupee	349.62	0.01
ii) In Foreign Currency	86.20	-
c) Vehicle Loans (Refer Note 2 below)	70.94	29.64
Notes: 1. Secured by way of first pari-passu charge, both present and future, in respect of all the fixed assets and current assets of the Company and further secured by personal guarantees of Directors.		
2. Secured by way of hypothecation of respective motor vehicles purchased.		
Total	4,126.26	3,894.61
SCHEDULE - 4 : UNSECURED LOANS		
Short Term		
a) From Others		
Trade Deposits	-	8.73
Total	-	8.73

Schedules to the Consolidated Financial Statements

SCHEDULE - 5 : FIXED ASSETS (CONSOLIDATED)

(Rs. In Lacs)

Sr. No.	Assets	Gross Block				Depreciation				Net Block	
		As At 01.04.2009	Additions	Deductions	As At 31.03.2010	As At 01.04.2009	For The Year	Deductions	As At 31.03.2010	As At 31.03.2010	As At 31.03.2009
1	Land	865.25	4.41	-	869.66	-	-	-	-	869.66	865.25
2	Buildings *	2,300.67	112.70	-	2,413.37	101.22	70.97	-	172.19	2,241.18	2,199.45
3	Plant & Machinery	6,310.01	1,520.68	4.61	7,826.08	1,319.42	757.54	2.09	2,074.87	5,751.21	4,990.59
4	Furniture & Fixtures	199.30	56.33	-	255.63	26.52	14.85	-	41.37	214.26	172.78
5	Vehicles	133.18	84.38	18.79	198.77	40.86	17.98	8.85	49.99	148.78	92.32
	Total	9,808.41	1,778.50	23.40	11,563.51	1,488.02	861.34	10.94	2,338.42	9,225.09	8,320.39
	Capital Work In Progress (Includes Advances)**									646.03	631.45
		9,808.41	1,778.50	23.40	11,563.51	1,488.02	861.34	10.94	2,338.42	9,871.12	8,951.84
	Previous Year	5,008.53	4,851.45	51.57	9,808.41	894.15	617.64	23.77	1,488.02	8,951.84	

Note : * Includes Rs. 750/- being face value of 15 number of shares of Rs. 50/- each held in Kant Apartment Co-operative Housing Society Limited.

** Capital Work in Progress includes Rs. 1.99 Lacs on account of Pre-Operative Expenses.

(Rs. In Lacs)

Particulars	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 6 : INVESTMENTS (At Cost)		
Trade and Quoted		
22 Nos. (P.Y. : 22 Nos.) of Equity Shares of Rs. 10/- Each in Parsvanth Developers Limited (Market Value as on 31.03.2010 Rs. 0.03 Lacs (P.Y. : Rs. 0.01 Lacs))	0.07	0.07
Investments purchased and sold during the year : (Refer Note : 12)		
Total	0.07	0.07
SCHEDULE - 7 : INVENTORIES		
Raw Materials	2,536.49	1,818.41
Goods Traded In	1,045.24	1,314.23
Finished Goods	3,443.45	1,847.57
Total	7,025.18	4,980.21
SCHEDULE - 8 : SUNDRY DEBTORS (Unsecured)		
Outstanding over six months		
Considered good	140.03	102.92
Considered doubtful	57.27	32.46
Less : Provision	57.27	32.46
	140.03	102.92
Others - Considered good	6,619.41	3,990.63
Total	6,759.44	4,093.55
SCHEDULE - 9 : CASH AND BANK BALANCES		
Cash on Hand	3.59	3.32
Balances with Scheduled banks		
In Current Accounts	415.50	164.50
In Fixed Deposits	9.70	57.79
(Includes Rs. 9.70 Lacs (P.Y. : Rs. 57.79 Lacs) under Bank Lien for Letters of Credit and Bank Guarantees)		
Total	428.79	225.61

Schedules to the Consolidated Financial Statements

(Rs. In Lacs)		
Particulars	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 10 : LOANS AND ADVANCES (Unsecured Considered Good)		
Advances recoverable in cash or in kind or for value to be received	653.58	459.42
Balance with Excise Authority	1,387.57	953.45
Total	2,041.15	1,412.87
SCHEDULE - 11 : CURRENT LIABILITIES		
Sundry Creditors	3,604.81	1,346.66
Acceptances	4,697.49	3,772.95
Advance from Debtors	23.60	42.80
Interest accrued but not due	14.55	26.74
Total	8,340.45	5,189.15
SCHEDULE - 12 : PROVISIONS		
For Taxation (Net of Advance Tax and TDS)	100.17	49.53
For Fringe Benefit Tax	-	1.94
For Wealth Tax	0.28	0.32
For Proposed Dividend	112.38	112.38
For Tax on Dividend	18.67	19.10
For Provision For Expenses	1,495.67	963.53
Total	1,727.17	1,146.80
(Rs. In Lacs)		
Particulars	2009-10	2008-09
SCHEDULE - 13 : SALES		
Domestic Sales	29,975.87	20,127.25
Export Sales	494.33	337.78
Total	30,470.20	20,465.03
SCHEDULE - 14 : OTHER INCOME		
Excess Provision of Expenses in Earlier Year now Written Back	94.55	310.03
Interest Received (Gross)	34.92	104.30
{Tax deducted at source from Interest Rs. 4.39 Lacs (P.Y. : Rs. 26.38 Lacs)}		
Profit on Sale of Investments (Current)	1.52	-
Foreign Exchange Fluctuation Gain	300.54	-
Miscellaneous Income	92.64	154.42
Total	524.17	568.75
SCHEDULE - 15 : INCREASE / (DECREASE) IN STOCK		
Closing Stock of Finished Goods	3,443.45	1,847.57
Less :		
Opening Stock of Finished Goods	1,847.57	994.39
Total	1,595.88	853.18
SCHEDULE - 16 : MATERIALS CONSUMED		
Opening Stock	3,132.64	1,654.73
Add : Purchases	22,054.57	15,497.06
	25,187.21	17,151.79
Less : Closing Stock	3,581.74	3,132.64
Total	21,605.47	14,019.15

