

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS :**

Shri Shaikh Fazal Mehmood – Managing Director  
Shri Harish N Sureka- Director  
Shri. Sanjiv H. Kathuria- Director  
Shri Ramesh Gorantla – Additional Director  
Shri Venkata Appa Rao – Additional Director  
Shri Srinivasa Satya Ravi Chandra Bayyana – Additional Director  
Shri Tejesh Kumar Kodali - Additional Director

**Registered Office:**

S-19, Suyog Ind. Estate,  
Co-Op. Society Ltd., 1<sup>st</sup> Floor,  
L. B. S Road, Vikhroli(W),  
Mumbai - 400083  
Tel. : +91-22-2578 0989 / 4011 0898  
Fax : +91-22-2578 0929  
E-Mail : admin@spectacleindustries.com

**AUDITORS :**

**M/s. RAMANAND & ASSOCIATES**

Chartered Accountants  
6/C, Ostwal Park Bldg.. No. 4, Ground Floor,  
Near Jesal Park Jain Temple,  
Bhayander (East), District Thane - 401 105  
Tel. : +91-22-2817 1199  
E-Mail : ramanand\_associate@rediffmail.com

**COMPANY SECRETARY :**

G. S. Lakshminarayana Gupta

**BANKERS :**

Union Bank of India  
Malad (West), Mumbai

**REGISTRARS & SHARE TRANSFER AGENTS :**

Sharex Dynamic (I) Pvt. Ltd.  
Unit No. 1, Luthara Ind., Premises,  
Andheri Kurla Road,  
Safed Pool, Andheri (East),  
Mumbai – 400 072.  
Tel. : +91-22-2851 5606 / 2851 5644  
E-Mail : sharexindia@vsnl.com

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**NOTICE**

**NOTICE** is hereby given that the **TWENTY FIFTH ANNUAL GENERAL MEETING** of **SPECTACLE INDUSTRIES LIMITED** will be held at S-19, Suyog Ind. Estate Co-Op. Society Ltd, 1<sup>st</sup> Floor, L.B. S Road, Vikhroli (W), Mumbai - 400083, on Saturday 18<sup>th</sup> day, of September, 2010 at 10.30 A.M. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, and adopt the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2010 along with the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Harish N Sureka who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. AKASAM & Associates, Chartered Accountants, Hyderabad, as the Statutory Auditors of the Company in place of M/S. Ramanand & Associates, Chartered Accountant, Mumbai, who has intimated his inability for re-appointment and authorize the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS:**

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an 'Ordinary Resolution':

**"RESOLVED THAT** Mr. Shaikh Fazal Mehmood, who was appointed as an Additional Director on 29<sup>th</sup> October 2009 and who holds office till the date of this Annual General Meeting under section 260 of the Companies Act, 1956 and for whose appointment as a Director, a notice under section 257 of the Companies Act, 1956 has been received from a member of Company, be and is hereby appointed as Director of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Article 17 of the Articles of Association of the Company and Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 such consents, approvals and permissions as may be needed, Shri Fazal Mehmood be and he is hereby appointed as the Managing Director of the Company ***not liable to retire by rotation for a period of five years*** with

effect from the conclusion of Board Meeting held on 13<sup>th</sup> January, 2010 to 12<sup>th</sup> January, 2015 on a salary of Rs. 50,000 per month and other allowances and benefits as per the rules of the Company."

**"RESOLVED FURTHER THAT** the **Mr. G. S. Lakshminarayana Gupta**, Company Secretary of the Company be and is hereby authorized to take such steps as may be necessary for giving effect to this resolution."

7. To consider and, if thought fit, to pass with or without modifications, the following resolution as 'Ordinary Resolution':

**"RESOLVED THAT** Mr. Ramesh Gorantla, who was appointed as an Additional Director on 7<sup>th</sup> May, 2010 and who holds office till the date of this Annual General Meeting under section 260 of the Companies Act, 1956 and for whose appointment as a Director, a notice under section 257 of the Companies Act, 1956 has been received from a member of Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the provisions of the Companies Act, 1956 and all other applicable provisions, if any, of the Companies Act, 1956 such consents, approvals and permissions as may be needed, Shri Ramesh Gorantla be and he is hereby appointed as the Executive Director of the Company liable to retire by rotation.

**"RESOLVED FURTHER THAT** the **Mr. G. S. Lakshminarayana Gupta**, Company Secretary of the Company be and is hereby authorized to take such steps as may be necessary for giving effect to this resolution."

9. To consider and, if thought fit, to pass with or without modifications, the following resolution as 'Ordinary Resolution':

**"RESOLVED THAT** Mr. K. Venkata Apparao, who was appointed as an Additional Director on 29<sup>th</sup> May, 2010 and who holds office till the date of this Annual General Meeting under section 260 of the Companies Act, 1956 and for whose appointment as a Director, a notice under section 257 of the Companies Act, 1956 has been received from a member of Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

10. To consider and, if thought fit, to pass with or without modifications, the following resolution as 'Ordinary Resolution':

**“RESOLVED THAT** Mr. K. Srinivasa Satya Ravi Chandra Bayyana, who was appointed as an Additional Director on 29<sup>th</sup> May, 2010 and who holds office till the date of this Annual General Meeting under section 260 of the Companies Act, 1956 and for whose appointment as a Director, a notice under section 257 of the Companies Act, 1956 has been received from a member of Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

11. To consider and, if thought fit, to pass with or without modification, the following resolution as ‘Ordinary Resolution’:

**“RESOLVED THAT** Mr. Tejesh Kumar Kodali, who was appointed as an Additional Director on 12<sup>th</sup> August 2010 and who holds office till the date of this Annual General Meeting under section 260 of the Companies Act, 1956 and for whose appointment as a Director, a notice under section 257 of the Companies Act, 1956 has been received from a member of Company, be and is hereby appointed as Director of the Company.

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

**“RESOLVED THAT** pursuant to the provisions of Article 17 of the Articles of Association of the Company and Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 such consents, approvals and permissions as may be needed, Shri Tejesh Kumar Kodali be and he is hereby appointed as the Executive Director of the Company *not liable to retire by rotation for a period of five years* with effect from the conclusion of Board Meeting held on 12th August, 2010 to 11th August, 2015 on a salary of Rs. 50000/- per month and other allowances and benefits as per the rules of the Company.”

**“RESOLVED FURTHER THAT** the **Mr. G. S. Lakshminarayana Gupta**, Company Secretary of the Company be and is hereby authorized to take such steps as may be necessary for giving effect to this resolution.”

**By Order of the Board  
For Spectacle Industries Ltd**

**Sd/-  
G. S. Lakshminarayana Gupta  
Company Secretary**

**Place: Mumbai  
Date: 12/08/2010.**

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXY FORM AND ATTENDANCE SLIP ARE ENCLOSED, PROXIES IN ORDER TO BE VALID MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 7<sup>th</sup> September, 2010 to 10<sup>th</sup> September, 2010 (Both days inclusive)
4. Members / Proxies should bring their copy of the Annual Report and also the attendance slip duly filled in for attending the meeting.
5. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the business under items 5,6,7,8,9,10,11 and 12 set out above is annexed hereto.

#### ANNEXURE TO THE NOTICE:

#### EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACTS, 1956.

The following Explanatory Statement sets out the material facts relating to the business under items 5, 6, 7, 8, 9,10,11 and 12 of the accompanying Notice:

#### Item No. 5

Mr. Shaikh Fazal Mehmood was appointed as an Additional Director by the Board of Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. Shaikh Fazal Mehmood will hold office only up to the date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Shaikh Fazal Mehmood for the office of Director.

Mr. Shaikh Fazal Mehmood is a commerce graduate and is having rich experience of more than 20 years in the import and export business related activities.

In view of the background and valuable experience of Mr. Shaikh Fazal Mehmood, it will be in the interest of the Company that he continues as a Director of the Company.

Your Directors recommend the resolution for the approval of the members.

Mr. Shaikh Fazal Mehmood is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

#### Item No. 6

The Board of Directors at its meeting held on 13<sup>th</sup> January, 2010 resolved to appoint Mr. Shaikh Fazal Mehmood as Managing Director of the Company with effect from 13<sup>th</sup> January, 2010 for a period of 5 years starting from 13<sup>th</sup> January, 2010 to 12th April, 2015 on the following terms and conditions:

- a. Salary : Rs. 50,000/- per month.
- b. Allowances and other benefits as per the rules of the Company

The Board of Directors recommends the resolution for your approval.

Mr. Shaikh Fazal Mehmood is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution

#### Item No.7

Mr. Ramesh Gorantla was appointed as an Additional Director by the Board of Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. Ramesh Gorantla will hold office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Ramesh Gorantla for the office of Director.

Mr. Ramesh Gorantla (47) is a BE (Mech) from R V College of Engineering, Bangalore. He is an outstanding sportsman. He is founder President of Biomass Energy Developers Association, AP, Vidyanand Educational Society, AP and a Member of Andhra Mahila Sabha Obul Reddy Public School.

Mr. Ramesh Gorantla is a first generation entrepreneur and initiated many ventures in Andhra Pradesh. During his career he worked in all facets of industry, education, finance etc. He is Chairman of Robo Silicon Limited and Chairman and Managing Director of Roshni Powertech Limited.

In view of the background and valuable experience of Mr. Ramesh Gorantla, it will be in the interest of the Company that he continues as a Director of the Company.

Your Directors recommend the resolution for the approval of the members.

Mr. Ramesh Gorantla is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

#### Item No. 8

The Board of Directors at its meeting held on 7<sup>th</sup> May, 2010 resolved to appoint Mr. Ramesh Gorantla as Executive Director of the Company with effect from 7<sup>th</sup> May, 2010 for a period of 3 years starting from 7<sup>th</sup> May, 2010 to 6<sup>th</sup> May, 2013.

The Board of Directors recommends the resolution for your approval.

Mr. Ramesh Gorantla is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution

#### Item No. 9

Mr. K. Venkata Apparao was appointed as an Additional Director by the Board of Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. K. Venkata Apparao will hold office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. K. Venkata Apparao for the office of Director.

Mr. K. Venkata Apparao is a Bachelor in Mechanical Engineering, Having sound experience in execution and controlling activities of production plants. He also had been to Malaysia on special assignment. He is having years of experience in the field of IT.

In view of the background and valuable experience of Mr. K. Venkata Apparao, it will be in the interest of the Company that he continues as a Director of the Company.

Your Directors recommend the resolution for the approval of the members.

Mr. K. Venkata Apparao is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

#### Item No.10

Mr. B.S.S.Ravi chandra was appointed as an Additional

Director by the Board of Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. K. Srinivasa Satya Ravi Chandra Bayyana will holds office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. K. Srinivasa Satya Ravi Chandra Bayyana for the office of Director.

Mr. B.S.S.Ravi chandra is a Bachelor in Mechanical Engineering. He has rich and varied experience in the field of Information Technology, Project execution and implementation.

In view of the background and valuable experience of Mr. K. Srinivasa Satya Ravi Chandra Bayyana, it will be in the interest of the Company that he continues as a Director of the Company.

Your Directors recommend the resolution for the approval of the members.

Mr. K. Srinivasa Satya Ravi Chandra Bayyana is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

#### **Item No.11**

Mr. Tejesh Kumar Kodali was appointed as an Additional Director by the Board of Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. Tejesh Kumar Kodali will holds office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Tejesh Kumar Kodali for the office of Director.

Mr. Tejesh Kumar Kodali is a Commerce Graduate and Having a Master Degree in Business Management and engaged globally in Software and finance industry, also having good experience in strategic technology advisory services, Information system consultancy services, technology procurement, project-based capacity building and Information Technology project management services.

In view of the background and valuable experience of Mr. Tejesh Kumar Kodali, it will be in the interest of the Company that he continues as a Director of the Company.

Your Directors recommend the resolution for the approval of the members.

Mr. Tejesh Kumar Kodali is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution.

#### **Item No. 12**

The Board of Directors at its meeting held on 12<sup>th</sup> August, 2010 resolved to appoint Mr. Tejesh Kumar Kodali as additional director under Executive category of the Company with effect from 12<sup>th</sup> August, 2010 for a period of 5 years starting from 12<sup>th</sup> August, 2010 to 11<sup>th</sup> August, 2015 on the following terms and conditions:

a. Salary : Rs. 50,000/- per month.

b. Allowances and other benefits as per the rules of the Company

The Board of Directors recommends the resolution for your approval.

