



Industries Limited

**TWENTY-SECOND ANNUAL REPORT
2010-2011**

BLOSSOM
Industries Limited
22nd Annual Report 2010-2011

BOARD OF DIRECTORS

Mr. Satan S. Bharwani	Chairman
Mr. Amit Khemani	Managing Director
Mr. Vincent Vaz	Whole-time Director
Dr. P. Kotaiah	Director
Mr. D.T. Khilnani	Director
Dr. S.D. Israni	Director
Padmashree Ms. Lila Poonawalla	Director
Mr. P.R. Barpande	Director

COMPANY SECRETARY

Mr. Haresh Thakkar

AUDITORS

M/s Deloitte Haskins & Sells
Chartered Accountants,
Mumbai

REGISTRAR AND TRANSFER AGENT (R & TA)

Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Ind. Premises,
Andheri - Kurla Road, Safed Pool,
Andheri (East), Mumbai - 400 072
Tel No: 022 - 2851 5606, 2851 5644
Fax No: 022 - 2851 2885
Email: sharexindia@vsnl.com

REGISTERED OFFICE & PLANT

Village Jani Vankad,
Nani Daman,
Daman - 396210 (U.T.)



NOTICE

To,

The Members,

BLOSSOM INDUSTRIES LIMITED

Notice is hereby given that the **Twenty-second Annual General Meeting** of the Shareholders of BLOSSOM INDUSTRIES LIMITED will be held on Saturday, 6th August, 2011 at 10.00 a.m. at Sandy Resort, Devka Beach, Daman – 396 210 (U.T.) to transact the following business: –

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account of the Company for the year ended on that date, together with the Report of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. S. S. Bharwani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Padmashree Ms. Lila Poonawalla, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s. Deloitte Haskins & Sells, 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 and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 269, 309, 198 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, if any, as may be required, the consent and approval of the Company be and is hereby accorded to revise the remuneration of Mr. Amit Khemani, Managing Director of the Company as mentioned in the draft agreement to be entered into between the Company and Mr. Amit Khemani, a draft of which is submitted to this meeting and initiated by the Chairman for the purpose of identification, which draft Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the remuneration and/or agreement subject to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Mr. Amit Khemani."

"RESOLVED FURTHER THAT if in any financial year of the Company during his tenure as Managing Director, the Company has made no profit or profits are inadequate, Mr. Amit Khemani shall be paid remuneration including perquisites as permitted in terms of Section II of Part II of Schedule XIII of the Act."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to Section 269, 309, 198 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, if any, as may be required, the consent and approval of the Company be and is hereby accorded to revise the remuneration of Mr. Vincent Vaz, Whole-time Director of the Company as mentioned in the draft agreement to be entered into between the Company and Mr. Vincent Vaz, a draft of which is submitted to this meeting and initiated by the Chairman for the purpose of identification, which draft Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the remuneration and/or agreement subject to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Mr. Vincent Vaz."

"RESOLVED FURTHER THAT if in any financial year of the Company during his tenure as Whole-time Director, the Company has made no profit or profits are inadequate, Mr. Vincent Vaz shall be paid remuneration including perquisites as permitted in terms of Section II of Part II of Schedule XIII of the Act."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary proper or expedient to give effect to this resolution."

By order of the Board

Mr. Amit A. Khemani
Managing Director

Date: 15th June, 2011

Place: Mumbai

Registered Office:

Village Jani Vankad, Nani Daman,
Daman - 396 210 (U.T.)

NOTES:

A. 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, THE PROXIES IN ORDER TO BE VALID MUST BE DULY COMPLETED STAMPED AND SIGNED AND MUST REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

B. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 1st August, 2011 to Saturday, 6th August, 2011 inclusive of both the days.

C. Re-appointment of Director:

At the ensuing Annual General Meeting, Mr. S. S. Bharwani and Padmashree Ms. Lila Poonawalla, retire by rotation and being eligible offer themselves for re-appointment. The particulars of aforesaid Directors are given below:

Mr. S. S. Bharwani, aged 75 years, has done his Masters Degree in Arts. He has also done CAIIB and holds Diplomas in Industrial Finance and Co-operation. He has over 5 decades of experience in the areas of Finance and Administration. He has worked with Reserve Bank of India and its Associate Institutions for over 36 years. He retired as General Manager, National Bank for Agriculture & Rural Development. His work experience at various levels & Departments of RBI covers Banking and Monetary Research, Fiscal Policies, Agricultural Credit and Rural Finance involved with World Bank, SDC (Switzerland) and KFW (Germany) on various projects.