Schedules to the Consolidated Financial Statements

(Rs. In Lacs)		
Particulars	2009-10	2008-09
SCHEDULE - 17 : MANUFACTURING EXPENSES		
Factory Stores and Other Expenses	83.53	97.34
Excise Duty on Finished Goods	153.91	27.01
Freight Inward Charges	221.11	105.34
Power and Fuel	699.43	455.08
Repairs and Maintenance		
Plant and Machinery	241.05	152.64
Building	65.73	19.16
Research and Development Expenses	43.11	7.10
Total	1,507.87	863.67
SCHEDULE -18 : PERSONNEL COSTS		
Salaries, Wages and Bonus	799.70	580.39
Contributions to Provident Fund, Gratuity and Other Funds	54.90	54.54
Staff Welfare Expenses	31.33	22.49
Total	885.93	657.42
SCHEDULE -19 : ADMINISTRATIVE EXPENSES		
Electricity Expenses	9.20	9.96
Rent Expenses	53.25	42.71
Repairs and Maintenance	14.82	17.06
Insurance	24.90	8.22
Audit Fees	4.16	4.99
Miscellaneous Expenses	53.39	58.69
Computer Expenses	13.39	15.80
Traveling, Conveyance and Vehicle Expenses	100.74	104.52
Loss on Sale of Assets	4.37	3.61
Telephone Expenses	29.44	28.78
Printing and Stationery	29.07	18.54
Security Service Charges	34.89	28.39
Legal and Professional Fees	40.47	45.40
Donation Expenses	4.80	0.70
Total	416.89	387.37
SCHEDULE -20 : SELLING AND GENERAL EXPENSES		
Discount on Sales	952.62	462.58
Advertisement Expenses	28.43	16.49
Commission	167.21	133.37
Packing Expenses	338.28	232.25
Free Sample Expenses	29.37	14.54
Postage and Courier Charges	10.51	14.34
Sales Promotion Expenses	205.46	135.62
Traveling Expenses	92.45	79.53
Provision for Bad and Doubtful Debts	34.00	20.00
Foreign Exchange fluctuation Loss	-	733.67
Freight & Carting Expenses	188.31	162.96
Preliminary Expenses Written Off	0.05	0.05
Total	2,046.69	2,005.40

Schedules to the Consolidated Financial Statements

(Rs. In Lacs)

Particulars	2009-10	2008-09
SCHEDULE - 21 : INTEREST AND FINANCE CHARGES		
Interest to Banks		
On Term Loans	323.46	286.11
On Working Capital Loans	103.11	154.41
Bank and Finance Charges	65.28	90.66
Other Interest	0.04	0.02
Total	491.89	531.20

SCHEDULE – 22

Significant accounting policies to the consolidated financial statements

A. SIGNIFICANT ACCOUNTING POLICIES :-

1. Principles of Consolidation:

The Consolidated Financial Statements relate to Astral Poly Technik Limited ("the Company") and its subsidiary Company. The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary Company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – Consolidated Financial Statements issued by The Institute of Chartered Accountants of India.
- In case of foreign Joint venture, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange gains/(losses) arising on conversion are recognised under Foreign Currency Translation Reserve.
- Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures issued by The Institute of Chartered Accountants of India.
- The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Company i.e. March 31, 2010 and in case of joint venture the financial statements used in the consolidation are drawn up to December 31, 2009.
- The excess of cost to the Company, of its investment in the subsidiary Company and joint venture over the Company's portion of equity is recognised in the financial statement as Goodwill.
- The excess of the Company's portion of equity of the subsidiary and joint venture on the acquisition date over its cost of investment is treated as Capital Reserve.
- Intra-group balances and intra-group transactions and resulting unrealised profits have been eliminated.

2. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 "Accounting for Investments":

3. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Standalone Financial Statements of Astral Poly Technik Limited.

B. NOTES ON ACCOUNTS TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :-

1. The list of subsidiary Company and joint venture which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	% of Holding		Country of Incorporation
	2009-10	2008-09	
Subsidiary			
Astral Biochem Private Limited	100%	100%	India
Joint Venture			
Astral Technologies Limited	31.90%	26%	Kenya

The audited financial statements of Astral Technologies Limited (Kenya) up to December 31, 2009 have been prepared in accordance with International Financial Reporting Standards. Differences in accounting policies of the Company and the joint venture are not material and there are no material transactions from January 1, 2010 to March 31, 2010 in respect of the joint venture having financial year ended on December 31, 2009. There is no change in Company's interest in the joint venture from January 1, 2010 till March 31, 2010.

Figures pertaining to the subsidiary Company and the joint venture have been reclassified wherever necessary to bring them in line with the Company's financial statements.