Mr. Tejesh Kumar Kodali is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company is, in any way, concerned or interested in the resolution

#### **By Order of the Board For Spectacle Industries Ltd**

**Sd/-  
G S Lakshminarayana Gupta  
Company Secretary**

**Place: Mumbai**

**Date: 12/08/2010.**

#### **Registered Office:**

S-19, Suyog Ind. Estate,  
Co-Op. Society Ltd, 1<sup>st</sup> Floor,  
L. B. S Road, Vikhroli (W),  
Mumbai - 400083

## DIRECTOR'S REPORT

### To the Members of the Company,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report on the business and operations of your Company with Audited Accounts for the year ended 31<sup>st</sup> March 2010. The financial results of the Company are summarised below:

#### FINANCIAL RESULTS:

PARTICULARS	2009-10	2008-09
	AMOUNT (RS.)	AMOUNT (RS.)
<b>Profit Before Depreciation &amp; Taxation</b>	<b>13290681.00</b>	<b>6627563.00</b>
LESS: Depreciation	(648849.00)	(53009.00)
<b>Profit For The Year Before Taxation</b>	<b>12641833.00</b>	<b>6574554.00</b>
Less : Provision for taxation		
Current tax	3675000.00	1550000.00
Deferred tax	(69,533.00)	98512.00
Fringe Benefit Tax	—	7500.00
Excess Provision of Income Tax reversed	4213.00	(19852.00)
<b>Profit After Tax</b>	<b>9032153.00</b>	<b>4938394.00</b>
Less: Provision for Dividend	2572500.00	2572500.00
Less : Provision for Corporate Dividend Tax	437196.00	437196.00
<b>Profit After Tax &amp; Dividend</b>	<b>6022457.00</b>	<b>1928698.00</b>
Add: Brought forward from last year	6322035.00	4393337.00
<b>Net Profit Carried to Balance Sheet</b>	<b>12344491.00</b>	<b>6322035.00</b>

#### BUSINESS OVERVIEW:

Your company has considered the diversification of its activities by venturing itself into the Software & Information Technology related activities. Your company believes that, this new line of business presents a significant opportunity for the Company and enhances the value of shareholders investment and overall profitability of the Company. This will also enlarge the area of operations of the Company and will be in the interest of the members.

As a Strategic move in this direction your Company has acquired majority stake of 55% in two US based companies I.e. Amsol Inc., USA and United Consultancy Services Inc., USA. A report on subsidiary as required under the Companies Act, 1956 is enclosed.

#### PERFORMANCE OF THE COMPANY:

The gross income from operations has recorded a significant increase in the current year as compared to the previous year and as a result the profits for this year have doubled as compared to the previous year. The current year profit is Rs. 90,32,153/- (Rupees Ninety Lakhs Thirty two thousand and one hundred fifty three only).

#### DIVIDEND:

The Board of Directors of your company is pleased to recommend a dividend of 5% on face value i.e. 0.05 Rupee per Equity Share amounting to Rs. 25,72,500/- (Rupees Twenty five lakhs seventy two thousand five hundred only) for the year 2009-10.

#### MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE;

As required under Clause 49 of the Listing Agreement,

Reports on Management Discussion and Analysis and Corporate Governance together with the Certificate of Auditors on Corporate Governance are provided separately in the Annual Report and forms part of Directors' Report.

#### DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. Harish N Sureka retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Your company has appointed Mr. Shaikh Fazal Mehmood as an additional director of the company on 29<sup>th</sup> October, 2009 and he was also appointed as Managing Director of the company with effect from 13<sup>th</sup> January, 2010.

Mr. Aashish Choudhary, Mr. Narendra Agarwal, Mr. Vivek Agarwal, directors of the company have resigned on 9<sup>th</sup> February, 2010 and Mrs. Shuchi Bansal has resigned 3<sup>rd</sup> October, 2009 and Mr. Suresh C Mody who was the director of the company has resigned with effect from 07<sup>th</sup> May, 2010.

Mr. Ramesh Gorantla was inducted as an Additional Director on the Board of the Company on 7<sup>th</sup> May, 2010 and he was also appointed as Executive Director of the company for the period of 3 years with effective from 7<sup>th</sup> May, 2010.

Mr. K. Venkata Apparao and Mr. K. Srinivasa Satya Ravi Chandra Bayyana who were appointed as Additional Directors of the Company on 29<sup>th</sup> May, 2010. It is proposed to appoint Mr. K. Venkata Apparao and Mr. K. Srinivasa Satya Ravi Chandra Bayyana as Directors liable retire by rotation at the ensuing Annual General Meeting.

Mr. Nimesh Prabodhkumar Ganatra and Mr. Mahesh Manohar Varde have resigned from the Board of the Company on 29 the May, 2010. Mr. Narendra Prabodh Ganatra resigned as a director on 1<sup>st</sup> June, 2010.

Mr. Tejesh Kumar Kodali was inducted as an Additional Director on the Board of the Company on 12<sup>th</sup> August 2010 and he was also appointed as Executive Director of the company for the period of 5 years with effective from 12<sup>th</sup> August, 2010.

#### DIRECTORS' RESPONSIBILITY STATEMENT:

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- Appropriate accounting policies have been selected and the directors have applied them consistently and 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 2009-2010 and of the profit and loss of the Company for the period;

(iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this 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.

**FIXED DEPOSIT:**

The Company has not invited or accepted any deposits during the financial year 2009-2010

**AUDITORS:**

M/s. Ramanand & Associates, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and have expressed his inability for re-appointment. The Company has received a special notice pursuant section 225 (1) of the Companies Act, 1956, from a member proposing the appointment of M/s. AKASAM & Associates, Chartered Accountants, Hyderabad as the statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. The Board on the recommendation of Audit Committee of the Board, proposes to appoint M/s. AKASAM & Associates, Chartered Accountants, Hyderabad as the statutory auditors of the Company for the financial year 2010-11. M/s. AKASAM & Associates, Chartered Accountants, Hyderabad have confirmed that the appointment, if made, will be within accordance with the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

**COMMENTS ON AUDITOR'S REPORT:**

As regards Point 7 of the annexure to the Auditors report, the directors are looking after the day-to-day business of the Company and expenditure on formal internal audit system is not warranted. However your company is in process of appointing an internal auditor or will setup a separate internal audit system.

**COST AUDITORS:**

The Central Government had not directed an audit of cost accounts maintained by the company in respect of its trading business.

**PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A):**

The Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1988, as amended are not applicable to the Company, as there are no employees whose remuneration is in excess of the limits prescribed.

**LISTING:**

The Equity Shares of the Company are at present listed with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited with effect from 5<sup>th</sup> March, 2010. The Company is regular in payment of listing fee.

**CASH FLOW STATEMENT:**

In conformity with the provisions of Clause 32 of the Listing Agreement and requirements of Companies Act, 1956, the Cash Flow Statement for the year ended 31.3.2010 is annexed here to.

**SUBSIDIARIES:**

Your Company acquired a 55% stake in the form of equity in Amsol Inc., USA and United Consultancy Services Inc., USA during the year and as a result of such acquisition both the companies i.e. Amsol Inc., and United Consultancy Services Inc., USA, have become subsidiaries of your company.

According to the provisions of Section 212 of the Companies Act, 1956, the Statement of above subsidiaries are attached to this report.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

Information in accordance with the provisions of 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, regarding conservation of energy, technology absorption and foreign exchange earning and outgo is given in the Annexure-1.

**ALTERATION OF MAIN OBJECTS OF THE COMPANY THROUGH POSTAL BALLOT:**

As the members are aware that your company has decided to venture into Soft ware Information Technology related business, the main objects of the company were altered through Postal ballot which was successfully concluded on 5<sup>th</sup> June, 2010.

**ACKNOWLEDGEMENT:**

Your directors take this opportunity to place on record their warm appreciation of the valuable contribution, unstinted efforts and the spirit of dedication by the employees and officers at all levels in the progress of the Company during the year under review.

Your directors also express their deep gratitude for the assistance, co-operation and support extended to your company by the bankers, customers as well as the investing community and look forward to their continued support.

**For and behalf of the Board of Directors**

Sd/-  
**Shaikh Fazal  
Mehmood**  
Managing Director

Sd/-  
**Harish N  
Sureka**  
Director

Sd/-  
**G. S. Lakshminarayana Gupta**  
Company Secretary

Place: Mumbai  
Dated: 12/08/2010

**ANNEXURE-I TO DIRECTOR'S REPORT:**

ENERGY CONSERVATION : NA  
TECHNOLOGY OBSERVATION : NA  
**FOREIGN EXCHANGE EARNINGS AND OUT GO:**

Amount in Rs.

Foreign exchange used	20,842,371
Foreign exchange earned	Nil

## MANAGEMENT ANALYSIS & DISCUSSION REPORT

### Business Overview

The Company was primarily engaged in trading of Textiles, Tiles etc. As trading activity has become highly competitive and the profit margins have been shrinking, it was decided by your company to foray aggressively into Information Technology and soft ware related business.

Accordingly the company has altered its main objects of Memorandum of Association to enable the company to enter into I T and Software arena. As a strategic move in this direction the company has acquired 55 % stake in Amsol Inc. in USA and United Consultancy Services Inc., which has a combined turnover of INR 1195.29 millions.

### 1. Industry Structure and Development:

#### Information Technology and Software

The Indian information technology (IT) industry has played a major role in placing India on the international map. The industry is mainly governed by IT software and facilities for instance System Integration, Software experiments, Custom Application Development and Maintenance (CADM), network services and IT Solutions.

India's domestic IT Market over the years has become one of the major driving forces of the industry.

The Indian Software Industry has brought about a tremendous success for the emerging economy. The software industry is the main component of the Information technology in India. India's pool of young aged manpower is the key behind this success story. Presently there are more than 500 software firms in the country which shows the monumental advancement that the Indian Software Industry has experienced.

### 2. Opportunities & Threats:

#### Opportunities:

- The Indian government has established a National Taskforce on IT with an aim of formatting a durable National IT Policy for India.
- Endorsement of the IT Act, which offers an authorized structure to assist electronic trade and electronic operations.
- Tax exemptions, setting up of STPIs to offset infrastructure deficiencies and trust building by establishment of non-equity strategic alliances with foreign firms through the country's Diaspora played a critical role in providing a launch pad to the

software industry.

- Indian programmers are known for their strong technical skills and their eagerness to accommodate clients. Also India had the largest pool of English-speaking professionals. At current rates, there will approximately be 17 million people available to the IT industry.

#### Threats:

80 % of India's software products income is contributed by software exports, mainly to the American market. The development of this industry will halt, and the whole economy will be dampened if disputes between the two countries occur.

### 3. Segment-wise or product- wise performance:

The Company was primarily engaged in trading of textiles and tiles and proposes to enter IT sector in a big way.

The performance of the company in trading activities is as under:

Trading of textiles	: 1729.5866 lacs
Trading of Tiles	: 2620.90 lacs
Trading and other activities	: 636.288 lacs

### 4. Outlook:

Long term outlook of your company appears to be encouraging because of the following reasons:

#### Highlights:

As part of business growth strategy, the company has acquired 55% stake in Two US Companies, i.e Amsol Inc., and United Consultancy Services Inc. USA, Hence, your company taking steps to exporting software projects to USA.

### 5. Risks and Concerns:

Spectacle does not envisage any major fall out of the trends that may pose any significant threats to its business or operations in future. However there could be challenges that could affect the performance. Increase in the wage expectations combined with talent movement poses minor risks to our business operations

#### a. Lack of Technology & Intellectual Property Rights.

The products of Indian software companies are usually not the final products but the semi -finished products. This makes it difficult for Indian companies to master the Key techniques and to

exercise control over the software intellectual property rights

**b. Lack of IT Industrial Infrastructure.**

There is low telephone, PC and Internet penetration. There is low availability of regional language software, and the telecom infrastructure still needs improvement to become world class.

**c. Deficiency of Domestic Markets**

Compared with other countries, the gap between India's domestic and export software market is unreasonably wide. This has caused a weak and insufficient development of local software technology.

**6. Internal Control System & Their Adequacy.**

The Company has an Adequate System of Internal Controls commensurate with the size of the company and the nature of its business to ensure efficacy of operations and compliance with applicable legislations and all assets are protected against unauthorized access & in conformity with generally accepted accounting principles.

There exists an adequate management reporting system comprising managerial reporting and analysis on various performance indicators, for corrective actions as necessary. The Audit Committee also looks into internal control system of the company.

**7. Financial Performance with respect to operational performance:**

Financial performance of the Company has been dealt with in the Directors' Report.

The financial statements of the Company have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

**8. Human Resources and Industrial Relations**

The strength of a company lies in its Human Resources and your company is no exception to this universal rule. Your company continuously focuses on recruiting the best talent and also retaining and motivating the talent with them. Further improvements in the work environment and other related areas would be made through a process and metric-oriented approach.

Industrial relations of the company remained cordial and peaceful through out the year.

**Cautionary Statement:**

Certain Statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, etc. may constitute forward looking statements within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether expressed or implied. Significant factors could make a difference to the Company's operations. These include Climatic conditions, Domestic and International economic conditions affecting demand and supply, Changes in Government Regulations and Tax regimes, Natural calamities etc., over which the Company does not have any control.

## **REPORT ON CORPORATE GOVERNANCE**

In Compliance with Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company is providing a report on the matters as mentioned in the clause stated and practices followed by the Company.

Corporate Governance for your Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our workforce is committed towards the protection of the interest of the stakeholders viz shareholders, creditors, investors, customers, employees, etc., Our policies consistently undergo improvements keeping in mind our goal of maximization of value of all the stakeholders.

The goal is achieved through:

- Consistent monitoring and improvement of the

## **2. BOARD OF DIRECTORS:**

### **a) Composition and category of Directors as on 31-03-2010:**

The Board of Directors of the Company comprises of a fair number of Independent professionally competent and acclaimed Non Executive Directors. The Board of Directors of the Company consists of One Executive and five “Non-Executive Directors.”