Padmashree Ms. Lila Poonawalla is a leading personality in the Corporate world representing the Boards of very well known Companies. She has started the "Lila Poonawalla Foundation" to encourage the deserving young women to pursue higher education in their chosen profession. She has received several awards including Padmashree in the year 1989 by the then President of India and in the year 2003, she was honoured with the "Polar Star Award" by the King of Sweden and named as the Officer of the Royal Order.

The Board is of the opinion that the Company should continue to avail their services.

D. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business as set out above is annexed hereto.

E. Members are requested to:

- 1) Intimate to the Company or its Registrar and Share Transfer Agent immediately, of any change in their address.
- 2) Send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent at the following address upto the date of book closure to:

M/s Sharex Dynamic (India) Private Limited

Unit No. 1, Luthra Ind. Premises,
Andheri - Kurla Road, Safed Pool,
Andheri (East), Mumbai - 400 072
Tel No: 022-2851 5606, 2851 5644
Fax No: 022-2851 2885
Email: sharexindia@vsnl.com

- 3) Write to the Company at least 7 (seven) days before the date of meeting, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March, 2011 so as to enable the Company to keep the information ready.
- 4) Quote Registered Folio Numbers/ DP ID/ Client ID in all the correspondence.
- 5) Members holding shares in dematerialized form (electronic form) are requested to intimate any change in their address directly to their respective Depository Participants.
- 6) Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 109A of the Companies Act, 1956 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registered Office or from its R & TA at either of the aforesaid addresses.
- 7) Members/ Proxies are requested to bring the Attendance Slip duly filled up and the copy of the Annual Report at the Annual General Meeting.



EXPLANATORY STATEMENT

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

Item no. 5

Under the leadership of Mr. Amit Khemani, the Company has crossed all its initial hurdles, also came out of the purview of BIFR and is now a successful, profit making Company. Thus, in order to continue working under the leadership of Mr. Amit Khemani, as recommended by the Remuneration Committee in their meeting held on 15th June, 2011 the Board of Directors in their meeting held on 15th June, 2011 decided to revise his remuneration pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and subject to the approval of members at the general meeting by special resolution.

The revised remuneration payable to him shall be as under:

A. REMUNERATION AND PERQUISITES

- Salary: Rs. 3,500,000/- per month effective from 15th June, 2011.
- Commission: 5% p.a. of the Net Profit calculated u/s 349 of the Companies Act, 1956 less the total salary paid during the financial year.
- The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as Managing Director of the Company.

B. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary shall be treated as Minimum Remuneration under the provisions of Section II of Part II of Schedule XIII.

In addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration:

- Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
- Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- Encashment of leave at the end of the tenure.

C. POWERS OF THE BOARD TO DECIDE THE REMUNERATION

Notwithstanding anything stated herein above, where in any financial year, there are no profits or inadequate profits, the Board is empowered to decide not to pay any commission or to reduce the commission mentioned in paragraph "A" above to any amount they consider reasonable in the circumstances of case. The Board's power in this behalf are absolute and if so exercised by the Board before the end of the financial year or before the accounts are passed by the Annual General Meeting will override the provisions for commission set out above and no commission or reduced commission as the case may be, will accrue and become payable to the said Managing Director.

The Board of Directors commends this resolution to the members for their approval by way of special resolution.

None of the Directors except Mr. Amit A. Khemani, himself is interested or concerned in this resolution.

Item no. 6

Mr. Vincent Vaz is a qualified Chartered Accountant and having over 15 years of experience in the area of accounts, finance and taxation. He also has more than 10 years of experience in the liquor and beer industry. He was associated with the Khemani group from 1995 to 2005 and thereafter from 2008 onwards as a Whole-time Director. Taking into account his vast experience in the Breweries industry, his professional qualifications and keeping in mind the modernization project of the Company, as recommended by the Remuneration Committee in their meeting held on 15th June, 2011 the Board in its meeting held on 15th June, 2011 decided to revise his remuneration pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and subject to the approval of members at the general meeting by special resolution.

The revised remuneration shall be as follows:

Proposed	Per Month	Per Annum
Basic	1,13,120	13,57,440
HRA	11,312	1,35,744
Conveyance Allowance	28,000	3,36,000
Children Education Allowance	2,400	28,800
Medical	2,000	24,000
LTA	9,600	1,15,200
Gratuity	4,712	56,544
Special Allowance	15,280	1,83,360
PF (Company's Contribution)	13,576	1,62,912
Total CTC	2,00,000	24,00,000

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, commission and perquisites shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is higher, unless otherwise determined by the Board of Directors.

