

Leveraging **sub-micron** technology
Ensuring **progress**



COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Chandresh S. Parikh	- Chairman & Managing Director
Mr. Rajesh C. Parikh	- Managing Director
Mr. Atil C. Parikh	- Joint Managing Director
Mr. Sudhir R. Parikh	- Director [Finance]
Mr. Vishnu R. Varshney	- Nominee Director GVFL
Mr. Munish Mohan	- Nominee Director IDBI
Mr. Ram A. Devidayal	
Mr. Pravinchandra M. Shah	
Mr. Vithaldas D. Talati	
Mr. Harish K. Sheth	

COMPANY SECRETARY

Mr. Nikunj J. Savaliya

AUDIT COMMITTEE

Mr. Vishnu R. Varshney
Mr. Pravinchandra M. Shah
Mr. Ram A. Devidayal
Mr. Munish Mohan [w.e.f. 29.04.2009]

REMUNERATION COMMITTEE

Mr. Vishnu R. Varshney
Mr. Vithaldas D. Talati
Mr. Pravinchandra M. Shah
Mr. Ram A. Devidayal

NOMINATION & COMPENSATION COMMITTEE

Mr. Chandresh S. Parikh
Mr. Rajesh C. Parikh
Mr. Vithaldas D. Talati
Mr. Pravinchandra M. Shah
Mr. Ram A. Devidayal

SHARE TRANSFER & INVESTOR'S GRIEVANCES COMMITTEE

Mr. Pravinchandra M. Shah
Mr. Rajesh C. Parikh
Mr. Sudhir R. Parikh
Mr. Vithaldas D. Talati
Mr. Munish Mohan [w.e.f. 29.04.2009]

FINANCE COMMITTEE

Mr. Chandresh S. Parikh
Mr. Sudhir R. Parikh

COMMITTEE FOR REDRESSAL OF DEPOSITORS

Mr. Rajesh C. Parikh
Mr. Vithaldas D. Talati

IPO COMMITTEE

Mr. Chandresh S. Parikh
Mr. Rajesh C. Parikh
Mr. Sudhir R. Parikh
Mr. Vithaldas D. Talati
Mr. Pravinchandra M. Shah

STATUTORY AUDITORS

M/s. Manubhai & Co., Ahmedabad

BANKERS

State Bank of India

REGISTERED OFFICE

9/10, GIDC Industrial Estate,
Waghodia – Dist. Vadodara – 391760
Gujarat, India
Tel : +91 2668 262001
Fax : +91 2668 262447

CORPORATE OFFICE

134-135, Hindustan Kohinoor Industrial Estate,
L. B. S. Marg, Vikhroli (W),
Mumbai, India
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Fax : +91 22 25771333
E-Mail : corporate@20microns.com
Visit Us : www.20microns.com

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
(Formerly Intime Spectrum Registry Ltd.)
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078.
Tel : +91 22 25963838
Fax: +91 22 25960329

WEBSITE

<http://www.20microns.com>



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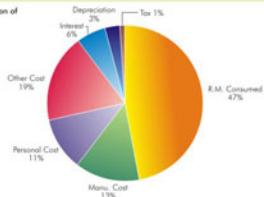
PERFORMANCE



Earning Per Share



Allocation of Income





FROM THE MANAGING DIRECTOR'S DESK



Dear Shareholders,

I am delighted to address you as co-owners of the Company on the occasion of 1st AGM post listing.

What an year 2008-09 was!!.. It was full of uncertainties which fuelled the economic conditions of all countries to press a trigger button and say Hey!! What's up? Slowdown and evaluate our business plans and see how we can do things differently.

20 Microns also tried to re-evaluate the business strategies which were giving us good performances since last 3 years. So our strategic committee had great discussions on various permutations and combinations to leverage our resources and put them to best use in terms of achieving the financial goals. As the interim business plan was made, discussed and finalized—we were in November. So we had 5 months to achieve a task to improve our bottom line inspite of increase in the top-line. Our core team implemented the strategies and yes we were able to turn the tables and bring out some impressive results as compared to the market conditions.