2. Contingent Liabilities not provided for :

(Rs. In Lacs)

Sr. No.	Particulars	As at 31.03.2010	As at 31.03.2009
1	Bank Guarantees	23.94	34.01
2	Letters of Credit for Purchases	64.34	389.30
3	Export Obligations under EPCG Scheme (Duty Involved)	6.89	26.27
4	Capital Contracts remaining to be executed	618.41	362.05

3. Employee Benefits:

The disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 are given below:

Defined Contribution Plan :

Contribution to Defined Contribution Plan, recognised is charged off the year are as under:

Employer's Contribution to Provident Fund Rs. 37.13 Lacs

Defined Benefit Plan :

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

General Description of the Plan :

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

Status of gratuity plan as required under AS 15 [Revised] :

a. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(Rs. In Lacs)

Particulars	2009-10	2008-09
Obligations at the beginning of the year	32.15	19.18
Current service cost	9.58	8.23
Interest cost	2.67	1.52
Actuarial (gain) / loss	1.66	4.27
Benefits paid	(0.18)	(1.05)
Obligations at the end of the year	45.88	32.15

b. Reconciliation of opening and closing balances of the fair value of plan assets : (Rs. In Lacs)

Particulars	2009-10	2008-09
Plan assets at the beginning of the year, at fair value	26.18	17.02
Expected return on plan assets	3.72	1.94
Actuarial gain / (loss)	(0.11)	(0.12)
Contributions	26.91	8.39
Benefits paid	(0.18)	(1.05)
Plan assets at the end of the year, at fair value	56.52	26.18

c. Reconciliation of the present value of the defined benefit obligation & fair value of plan assets : (Rs. In Lacs)

Particulars	2009-10	2008-09
Obligations at the end of the year	45.88	32.15
Plan assets at the end of the year, at fair value	56.52	26.18
Liability/(Assets) recognised in Balance sheet as on March 31, 2010	(10.64)	5.97

d. Gratuity cost for the year : (Rs. In Lacs)

Particulars	2009-10	2008-09
Current service cost	9.58	8.23
Interest cost	2.67	1.52
Expected return on plan assets	(3.72)	(1.94)
Net Actuarial (gain)/Loss	1.77	4.39
Net gratuity cost	10.30	12.20

e. Investment details of plan assets :

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

f. Assumptions : (Rs. In Lacs)

Particulars	2009-10	2008-09
Discount Rate	8.30%	7.91%
Expected return on plan assets	9.00%	9.00%
Annual Increase in Salary Costs	5.00%	5.00%

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance corporation of India.

g. Experience History : (Rs. In Lacs)

Particulars	2009-10	2008-09	2007-08
Defined Benefit Obligation at the end of the period	45.88	32.15	19.78
Plan Assets at the end of the period	56.52	26.18	17.02
Funded Status	(10.64)	5.97	2.16
Experience Adjustments on Plan Liabilities	--	--	--
Experience Adjustments on Plan Assets	--	--	--

- h. Contributions expected to be paid to the plan during the next financial year Rs. 10.00 Lacs (P.Y. : Rs.16.00 Lacs)

The Liability for Leave Encashment and compensated absences as at year end is Rs. 32.68 Lacs (P.Y. : Rs.25.59 Lacs)

4. Accumulated Depreciation upto March 31, 2010 (Schedule '5') includes impairment loss on Plant & Machinery – Rs. 96.20 Lacs (P.Y. :Rs.96.20 Lacs).

5. Auditors' remuneration : (Rs. In Lacs)

Sr. No.	Particulars	2009-10	2008-09
a.	For Statutory Audit	4.00	4.00
b.	Service Tax	0.62	0.53
c.	For Other Services	2.06	0.98
	Total	6.68	5.51

6. Managerial Remuneration : (Rs. In Lacs)

Particulars	2009-10	2008-09
Remuneration	38.00	33.00
Allowances	12.50	9.50
Total	50.50	42.50

Commission is not payable to the directors and hence the computation of net profit under section 349 of the Companies Act, 1956 has not been given.

7. Related Party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below.

1. Name of the party and relationships

- a) Companies and firms in which Directors/Directors' Relatives exercise control / significant influence:

Kairav Chemicals Limited
Saumya Polymers Private Limited
Plumbware Limited
Packhard Limited (Till 09/10/2009)
Allied Plumbers Limited
Imaran Investments Limited

- b) Key management personnel

Mr. Sandeep P. Engineer
Mrs. Jagruti S. Engineer
Mr. K.R. Shenoy

- c) Relatives of key management personnel

Sandeep P. Engineer HUF
Mr. Bipin R. Mehta
Mrs. Rekha B. Mehta
Mrs. Hansa P. Engineer

2. Transactions carried out with related parties referred in (1) above, in ordinary course of business and their year end balances

(Rs. In Lacs)

Particulars	Related Referred in 1 (a) above	Related Referred in 1 (b) above	Related Referred in 1 (c) above	Total
Part I : Volume of Transactions				
a) Unsecured Loans Given				
Kairav Chemicals Limited	-	-	-	-
	(299.75)	-	-	(299.75)
b) Purchase of Goods/Assets				
Kairav Chemicals Limited	1,434.08	-	-	1,434.08
	(1,125.62)	-	-	(1,125.62)
Plumbware Limited	0.11	-	-	0.11
	-	-	-	-
c) Sale of Goods / Assets				
Kairav Chemicals Limited	335.69	-	-	335.69
	(239.54)	-	-	(239.54)
Plumbware Limited	14.06	-	-	14.06
	(2.42)	-	-	(2.42)
Packhard Limited	0.66	-	-	0.66
	-	-	-	-
Allied Plumbers Limited	32.10	-	-	32.10
	(6.47)	-	-	(6.47)
d) Rent Received				
Kairav Chemicals Limited	3.31	-	-	3.31
	(3.24)	-	-	(3.24)
e) Dividend Paid				
Saumya Polymers Pvt. Ltd.	31.52	-	-	31.52
	(15.76)	-	-	(15.76)
Mr. Sandeep P. Engineer	-	34.75	-	34.75
	-	(17.38)	-	(17.38)
Mrs. Jagruti S. Engineer	-	18.29	-	18.29
	-	(9.14)	-	(9.14)
Mr. Bipin R. Mehta	-	-	1.30	1.30
	-	-	(0.65)	(0.65)
Mrs. Hansa P. Engineer	-	-	0.01	0.01
	-	-	(0.01)	(0.01)
f) Interest on Loans / FDs				
Kairav Chemicals Limited	29.98	-	-	29.98
	(5.36)	-	-	(5.36)