Mr. Shaikh Fazal Mehmood	- Managing Director & Non Independent
Mr. Narendra Prabodh Ganatra	- Non-Executive Director & Non Independent
Mr. Nimish Probodhkumar Ganatra	- Non-Executive Director & Non Independent
Mr. Harish N Sureka	- Non-Executive Director & Non Independent
Mr. Sanjeev Hansraj Khathuria	- Non-Executive Director & Independent
Mr. Mahesh Manohar Varde	- Non-Executive Director & Independent

### **Additional Directors on the Board:**

Mr. Shaikh Fazal Mehmood	- Executive Director & Promoter
Mr. Ramesh Gorantla	- Executive Director (w.e.f. 7 <sup>th</sup> May, 2010)
Mr. K. Venkata Apparao	- Non-Executive Director & Independent (w.e.f. 29 <sup>th</sup> May 2010)
Mr. K.S.S. Ravi Chandra Bayyana	- Non-Executive Director & Independent (w.e.f. 29 <sup>th</sup> May 2010)
Mr. Tejesh Kumar Kodali	- Executive Director & Promoter (w.e.f. 12 <sup>th</sup> August 2010)

### **b. Board Meetings and attendance of Directors**

During the year ended 31<sup>st</sup> March, 2010, Eleven Board Meetings were held on the following dates:

25<sup>th</sup> April 2009, 27<sup>th</sup> April 2009, 31<sup>st</sup> July 2009, 5<sup>th</sup> September 2009, 26<sup>th</sup> September 2009, 3<sup>rd</sup> October 2009, 29<sup>th</sup> October 2009, 13<sup>th</sup> January 2010, 29<sup>th</sup> January 2010, 9<sup>th</sup> February 2010 and 23<sup>rd</sup> February 2010.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as part of Agenda papers, the same are tabled at the meeting or/ and the presentations are made by the concerned

human and physical resources.

- Introducing regular checks and audits and continuous improvement in already well define systems and procedures.
- Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

According to Clause 49 of the Listing Agreement, the disclosure requirements of which are given below:

### **Mandatory Requirements:**

#### **1. COMPANY’S PHILOSOPHY:**

The Company’s philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the company to achieve its goal of maximizing value for all its stakeholders.

managers to the Board. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

The information as specified in Annexure 1A to Clause 49 of the Listing Agreement is regularly made available to the Board, whenever applicable, for discussion and consideration.

The name and categories of the Directors on the Board, their attendance at Board Meetings during the years and at the last Annual General Meeting, as also the number of Directorships and committee Memberships / Chairmanships held by them in Indian Public Companies (including the Company) as on 31<sup>st</sup> March, 2010 are given below :

Name of Director	Category of Directorship	Attendance at Board Meeting	Attendance at Last AGM	*No. of Directorships	Committee Positions Member	Committee Chairman
Mr. Harish N Sureka	Non Executive & Non Independent	11	Yes	1	-	1
Mr. Shaikh Fazal Mehmood	Executive & Non Independent	4	No	1	—	—
Mr. Sanjeev Khathuria	Non Executive & Independent	11	Yes	2	2	1
Mr. Narendra Ganatra	Non Executive & Non Independent	8	Yes	2	1	1
Mr. Nimish Ganatra	Non Executive & Non Independent	8	Yes	2	—	—
Mr. Mahesh Varde	Non Executive & Independent	8	Yes	1	—	—

\* Excluding directorships in private, foreign companies and companies which are granted license under Section 25 of the Companies Act, 1956.

The necessary disclosure regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49) across all companies in which they are Directors.

#### c) Appointment / Re-appointment of Directors:

The profile of Directors who are seeking re-appointment / appointment at the Annual General Meeting are furnished below:

1. Mr. Shaikh Fazal Mehmood aged 49 years, designated as Managing Director is a commerce graduate and is having an experience of more than 20 years in the field of finance and in the business of import and export. He is also the director in Balaji Synthetic Sacks Private Limited and Entertainer Multimedia Private Limited. He is not holding any equity shares of Spectacle Industries Limited as on 31<sup>st</sup> March 2010.
2. Shri. Harish Nandkishore Surekha, aged 46 years, Director, retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.  
  
Shri. Harish Nandkishore Surekha is a Graduate in Commerce from Mumbai University, residing at A-3, Vijay Kesar, behind Dheeraj Ganga, Chincholi Bunder Road, Malad(West), Mumbai 400 064, is in the business of supply of lubricant Oils & Tours and Travels business. After completion of graduation in the year 1982, he started Business. Other than Spectacle he is not on the Board of any listed Company. He is also Director in Balaji Synthetic Sacks Private Ltd, unlisted Company. He is not holding any equity shares of Spectacle Industries Limited as on 31<sup>st</sup> March 2010.
3. Mr. Ramesh Gorantla, designated as an Additional Director and Executive Director by the Board of

Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. Ramesh Gorantla will hold office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Ramesh Gorantla for the office of Director.

Mr. Ramesh Gorantla (47) is a BE (Mech) from R V College of Engineering, Bangalore. He is an outstanding sportsman. He is founder President of Biomass Energy Developers Association, AP, Vidyanand Educational Society, AP and a Member of Andhra Mahila Sabha Obul Reddy Public School.

Mr. Ramesh Gorantla is a first generation entrepreneur and initiated many ventures which are first of their kind in Andhra Pradesh. During his career he worked in all facets of industry, education, finance etc. He is Chairman of Robo Silicon Limited and Chairman and Managing Director of Roshni Powertech Limited.

4. Mr. K. Venkata Apparao, designated as an Additional Director by the Board of Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. K. Venkata Apparao will hold office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. K. Venkata Apparao for the office of Director.

Mr. K. Venkata Apparao is a Bachelor in Mechanical Engineering, Having sound experience in execution and controlling activities of production plants. He also had been to Malaysia on special assignment. He is having years of experience in the field of IT.

5. Mr. B.S.S.Ravi chandra was appointed as an Additional Director by the Board of Directors of the

Company. As per Section 260 of the Companies Act, 1956 Mr. K. Srinivasa Satya Ravi Chandra Bayyana will hold office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. K. Srinivasa Satya Ravi Chandra Bayyana for the office of Director.

Mr. B.S.S.Ravi chandra is a Bachelor in Mechanical Engineering. He has rich and varied experience in the field of Information Technology, Project execution and implementation.

6. Mr. Tejesh Kumar Kodali was appointed as an Additional Director and Executive Director by the Board of Directors of the Company. As per Section 260 of the Companies Act, 1956 Mr. Tejesh Kumar Kodali will hold office only up to date of ensuing Annual General Meeting of the Company. The Company has received valid Notice and requisite deposit from a member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Tejesh Kumar Kodali for the office of Director.

Mr. Tejesh Kumar Kodali is a Commerce Graduate and Having a Master Degree in Business Management and engaged globally in Software and finance industry, also having good experience in strategic technology advisory services, Information system consultancy services, technology procurement, project-based capacity building and Information Technology project management services.

### 3. BOARD COMMITTEES:

The Board has constituted the following committees of Directors :

- I) Audit Committee  
II) Remuneration Committee  
III) Shareholders's Grievance Committee

#### I. AUDIT COMMITTEE:

##### a. Composition:

The Audit Committee comprises of three Non-Executive Directors, namely

Names of Directors	Category
Mr. Sanjeev Khathuria	Chairman Non- Executive and Independent
Mr. B S S Ravi Chandra	Non- Executive and Independent
Mr. Venkata Appa Rao	Non- Executive and Independent

- The Audit Committee has been reconstituted in the Board Meeting held on 12<sup>th</sup> August, 2010.

The Chairman of Audit Committee was present in the Last Annual General Meeting.

##### b. Terms of reference:

- Review of the Company's financial reporting process and financial statements.
- Review of accounting and financial policies and practices.
- Review of Internal control systems.
- Discussion with Statutory Auditors on any significant findings and follow-up thereon.
- Reviewing the Company's financial and risk management policies.

The Statutory Auditors are invitees to the Meeting.

##### c. Powers of Audit Committee:

The Audit Committee has the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

##### d) Audit committee Meetings and Attendance:

The Committee has met five times during the financial year ended 31<sup>st</sup> March 2010

i.e. on 25<sup>th</sup> April 2009, 31<sup>st</sup> July 2009, 5<sup>th</sup> September 2009, 29<sup>th</sup> October 2009 and 29<sup>th</sup> January 2010.

Details of attendance of each Director at the Audit Committee Meetings are given below:-

Name of the Director	Position	Meeting attendance
Mr. Sanjiv Hansraj Kathuria	Chairman	5
Mr. Suresh C Modi	Member	5
Mr. Narendra Ganatra	Member	2
Ms. Shuchi Bansal	Member	3

- Mr. Suresh C Modi, Mr. Narendra Ganatra and Ms. Shuchi Bansal ceased to be directors of the company with effect from 7<sup>th</sup> May, 2010, 1<sup>st</sup> June, 2010 and 3<sup>rd</sup> October, 2009 respectively

#### II. REMUNERATION COMMITTEE:

##### a) Composition and attendance :

The Remuneration Committee comprised of three Non-Executive Directors, namely Mr. K Venka Apparao (Chairman of the Committee), Mr. Sanjiv Hansraj Kathuria and Mr. B S S Ravi Chandra as a member of the Committee.

- The Remuneration Committee has been reconstituted in the Board Meeting held on 12<sup>th</sup> August, 2010

The Committee has met two times during the financial year ended 31<sup>st</sup> March 2010 i.e. on 5<sup>th</sup> September 2009 and 13<sup>th</sup> January, 2010

Details of attendance of each Director at the Remuneration Committee Meetings are given below:-

Name of the Member	Position	Category	Meeting attendance
Mr. Narendra Ganatra	Chairman	Non Independent & Non Executive Director	2
Mr. Suresh C Modi	Member	Independent & Non Executive Director	2
Mr. Sanjiv H Kathuria	Member	Independent & Non Executive Director	2
Ms. Shuchi Bansal	Member	Independent & Non Executive Director	1

Mr. Suresh C Modi, Mr. Narendra Ganatra and Ms. Shuchi Bansal ceased to be directors of the company with effect from 7<sup>th</sup> May, 2010, 1<sup>st</sup> June, 2010 and 3<sup>rd</sup> October, 2009 respectively

**b) Terms of Reference:**

The broad terms of reference of the committee are to appraise the performance of Managing Director and whole time directors, determine and recommend to the Board compensation payable to Managing Director and whole time directors. The remuneration policy of the Company is based on review of achievements. The remuneration policy is in consonance with the existing industry practice.

**c) Remuneration Policy:**

Subject to the approval of the Board of Directors and subsequent approval by the members at the General Meeting and such authorities as the case may be, remuneration of Managing Director and Whole time Directors, is fixed by the Remuneration Committee. The remuneration is decided by the Remuneration Committee taking into consideration various factors such as qualifications, experience, expertise, prevailing remuneration in the competitive industries, financial position of the company etc.,

**III. SHAREHOLDERS' / INVESTORS GRIEVANCE COMMITTEE:**

**a) Composition and attendance:**

The Shareholders Grievance Committee comprised of Two Executive and One Non Executive Directors, namely Mr. Shaikh Fazal Mehmood (Chairman of the Committee), Mr. Ramesh Gorantla and Mr. Harish Sureka as a members of the Committee.

- The Shareholders Grievance Committee has been reconstituted in the Board Meeting held on 12<sup>th</sup> August, 2010

The Board has delegated the powers to approve transfer of shares etc., to this Committee of Three (3) Directors. The quorum for functioning of the committee is any two (2) directors present, four (4) meetings of the committee were held during the year.

The composition and attendance of shareholders / Investors Grievance Committee as on 31<sup>st</sup> March 2010 is as follows:

Name of the Member	Position	Category	Meeting attendance
Mr. Harish Sureka	Chairman	Non Independent & Non Executive Director	4
Mr. Sanjiv Hansraj Kathuria	Member	Independent & Non Executive Director	4
Mr. Suresh C Modi	Member	Independent & Non Executive Director	4

Mr. Suresh C Modi ceased to be director of the company with effect from 07<sup>th</sup> May, 2010.

**b) Terms of Reference:**

The Company has a Shareholders/Investors Grievance Committee to look into redress of Investors Complaints and requests such as delay in transfer of shares, non receipt of Dividend, Annual Report, revalidation of Dividend warrants etc.,

The committee deals with various matters relating to :

- Transfer / transmission of shares
- Issue of Share certificate in lieu of lost, sub-divided, consolidated, rematerialized or defaced certificates.
- Consolidation / splitting of folios
- Review of shares dematerialized and all other related matters.

- Investors grievance and redressal mechanism and recommend measures to improve the level of investors services.

**Information on Investor Grievances for the period from 1<sup>st</sup> April, 2009 to 31<sup>st</sup> March 2010:**

There are no complaints received from shareholders during the year. The Company has no transfers pending at the close of the financial year.

**d) Compliance Officer:**

**Mr. G. S. Lakshminarayana Gupta** is the compliance officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 and the Listing Agreements with the BSE & NSE.

#### 4. GENERAL BODY MEETINGS:

##### a. Particulars of General Meetings held during last three years:

##### Annual General Meetings:

Financial Year	Location	Date	Time
2006-2007	224, Natraj Market, 2 <sup>nd</sup> Floor, S.V.Road, Malad (W), Mumbai – 400064	28 <sup>th</sup> July, 2007	11.00 A M
2007-2008	224, Natraj Market, 2 <sup>nd</sup> Floor, S.V. Road, Malad (W), Mumbai - 400064	30 <sup>th</sup> September, 2008	11.00 A M
2008-2009	S-19, Suyog Industrial Estate, Co-Op. Society Ltd, 1 <sup>st</sup> Floor, L. B. S Road, Vikhroli (W), Mumbai – 400083	30 <sup>th</sup> September, 2009	11.00 A M

##### Extraordinary General Meetings:

There were no Extraordinary General Meetings conducted during the Financial Year 2009-10.