Marching ahead and focusing more and more attention on product development, productivity, quality of the products, market penetration and so on, the 20ML Team has crossed the another milestone of Rs. 145 Crores Turnover during the year 2008-09. This year will also be remembered by the company for its successful subscription of IPO and also be remembered as to how strong business strategies can become haywire in event of global crisis. So both the highs and lows of 2008-09 were digested by the company and it made us to become more sharp and will help us to chalk out recession proof strategies year on year from here onwards. The Company is planning to fuse in additional funds during next three years to make it more compatible to increasing demand of its various products. Looking to the growth rate even in such turbulent times, the Company expects an astonishing rise in its turnover in the coming years.

Apart from investing in manufacturing activities, Company also plans to invest in SAP for improving the alignment of strategies and organizational objectives thereby enhancing the productivity and insight of Management. This initiative will definitely help us to reduce further costs in long term by improving process standardization, efficiency and adaptability.

As the sub-micron convergence is knocking the doors of our Indian customers, we would be in a better shape for tomorrow and help all our customers meet their objectives of converting from micronized segment to sub-micronized segment. The Speed and frequency with which we develop and commercialize new technical advances as well as the minimization of the cost of these initiatives. It is how we generate the margins that fund growth.

Thank you all,

Rajesh C. Parikh



OUR INITIAL PUBLIC OFFER

06th October, 2008 || One more prestigious historical event occurred for the Company i.e. the day on which Equity Shares of the Company were listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Through Initial Public Offer (IPO), the Company has upgraded its status to a widely held Listed Company involving larger number of investors in its journey to achieve finer growth. Its IPO was over-subscribed up to 4.28 times, particularly when the recession dragon has already opened

the doors of Indian Securities Market, clearly demonstrated the extreme confidence reposed by the investors in the Company. The Company offered 43,50,632 Equity Shares of Rs. 10 each (Face value) at a price band Rs. 50 to Rs. 55 per Equity Share in September, 2008. The final price was fixed at the upper end of the band at Rs. 55.





NOTICE FOR THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the TWENTY SECOND ANNUAL GENERAL MEETING of the Shareholders of 20 Microns Limited will be held on Thursday, the 20th day of August, 2009 at 3.00 p.m. at the Registered Office of the Company at 9/10, GIDC Industrial Estate, WAGHODIA - 391 760. Dist.: Vadodara, to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet as at and the Audited Profit and Loss Account of the Company for the year ended 31st March, 2009 together with Directors' Report and Auditors' Report thereon.
- 2 To appoint a Director in place of Mr. Pravinchandra M. Shah, who retires by rotation, and being eligible, offers himself for re-appointment.
- 3 To appoint a Director in place of Mr. Ram A. Devidayal, who retires by rotation, and being eligible, offers himself for re-appointment.
- 4 To appoint M/s. Manubhai & Co., Chartered Accountants, Ahmedabad as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit to pass, with or without modifications, the following resolutions as Ordinary/Special Resolutions.

Item 5: As Ordinary Resolution

"RESOLVED THAT Mr. Atil C. Parikh, who was appointed as an Additional Director, under Section 260 of the Companies Act, 1956 and Article 126 of the Articles of Association of the Company on 29th January, 2009 and who shall hold office only upto the date of this Annual General Meeting and in respect of whom notices under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director liable to retire by rotation, have been received, be and is hereby appointed as a Director of the Company."

Item 6: As Special Resolution

"RESOLVED THAT, subject to resolution at item no. 5 being passed and pursuant to the provisions of Sections 198, 269, 309, 310, 314 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule XIII of the Act and the Articles of Association of the Company and subject to the approval of the Central Government, if and to the extent necessary and such other approvals, permissions and sanctions, as may be required in that behalf, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be accorded to the appointment of Mr. Atil C. Parikh as the Joint Managing Director of the Company for a term of three years commencing from 29th January, 2009, and on such other terms and conditions as set out in the agreement, a copy whereof is placed before the meeting detailing the remuneration pattern which is in line with Schedule XIII of the Act."