(Rs. In Lacs)

Particulars	Related Referred in 1 (a) above	Related Referred in 1 (b) above	Related Referred in 1 (c) above	Total
g) Remuneration				
Mr. Sandeep P. Engineer	-	40.50	-	40.50
	-	(31.50)	-	(31.50)
Mrs. Jagruti S. Engineer	-	9.00	-	9.00
	-	(9.00)	-	(9.00)
Mr. Bipin R. Mehta	-	-	13.75	13.75
	-	-	(13.00)	(13.00)
Mr. K. R. Shenoy	-	1.00	-	1.00
	-	(2.00)	-	(2.00)
h) Rent Paid				
Sandeep P. Engineer (H.U.F.)	-	-	3.60	3.60
	-	-	(3.60)	(3.60)
Mrs. Hansaben P. Engineer	-	-	0.60	0.60
	-	-	(0.60)	(0.60)

(Rs. In Lacs)

Particulars	Related Referred in 1 (a) above	Related Referred in 1 (b) above	Related Referred in 1 (c) above	Total
Part II : Balance at the end of the period				
a) Unsecured Loans Given				
Kairav Chemicals Limited	299.75	-	-	299.75
	(299.75)	-	-	(299.75)
b) Purchase of Goods/Assets				
Kairav Chemicals Limited	-	-	-	-
	(114.53)	-	-	(114.53)
Plumbware Limited	0.03	-	-	0.03
	-	-	-	-
Advances for Capital Goods	-	187.00	-	187.00
	-	(187.00)	-	(187.00)
c) Sale of Goods / Assets				
Allied Plumbers Limited	16.11	-	-	16.11
	(5.05)	-	-	(5.05)
Plumbware Limited	5.43	-	-	5.43
	(1.70)	-	-	(1.70)
d) Interest on Loans / FDs				
Kairav Chemicals Limited	26.98	-	-	26.98
	(4.15)	-	-	(4.15)
e) Current Liabilities				
Mr. Sandeep P. Engineer	-	3.02	-	3.02
	-	(2.23)	-	(2.23)
Mrs. Jagruti S. Engineer	-	0.75	-	0.75
	-	(0.75)	-	(0.75)
Mr. K. R. Shenoy	-	-	-	-
	-	(0.50)	-	(0.50)
Mr. Bipin R. Mehta	-	-	1.00	1.00
	-	-	(1.00)	(1.00)

Figures in brackets are in respect of the previous year.

8. Segment Reporting :

The Company is engaged mainly in production of plastic products and as such is the only reportable segment as per Accounting Standard on Segment Reporting (AS - 17) issued by the Institute of Chartered Accountants of India. The geographical segmentation is not relevant as export turnover is not significant in respect of total turnover.

9. Operating Lease :

The Company is Lessee under various operation leases under which rental expenses for the year was Rs. 51.60 Lacs (P.Y. : Rs. 42.71 Lacs). The Company has not executed any non cancellable lease agreement.

10. Earnings Per Share :

(Rs. In Lacs)

Particulars	As at 31.03.2010	As at 31.03.2009
Profit after tax (Rs. in Lacs)	2,771.72	1,400.27
Weighted Average No. of Equity Shares Outstanding	1,12,38,056	1,12,38,056
Basic & Diluted Earnings Per Share (In Rs.) (Face Value of Rs. 10/- each)	24.66	12.46

11. Derivative Instruments :

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding Forward Exchange Contracts entered into by the Company :

As at	No. of Contracts	US \$ Equivalent (Lacs)	INR Equivalent (Lacs)
March 31, 2010	8	69.07	3,102.62
March 31, 2009	3	10.00	507.50

Expenditure on account of premium on forward exchange contracts to be recognized in the profit and loss of subsequent accounting period aggregates to Rs. 22.68 Lacs (P.Y.: Rs. 1.35 Lacs).

Foreign Currency Exposures not hedged by derivative instruments as at March 31, 2010 on payable amounting US\$ 140.80 Lacs Equivalent INR. 6,377.82 Lacs (P.Y. : US\$ 79.61 Lacs Equivalent INR. 4,045.80 Lacs) and on receivables amounting US\$ 3.47 Lacs Equivalent INR. 156.00 Lacs (P.Y. : US\$ 1.72 Lacs Equivalent INR. 87.43 Lacs).