##### Postal Ballot:

The Company has passed the Special Resolution through the postal ballot on 5<sup>th</sup> June, 2010 for alteration of the main objects of the company.

##### 5. OTHER DISCLOSURES:

No materially significant related party transactions were

entered into by the company with its Promoters or Directors, which could be deemed to be potentially conflicting with the interests of the company.

There was no reported case of non-compliance by the Company and/or levy of any penalties, imposition of strictures on the Company by the Stock Exchanges or SEBI or any other statutory or other authority on any matter related to capital markets during the year under report.

#### 6. MEANS OF COMMUNICATION:

a. Quarterly un-audited Financial Results were publishes during the Financial year as follows:

Financial Result	Un-Audited / Audited* *	News Papers
First Quarter	Un-Audited	Free Press & Nav Shakti
Second Quarter	Un-Audited	Free Press & Nav Shakti
Third Quarter	Un-Audited	Business Standard & Aapla Mahanagar
Fourth Quarter/ Full year	Audited	Business Standard & Aapla Mahanagar

\* The Board of Directors of the Company approved and took on record the Un-Audited / Audited financial results within one month of close of quarter / half year and communicated these results to all Stock Exchanges where the shares of the Company are listed and published in news papers as indicated above.

Note: Un-audited Financial Results were intimated to Stock Exchanges with in one month of close of first three quarters and Audited Financial Results for the last quarter /Financial year ending within 60 days of close of Financial year.

##### b. Management Discussion and Analysis Report:

The Management Discussion and Analysis Report forms part of the Director's Report. All the matters relating to Industry Structures and Development, Opportunities and Threats, Risks and Concerns, Internal Control System and its adequacy, Discussion on financial performance with respect to operational performance, Human Resources Development and Industrial Relations are discussed in the Director's Report.

#### 7. GENERAL SHAREHOLDER INFORMATION:

##### (i) Annual General Meeting

Day, Date and Time: Saturday, 18<sup>th</sup> day of September, 2010 at 10.30 a.m.

Venue: S-19, Suyog Ind. Estate, Co-Op. Society Ltd, 1<sup>st</sup> Floor, L. B. S Road, Vikhroli (W), Mumbai - 400083  
**(ii) Financial Calendar 2010-11 (Tentative)**

Results for the quarter ending 30<sup>th</sup> June 2010 :  
Second week of August, 2010

Results for the quarter ending 30<sup>th</sup> Sep, 2010 :  
Second week of November, 2010

Results for the quarter ending 31<sup>st</sup> Dec 2010 :  
Second week of February, 2011

Results for the year ending 31<sup>st</sup> Mar 2011 :  
Last week of May, 2011

**(iii) Book Closure Date :**  
07.09.2010 to 10.09.2010  
(Both the days inclusive)

Note: The Annual listing fee as prescribed has been paid to the above Stock Exchanges where shares are listed up to 31<sup>st</sup> March, 2011.

**(iv) Registered Office :**  
S-19, Suyog Ind.Estate Co-Op. Society Ltd,  
1<sup>st</sup> Floor, L. B. S Road, Vikhroli (W),  
Mumbai - 400083.

**(vi) Stock Code**  
Trading Symbol at :

**(v) Equity shares listed on :**

1. Bombay Stock Exchange Limited

1. Bombay Stock Exchange Limited (Physical Segment)  
512413 SPECTACLE
2. NSE – SPECTACLE  
Demat ISIN Number in NSDL & CDSL :  
Equity Shares INE409H01028

**Stock Exchanges at**

2. National Stock Exchange of (India) Limited

**(vii) Stock Market Data (in Rs. / per share)**

Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
Period	High (Rs.)	Low (Rs.)	Period	High (Rs.)	Low (Rs.)
April 2009	62.00	43.10	---	---	---
May 2009	81.00	56.25	---	---	---
June 2009	73.90	43.65	---	---	---
July 2009	52.00	40.00	---	---	---
Aug 2009	44.95	40.80	---	---	---
Sep 2009	63.20	41.05	---	---	---
Oct 2009	71.00	58.00	---	---	---
Nov 2009	78.20	67.50	---	---	---
Dec 2009	81.50	72.00	---	---	---
Jan 2010	97.50	73.95	---	---	---
Feb 2010	100.70	81.90	---	---	---
Mar 2010	122.80	88.80	Mar 10	123.90	94.00

The Company has got the listing approval from the National Stock Exchange of India Limited vide letter no. NSE/LIST/132112-R dated 5<sup>th</sup> March, 2010

**(viii) Registrars and Transfer Agents:**  
(Share transfer and communication  
regarding share certificates,  
Dividends and change of address)

**Sharex Dynamic (India) Pvt. Ltd.**  
Unit No. 1, Luthra Ind. Premises,  
Andheri Kurla Road, Safed Pool,  
Andheri (E), Mumbai 400 072.

**(ix) Share Transfer System:**

Presently, the share transfers in physical form are processed and the share certificates returned within a period of 15 to 20 days from the date of receipt of the document, subject to the documents being clear in all respects. The Board has delegated the authority for approving the transfers to the RTA subject to approval by Grievance Committee.

Shareholders Grievances and other miscellaneous correspondence on change of address, mandates etc., received from members are generally processed by RTA of the company within 15 to 20 days.

The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under clause 47c of the Listing Agreement and files a copy of the certificate with BSE and NSE.

**(x) DISTRIBUTION OF SHARE HOLDING AS ON 31<sup>ST</sup> MARCH 2010.**

Range of Shareholding	No. of Shareholders	% of Total	Nominal Value	% of Total
1-5000	626	64.27	930330.00	0.18
5001-10000	100	10.27	813750.00	0.16
10001-20000	55	5.65	838620.00	0.16
20001-30000	20	2.05	496090.00	0.10
30001-40000	9	0.92	322200.00	0.06
40001-50000	15	1.54	711020.00	0.14
50001-100000	19	1.95	1452050.00	0.28
100001 and above	130	13.35	508935940.00	98.92
<b>Total</b>	<b>974</b>	<b>100.00</b>	<b>514500000.00</b>	<b>100.00</b>

**(xi) Shareholding Pattern (Category Wise) As On 31<sup>st</sup> March 2010 :**

Category	No. of Shares	Percentage
Promoters	8360650	16.25
Mutual Funds / UTI & Banks	—	—
Private Corporate Bodies	17249093	33.53
Resident Individuals	24869356	48.34
NRI's / FIIs	6782	0.01
Clearing Members	964119	1.87
<b>Total :</b>	<b>51450000</b>	<b>100.00</b>

**(xii) Dematerialisation of Shares:**

Approximately 99.951% of the Equity Shares have been dematerialized upto 31<sup>st</sup> March, 2010.

Trading in Equity shares of the Company is permitted only in dematerialized form as per notification issued by the Securities and Exchange Board, India (SEBI).

**(xiii) Liquidity:**

Relevant data of the average daily working days turnover for the Financial Year 2009-2010 is given below:

**Bombay Stock Exchange Limited:**

Shares (in lakhs)	-	14.575
Amount (in Rs. lakhs)	-	507.07

**\*National Stock Exchange of India Limited:**

Shares (in lakhs)	-	0.42
Amount (in Rs. lakhs)	-	43.04

The Company has got the listing approval from the National Stock Exchange of India Limited vide letter No. NSE/LIST/132112-R dated 5<sup>th</sup> March, 2010

**INVESTOR CORRESPONDENCE FOR TRANSFER / DEMATERILISATION OF SHARES AND ANY OTHER QUERY RELATING TO THE SHARES OF THE COMPANY:**

For shares held in Physical form:

**Sharex Dynamic (I) Pvt. Ltd.**

Unit -1, Luthra Ind. Premises,  
Andheri Kurla Road, Safed Pool  
Andheri (E), Mumbai 400 072.  
Tel. : +91-22-2851 5606 / 2851 5644  
Email : sharexindia@vsnl.com

For Shares held in Demat Form:

To the Depository Participant.

Any query on Annual Report:

**Spectacle Industries Ltd.**

S-19, Suyog Ind. Estate Co-Op. Society Ltd,  
1<sup>st</sup> Floor, L. B. S Road, Vikhroli (W),  
Mumbai - 400083.

Tel.: +91-22-2578 0989/4011 0898 Fax : 2578 0929

Email : admin@spectacleindustries.com

Other Mandatory requirements are not applicable to the Company.

**AUDITORS' REPORT ON CORPORATE GOVERNANCE**

To the Members,

**SPECTACLE INDUSTRIES LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Spectacle Industries Ltd., for the year ended on 31<sup>st</sup> March, 2010, as stipulated in Clause 49 of listing agreement of the said Company with stock exchanges.

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

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 the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Share transfer-cum-investors Grievance Committee.

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

**For Ramanand & Associates.  
Chartered Accountants**

**Sd/-  
RAMANAND GUPTA  
Partner  
Membership No.103975**

Place : Mumbai  
Dated: 12.08.2010

**CEO CERTIFICATION**

To,  
The Board of Directors,  
**Spectacle Industries Ltd.,**  
S-19, Suyog Ind. Estate  
Co-Op. Society Limited, 1<sup>st</sup> Floor,  
L. B. S Road, Vikhroli (W),  
Mumbai – 400083

I hereby certify that:

- (a) I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2010 and that to the best of my knowledge and belief:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) These are, to the best of our knowledge and belief, no transactions is entered into by the company during the year which are fraudulent illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting

and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

- (d) I 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 we 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 Spectacle Industries Ltd.**

**Sd/-**  
**Shaikh Fazal Mehmood**  
**Managing Director**

**Place: Mumbai**  
**Date: 12<sup>th</sup> August 2010**

**AUDITOR'S REPORT****To,****The Members of  
SPECTACLE INDUSTRIES LIMITED**

We have Audited the attached Consolidated Balance Sheet of '**SPECTACLE INDUSTRIES LIMITED**' (Formerly **Khaitan Weaving Mills Limited**) as at 31<sup>st</sup> March, 2010 and also the Consolidated Profit & Loss Account & Cash flow Statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the 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.

In respect of the Financial Statement of Subsidiaries we did not carry on the Audit. The Total Assets and total Revenue in Respect of these Subsidiaries are Rs.10,38,62,104/- and Rs.2,01,01,227/- respectively. These Financial Statement have been Audited by other Auditors whose reports have been furnished to us and our opinion, insofar as it Relates to the Amounts included in respect of the Subsidiaries is based solely on this certified financial statements.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (the 'Order') issued by the Central Government of India in terms of Section 227 (4A) of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

We Report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books;
- c) The Consolidated Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
- d) In our opinion, the Consolidated Balance Sheet and the Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section 3(C) of Section 211 of the Companies Act, 1956.
- e) We do not have any observations or comments which have any adverse effect on the functioning of the company and requiring to be mentioned in thick type or in italics in terms of clause (e) of sub-section (3) of section 227 of the Companies Act, 1956.
- f) On the basis of the written representations received from the directors, as on 31<sup>st</sup> March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- i. In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2010; and
- ii. In the case of the Consolidated Profit & Loss Account, of the profit for the year ended on that date.
- iii. In the case of the Cash Flow statement, of the cash flow of the Company for the year ended on that date. **As the cash flow statements of the Subsidiaries are not available, Cash flow statement is standalone.**

**For RAMANAND & ASSOCIATES**  
**Chartered Accountants**

Sd/-

**C.A Ramanand G Gupta**  
**Partner**  
**M.No. 103975**

Date : 29<sup>th</sup> May 2010  
Place : Mumbai

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph (3) of our Report of even date on the statements of Account of **SPECTACLE INDUSTRIES LIMITED (formerly known as Khaitan Weaving Mills Limited)**, as at, 31<sup>st</sup> March 2010)

- 1 (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the Management during the year. We have been informed that no material discrepancies were noticed on such physical verification.
- (c) No substantial part of the fixed assets has been disposed off during the year, which has bearing on the going concern status of the company.
- 2 (a) The stock of inventory has been physically verified during the year, by the Management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on such physical verification of inventories as compared to book records and hence the question of whether the same have been properly dealt with the books of accounts does not arise.
- 3 (a) The company has not granted any unsecured loans to companies, firms or other parties covered in the register maintained u/s 301 of the companies act, 1956.
- (b) As informed to us, since the company has not granted any unsecured loans to companies, firms or other parties covered in the register maintained u/s 301 of the companies act, 1956; Hence, clause (b) relating to the rate of interest and other terms and conditions of loans is not applicable.
- (c) Since the company has not granted any unsecured loans to companies, firms or other parties covered in the register maintained u/s 301 of the companies act, 1956; Hence, clause (c) relating to repayment of the principal amount and payment of interest is not applicable.
- (d) Since the company has not granted any unsecured loans to companies, firms or other parties covered in the register maintained u/s 301 of the companies act, 1956; Hence, Question of overdue amount in excess of 1 lakh does not arise.
- (e) As informed to us, during the year the Company has not taken any loans From parties covered in the registered under section 301 of the companies Act, 1956
- (f) Since the company has not taken any unsecured loans from companies, firms or other parties covered in the register maintained u/s 301 of the companies act, 1956; Hence, Clause (b) relating to the rate of interest and other terms and conditions of loans not applicable.
- (g) Since the company has not taken any unsecured loans from companies, firms or other parties covered in the register maintained u/s 301 of the companies act, 1956; Hence, repayment of the principal amount and interest is not applicable
- 4 In our opinion and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regards to purchase of inventory and fixed assets and for the sale of inventories. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
5. (a) Based on the Audit procedure applied by us and according to the Information and Explanation provided by management, we are of the Opinion that there are no particulars of contracts or arrangements that Need to be entered into the register maintained under section 301.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered In the register maintained under section 301 and exceeding the value of Rupees five lakhs in respect of any party during the year are **NIL**; Hence, this clause is not applicable.
6. As informed by the management during the year, the company has not Accepted any deposit from the public within the purview of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- 7. The Company does not have any formal internal audit system.**
8. The Central Government has not prescribed maintaince of cost records, Under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.

