

BOARD OF DIRECTORS	:	H. C. Parekh B. C. Parekh Akshay Bhatt Sandeep Poddar	Chairman & Managing Director Executive Director Independent Director Independent Director
AUDITORS	:	M/S. B. R. DALAL & CO. Chartered Accountants	
BANKERS	:	Union Bank of India	
FINANCIAL INSTITUTIONS	:	SICOM Investment & Finance Ltd. SICOM Ltd. Maharashtra State Financial Corporation	
REGISTERED OFFICE	:	J-61, Additional M. I. D. C. Area Murbad, Dist. Thane.	
REGISTRAR AND TRANSFER AGENT	:	COMPUTRONICS Financial Services (India) Limited 1, Mittal Chambers, Nariman Point, Mumbai 400 021.	
PLANTS	:	J-61, Additional M. I. D. C. Area Murbad, Dist. Thane. F-4 M. I. D. C. Industrial Area, Murbad, Dist. Thane.	

DIRECTOR'S REPORT

To,
The Members,
TPI INDIA LIMITED

Your Directors are pleased to present the Twenty Eighth Annual Report together with the audited financial statements for the year ended 31st March, 2010. (Rs. in Lacs)

FINANCIAL RESULTS :	Year ended 31.03.2010	Year ended 31.03.2009
Total Income	1734.95	1500.07
Total Expenditure	1463.81	1355.60
Profit/(Loss) before Interest, Depreciation, Amortisation Exceptional Items	271.14	144.47
Less : Interest	189.05	42.87
Depreciation	74.11	73.81
Profit / (Loss) before Exceptional Item & Tax	7.98	27.79
Less : Prior Years' Including Income Tax Adjustments	(2.50)	(0.62)
Add : Exceptional Items - Waiver on OTS and Waiver	55.79	7092.71
Less : Provision for Taxation	Nil	1.58
Profit / (Loss) After Tax	61.27	7118.30
Add : (Loss) Brought Forward from Earlier Year	(3889.73)	(11,0081.03)
Less : Transfer to General Reserve	Nil	Nil
Balance Carried to Balance Sheet	(3828.46)	(3889.73)

DIVIDEND :

In view of the accumulated losses and to conserve resources for the business of the Company, the Board of Directors of your Company regret their inability to recommend any dividend for the year ended 31st March, 2010

OPERATION REVIEW :

During the year under review, your Company has earned total income of Rs. 1734.95 lacs as against 1500.07 lacs during the previous year. The operational profit before interest and depreciation for the year under review is Rs. 271.14 as against Rs. 144.47 lacs during the previous year showing increase of about 88 %. However due to high cost of borrowing which is of Rs. 189.05 lacs during the year under review as against Rs. 42.87 lacs in the previous year, the Profit after depreciation and interest is Rs. 7.98 lacs during the year under review as against Rs. 27.79 lacs in the previous year.. Further during the year under review, your Company has achieved ISO 9001 : 2008 recognition.

FUTURE OUTLOOK:

With the consolidation of factory operation at Murbad, installation of balancing equipments and up-gradation of the existing machineries & utilities, the Company has achieved new milestone in its operation and has maintained its market share. The Capex has enabled the Company to offer state of manufacturing facilities according to international standard. The Order book remain satisfactory and will improve further as end users in the West bank increasingly towards India for cost effectiveness packaging which is essential item and the Company is confident that it should be able to continue its progress. The Management remain focused on the key areas of cost effectiveness, excellence in product quality and customer service, operational productivity and efficiency.

FIXED DEPOSITS :

The Company had accepted unsecured loan to meet the working capital requirement of the Company. The acceptance of said unsecured loan has resulted into non-compliance with section 58A of the Companies Act, 1956 as the entire net worth of the Company has been eroded. However the entire amount due on such unsecured loan had been paid of and no amount is outstanding / payable

The business circumstances has forced the Company to avail unsecured loan. The Management is of the opinion that considering the Company being under BIFR purview, the consequences associated with contravention of section 58A of the Companies Act, 1956 will be diluted.