12. Following current investments have been purchased and redeemed by the Company during the year ended March 31, 2010 :

Sr. No.	Particulars	No. of Units	Face Value	Cost (Rs. In Lacs)
1	Reliance Floating Rate Fund - Growth Plan - Growth Option	1,13,26,759.52	10/-	1,625.00
2	Reliance Liquid Fund - Treasury Plan - Institutional Option - Growth Option - Growth Plan	18,05,122.02	10/-	400.08
3	Reliance Liquid Fund - Treasury Plan - Retail Option - Daily Dividend Option	3,28,064.92	10/-	50.00
4	Reliance Liquid Fund - Treasury Plan - Retail Option - Growth Option - Growth Plan	22,10,978.78	10/-	475.00
5	Reliance Money Manager Fund - Institutional Option - Growth Plan	1,07,900.07	10/-	1,328.18
6	Reliance Money Manager Fund - Retail Option - Growth Plan	18,619.53	10/-	225.02
7	Reliance Medium Term Fund - Retail Plan - Growth Plan - Growth Option	17,58,841.40	10/-	325.01
	TOTAL			4,428.29

13. The plant and machineries and equipments located at the Company's Himachal Pradesh unit Costing Rs. 277.33 Lacs carry first charge in favour of the Government of Himachal Pradesh for a period of five years effective from the year 2005-06 during which the Company was granted a cash subsidy of Rs. 30.00 Lacs for the investments made by the Company in the state.

14. Figures pertaining to the subsidiary Company and joint venture have been reclassified. wherever necessary to bring them in line with the Company's financial statements.
15. Previous year's figures have been recast / restated wherever necessary.

As per our report of even date

For, Deloitte Haskins & Sells
Chartered Accountants

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 21, 2010

For and on behalf of the Board

(Sandeep P. Engineer) (Pradip N. Desai)
Managing Director Director

(Nirav K. Shah)
Company Secretary
Place : Ahmedabad
Date : May 21, 2010

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Company's interest in the Subsidiary Company

- | | | |
|---|--|--|
| 1 | Name of the Subsidiary Company | : Astral Biochem Private Limited (India) |
| 2 | The Financial Year of the Subsidiary Company ended on | : March 31, 2010 |
| 3 | Date from which it became Subsidiary | : July 19, 2008 |
| 4 | a) No. of Shares held by The Astral Poly Technik Limited (Holding Company) with it's nominees in the subsidiary at the end of the financial year of the subsidiary | : 50,000 Equity shares of Rs. 10/- each. |
| | b) Extent of Interest of Holding Company at the end of the financial year of the subsidiary | : 100% |
| 5 | Net aggregate amount of the Subsidiary's Profit /(loss) so far as they concern the members of the Holding Company. | |
| | a) Not dealt with in Holding Company's accounts. | |
| | i) For the Financial Year ended March 31, 2010 | : NIL |
| | ii) For the Previous Financial Years | : NIL |
| | b) Dealt with in Holding Company's accounts. | |
| | i) For the Financial Year ended March 31, 2010 | : NIL |
| | ii) For the Previous Financial Years | : NIL |
| 6 | Changes in the Holding Company's interest in the subsidiary between the end of the financial year of the subsidiary and the end of the Holding Company's financial year. | : None |
| 7 | Material Changes between the end of the financial year of the subsidiary and the end of the Holding Company's financial year in respect of | : Not Applicable |
| | a) Fixed Asset | |
| | b) Investments | |
| | c) Money Lent by the subsidiary | |
| | d) Money borrowed by the subsidiary for any purpose other than for meeting current liabilities. | |

For Astral Poly Technik Limited

For Astral Poly Technik Limited

Sandeep P. Engineer
Managing Director

Pradip N. Desai
Director

Place: Ahmedabad
Date: May 21, 2010

ASTRAL BIOCHEM PRIVATE LIMITED

2nd ANNUAL REPORT

2009-2010

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sandeep P. Engineer	Director
Mrs. Jagruti S. Engineer	Director
Mrs. Hansaben P. Engineer	Director

AUDITORS

N. Gamadia & Co.
Chartered Accountants
410, 'Shail', Opp. Navrangpura Telephone Exchange,
Off C.G. Road, Ellisbridge,
Ahmedabad-380 006.

BANKERS

Corporation Bank
Industrial Finance Branch, Ashram Road, Ahmedabad.

REGISTERED OFFICE

901, Parshwa Towers, Opp. Rajpath Club,
Sarkhej-Gandhinagar Highway,
Ahmedabad-380 054, Gujrat, India.

Directors' Report

Dear Shareholders,

The Board of Directors of your Company have the pleasure in presenting the Second Annual Report together with the Audited Statement of Accounts of your company for the year ended on 31st March, 2010.

OPERATIONS:

Till date your Company has not commenced any business activity and is looking forward to setting up a project in the near future. The management is putting in all its efforts to ensure that the project is conceived and implemented at the earliest possible.

DIRECTORS:

There has been no change in the Board of your Company.

Mr. Sandeep P. Engineer, who retires by rotation at the ensuing Annual General Meeting, being eligible, offers himself for re-appointment. The Management recommends his reappointment.

AUDITORS:

The retiring auditors of the Company, M/s. N. Gamadia & Co., have provided their consent to act as the Statutory Auditor of the Company for the forth-coming year and have also provided the certificate to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. The re-appointment of the auditors is recommended.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed ;
- (ii) the directors have selected such accounting policies and have applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis

PERSONNEL:

Information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 regarding employees is not applicable as none of the employees of the company is in receipt of remuneration which is more than the sum specified by the prevalent law.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUT GO:

The particulars of Section 217(1) (e) with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not provided as the Company has not started any manufacturing activity and consequently there is no relevant information in this regard.

ACKNOWLEDGMENTS:

The Directors would like to express their deep appreciation for the support extended by agencies working with the Company and wish to place on record their appreciation for the services of the all who have contributed to the functioning of the Company.