9. The company is generally regular in depositing statutory tax dues except occasional delays in payment of VAT, Service Tax and Professional Tax, with appropriate authorities.
- (b) No undisputed amounts payable were in arrears, as 31st March, 2010 for a period of more than six months from the date they became Payable.
- (c) According to the information and explanations given to us and the records of the company examined by us there are no dues of income tax, sales tax, Wealth tax, service tax, custom duty, and excise duty which have not been deposited on account of any dispute.
10. In our opinion, The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and Immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debantureholders.
12. According to the records of the Company, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund, nidhi, mutual benefit fund or a society and clause 12 of the order is not applicable. Therefore the provision of clause 4 (xiii) of the Companies (Auditor's report) order, 2003 are not applicable to the company.
14. The company has maintained proper records of the transactions and contracts of its trading or dealing in shares, securities, debentures and other investments and timely entries have been made therein. All the shares, securities, debentures and other investments have been held by the company in its own name except to the extent of exemption granted under section 49 of the Companies Act, 1956.
15. According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions and hence the question of whether the terms and condition of the Guarantee given are prejudicial to the interest of company does not arise.
16. In our Opinion & on the Basis of the Review of utilization of funds pertaining to term loan & related information as made available to us, the term loan taken by the company have been applied for the purpose for which they were obtained.
17. According to the information and explanation given to us, and On the basis of an Overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long term investment.
18. According to the information and explanation given to us, during the year, 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; Hence question of issue price of shares prejudicial to interest of the company does not arise.
19. During the year covered by our audit report, the company has not issued any Secured debentures. Hence the creation of security in respect of debenture is not applicable.
20. The company has not raised any money by public issues during the year Covered by our report.
21. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year under the report.

**For RAMANAND & ASSOCIATES**  
**Chartered Accountants**

**C.A Ramanand G Gupta**  
**Partner**  
**M.No. 103975**

Place : Mumbai  
Date : 29<sup>th</sup> May 2010

**BALANCE SHEET AS ON 31ST MARCH 2010**

<b>PARTICULARS</b>	<b>SCH</b>		<b>AS ON 3/31/2010</b>	<b>AS ON 3/31/2009</b>
<b><u>SOURCE OF FUND</u></b>				
SHARE CAPITAL	1		51,450,000	51,450,000
<b>RESERVE &amp; SURPLUS</b>	2		12,344,491	6,322,035
Deferred Tax Liability			-	4,917
<b><u>LOAN FUNDS</u></b>				
SECURED LOANS				
Bank Overdradt (UBI) (Secured Against Bank FDRs)			-	24,737,634
HDFC BANK Loan(Sec. Agt Construction Equipment)			3,677,404	
	<b>TOTAL</b>		<b>67,471,895</b>	<b>82,514,586</b>
<b><u>APPLICATION OF FUND</u></b>				
<b><u>FIXED ASSETS</u></b>	3			
Gross Block		6,779,985		
Less: Depreciation/Adjustments		1,200,251		
<b>Net Block</b>			5,579,734	767,667
<b>INVESTMENTS</b>	4		23,867,621	25,250
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
Inventories	5		885,400	236,823
Sundry Debtors	6		3,080,718	2,389,643
Cash & Bank Balances	7		12,420,674	73,555,292
Loan & Advances	8		33,613,055	14,910,981
			49,999,846	91,092,739
<b>Less :</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>	9			
Current Liabilities			4,118,702	5,183,717
Provisions			8,442,506	4,882,402
			12,561,208	10,066,119
<b>NET CURRENT ASSETS</b>			37,438,638	81,026,620
Deferred Tax Assets			64,616	-
Preliminary Expenses	10		521,286	695,050
	<b>TOTAL</b>		<b>67, 471,896</b>	<b>82,514,587</b>

Notes forming part of the accounts 17

As per our reports of even date

For RAMANAND & ASSOCIATES  
Chartered Accountants

For and On behalf of the Board

C.A Ramanand G Gupta  
Partner  
M.No. 103975  
Date : 29<sup>th</sup> May 2010  
Place : MumbaiShaikh Fazal Mehmood  
Managing DirectorNarendra Ganatra  
DirectorG. S. Laxminarayana Gupta  
Company Secretary

**PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2010**

<b>PARTICULARS</b>	<b>SCH</b>	<b>AS ON 3/31/2010</b>	<b>AS ON 3/31/2009</b>
<b><u>INCOME</u></b>			
Operative Income	11	498,677,706	401,551,341
Other Income	12	14,378,202	7,480,957
<b>TOTAL</b>		<b>513,055,908</b>	<b>409,032,298</b>
<b><u>EXPENDITURE:</u></b>			
Cost of Goods Traded	13	494,955,129	390,192,594
Administrative & Other Expenses	14	1,942,838	7,912,812
Interest & Financial Charges	15	2,693,496	4,125,564
Preliminary Expenses W / Off		173,764	173,764
<b>TOTAL</b>		<b>499,765,227</b>	<b>402,404,734</b>
<b>PROFIT BEFORE DEPRECIATION &amp; TAXATION</b>		13,290,681	6,627,563
Depreciation		648,849	53,009
<b>PROFIT FOR THE YEAR BEFORE TAXATION</b>		12,641,833	6,574,554
Provision for Income Tax		3,675,000	1,550,000
Deferred Taxation Provision		(69,533)	98,512
Provision for Fringe Benefit Tax		-	7,500
Excess Provision of Income Tax Reversed		4,213	(19,852)
115 JAA Credit taken for Earlier Years		-	-
<b>PROFIT AFTER TAX</b>		9,032,153	4,938,394
Less: Extra Ordinary Items (Net Of Tax)		-	-
<b>PROFIT AFTER EXTRA ORDINARY ITEMS</b>		9,032,153	4,938,394
<b>Less: Provision For Dividend</b>		2,572,500	2,572,500
<b>Less: Provision For Corporate Dividend Tax</b>		437,196	437,196
<b>PROFIT AFTER TAX &amp; DIVIDEND</b>		6,022,457	1,928,698
Add: Balance brought forward from previous year		6,322,035	4,393,337
<b>BALANCE CARRIED TO BALANCE SHEET</b>		12,344,491	6,322,035
<b>Earning Per share - Basic</b>		0.18	0.10

Notes forming part of accounts.

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**For RAMANAND & ASSOCIATES**  
Chartered Accountants
**For and On behalf of the Board**
C.A Ramanand G Gupta  
PARTNER  
M.No. 103975  
Date : 29<sup>th</sup> May 2010  
Place : Mumbai

Shaikh Fazal Mehmood  
Managing Director

Narendra Ganatra  
Director

G. S. Laxminarayana Gupta  
Company Secretary

**SPECTACLE INDUSTRIES LTD.**  
**SCHEDULES FORMING PART OF ACCOUNTS**

	<b>31.03.2010</b>	<b>31.03.2009</b>
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b> 6,00,00,000 Equity Shares of Re.1/- each.	60,000,000	60,000,000
<b>Issued, subscribed &amp; paid up</b> 5,14,50,000 Equity Shares of Re.1/- each fully paid (PY. 5,14,50,000 Equity Shares of Re.1/- each fully paid)	51,450,000	51,450,000
<b>SCHEDULE - 2</b>		
<b>RESERVE &amp; SURPLUS</b>		
Profit & Loss A/c.	12,344,491	6,322,035
	12,344,491	6,322,035

**SCHEDULE - 3**

Particulars	Rates	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As on 01.04.2009	Addition/ Deduction	As on 31.03.2010	As on 01.04.09	Dep. For the Period	Adjust.	As on 31.03.2010	As on 31.03.2010	As on 31.03.09
Office Premises	5.00%	764,190	(764,190)	-	67,420	19,758	(87,178)	-	-	696,770
Furniture & Fxtures	18.10%	464,181	-	464,181	420,115	7,976	-	428,092	36,089	44,066
Computer & Software	40.00%	135,375	95,721	231,096	130,114	14,336	-	144,450	86,646	5,261
Air Conditioner & office Equipment	13.91%	42,500	22,333	64,833	20,930	3,993	-	24,923	39,910	21,570
Construction Equipments	30.00%	-	6,019,875	6,019,875		602,786		602,786	5,417,089	-
		1,406,246	5,373,739	6,779,985	638,579	648,849	(87,178)	1,200,251	5,579,734	767,667

**SCHEDULE - 4****INVESTMENTS**

Particulars	Nos.	Cost As on 31.03.2010 Rs.	Nos.	Cost As on 31.03.09 Rs.
<b>Unquoted Shares</b>				
The Greater Bombay Co.Op.Bank Ltd.	1,010	25,250	1,010	25,250
Shree Swastik Buildcon Pvt.Ltd.	30,000	3,000,000	-	-
Amsol Inc (USA)	550	19,013,810	-	-
UCS Inc (USA)	550	1,828,561	-	-
<b>TOTAL</b>	<b>32,110</b>	<b>23,867,621</b>	<b>1,010</b>	<b>25,250</b>

**SPECTACLE INDUSTRIES LTD.**  
**SCHEDULES FORMING PART OF ACCOUNTS**

	31.03.2010	31.03.2009
<b><u>SCHEDULE - 5</u></b> <b>INVENTORIES</b> (At Lower Cost or Net Relisable Value as certified & valued by management)		
Finished Goods	885,400	236,823
<b><u>SCHEDULE - 6</u></b> <b>SUNDRY DEBTORS</b> (Unsecured, considered good by the management)		
Outstanding for a period Exceeding Six Months	-	-
Other Debts	3,080,718	2,389,643
	3,080,718	2,389,643
<b><u>SCHEDULE - 7</u></b> <b>CASH &amp; BANK BALANCE</b>		
Cash in Hand	3,380	97,276
<b>Bank Balances:</b>		
<b><u>In Current Accounts:</u></b>		
Union Bank of India(Malad West)	2,402,344	-
Union Bank of India(Vikroli)	385,961	
Axis Bank Ltd	21,059	
HDFC Bank Dividend A/c	207,930	
<b><u>In Deposit Accounts:</u></b>		
Fixed Deposit with Union Bank of India	9,400,000	73,458,016
	12,420,674	73,555,292
<b><u>SCHEDULE - 8</u></b> <b>LOANS &amp; ADVANCES</b> (Unsecured, considered good by the Management)		
TDS, Advance Tax and Self Asst Tax	3,798,684	2,279,383
VAT Deposit	25,000	25,000
Advances Recoverable in cash or in kind for Value to be Received	27,525,223	7,750,000
Advance to Office Staff	29,000	13,000
Deposits	2,151,500	1,500
Interest Accrued on Bank FDRs	27,552	4,840,598
Prepaid Expenses	56,096	1,500
	33,613,055	14,910,981
<b><u>SCHEDULE - 9</u></b> <b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	3,805,075	4,755,776
Outstanding Liabilities for Exp.	313,627	427,941
	4,118,702	5,183,717

**SPECTACLE INDUSTRIES LTD.**  
**SCHEDULES FORMING PART OF ACCOUNTS**

	<b>31.03.2010</b>	<b>31.03.2009</b>
<b>SCHEDULE - 9</b>		
<b><u>PROVISIONS</u></b>		
Provision for Income Tax	5,225,000	1,865,000
Provision for Fringe Benefit Tax	-	7,706
Provision for Proposed Dividend	2,572,500	2,572,500
Provision for Corporate Dividend tax	437,196	437,196
Final Dividend (2009-2010)	207,810	-
	<b>8,442,506</b>	<b>4,882,402</b>
<b>TOTAL</b>	<b>12,561,208</b>	<b>10,066,119</b>
<b>SCHEDULE - 10</b>		
<b>Preliminary Expenses</b>		
Right Issue Expenses	695,050	868,814
Less: Write off during the year	173,764	173,764
	<b>521,286</b>	<b>695,050</b>
<b>SCHEDULE - 11</b>		
<b>OPERATIONAL INCOME</b>		
Sales	498,677,706	394,243,254
Commission	-	7,308,087
	<b>498,677,706</b>	<b>401,551,341</b>
<b>SCHEDULE - 12</b>		
<b>OTHER INCOME</b>		
Interest on Loan	3,096,344	112,000
Interest on Bank FDRs	5,588,174	5,657,618
Dividend from Indian companies	600,000	3,788
Income from Shares & Securities	3,733,390	1,687,125
Profit On Sale Of Office Premises	594,988	-
Rent Income	-	7,500
Construction Equipment Rent	765,306	-
Misc. Income	-	12,926
	<b>14,378,202</b>	<b>7,480,957</b>
<b>SCHEDULE - 13</b>		
<b>COST OF GOODS TRADED</b>		
Opening Stock	236,823	203,000
Add: Purchases	495,603,706	390,226,417
	<b>495,840,529</b>	<b>390,429,416</b>
Less: Closing Stock	885,400	236,823
	<b>494,955,129</b>	<b>390,192,594</b>