"RESOLVED FURTHER THAT pursuant to Section 198(4) of the Act, read with Schedule XIII, as amended, and subject to such approvals as may be necessary, the salary and the perquisites as set out in the Agreement may be paid as the minimum remuneration to Mr. Atil C. Parikh in absence of or inadequacy of profit in any financial year".

"RESOLVED FURTHER THAT the Board of Directors and/or Remuneration Committee of the Company be and is hereby authorised without any reference/approval of the Company in General Meeting to alter and/or vary the terms and conditions of the appointment of Mr. Atil C. Parikh from time to time in such manner as may be agreed upon between the parties and within the limits

NOTICE FOR THE ANNUAL GENERAL MEETING (Contd....)

prescribed under Schedule XIII or such other applicable regulations prescribed by the Government in that behalf from time to time"

"RESOLVED FURTHER THAT any one of Mr. Chandresh S. Parikh, Managing Director, Mr. Sudhir R. Parikh, Director (Finance) and Mr. Nikunj J. Savaliya, Secretary of the Company be and is hereby authorised to sign and submit necessary forms, application(s), document(s), writing(s), letter(s) etc. to the concerned Registrar of Companies and such other authorities as may be required."

Place: Waghodia, Vadodara.

Date : 17.07.2009

By Order of the Board of Directors

Nikunj Savaliya

Company Secretary

NOTABENE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. THE EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956, IN RESPECT OF SPECIAL BUSINESS IS ANNEXED HERETO.
4. MEMBERS/PROXIES SHOULD BRING DULY FILLED IN AND SIGNED ATTENDANCE SLIPS SENT HERewith FOR ATTENDING THE MEETING. THE MEMBERS HOLDING SHARES IN DEMATERIALISED FORM ARE REQUESTED TO BRING THEIR CLIENT ID AND DP ID FOR EASY IDENTIFICATION OF ATTENDANCE AT THE MEETING.
5. THE REGISTERS OF MEMBERS AND SHARE TRANSFERS BOOK SHALL REMAIN CLOSE FROM MONDAY, THE 17TH AUGUST, 2009 TO THURSDAY THE 20TH AUGUST, 2009 [BOTH DAYS INCLUSIVE].
6. DOCUMENTS REFERRED TO IN THE NOTICE / EXPLANATORY STATEMENT ARE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY BETWEEN 11.00 AM TO 1.00 PM ON ALL WORKING DAYS, EXCEPT SATURDAYS, SUNDAYS AND HOLIDAYS, UPTO THE DATE OF THE ANNUAL GENERAL MEETING.
7. BRIEF PARTICULARS ABOUT THE DIRECTORS SEEKING APPOINTMENT AND/OR RE-APPOINTMENTS, AS REQUIRED BY CLAUSE 49 OF THE LISTING AGREEMENTS WITH THE STOCK EXCHANGES, ARE GIVEN IN THE REPORT ON CORPORATE GOVERNANCE.

IT IS CLARIFIED THAT FOR ATTENDING THE ANNUAL GENERAL MEETING, EXPENSES OF WHATSOEVER NATURE LIKE TRAVELLING EXPENSES, HALTING ALLOWANCE AND/OR OUT OF POCKET EXPENSES WILL NOT BE REIMBURSED.

EXPLANATORY STATEMENT (AS REQUIRED UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956)

Item 5:

Mr. Atil C. Parikh was appointed as Additional Director on the Board of Directors of the Company on 29th January, 2009. Prior to his appointment, he was holding various executive positions in the Company. In terms of the provisions of the Section 260 of the Companies Act, 1956, Mr. Atil C. Parikh will hold office only upto the date of this Annual General Meeting of the Company.

NOTICE FOR THE ANNUAL GENERAL MEETING (Contd....)

Notices in writing under Section 257 of the Act have been received by the Company from the members proposing the candidature of Mr. Atil C. Parikh for the office of the Director, liable to retire by rotation along with deposits of Rs. 500/- each.