By the Order of the Board of Directors

Place: Ahmedabad
Date: April 5, 2010

SANDEEP P. ENGINEER
Chairman

Auditors' Report

To,
The Members,
ASTRAL BIOCHEM PRIVATE LIMITED
Ahmedabad

We have audited the attached Balance Sheet of ASTRAL BIOCHEM PRIVATE LIMITED, as at 31st March, 2010 and also the Statement of Expenditure and 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.

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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (iii) The Balance Sheet, Statement of Expenditure and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Statement of Expenditure and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the Directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with schedules and notes thereon and give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010; and
 - (b) in the case of the Statement of Expenditure prepared, of the expenditure incurred for the year ended on that date, and
 - (c) in the case of Cash Flow Statement, of the Cash Flows for the period ended on that date.

For, N. Gamadia & Co.
Chartered Accountants

(Nilesh Gupta)
Partner
Membership No.: 100426

Place : Ahmedabad
Date : April 5, 2010

Annexure to the Auditors' Report

Referred to in paragraph 3 of our report of even date to the members of ASTRAL BIOCHEM PRIVATE LIMITED.

1.
 - a. The Company has maintained proper records showing full particulars of Fixed Assets purchased during the year.
 - b. As the Company's project is in start up phase, expenditures incurred during the year are shown as Pre-operative expenses awaiting capitalization under the Capital work-in -progress.
 - c. During the year, Company has not disposed of any substantial/major part of Fixed Assets.
2. As the Company has not purchased and sold goods during the year nor is there any opening stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
3.
 - a. According to the information and explanations given to us, Company has not granted any loan to parties covered in the register maintained under section 301 of the Companies Act, 1956. However, Company has taken loan from one party listed in the Register maintained under Section 301 of the Companies Act, 1956 and the maximum amount involved during the year was Rs. 465.00 Lacs and the year-end balance was Rs. 465.00 Lacs.
 - b. According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions on which above loans have been taken from the parties listed in the registers maintained under Section 301 are not, prima facie, prejudicial to the interest of the Company.
 - c. According to the information and explanations given to us, the Company is regular in repaying the principal amounts as stipulated and is regular in payment of interest.
 - d. There is no overdue amount of loan taken from the parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to information and explanation given to us, we report that the Company's activity do not include purchase of inventory and sale of goods. In our opinion and according to information and explanation given to us, we report that there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls with regards to purchase of fixed assets.
5. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956,
 - a. Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 have been so entered.
 - b. According to the information and explanations given to us, where each of such transactions is in excess of Rs. 5 lakhs in respect of any party, in our opinion, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
7. In our opinion and in accordance with the information and explanation given to us, the aggregate of the paid up capital and free reserve did not exceed Rupees fifty lakhs nor did the turnover exceed Rupees five crores. Hence, no comment on the Internal Audit System is required.
8. The requirement of maintenance of cost records as prescribed by the Central Government under Section 209(1) (d) is not applicable to the Company.
9.
 - a. According to the records of the Company and information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Service Tax, Cess and other statutory dues applicable to it.

- b. According to the records of the Company, there are no dues of Income tax, Service tax, cess etc. which have not been deposited on account of any dispute.
10. The Company was incorporated on 17th July, 2008. Since a period of five years has not elapsed since the date of incorporation as at Balance Sheet date, hence, no comment under this clause is required.
 11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not borrowed from the financial institutions, banks or issued debenture, hence, reporting requirement under this clause does not arise.
 12. 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.
 13. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company hence clause (xiii) of para 4 is not applicable.
 14. As per records of the Company and the information and explanation given to us by the management, Company is not dealing in shares, securities, and debentures and other investment.
 15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
 16. According to the information and explanations given to us, the Company has not availed any term loans, Hence, Comments under this clause are not applicable.
 17. According to the records examined by us and according to the information and explanations given to us, on overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa.
 18. The Company has not made any preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year and the question of whether the price at which the shares have been issued is prejudicial to the interest of the Company does not arise.
 19. The Company has not issued any Debentures hence question of creation of Securities does not arise.
 20. The Company has not raised money by any public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
 21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For, N. Gamadia & Co.
Chartered Accountants

(Nilesh Gupta)
Partner
Membership No.: 100426

Place : Ahmedabad
Date : April 5, 2010

Balance Sheet As On 31st March, 2010

(Rs. In Lacs)

Particulars	Schedule	As At 31.03.2010	As At 31.03.2009
SOURCES OF FUNDS :			
SHARE HOLDERS' FUNDS			
Share Capital	1	5.00	5.00
Reserves & Surplus		-	-
LOAN FUNDS			
Secured Loans		-	-
Unsecured Loans	2	465.00	460.44
DEFERRED TAX LIABILITY		-	-
Total		470.00	465.44
APPLICATION OF FUNDS :			
FIXED ASSETS			
	3		
Gross Block		439.00	434.60
Less : Depreciation		-	-
Net Block		439.00	434.60
Capital Work-in-Progress		1.99	1.80
		440.99	436.40
INVESTMENTS			
		-	-
CURRENT ASSETS, LOANS & ADVANCES			
Cash and Bank Balances	4	0.39	0.56
Inventories		-	-
Sundry Debtors		-	-
Loans and Advances	5	28.50	28.50
		28.89	29.06
LESS : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities & Provisions	6	0.16	0.11
		0.16	0.11
NET CURRENT ASSETS			
Miscellaneous Expenditure	7	28.73	28.95
(To the extent not written off)		0.28	0.09
Total		470.00	465.44
Significant Accounting Policies & Notes on Accounts	10		