**SPECTACLE INDUSTRIES LTD.**  
**SCHEDULES FORMING PART OF ACCOUNTS**

	<b>31.03.2010</b>	<b>31.03.2009</b>
<b>SCHEDULE - 14</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Salaries, Wages & Bonus	744,710	805,084
Staff & Labour Welfare Exp.	20,033	5,777
Donation	51,000	-
Telephone Expenses	47,128	55,417
Travelling & Conveyance Expenses	15,175	39,749
Commission Paid	-	6,577,278
Registration & Filing Fees	46,308	73,328
Share Transfer Expenses	27,520	29,194
Shop & Establishment Charges	1,300	6,700
Fees & Subscriptions	27,575	-
Advertisement & Publicity	37,718	27,407
Postage & Courier Expenses	8,852	11,851
Printing & Stationery	35,200	49,402
Legal & Professional charges	17,518	56,500
Annual Listing Fees	21,894	15,000
Repairs & Maintenance Charges	21,303	9,750
Society Maintenance Charges	6,900	9,200
Auditor's Remuneration	65,000	49,635
VAT Audit Fees	25,000	10,000
Insurance Charges	22,697	-
Electricity Charges	64,790	40,070
Website Expenses	9,100	12,226
General Expenses	9,740	29,244
Sundry Balance W/OFF	95,398	-
Office Rent	350,000	-
Share Trading Expenses	170,979	-
	<b>1,942,838</b>	<b>7,912,812</b>
<b>SCHEDULE - 15</b>		
<b>INTEREST &amp; FINANCIAL CHARGES</b>		
Interest Paid to Bank	2,664,849	2,179,390
Interest on FBT & Service Tax	405	-
Interest & Charges on LC Discounting	-	1,945,042
Bank Charges	28,242	1,132
	<b>2,693,496</b>	<b>4,125,564</b>

**Consolidated Balance Sheet as on 31st March 2010****(Amount in Rs)**

<b>Particulars</b>	<b>Schedule</b>	<b>As on 31-03-2010</b>
<b>SOURCES OF FUNDS</b>		
<b>Shareholders' Funds</b>		
(a) Share Capital	<b>1</b>	51,450,000
(b) Reserves & Surplus	<b>2</b>	15,472,955
(c) Capital Reserve		<b>14,525,556</b>
<b>Minority Interest</b>		<b>31,569,079</b>
<b>Loan Funds</b>		
(a) Secured Loans	<b>3</b>	3,677,404
(b) Un Secured Loans		33,796,634
<b>Deferred Tax Liability (Net)</b>		
<b>TOTAL</b>		<b>150,491,628</b>
<b>APPLICATION OF FUNDS</b>		
<b>Fixed Assets</b>		
(a) Gross Block		7,311,734
(b) Less: Depreciation		1,200,251
(c) Net Block		<b>6,111,484</b>
<b>Investments</b>	<b>4</b>	<b>3,025,250</b>
<b>Current Assets, Loans and Advances</b>		
(a) Inventories	<b>5</b>	885,400
(b) Sundry Debtors	<b>6</b>	132,832,443
(c) Cash & Bank Balances	<b>7</b>	21,140,866
(d) Loans and Advances	<b>8</b>	39,149,025
		<b>194,007,734</b>
<b>Current Liabilities and Provisions</b>		
(a) Current Liabilities	<b>9</b>	17,816,977
(b) Provisions	<b>10</b>	35,421,765
		<b>53,238,741</b>
<b>Net Current Assets</b>		<b>140,768,992</b>
<b>Deffered Tax Asset</b>		<b>64,616</b>
<b>Miscellaneous Expenditure</b> (to the extent not written off)	<b>11</b>	521,286
<b>TOTAL</b>		<b>150,491,628</b>
Significant Accounting Policies and Notes on Accounts	<b>17</b>	<b>0.00</b>
The Schedules referred to above and the notes on accounts form an integral part of the Balance sheet		
Vide our report of even date attached		
<b>For RAMANAND &amp; ASSOCIATES</b> Chartered Accountants	<b>For and On behalf of the Board</b>	
C.A Ramanand G Gupta Partner M.No. 103975 Date : 29 <sup>th</sup> May 2010 Place : Mumbai	Shaikh Fazal Mehmood Managing Director	Narendra Ganatra Director
	G. S. Laxminarayana Gupta Company Secretary	

**Consolidated Profit & Loss account as on 31st March 2010****(Amount in Rs)**

<b>Particulars</b>	<b>Schedule</b>	<b>As on 31-03-2010</b>
<b>INCOME</b>		
Operative Income	<b>12</b>	<b>1,195,294,126</b>
Other Income	<b>13</b>	<b>14,378,202</b>
<b>TOTAL</b>		<b>1,209,672,328</b>
<b>EXPENDITURE</b>		
Cost of Goods Traded	<b>14</b>	1,059,960,266
Administrative & Other Expenses	<b>15</b>	77,465,651
Interest & Financial Charges	<b>16</b>	10,341,097
Preliminary Expenses Written Off		173,764
<b>TOTAL</b>		<b>1,147,940,777</b>
<b>Profit before Depreciation &amp; Amortisation</b>		<b>61,731,550</b>
Depreciation		648,849
Less: Transfer from Revaluation Reserve		-
Amortisation		-
<b>Total</b>		<b>648,849</b>
<b>Profit After Depreciation &amp; Amortisation</b>		<b>61,082,702</b>
Provision for taxation		
- Current Tax		32,014,641
- Deferred Tax		(69,533)
- Excess Provision on Income Tax Reversed		4,213
<b>PROFIT AFTER EXTRA ORDINARY ITEMS</b>		<b>29,133,381</b>
Less: Provision For Dividend		2,572,500
Less: Provision For Corporate Dividend Tax		437,196
<b>Profit After Tax &amp; Dividend</b>		<b>26,123,684</b>
Less: Minority Interest		9,045,552
Less: Pre acquisition profits		13,216,984
<b>Profit after Taxes (after adjustment of Minority Interest)</b>		<b>3,861,149</b>
Balance Carried to Balance Sheet		<b>3,861,149</b>
<b>Earning Per share - Basic</b>		<b>0.13</b>
<b>Significant Accounting Policies and Notes on Accounts</b>	<b>17</b>	
<b>The Schedules referred to above and the notes on accounts form an integral part of the Balance Sheet</b>		
Vide our report of even date attached		
<b>For RAMANAND &amp; ASSOCIATES</b> Chartered Accountants	<b>For and On behalf of the Board</b>	
C.A Ramanand G Gupta Partner M.No. 103975 Date : 29 <sup>th</sup> May 2010 Place : Mumbai	Shaikh Fazal Mehmood Managing Director	Narendra Ganatra Director
	G. S. Laxminarayana Gupta Company Secretary	

**Schedules Forming Part of Consolidated Balance Sheet**

(Amount in Rs)

Particulars	As on 31-03-2010
<b>SCHEDULE - 1</b>	
<b>Share Capital</b>	
<b>Authorised Capital</b>	60,000,000
(6,00,00,000 Equity Shares of Re.1/- Each)	
( Authorised for Subsidiary Not Available)	
Issued, Subscribed & Paid up Capital	51,450,000
(5,14,50,000 Equity Shares of Re.1/- each fully paid)	
Share Application Money	
<b>Total</b>	<b>51,450,000</b>
<b>SCHEDULE - 2</b>	
<b>Reserves &amp; Surplus</b>	
(a) Profit & Loss Account Balance	6,322,035
Profit and Loss Account Opening Balance	3,861,149
Add : Current Year Balance	<b>10,183,184</b>
(c) Foreign Currency Translation Reserves	5,289,772
<b>Total</b>	<b>15,472,955</b>
<b>SCHEDULE - 3</b>	
<b>Secured Loans</b>	
<b>(a) Secured Loans</b>	
HDFC BANK Loan(Sec. Agt Construction Equipment)	3,677,404
<b>Total</b>	<b>3,677,404</b>
<b>SCHEDULE - 4</b>	
<b>Long term Investments</b>	
The Greater Bombay Co.Op.Bank Ltd.	25,250
Shree Swastik Buildcon Pvt.Ltd.	3,000,000
Amsol Inc (USA)	-
UCS Inc (USA)	-
<b>Total</b>	<b>3,025,250</b>
<b>SCHEDULE - 5</b>	
<b>Current Assets, Loans &amp; Advances</b>	
<b>(a) Inventories</b>	
Finished Goods/Bought Out Goods	885,400
Work in Progress	
Raw Material	
Material in Transit	
<b>Total</b>	<b>885,400</b>
<b>SCHEDULE - 6</b>	
<b>(b) Sundry Debtors</b>	
<b>(Unsecured, Considered Good)</b>	
Over Six Months	
Others	132,832,443
<b>Total</b>	<b>132,832,443</b>

**Schedules Forming Part of Consolidated Balance Sheet**

(Amount in Rs)

Particulars	As on 31-03-2010
<b>SCHEDULE - 7</b>	
<b>(c) Cash and Bank Balances</b>	
Cash on Hand	8,723,572
Bank Balances ( with Scheduled Banks)	12,417,294
<b>Total</b>	<b>21,140,866</b>
<b>SCHEDULE - 8</b>	
<b>(d) Loans &amp; Advances</b>	
TDS, Advance Tax and Self Asst Tax	3,798,684
VAT Deposit	25,000
Advances Recoverable in cash	27,525,223
Advance to Office Staff	29,000
Deposits	2,151,500
Interest Accrued on Bank FDRs	27,552
Prepaid Expenses	56,096
Other Assets	5,535,970
<b>Total</b>	<b>39,149,025</b>
<b>SCHEDULE - 9</b>	
<b>Current Liabilities and Provisions</b>	
Sundry Creditors	10,836,307
Outstanding Liabilities for Exp.	313,627
Other Liabilities	6,427,801
Accounts Payable	239,242
<b>Total</b>	<b>17,816,977</b>
<b>SCHEDULE - 10</b>	
<b>(b) Provisions</b>	
Provision for Income Tax	32,204,257
Provision for Fringe Benefit Tax	
Provision for Final Dividend (2009-2010)	207,810
Provision for Proposed Dividend	2,572,500
Provision for Corporate Dividend tax	437,196
<b>Total</b>	<b>35,421,764</b>
<b>SCHEDULE - 11</b>	
<b>Preliminary Expenses</b>	
Right Issue Expenses	695,050
Less: Write off during the year	173,764
<b>Total</b>	<b>521,286</b>

**Schedules Forming Part of Consolidated Profit & Loss Account**

(Amount in Rs)

<b>Particulars</b>	<b>As on 31-03-2010</b>
<b>SUB SCHEDULE - 12</b>	
<b>INCOME</b>	
Sales	1,195,294,126
Commission	
<b>Net Turnover</b>	<b>1,195,294,126</b>
<b>SUB SCHEDULE - 13</b>	
<b>OTHER INCOME</b>	
Interest on Loan	3,096,344
Interest on Bank FDRs	5,588,174
Dividend from Indian companies	600,000
Income from Shares & Securities	3,733,390
Profit On Sale Of Office Premises	594,988
Construction Equipment Rent	765,306
<b>Total</b>	<b>14,378,202</b>
<b>SCHEDULE - 14</b>	
<b>COST OF GOODS TRADED</b>	
Opening Stock	236,823
Add: Purchases	495,603,706
	495,840,529
Less: Closing Stock	885,400
Service Cost	565,005,137
<b>Total</b>	<b>1,059,960,266</b>

**Schedules Forming Part of Consolidated Profit & Loss Account**

(Amount in Rs)

<b>Particulars</b>	<b>As on 31-03-2010</b>
<b>SCHEDULE - 15</b>	
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>	
Administrative Expenses	75,522,813
Rates & Taxes	--
Salaries, Wages & Bonus	744,710
Staff & Labour Welfare Exp.	20,033
Donation	51,000
Telephone Expenses	47,128
Travelling & Conveyance Expenses	15,175
Registration & Filing Fees	46,308
Share Transfer Expenses	27,520
Shop & Establishment Charges	1,300
Fess & Subscriptions	27,575
Advertisement & Publicity	37,718
Postage & Courier Expenses	8,852
Printing & Stationery	35,200
Legal & Professional charges	17,518
Annual Listing Fees	21,894
Repairs & Maintenance Charges	21,303
Society Maintenance Charges	6,900
Auditor's Remuneration	65,000
VAT Audit Fees	25,000
Insurance Charges	22,697
Electricity Charges	64,790
Website Expenses	9,100
General Expenses	9,740
Sundry Balance W/OFF	95,398
Office Rent	350,000
Share Trading Expenses	170,979
<b>Total</b>	<b>77,465,651</b>
<b>SCHEDULE - 16</b>	
<b>INTEREST &amp; FINANCIAL CHARGES</b>	
Interest Paid to Bank	10,312,451
Interest on FBT & Service TAX	405
Bank Charges	28,242
<b>Total</b>	<b>10,341,098</b>