DIRECTOR'S:

Mr. Sandeep Poddar retires by rotation and being eligible offer himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is confirmed:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to the material departures.
- b) that the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give True and Fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that period.
- c) that the Directors have taken proper and sufficient care of 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.
- d) that the Directors have prepared the annual accounts on a going concern basis.

PERSONNEL :

There were no employees covered u/s 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

Particulars pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 are given in the Annexure forming the part of this Report.

AUDITORS:

M/s B. R. Dalal & Co. Chartered Accountants, retires at the conclusion of the forthcoming Annual General Meeting and have expressed their willingness to continue as Statutory Auditor for the Financial Year 2009-10. The relevant certificate to the effect that their appointment, if made, will be in pursuant to section 224(1B) of the Companies Act, 1956 has been received. The resolution for their re-appointment is being submitted to the Annual General Meeting.

AUDITORS' REPORT:

The Comments in the Auditors Report are self explanatory and suitably explained in the Notes to the Accounts.

SICK INDUSTRIAL COMPANY:

As informed earlier, the Company had been declared as Sick Industrial Company u/s 3(i)(o) of Sick Industrial Companies (Special Provision) Act, 1985, at BIFR hearing held on 12th December, 2005 and IDBI was appointed as Operating Agency.

After the settlement and payment to all the Secured Lender including MSFC, the Draft Rehabilitation Scheme submitted to Industrial Development Bank of India – operating agency had been approved by BIFR and the same is under process of circulation to all the concerned agencies by BIFR & subsequent final hearing for its implementation.

CORPORATE GOVERNANCE:

It is apparent from the Audited Financial Statement, due to lower capacity utilization and non-availability of working capital funds, your Company is incurring losses every year and based on the reference made to BIFR, your company was declared Sick Industrial Company u/s 3(i)(o) of Sick Industrial Companies (Special Provision) Act, 1985, at BIFR hearing held on 12th December, 2005 and IDBI was appointed as Operating Agency.

With the constitution of the various committees in terms of the requirement of Listing Agreement with Stock Exchange and the appointment of Independent Directors, the efforts are being made to ensure the compliance of clause 49 of the Listing Agreement.

A report on the Corporate Governance is annexed hereto and forms part of this Report.

HUMAN RESOURCES:

The Company views its employees as valuable resources who are important stakeholders in the growth, prosperity and development of the organization. The Company is committed to create an appropriate climate, opportunities and systems to facilitate identification, development and utilization of their full potential. The Company is providing in-house training to its worker.

The Management of the Company enjoys cordial relations with its employees at all levels. The Board of Directors wish to place on record its highest appreciation for the contribution made by all the employees in achieving the excellent growth during the year.

CASH FLOW STATEMENT:

In conformity with the clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31st March, 2010 is annexed hereto.

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the assistance and co-operation extended by SICOM Ltd. SICOM Investment and Finance Limited (SIFL), Union Bank of India and all the government authorities. The Directors also express their appreciation for the co-operation and support extended by ex-banker and consortium members namely Indian Overseas Bank, Federal Bank Limited, South Indian Bank Limited and Bank of Baroda and ex-financial institutions IDBI and MSFC. Your Directors also acknowledge with thanks the continued support and confidence reposed in the Management by the Company's Shareholders, Customers and suppliers.

For and on behalf of the Board

Place : Murbad

Date : 31st May, 2010

H. C. Parekh
CHAIRMAN

ANNEXURE TO THE DIRECTORS' REPORT

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988

A. CONSERVATION OF ENERGY:

- i) Energy Conservation measure taken:
 1. Regular monitoring of consumption, efforts for increase in Power Factor and upto date maintenance.
 2. Adopted natural lights wherever possible
 3. Improved operation methods helped in achieving better productivity which in turn reduce the Power Consumption.
 4. Greater employee awareness made about need of energy conservation which in turn resulted in switching off lights, fans and machinery when not required.
- ii) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy :- NIL
- iii) Impact of the measures at (a) and (b) above for reduction of energy conservation and consequent impact on the production of goods. However the said impact has not been measured.