As per our report of even date

For and on behalf of the Board

For, N. Gamadia & Co.
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Nilesh Gupta)
Partner
Membership No.: 100426
Place : Ahmedabad
Date : April 5, 2010

Place : Ahmedabad
Date : April 5, 2010

Statement of Expenditure for the Year Ended on 31st March, 2010

(Rs. In Lacs)

Particulars	Schedule	2009-10	2008-09
Administrative Expenses	8	0.37	1.88
Financial Expenses	9	-	0.01
Total		0.37	1.89
Tr. to Preliminary Expenses		0.18	0.09
Tr. to Pre-Operative Expenses (CWIP in Fixed Assets)		0.19	1.80
Significant Accounting Policies & Notes on Accounts	10		

As per our report of even date

For and on behalf of the Board

For, N. Gamadia & Co.
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Nilesh Gupta)
Partner
Membership No.: 100426
Place : Ahmedabad
Date : April 5, 2010

Place : Ahmedabad
Date : April 5, 2010

Cash flow statement for the year ended on 31st march, 2010

(Rs. In Lacs)

Sr. No.	Particulars	2009-10		2008-09	
A	Cash flow from Operating Activities				
	Net Profit before tax and Extraordinary items		-		-
	Adjustments for :				
	Add. :				
	Depreciation	-		-	
	Interest	-		-	
	Taxation	-		-	
	Less : Interest received	-		-	
	Operating profit before working Capital Changes		-		-
	Adjustment for :				
	Increase/(Decrease) in Trade Payables	-		-	
	(Increase) in Trade & Other Receivables	-	-	-	-
	Cash generated from operations		-		-
	Interest	-		-	
	Income tax	-	-	-	-
	Net Cash from Operating Activities (A)		-		-
B	Cash flow from Investing Activities				
	Purchase of Fixed Assets	(4.40)		(434.60)	
	Capital work-in-progress	(0.14)		(1.69)	
	Advances for Capital Goods	-		(28.50)	
	Interest received	-		-	
	Net Cash used in Investing Activities (B)		(4.54)		(464.79)
C	Cash flow from Financing Activities				
	Equity Share Capital	-		5.00	
	Preliminary Expenses	(0.19)		(0.09)	
	Dividend Tax paid	-		-	
	Proceeds from Long Term Borrowings	4.56		460.44	
	Net Cash flow from Financing Activities (C)		4.37		465.35
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		0.17		0.56
	Cash and Cash Equivalents - as at 31-03-09 (Opening Balance)		0.56		-
	Cash and Cash Equivalents - as at 31-03-10 (Closing Balance)		0.39		0.56

As per our report of even date

For and on behalf of the Board

For, N. Gamadia & Co.
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Nilesh Gupta)
Partner
Membership No.: 100426
Place : Ahmedabad
Date : April 5, 2010

Place : Ahmedabad
Date : April 5, 2010

Schedules to the Financial Statements

(Rs. In Lacs)

Particulars	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 1 : SHARE CAPITAL		
AUTHORISED SHARE CAPITAL :		
50,000 Equity Shares of Rs.10/- each	5.00	5.00
	5.00	5.00
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
50,000 Equity Shares of Rs.10/- each fully paid up	5.00	5.00
(P.Y. : 50,000 Equity Shares of Rs. 10/- each fully paid up)		
Total	5.00	5.00
SCHEDULE - 2 : UNSECURED LOANS		
Inter corporate loans - Holding Company		
Astral Poly Technik Limited	465.00	460.44
Total	465.00	460.44

SCHEDULE - 3 : FIXED ASSETS

(Rs. In Lacs)

Sr. No.	Assets	Gross Block				Depreciation				Net Block	
		As At 01.04.2009	Additions	Deductions / Adjustments	As At 31.03.2010	As At 01.04.2009	For The Year	Deductions / Adjustments	As At 31.03.2010	As At 31.03.2010	As At 31.03.2009
1	Land	426.59	-	-	426.59	-	-	-	-	426.59	426.59
2	Land Development	8.01	4.40	-	12.41	-	-	-	-	12.41	8.01
	Total	434.60	4.40	-	439.00	-	-	-	-	439.00	434.60
3	Capital Work In Progress Pre-Operative Expenses	1.80	0.19	-	1.99	-	-	-	-	1.99	1.80
	Grand Total	436.40	4.59	-	440.99	-	-	-	-	440.99	436.40
	Previous Year	-	436.40	-	436.40	-	-	-	-	436.40	

(Rs. In Lacs)

Particulars	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 4 : CASH AND BANK BALANCE		
Cash on hand	0.06	-
BALANCE WITH BANKS :		
With Scheduled Banks :		
In current A/c with Corporation Bank :		
Corporation Bank - IFB Curr. A/c.	0.33	0.56
Total	0.39	0.56
SCHEDULE - 5 : LOANS AND ADVANCES		
(Advances Considered Good, Unsecured unless otherwise Stated recoverable in cash or in kind or for the value to be received)		
Advances For Capital Goods	28.50	28.50
Total	28.50	28.50
SCHEDULE - 6 : CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors for expenses	0.16	0.11
Total	0.16	0.11
SCHEDULE - 7 : MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary expenses not written off	0.28	0.09
Total	0.28	0.09

Schedules to the Financial Statements

(Rs. In Lacs)		
Particulars	2009-10	2008-09
SCHEDULE - 8 : ADMINISTRATIVE EXPENSES		
Director's foreign traveling expenses	-	0.51
Foreign traveling expenses	-	1.17
Audit Fees	0.11	0.11
Professional fees	0.05	-
Legal Expenses	0.18	0.06
Printing & stationery	-	0.03
Fringe Benefit Tax	0.03	-
Total	0.37	1.88
SCHEDULE - 9 : FINANCIAL EXPENSES		
Interest on TDS	-	0.01
Bank Charges	-	-
Total	-	0.01

SCHEDULE – 10

Significant accounting policies and notes to accounts forming part of the Balance Sheet & Statement of Expenditure

A. ACCOUNTING POLICIES :

1. Accounting Policies :

- (a) The Company generally follows the Mercantile System of Accounting and recognizes Income & Expenditure on accrual Basis, except otherwise stated.
- (b) The financial statements are prepared on historical cost basis and following the generally accepted accounting principles.