**Sub Schedules Forming Part of Consolidated Balance Sheet****(Amount in Rs)**

<b>Particulars</b>	<b>As on 31-03-2010</b>
<b>Sub Schedule 7</b>	
<b>Bank Accounts</b>	
<b>In Current Accounts:</b>	
Union Bank of India(Malad West)	2,402,344
Union Bank of India(Vikroli)	385,961
Axis Bank Ltd	21,059
HDFC Bank Dividend a/c 2009-2010	207,930
<b>In Deposit Accounts:</b>	-
Fixed Deposit with Union Bank of India	9,400,000
	<b>12,417,294</b>
<b>Sub Schedule 8</b>	
<b>TDS, Advance Tax and Self Asst Tax</b>	
TDS (A.Y. 2009-10)	1,946,088
Advance Income Tax (A.Y.2010-11)	600,000
TDS (A.Y.2010-11)	1,252,596
	<b>3,798,684</b>
<b>Advances recoverable in cash or in kind for Value to be received</b>	
L&T KOMATSU LTD	88,107
BLC Trading & Agencies Pvt.Ltd.	166,181
Jyoti Mehta	53,753
NMC Industries	114,658
Neevan Capital Market Pvt Ltd	16,909,044
Plenco Closures Pvt Ltd	2,083,441
Rock Process Equipment Pvt Ltd	27,400
SRBH Engineering & Equipment Pvt Ltd	1,107,840
Suvidha Securities Pvt.Ltd.	82,110
Taibani Muhammad Zuber Ahmed	1,586,550
Trimurti Polymers	5,208,603
Service Tax Input	6,695
Vat Input	90,841
	<b>27,525,223</b>

**Sub Schedules Forming Part of Consolidated Balance Sheet**

(Amount in Rs)

<b>Particulars</b>	<b>As on 31-03-2010</b>
<b>Advance to Staff</b>	
Manish Dalal	10,000
Sujit Jadhav	4,000
Mahesh Varde	15,000
	<b>29,000</b>
<b>Deposits</b>	
Office Securities Deposit(Narendra Ganatra)	2,150,000
MTNL Deposit	1,500
	<b>2,151,500</b>
<b>Prepaid Expenses</b>	
Prepaid Annual Listing Fees	20,681
Prepaid Insurance Charges	35,415
	<b>56,096</b>
<b>Sub Schedule - 9</b>	
<b>Sundry Creditors</b>	
Nova Home Appliances	3,403,575
Narendra Ganatra	360,000
Sudhir Transports Pvt.Ltd.	41,500
	<b>3,805,075</b>
<b>Sub Schedule - 10</b>	
<b>Liability for Outstanding Expenses</b>	
Audit Fees Payable	64,525
VAT Audit Fees Payable	32,500
Telephone Expenses Payable	3,183
Electricity Charges Payable	8,550
R. Mimani & Associates	3,000
Comfort Securities Pvt Ltd	552
Salary Payable	138,602
Income Tax payable (Asst Yr.2007-2008)	1,397
TDS Payable	44,670
Interest on Income Tax payable (Asst Yr.2007-2008)	11,523
Profession Tax Payable	5,125
	<b>313,627</b>

**SCHEDULE '17'****Statement of Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements for the period ended March 31, 2010.****Principles of Consolidation:**

The Consolidated Financial Statements relate to Spectacle Industries Limited, the Company, and its following Subsidiaries:

Sl. No	Name of the Subsidiary Company	Country of Incorporation	Proportion of Ownership Interest	Financial Year ended on
1	Amsol, Inc	USA	55%	31 <sup>st</sup> March 2010
2	United Consultancy Services, Inc	USA	55%	31 <sup>st</sup> March 2010

**A. SIGNIFICANT ACCOUNTING POLICIES****1. Principles of Consolidation**

- a) The Financial statements of the company and its subsidiary companies are 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 in accordance with Accounting Standard(AS)21-”Consolidated Financial Statements “.
  - b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at an average rate prevailing during the year. All assets are converted at rates prevailing at the end of the year. Any exchange arising during consolidation is recognized in the exchange fluctuation reserve.
  - c) The difference between the costs of investment in subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
  - d) Minority Interest’s share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the company.
  - e) Minority Interest’s share of net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet separate from the liabilities and equity of the Company’s shareholders.
  - f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements.
2. The financial statements are prepared under the historical cost convention on accrual basis and in

accordance with generally accepted accounting principles in India.

3. Preliminary expenses incurred in connection with the incorporation of the company are amortized in five equal installments

**4. Recognition of Income and Expenditure**

- i) Revenue / Expenditure is generally accounted as they are earned / incurred.
- ii) Direct fiscal duties and taxes are charged out as an expense in the year in which they are paid or provided.

**5. Fixed Assets and Depreciation**

Fixed assets are stated at cost of acquisition and include other direct/indirect and incidental expenses incurred to put them into use but excludes CENVAT availed on such assets.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

Depreciation on fixed assets is provided using the straight line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. Individual assets costing less than Rs.5, 000/- are depreciated full in the year of acquisition.

**6. Investments**

Investments are classified as current investments and long term investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost less provision for permanent diminution in value of such investments.

**7. Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a moving weighted average basis and includes all applicable costs incurred in bringing goods to their present

location and condition. Cost of work-in-progress and finished goods include all applicable manufacturing overheads.

8. Cash Flow statement is prepared in accordance with AS-3 except in case of Subsidiaries for which cash flow is not available due to difference in financial year.

#### 9. Sales

- Net Sales and Service Income represent sale value of goods and value of services net of recoveries on account of excise duty, sales tax and service tax.
- Export sales are accounted at the rate prevailing on the date of invoice and exchange variation on realisation is accounted in the year of receipt of sale proceeds.

#### 8. Foreign Currency Transactions:

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupee at the rate of exchange prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions, other than those relating to fixed assets acquired outside India are recognised in the profit and loss account.

#### 9. Foreign Currency Translation

In respect of non-integral foreign operations the translation to Indian Rupees for the purpose of Consolidation is performed for Balance Sheet Accounts using the average exchange rates in effect at the Balance Sheet date and revenues and expenses accounts at average exchange rates for the respective periods. The gains or losses resulting from such translations are reported as separate component as a 'Exchange Fluctuation Reserve.

#### 10. Retirement Benefits

- Retirement Benefits in the form of Provident Fund is not applicable in view of non-applicability of the Provident Fund Act.
- The Gratuity Act is not applicable in view of non-completion of qualifying years of service by the employees
- Leave encashment is paid and payable at the end of the each calendar year and necessary provision if any, required is being made in the accounts.

#### 11. Taxes on Income

- Current tax is determined, under the tax payable method based on the liability as computed after taking credit for allowances and exemptions. Adjustments in books are made only after the completion of the assessment.

- Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income, that originate in one period and reverse in one or more subsequent periods.

### B. NOTES TO ACCOUNTS

#### 1. Contingent Liabilities:

- Liability towards irrevocable letters of credit established: **Rs.NIL**  
(PY: Rs Nil.)
  - Liability in respect of Bank Guarantees: **Rs.NIL** (PY: Rs Nil).
  - Corporate guarantees given for other group Companies: **Rs.NIL**  
(PY: Rs.Nil).
  - Corporate guarantees given to Customers: **Rs. NIL**(PY: Rs Nil).
- Show cause notices against the company not acknowledged as debts: **Rs. NIL.** (PY Nil).

2. No Employee of the Company was in receipt of salary of Rs.24, 00,000/- p.a in aggregate or Rs. 2, 00,000/- per month employed for the part of the year.

#### 3. Related Party Transactions

- Parties where control exists: M/S Balaji Synthetic & Sacks Pvt. Ltd.
- Key Management Personnel : Shaik Fazal Mehmood (Managing Director)
- List of Management Personnel, where transactions have taken place.

#### Narendra Ganatra – Director

Nature of Transaction	Amount
Rental Deposit	Rs. 21,50,000/-
Rent Paid	Rs. 3,50,000/-

#### iv) Subsidiaries

Name	Investment
Amsol Inc	Rs. 1,90,13,810/-
United Consultancy Services	Rs. 18,28,561/-

#### 4. Earnings per share:

Particulars	FY 2009-2010
Profit After Extra Ordinary Items	68,70,845
Weighted Average	
No. of equity shares	5,14,50,000
EPS	0.13

EPS is Rs. 0.13 having face value of Re. 1, and paid up value of Re.1 [Previous year:- Earning per share (Reported) Rs. (0.10) and Earning per share (Restated) Rs. (0.10) ]

5. Quantitative Information:- (As Certified by the Management and relied upon by the Auditor )

Licensed capacity : Not Applicable  
 Installed Capacity : \_\_\_\_\_  
 Actual Production : \_\_\_\_\_  
 Quantitative and  
 Turnover information : As per Schedule "A"  
 Consumption of Raw material : \_\_\_\_\_

## 6. Auditors Remuneration:-

	Current Period (Rs.)	Previous Year (Rs.)
a. Statutory Audit fees	35000	30000
b. Tax Audit fees	15000	15000
c. Other Certification	15000	NIL
c. Service Tax	6695	4635
Total	71695/-	49635/-

## 7. Outstanding Dues of SSI Units

The Company has no information as to whether any of its suppliers constitute Small Scale / ancillary undertakings and therefore the claims from suppliers and other related data under the "Interest on Delayed Payment to Small and Ancillary unit Act 1993" could not be ascertained.

## 8. Foreign Currency Transactions:

Outgo in foreign currency: -  
 Investment in Subsidiaries Rs 2,08,42,371/-  
 (Previous Year Rs. NIL)  
 Earning in Foreign Currency: - Nil  
 (Previous year Nil)

## 9. Segmental Reporting:

There is no separate reportable segment as defined by the Accounting Standard -17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

## 10. Deferred Tax Liability:

No deferred tax liability / Asset have been estimated for Amsol, Inc and United Consultancy Services, Inc.

## 11. For Investment in Subsidiaries &amp; Shri Swastik Buildcon Private Limited Share Certificates are Yet to be Received by the Company.

## 12. The Board of Director has proposed declaration of dividend @ 5% for the financial year 2009-10.

## 13. Current Assets, Loan &amp; Advances and Provisions

i. The Current assets and loans and advances are approximately of the value Stated, if realized in the ordinary course of business

ii. The provision for all known liabilities is not in excess of the amounts Reasonably necessary.

## 14. The Balances of Sundry Creditors, Sundry Debtors and Loans and Advances are Subject to confirmation. The balances are net of credit / debit in Debtors / Creditors Accounts.

## 15. Previous Year Figures for Consolidated Financial Statements are not given being First year of Consolidation.

## 16. Previous year's figures have been regrouped / rearranged wherever necessary to confirm to the current year presentation.

**For RAMANAND & ASSOCIATES**  
Chartered Accountants

C.A Ramanand G Gupta  
Partner  
M.No. 103975  
Date : 29<sup>th</sup> May 2010  
Place : Mumbai

**For and On behalf of the Board**

Shaikh Fazal Mehmood  
Managing Director

Narendra Ganatra  
Director

G. S. Laxminarayana Gupta  
Company Secretary

**“SCHEDULE –A”****Additional information pursuant to the provisions of Part II of Schedule VI of Companies Act, 1956 are as under:-****QUANTITATIVE INFORMATION**

Particulars	Qty	31.03.2010		Qty	31.03.2009	
		Mtr/ Kg / Sq Ft	Amount (Rs)		Mtr/ Kg / Sq Ft	Amount (Rs)
<b>OPENING STOCK</b>						
Cloth & Fabrics	1,414.10	Mtr	62220.40	4,422.39	Mtr	203000.00
Cloth & Fabrics (Waste)	-	Kg	0.00	-	Kg	0.00
Coil & Sheet	4387.000	Kg	174602.60	0.000	Kg	0.00
Sundry Marbels	-	Sq Ft	0.00	-	Sq Ft	0.00
Home Appliances	-	No.	0.00	-	No.	0.00
Softwares	-	No.	0.00	-	No.	0.00
<b>Total</b>			<b>236823.00</b>			<b>203000.00</b>
<b>PURCHASES</b>						
Cloth & Fabrics	1583640.00	Mtr	168539165.00	162455.95	Mtr	7078598.00
Cloth & Fabrics (Waste)	36413.80	Kg	1483594.00	96414.00	Kg	3956094.00
Coil & Sheet	0.000	Kg	0.00	474387.000	Kg	44202304.00
Sundry Marbels	826,507	Sq Ft	261746374.00	1,096,120	Sq Ft	334989421.00
Home Appliances	5,196.00	No.	3025400.00	-	No.	0.00
Softwares	525.00	No.	60809173.00	-	No.	0.00
<b>Total</b>			<b>495603706.00</b>			<b>390226417.00</b>
<b>SALES</b>						
Cloth & Fabrics	1585054.10	Mtr	171164482.20	165464.24	Mtr	7207251.00
Cloth & Fabrics (Waste)	36413.80	Kg	1794186.00	96414.00	Kg	5278145.00
Coil & Sheet	4387.000	Kg	331218.50	470000.000	Kg	45700000.00
Sundry Marbels	826,507	Sq Ft	262090221.00	1,096,120	Sq Ft	336057858.00
Home Appliances	3,500.00	No.	2274000.00	-	No.	0.00
Softwares	525.00	No.	61023598.00	-	No.	0.00
<b>Total</b>			<b>498677705.70</b>			<b>394243254.00</b>
<b>CLOSING STOCK</b>						
Cloth & Fabrics	0.00	Mtr	0.00	1414.10	Mtr	62220.40
Cloth & Fabrics (Waste)	0.00	Kg	0.00	0.00	Kg	0.00
Coil & Sheet	0.000	Kg	0.00	4387.000	Kg	174602.60
Sundry Marbels	-	Sq Ft	0.00	-	Sq Ft	0.00
Home Appliances	1,696	No.	885400.00	-	No.	0.00
Softwares	-	No.	0.00	-	No.	0.00
<b>Total</b>			<b>885400.00</b>			<b>236823.00</b>