Mr. Atil C. Parikh, aged about 33 years, holds a Bachelor's degree in Chemical Engineering from Gujarat University. He then began his career working as a Management Trainee in the Company in 1999-2000. Later, he relocated to USA and completed his MBA with Finance specialization from California. On completion of MBA, he joined a Financial Services firm, The Tax Credit Company, where he held a position of a Management Analyst in 2003 and worked for 2 years contributing to various aspects of the industry ranging from Marketing Analysis, HR and Operations. In the year 2005, he rejoined the Company as Management Analyst. He contributed in developing certain strategies and revamping few departments within the organization. He has travelled various countries for the expansion of the business of the Company. He was later on given full charge of the CNC division overlooking all the major activities within that division.

Your Directors commend the resolution for your approval and acceptance.

Except Mr. Atil C. Parikh and his relatives Mr. Chandresh S. Parikh and Mr. Rajesh C. Parikh, none of the other Directors of the Company may be deemed to be concerned or interested in passing this resolution.

Item 6:

Looking to the rich and extensive experience of Mr. Atil C. Parikh and his farsightedness, business acumen and other qualities of management, the Board of Directors of the Company have elevated Mr. Atil C. Parikh to the position of Whole time Director of the Company with effect from 29th January, 2009 on such terms and conditions including remuneration as may be recommended by the Remuneration Committee of Directors of the Company.

He was again elevated to the position of the Joint Managing Director of the Company effective 29th April, 2009 on the same terms and conditions.

Brief terms and conditions of appointment of Mr. Atil C. Parikh as aforesaid are as under:

- i) He shall devote his full time and attention for the business and operations of the Company.
- ii) He will not be paid any sitting fees for attending the meeting of the Board of Directors or Committees thereof.
- iii) If the tenure of office is determined by any reason whatsoever before the expiration of his term of office, he shall be entitled to compensation for loss of office in accordance with Section 318 of the Companies Act, 1956.
- iv) He shall perform his duties and exercise his powers subject to the supervision and control of the Managing Director.
- v) He shall maintain secrecy during the continuance of his employment.

Necessary Agreement for terms of appointment as Whole time Director and Supplemental Agreement at the time of his elevation as the Joint Managing Director of the Company, were executed on 24th February, 2009 and 29th May, 2009, respectively and the same are available for inspection by the Members between 11.00 am to 1.00 pm at the Registered Office of the Company on all working days except, Saturdays, Sundays and Holidays upto the date of the Annual General Meeting.

The appointment of Mr. Atil C. Parikh is completely in accordance with the norms laid down in Schedule XIII to the Companies Act, 1956 and therefore approval of the Central Government would not be necessary. However, as per Part III of the Schedule XIII, approval of the shareholders would be necessary for such an appointment.

The accompanying notice together with Explanatory Statement is and may be treated as an abstract of the terms and memorandum of interest under Section 302 of the Companies Act, 1956.

A statement containing therein information as required under Schedule XIII of the Companies Act, 1956 including abstract of the terms of remuneration is reproduced hereunder.



NOTICE FOR THE ANNUAL GENERAL MEETING (Contd....)

Your Directors commend the resolution for your approval and acceptance.

Except Mr. Atil C. Parikh and his relatives Mr. Chandresh S. Parikh and Mr. Rajesh C. Parikh, none of the other Directors of the Company may be deemed to be concerned or interested in passing this resolution.

STATEMENT CONTAINING INFORMATION AS REQUIRED UNDER SCHEDULE XIII OF THE COMPANIES ACT, 1956

I. GENERAL INFORMATION:

1. Nature of industry:

Manufacturing of Micronised Minerals

2. Date or expected date of commencement of commercial production: 29th June, 1987

3. Financial performance:

(Rs. In Lacs)

Financial Parameters	31.03.2009	31.03.2008	31.03.2007
Turnover (Gross)	14520.62	11468.95	9335.72
Profit before Depreciation, Interest and Tax	1809.92	1561.56	1236.48
Net Profit for the year	133.95	459.10	357.21

4. Export performance:

For the year ended 31st March, 2009, the Company has earned Foreign Exchange of Rs. 1233.30 Lacs and utilization of the same has been of Rs. 212.45 Lacs.