The Board of Directors commends this resolution to the members for their approval by way of special resolution.

None of the Directors except Mr. Vincent Vaz, himself is interested or concerned in this resolution.

By order of the Board

Mr. Amit A. Khemani
Managing Director

Date: 15th June, 2011
Place: Mumbai

Registered Office:
Village Jani Vankad, Nani Daman,
Daman - 396 210 (U.T.)

DIRECTORS' REPORT

To,
The Members,

BLOSSOM INDUSTRIES LIMITED

The Directors have pleasure in presenting the **Twenty-second Annual Report** of the Company and the Audited Statement of Accounts for the year ended **31st March, 2011**.

1.0 FINANCIAL RESULTS:

(Rs. In Lacs)

Particulars	2010-2011	2009-2010
Sales & Other Income	19437.07	15354.52
Profit before interest and Depreciation	2660.90	2229.67
Less:		
(1) Depreciation	1668.95	2038.37
(2) Interest	768.15	841.77
Profit before tax	223.80	(650.47)
Less:		
Provisions for tax	50.00	(53.94)
Profit/ (Loss) for the Year	173.80	(596.53)
Balance brought forward from previous year	401.20	997.74
Balance carried to the Balance Sheet	575.00	401.21

2.0 DIVIDEND:

The management has decided to accelerate the repayment of loan taken for capital expenditure incurred for modernization and de-bottle necking of the plant. Hence, your Directors do not recommend any dividend for the financial year 2010-11.

3.0 PERFORMANCE:

The Company has completed its Capital Expenditure programme last year and the performance of the plant is satisfactory. During the year under review, the sales and other income increased from Rs.15354.52 Lacs to Rs.19437.07 Lacs registering growth of 26.59%. The profit before depreciation and interest has also gone up from Rs.2229.66 Lacs to Rs.2660.90 Lacs i.e. growth of 19.34%. The Company has recorded profit of Rs.173.80 Lacs during the year compared with loss of Rs.596.53 Lacs suffered in the previous year. Thus, the financial performance of the Company was satisfactory and your Directors expect the same to improve in the current year.

4.0 DIRECTORS:

Mr. S. S. Bharwani and Padmashree Ms. Lila Poonawalia retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

In the Board Meeting held on 15th June, 2011 the Board proposed to revise the remuneration of Mr. Amit Khemani, Managing Director and Mr. Vincent Vaz, Whole-time Director. The Board commends the revision in their remuneration.

5.0 AUDITORS:

The retiring Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants, have given their consent for appointment as Statutory Auditors at the ensuing Annual

General Meeting. The Company has received a letter from M/s. Deloitte Haskins & Sells, Chartered Accountants, to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Your Directors recommend their reappointment.

6.0 AUDITORS' REPORT:

There are no qualifications contained in the Auditors' Report and therefore, there are no further explanations to be provided for in this report.

7.0 SERVICE TAX MATTER

As regards show cause notice received by the Company pertaining to service tax matter, attention is invited to note no. 5 of notes to accounts (Schedule no. 16B) which is self-explanatory. The petition challenging the levy of such service tax in the Company's case has been filed with the Hon'ble High Court of Bombay and has been admitted. The matter is before the High Court pending hearing. In the eventuality, the Company is required to pay this amount, this would not impact company's operating results, since the company would take steps to recover this amount from the Brand Owner (who is the service receiver).

8.0 INSURANCE:

All the assets of your Company have been adequately insured.

9.0 FIXED DEPOSIT:

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

10.0 EMPLOYEES:

The Ministry of Corporate Affairs has notified Companies (Particulars of Employees) Amendment Rules, 2011 vide GSR 289 (E) dated 31.03.2011 raising the limit of employee's salary to be disclosed in the Directors' Report. The employee's salary limit has been raised from Rupees Twenty four Lakhs per annum or Rupees Two Lakhs per month to Rupees Sixty Lakhs per annum or Rupees Five Lakhs per month.

No employee falls within the purview of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and Companies (Particulars of Employees) Amendment Rules, 2011.

11.0 ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as Annexure I and forms part of this report.

12.0 DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating Management confirm that-

- (1) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- (2) they have, in the selection of the accounting policies, consulted the Statutory Auditors and 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 end of the financial year and of the profit of the Company for that year;
- (3) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) they have prepared the annual accounts on a going concern basis.

13.0 ACKNOWLEDGEMENTS:

The Directors express their deep gratitude for the co-operation and support extended to your Company by its customers, suppliers, bankers and various Government agencies. Your Directors also place on record the commitment and involvement of the employees at all levels and look forward to their continued co-operation.