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2010**

<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
Net profit / (Loss) before Tax and <u>Adjustment for</u>	<b>12,641,833</b>	6,574,554
Depreciation	<b>648,849</b>	53,009
Extra Ordinary Items		
Loss / (Profit) on sale of Share & Securities	<b>(3,733,390)</b>	(1,687,125)
Loss / (Profit) on sale of fixed Assets	<b>(594,988)</b>	-
Sundry Blance Written Back	-	-
Preliminary Expences Written Off	<b>173,764</b>	173,764
Interest & Financial Charges	<b>2,693,496</b>	4,125,564
Net Interest, Dividend & Other Income	<b>(10,049,824)</b>	(5,773,406)
<b>Operating Profit before working capital changes</b>	<b>1,779,740</b>	3,466,360
<u>Adjustment for</u>		
(Increase) Decrease in Trade Debtors	<b>(691,075)</b>	4,846,959
(Increase) Decrease in Inventories	<b>(648,577)</b>	(33,823)
(Increase) Decrease in Advances & Receivables	<b>(17,182,773)</b>	(8,629,741)
Increase (Decrease) in Current Laibilities	<b>(1,065,015)</b>	1,667,522
<b>Cash Generated from Operations</b>	<b>(17,807,700)</b>	<b>1,317,277</b>
Taxes & Dividend Paid	<b>(4,648,106)</b>	(2,039,117)
<b>Cash Flow from Operating Activities</b>	<b>(22,455,806)</b>	<b>(721,840)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale / (Purchase) of Fixed Assets	<b>(4,865,929)</b>	(13,500)
Sale of investments*		
Purchase of investment*	<b>(23,842,371)</b>	
*Including Amount paid for Share Application Money		
Income From Shares & Securities	<b>3,733,390</b>	1,687,125
Net Interest, Divinded & Other Income	<b>10,049,824</b>	5,773,406
<b>Cash Flow from Investing Activities</b>	<b>(14,925,086)</b>	<b>7,447,031</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issuance of Capital		-
Payment of Preliminary Expenses		-
Loan Taken	<b>3,677,404</b>	23,435,840
Loan Repaid	<b>(24,737,634)</b>	
Interest and Finance charges	<b>(2,693,496)</b>	(4,125,564)
<b>Cash Flow from Financing Activities</b>	<b>(23,753,726)</b>	<b>19,310,276</b>
Net Increase in Cash & Cash Equivalents (A+B+C)	<b>(61,134,618)</b>	26,035,469
Cash & Cash Equivalents (Opening)	<b>73,555,292</b>	47,519,823
Cash & Cash Equivalents (Closing)	<b>12,420,674</b>	<b>73,555,292</b>

**For RAMANAND & ASSOCIATES**  
Chartered Accountants

**For and On behalf of the Board**

C.A Ramanand G Gupta  
Partner  
M.No. 103975  
Date : 29<sup>th</sup> May 2010  
Place : Mumbai

Shaikh Fazal Mehmood  
Managing Director

Narendra Ganatra  
Director

G. S. Laxminarayana Gupta  
Company Secretary

**SCHEDULE -14 NOTES ON CONSOLIDATED ACCOUNTS**

**SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED  
BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

A. The consolidated financial statements relate to SPECTACLE INDUSTRIES LIMITED. ( " the Company" ) has prepared the Consolidated Financial Statements, by consolidating its accounts with that of its Majority Interest (55%) subsidiaries AMSOL, INC, U.S.A and UNITED CONSULTANCY SERVICES INC, U.S.A in accordance with the Statements of Accounting standards on " Consolidated Financial Statements ( AS 21 ) issued by the Institute of Chartered Accountants of India ( ICAI ) The Consolidated Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the ICAI. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and its subsidiary company are 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 balance and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 --"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- (ii) In case of Foreign subsidiaries, revenue items and Assets and Liabilities are consolidated at the Foreign Exchange rates prevailing at the end of the year.
- (iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill.
- (iv) Minority interest's share is there as the company is holding 55 % Equity Shares
- (v) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**NOTES ON ACCOUNTS TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT:**

Amsol Inc, USA, and United Consultancy Services, Inc, USA subsidiary companies have been considered in the consolidated financial Statements. As required by Accounting Standard ( AS – 23 ) on Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, the carrying amount of Investments in Associates at the beginning of the year have been restated by applying " equity Method " of accounting from the date of acquisition of the associates and corresponding adjustments has been made to the retained earnings at the beginning of the year after eliminating unrealised profits, if any.

As this is the first year of adoption of Accounting Standard ( AS 23 ) on Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, figures for the previous year are therefore not comparable to that extent.

**General :**

- (i) These accounts are prepared on the historical cost basis and on the accounting principles of a going concern.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

**Revenue Recognition :**

- (i) Income from software development is accounted for on the basis of Software developed and billed to clients on acceptance and/or on the basis of man days/man hours as per the terms of contract.

- (ii) Revenue from professional services consist primarily of revenue earned from services performed on a 'time and material' basis. The related revenue is recognised as and when the services are performed.
- (iii) Revenue from software development services includes revenue from time and material and fixed price contracts are recognised as related services are performed.
- (iv) Revenue on fixed price contracts is recognised in accordance with percentage of completion and method of account.
- (v) Revenue is not recognised on the grounds of prudence, until realised in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

**Foreign Exchange Transaction :**

- (i) Realised gains & loss in foreign exchange transactions are recognised in Profit & Loss Account. However in case of 55% subsidiaries have been reflected in the Foreign Exchange Fluctuation Reserve Account.
- (ii) Transactions in foreign currency will be recorded at the rates of exchange prevailing on the date of the transaction. Current assets and liabilities denominated in foreign currency will be translated at the rate of exchange as at Balance Sheet date.

**Investments :**

Investments are stated at cost i.e. cost of acquisition, inclusive of expenses incidental to acquisition wherever applicable.

**Fixed Assets :**

- (i) Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereto.

**Depreciation and Amortisation :**

- (i) Depreciation is provided on straight line method on pro-rata basis and at the rates and manner specified in the Schedule XIV of the Companies Act, 1956.
- (ii) Preliminary Expenses are amortised over the period of 5 years.

**Capital Work-in-Progress :**

The Capital Work-in-Progress includes cost of Fixed Assets under installation, advances for Capital Goods and unallocated expenditure.

**Taxation :**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax asset and liability is recognised for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset & liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

**Earning Per Share:**

The earning considered in ascertaining the companies earning per share comprise net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares Outstanding during the year.

**Gratuity :**

The provision for Gratuity and leave Encashment is calculated as per accrual method and included in current liability & provision.

**Statement pursuant to Section 212 of the Companies Act, 1956, related to subsidiary companies**

Sr.	Particulars	Amsol, Inc	United Consultancy Services, Inc.
1.	Financial year	31-03-2010	31-03-2010
2.	Shares of the subsidiary held by the Company on the above date:	100/ \$0.10	100/\$0.10
a)	Number and face value	55%	55%
b)	Extent of holding	N.A	N.A
3	The net aggregate of profit/(loss) of the subsidiary for the above financial year so far as they concern the members of the Company and is not dealt with in the accounts of the Company:		
a)	For the financial year ended on 31st March, 2009	N.A	N.A
b)	For the previous financial year of the subsidiaries since it became a subsidiary	N.A.	N.A.
4	The net aggregate of profit/(loss) of the subsidiary for the above financial year so far as they concern the members of the Company and is dealt with in the accounts of the Company:		
a)	For the financial year ended on 31st March, 20010	\$ 1,032,981.95	\$76,994.45
b)	For the previous financial year of the subsidiaries since it became a subsidiary	N.A	N.A
5.	Change in the holding company's interest in the subsidiaries between the end of the financial year of the subsidiary and the end of the holding Company's financial year.	Not applicable as financial year coincides with that of the holding company	Not applicable as financial year coincides with that of the holding company
6.	Material changes which have occurred between the end of the aforesaid financial year of the subsidiaries and the end of the holding company's financial year in respect: a) the subsidiaries fixed assets b) its investments c) money lent by the subsidiary company d) the money borrowed by it for any purpose other than that of meeting current liabilities	As the financial year of both holding and subsidiary companies coincide, there are no particulars to furnish.	As the financial year of both holding and subsidiary companies coincide, there are no particulars to furnish.

**Statement pursuant to exemption received under Section 212 (8) of the Companies Act, 1956 relating to subsidiary companies**

In Rupees = US \$ 1 = 45.14

S.No	Description	Amsol, Inc	United Consultancy Services, Inc
a)	Capital	45,140	45,140
b)	Reserves & Surplus	80,77,803	1,17,93,051
c)	Total Assets	12,48,26,456.78	1,97,13,180
d)	Total Liabilities	7,00,74,708.55	43,99,459.51
e)	Details of Investments	Nil	Nil
f)	Turnover	64,51,28,737	4,90,16,127
g)	Profit Before Taxation	7,17,36,623	34,75,529.47
h)	Provision for Taxation	NIL	NIL
i)	Profit after taxation	4,66,28,805.22	47,16,69,936
j)	Proposed Dividend	NIL	NIL
k)	Reporting Currency	USD (\$)	USD (\$)

## STATEMENT PERSUANT 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.	<b>L51900MH1985PLC036271</b>		
Balance Sheet Date	<b>31/03/2010</b>	State Code	<b>011</b>

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

Public Issue	<b>NIL</b>	Rights Issue	<b>NIL</b>
Bonus Issue	<b>NIL</b>	Preferential Allotment	<b>NIL</b>

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

Total Liabilities	<b>150492</b>	Total Assets	<b>150492</b>
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**Sources of Funds**
**Application of Funds**

Paid up Capital	<b>51450</b>	Net Fixed Assets	<b>6111</b>
Reserves & Surplus	<b>29999</b>	Net Current Assets	<b>140835</b>
Minority Interest	<b>31569</b>	Investments	<b>3025</b>
Secured Loans	<b>3677</b>	Misc Expenses	<b>521</b>
Unsecured Loans	<b>33797</b>	Accumulated Losses	<b>0</b>

**IV Performance of the Company**

Turnover	<b>1209672</b>	Total Expenditure	<b>1148590</b>
Profit / (Loss) Before Tax	<b>38820</b>	Profit / (Loss) After Tax	<b>6871</b>
Earning Per Share in Rs.	<b>0.13</b>	Dividend rate %	<b>5</b>

**V Generic Names of Three Principal Products / Services of Company (as per Monetary Terms)**

Products Description	<b>Trading in Textile, Metal, Marble &amp; Software</b>
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**For RAMANAND & ASSOCIATES**  
Chartered Accountants

**For and On behalf of the Board**

C.A Ramanand G Gupta  
Partner  
M.No. 103975  
Date : 29<sup>th</sup> May 2010  
Place : Mumbai

Shaikh Fazal Mehmood  
Managing Director

Narendra Ganatra  
Director

G. S. Laxminarayana Gupta  
Company Secretary





# SPECTACLE INDUSTRIES LTD.

Registered Office : S-19, Suyog Ind. Estate Co-Op. Society Ltd., 1st Floor, L. B. S Road, Vikhroli (West), Mumbai - 400 083.

## PROXY FORM

FOLIO NO.

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

of \_\_\_\_\_ being member(s) of Zodiac – JRD – MKJ - Limited

hereby appoint (1) \_\_\_\_\_ of \_\_\_\_\_

or failing (2) \_\_\_\_\_ of \_\_\_\_\_

or failing (3) \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us and on my/our behalf, Twenty Fifth Annual General Meeting of the company to be held on 18th September, 2010 at S-19, Suyog Ind. Estate Co-Op. Society Ltd, 1st Floor, L. B. S Road, Vikhroli (W), Mumbai - 400083 at 10.00 a.m. and any adjournment thereof.

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

Affix of  
Rs. 1/-  
Reveue  
Stamp

Folio No. :  
DP ID No. :  
Client A/c. No. :  
No. of Shares :

Signed by the said \_\_\_\_\_

**NOTE:**

This form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting

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**ATTENDANCE SLIP**

# SPECTACLE INDUSTRIES LTD.

Registered Office : S-19, Suyog Ind. Estate Co-Op. Society Ltd., 1st Floor, L. B. S Road, Vikhroli (West), Mumbai - 400 083.

## **25th ANNUAL GENERAL MEETING**

I Certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company at S-19, Suyog Ind. Estate Co-Op. Society Ltd, 1st Floor, L. B. S Road, Vikhroli (W), Mumbai - 400083 on Saturday, 18th September 2010.

Registered Folio No.:-..... D.P. ID.NO.....Client ID No.....

Name of the Shareholder :-.....

Note: Please fill in this attendance slip and hand it over at the Entrance.  
Members are requested to bring their copy of Annual Report of the meeting.

Signature of the Shareholder/Proxy:.....