5. Foreign investments or collaboration:

During the year, the company has invested in 1,54,924 equity shares of RM 1.00 of **20 MICRONS SDN. BHD.**

II. INFORMATION ABOUT THE APPOINTEE:

1. Background details and Past Remuneration:

Mr. Atil C. Parikh, reports to the Managing Director and is in charge of CNC division of the Company and such other matters as may be assigned by Managing Director. He has been associated with the Company since 2005. In fact, the role & responsibilities of him is manifold and onerous in as much as the Company is multi-locational and its manufacturing operations are spread over in several locations across the country including Gujarat, Rajasthan, Tamilnadu etc. He has vision and foresightedness, acquired business acumen and developed other qualities of Management which could not only lead them to greater heights, but have the potential to put the Company on a sound footing front, year after year. Prior to his appointment as a Director of the Company, he was serving the Company as CEO-CNC drawing remuneration within the overall ceiling of Rs. 49,000/- per month.

2. Job profile and his suitability:

Mr. Atil C. Parikh, holds a Bachelor's degree in Chemical Engineering from Gujarat University. He then began his career working as a Management Trainee in the Company in 1999-2000. Later, he relocated to USA and completed his MBA with Finance specialization from California. On completion of MBA, he joined a Financial Services firm, The Tax Credit Company, where he held a position of a Management Analyst in 2003 and worked for 2 years contributing to various aspects of the industry ranging from Marketing Analysis, HR and Operations. In the year 2005, he rejoined the Company as Management Analyst. He contributed in developing certain strategies and revamping few departments within the organization.



NOTICE FOR THE ANNUAL GENERAL MEETING (Contd....)

3. Remuneration proposed:

An abstract of terms of Managerial Remuneration payable to Mr. Atil C. Parikh is given in the subsequent paras.

4. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking in to consideration, the size of the Company, the profile of Mr. Atil C. Parikh, the responsibilities shouldered by him, the proposed remuneration is commensurate with the remuneration packages being paid to managerial personnel working in the similar position in the industry.

5. Pecuniary relationship directly or indirectly with the company, or relationship with the Managerial Personnel, if any

Mr. Atil C. Parikh does not having any pecuniary interest in the Company other than holding his office as such and as a shareholder of the Company. Mr. Atil C. Parikh is a son of Mr. Mr. Chandresh S. Parikh, the Chairman and Managing Director and a brother of Mr. Rajesh C. Parikh, the Managing Director of the Company.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits, steps taken for improvement and expected increase in productivity:

The main reasons for inadequacy of profit is slow down in the economy, high cost of finance including restructuring fees of past period and volatility in the international prices of the crude oil resulting into increase in the power & fuel costs as also inward and outward freight of materials. Various steps are being taken to improve the performance by reducing significantly overall costs including that of power, economic finance, atomization of manufacturing process and implementing innovative marketing practices to increase the overall volume of sales and maximization of per unit of sales realization. The turnover of the Company has also astonishingly enhanced in the last 5 years and crossed the gross figure of Rs. 140 Crores during the current fiscal year.

ABSTRACT OF THE TERMS OF MANAGERIAL REMUNERATION PAYABLE TO MR. ATIL C. PARIKH

The Board of Directors of the Company, on recommendation of Remuneration Committee, in their respective meetings held on 29th January, 2009, had, in terms of the provisions Sections 198, 269, 309, 310, 314 and such other applicable/related provisions, if any, read with Schedule XIII of the Act and subject to the approval of the Company in General Meeting approved payment of remuneration to Mr. Atil C. Parikh with effect from 29th January, 2009 as under:

Particulars	Mr. Atil C. Parikh Whole time Director		Remuneration due from 01.04.2010 to the remaining period will be reviewed to match with other Executive Directors of the Company.
Period	29.01.2009 to 31.03.2009	01.04.2009 to 31.03.2010	
Basic	1,07,000	1,13,000	
HRA	16,050	16,950	
Allowance	0	0	
Medical	5,131	5,419	
Bonus @ 8.33%	8,913	9,413	
PF @ 12%	12,480	13,560	
Total Monthly	1,49,934	1,58,342	
Total Yearly	17,99,208	19,00,104	
Rounded to Lacs	18,00,000	19,00,000	