The Directors are also thankful to the Shareholders for their continued support to the Company.

For and on behalf of the Board of Directors

Mr. S. S. Bharwani
Chairman

Date: 15th June, 2011
Place: Mumbai

ANNEXURE I - TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

Energy Conservation measures taken by the Company.

a) Electrical Energy

- Steps are taken to improve power factor by installing capacitors and AC drives.
- Highly efficient refrigeration system installed that will ensure substantial saving in power.
- Brewing and bottling operations synchronized during lean season to achieve optimal energy consumption.

b) Fuel Oil Consumption

- Heat recovery system installed in the brew house to recover waste heat.
- Low-pressure Burners in boiler replaced with energy efficient Burners.
- Steam condensate recovery pumps installed to recover steam condensate from the brew house and washing machine.
- Bio-gas produced at the effluent treatment plant is used in the boiler.

B. TECHNICAL ABSORPTION

- Indigenous/Locally available raw materials are utilized to gain maximum advantage.
- No technology has been imported by the Company.
- Efforts are being made to further improve the quality of the products.

C. FOREIGN EXCHANGE EARNING AND OUTGO

The Company concentrates in the domestic market for its products. The efforts are being made to increase the exports of our own brand of beer.

Foreign Exchange Earnings Rs. 42,363,800/-

Foreign Exchange Outgo Rs. 12,383,403/-

GENERAL SHAREHOLDERS INFORMATION

A) Annual General Meeting:

Day, Date, Time & Venue	Saturday, 6 th August, 2011 at 10.00 A.M. at Sandy Resort, Devka Beach, Daman – 396 210 (U.T.).
Financial Year	1 st April, 2010 – 31 st March, 2011
Book Closure Date	Monday, 1 st August, 2011 to Saturday, 6 th August, 2011

B) Registrar & Share Transfer Agent:

M/s Sharex Dynamic (India) Private Limited of Mumbai is the Registrar & Share Transfer Agent of the Company.

For any assistance regarding share transfers, transmissions, change of address, duplicate/missing share certificates and other relevant matters, please write to the Registrar & Share Transfer Agent of the Company, at the address given below:

M/s Sharex Dynamic (India) Private Limited

Unit No. 1, Luthra Ind. Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (East), Mumbai – 400 072
Tel No: 022-2851 5606, 2851 5644

Fax No: 022-2851 2885

Contact Person: Mr. B.S. Baliga, Director

Email: sd_india@rediffmail.com

C) Share Transfer System:

All matters pertaining to Share Transfer are being handled by M/s Sharex Dynamic (India) Private Limited. The Share Transfer requests received are processed by them and a Memorandum of Transfer is sent to the Company for approval. The average time taken for processing Share Transfer requests including dispatch of Share Certificates is less than 30 days, while it takes a minimum of 15 days for processing dematerialization requests. The Company's representatives visit the office of the Registrar & Share Transfer Agents to monitor, supervise and ensure that there are no delays or lapses in the system.

D) Dematerialization of Shares and Liquidity:

The Company in May 2002 has entered into an agreement with the Central Depository Services (India) Limited for dematerialization of its Equity Shares in accordance with the provisions of the Depositories Act, 1996.

Plant Locations:

The Company has manufacturing plant situated at Village Jani Vankad, Nani Daman, Daman-396 210. (U.T.)
Tel:(0260) 222 1050, 222 1130, 222 1120, Fax: 222 0421,
E-mail: blossom@bildaman.com

ADDRESS FOR CORRESPONDENCE REGISTERED OFFICE

Village Jani Vankad, Nani Daman, Daman-396210(U.T.)
Tel: (0260) 222 1050, 222 1130, 222 1120
Fax: (0260) 222 0421
E-mail: blossom@bildaman.com

AUDITORS' REPORT

To,
The Members,

BLOSSOM INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of **BLOSSOM INDUSTRIES LIMITED** ("the Company") as at 31st March, 2011 the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) 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;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
- (v) Without qualifying our opinion attention is invited to note no 5 of Schedule 16B regarding non provision of Service Tax estimated at Rs. 134,325,557/- (excluding interest and penalty). The Company has filed a writ petition with the Hon'ble High Court of Bombay which has been admitted. Pending the hearing of the Writ by the Hon'ble High Court, it is not possible to determine the financial impact at this stage.
- (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2011 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No.117366W)

R.A. Banga
Partner
(Membership No.37915)

Mumbai, 15th June, 2011