2. Fixed Assets :

Fixed Assets are stated at historical costs less accumulated depreciation. All costs relating to acquisition and installation of fixed assets, if any, till the assets get ready for their intended use are capitalized.

3. Taxation:

Provisions for Income-tax are made in accordance with the tax provisions of the Indian Income Tax Act, 1961 applicable to the relevant assessment year.

Deferred tax liabilities/Assets is recognized subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

4. Miscellaneous Expenditure :

Preliminary Expenses will be written off equally over a period of Five Years starting from the year in which Company commences its operating activity.

B. NOTES TO THE ACCOUNTS :

1. Since commercial activities are yet to commence, hence Profit & Loss Account is not prepared and instead a Statement of Expenditure is prepared for the year.
2. Entire Share Capital of the Company is owned by Astral Poly Technik Limited (APL) and hence Company is wholly owned subsidiary of APL since 19th July, 2008.
3. The Expenditures are transferred to Pre-operative Expenditure & Preliminary Expenditure account according to their nature and will be Capitalized / Amortized respectively after commencement of commercial operation.

4. Details of Auditors' Remuneration:

(Rs. In Lacs)

Particulars	2009-10	2008-09
For Statutory Audit	0.10	0.10
For Service Tax	0.01	0.01
Total	0.11	0.11

5. There is no contingent liability not provided for in the books except otherwise stated.

6. Related Party Disclosure:

1) Relationship

a) Enterprise over which Key Management Personnel and their relatives exercise significant influence.

- (i) Astral Poly Technik Limited
- (ii) Kairav Chemicals Limited
- (iii) Saumya Polymers Private Limited

b) Key Management Personnel

- (i) Mr. Sandeep P. Engineer
- (ii) Mrs. Jagruti S. Engineer

c) Relatives of Key Management Personnel

- (i) Sandeep P. Engineer HUF
- (ii) Mr. Bipin R. Mehta
- (iii) Mrs. Rekha B. Mehta
- (iv) Mrs. Hansa P. Engineer

2) Transactions carried out with related parties referred in (1) above, in ordinary course of business and their year end balances :

(Rs. in Lacs)

Particulars	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Part I : Volume of Transactions			
Equity Share Capital	- (5.00)	- -	- -
Inter Corporate Loan	4.56 (460.44)	- -	- -
Part II : Balance at the end of the year			
Equity Share Capital	5.00 (5.00)	- -	- -
Inter Corporate Loan	465.00 (460.44)	- -	- -

Note: Figures in brackets are in respect of the previous year.

As per our report of even date

For and on behalf of the Board

For, N. Gamadia & Co.
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Nilesh Gupta)
Partner
Membership No.: 100426
Place : Ahmedabad
Date : April 5, 2010

Place : Ahmedabad
Date : April 5, 2010

[illegible]

AWARD



Astral receives "NIRMAN RATNA" award from Shri Ashok Bhatt Honorable Speaker of Gujarat Legislative Assembly.

MILESTONES ACHIEVED IN 2009-10

Astral is the first and only Indian company to get NSF certification for its CPVC products.



Astral Ultradrain pipes and fittings receives ISI certification and Astral Flowguard pipes and fittings receives NSF certification.



Astral introduces wavin AS low noise products in Indian plumbing market.



BRANDING AND MARKETING ACTIVITIES

Exhibition stall at
Nirman - Ahmedabad



Branding activities in
various parts of India



ASTRAL Receives NSF Certification for its products* for the first time in India

ASTRAL
FLOWGUARD™
PIPE & FITTINGS

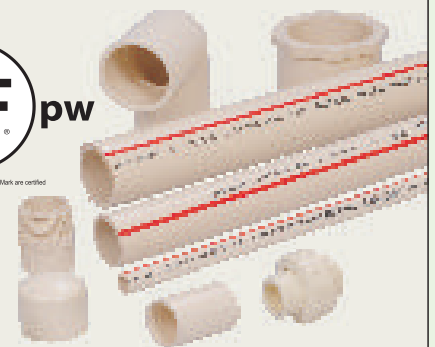
NSF International, a not-for-profit, non-governmental organization, is the world leader in standards development, product certification, education, and risk management for public health and safety (www.nsf.org). For 65 years, NSF has been committed to public health, safety and environmental protection. The NSF Mark is recognized for its value in international trade and is respected by regulatory agencies at the local, state and national levels.

Astral is the first and only Indian company to get NSF certification for its CPVC products.

*Check NSF website for listing of our products.



Only those products bearing the NSF Mark are certified.



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Bangalore | 74/2, B Krishnapur Industrial Estate, Siragonda Nagar, Viewareddam Post, Hegganahalli, Bangalore-560 041 | Phone: 080-32904463 | Telefax: 080-26363083 | E-mail: bangalore@astralcpvc.com

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If undelivered please return to :



ASTRAL POLY TECHNIK LIMITED

Registered & Corporate Office :

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