B. TECHNOLOGY ABSORPTION :

i) RESEARCH & DEVELOPMENT

The Company continues to lay emphasis on improving quality, upgradation of existing formulations, minimizing dependence on scarce and improved raw materials

As a result of these efforts, the Company has been able to produce better products and these have been well received in the market.

The Company will continue its efforts to improve the quality of its products.

The revenue expenditure incurred has been charged under the primary heads of accounts and hence are not identifiable separately. No capital expenditure on R & D has been incurred during the year under review.

ii) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

- 1) Efforts in brief made towards technology absorption, adoption and innovation. The Technology imported has been fully absorbed.
- 2) Benefit derived as a result of the above efforts: The FIBCs manufactured with imported technology facilitate bulk transport of materials. The FIBCs have good export potential.
- 3) Technology imported during the last five years : NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO :

	(Rs. In lacs)	
	31.3.2010	31.3.2009
Foreign Exchange Earned :	Nil	Nil
Foreign Exchange Outgo :	Nil	Nil

For and on behalf of the Board

Place : Mumbai

Date : 31st May, 2010

H.C. Parekh
Chairman

REPORT ON CORPORATE GOVERNANCE

Your Directors submit their report on the Corporate Governance of the Company for the Financial year 2009-2010.

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

The Company Philosophy on Corporate Governance is to adopt internal and external measures to increase the level of transparency and accountability and to respect the laws of land & rights of stakeholders and to uphold at all times fundamental values of accountability, probity and transparency. Your Company has been declared as Sick Industrial Company and the first objective of the Company is to ensure the approval and implementation of Rehabilitation Scheme. Due vicious cycle of liquidity crunch and lower capacity utilization, your Company stands to meet its commitments of Corporate Governance to a limited extent. As a productive step, your Company has implemented the code of Corporate Governance as stipulated in the Listing Agreement and report in line with is given below:

MANAGEMENT DISCUSSION:

The company has been declared as Sick Industrial Company under section 3(i)(o) of Sick Industrial Companies (Special Provision) Act, 1985 at the BIFR hearing held on 12th December 2005 and IDBI was appointed as Operating Agency. The Company has consolidated its entire factory operation at Murbad and infrastructure/capacities of other units has been transferred at Murbad. With the consolidation of factory operation at Murbad, installation of balancing equipments and up-gradation of the existing machineries & utilities, the operation of the Company shows improvement and cost saving has also been achieved resulting into improved gross margin from the operation.

After the settlement and payment to all the Secured Lender including MSFC, the Draft Rehabilitation Scheme submitted to Industrial Development Bank of India – operating agency had been approved by BIFR and the same is under process of circulation to all the concerned agencies by BIFR & subsequent final hearing for its implementation.

BOARD OF DIRECTORS:

The Board of Directors comprises of Two Executive Directors and Two Independent Non-Executive Directors. During the financial year 1st April, 2009 to 31st March 2010, 5 (Five) Board Meetings were held on 21st May 2009, 30th July 2009, 28th August 2009, 31st October 2009 and 30th January 2010. The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship/Membership of Committees are as follows:

Name of the Director	Category of Directorship	No. of Board Meeting attended	Attendance of last AGM	No. of Other Directorship		
					Member	Chairman
Mr. H. C. Parekh	ED	4	YES	—	NIL	NIL
Mr. B. C. Parekh	ED	5	YES	—	NIL	NIL
Mr. Akshay Bhatt	NED	5	YES	—	-	-
Mr. Sandeep Poddar	NED	5	YES	—	—	—

NED – Non-Executive Director

ED – Executive Director

Audit Committee:

The Audit Committee consist of Mr. B.C. Parekh – Executive Director, Mr. Akshay Bhatt and Mr. Sandeep Poddar as Members.

The Audit committee met on 21st May 2009, 30th July 2009, 31st October 2009 and 30th January 2010. to overseas the general accounting practice and other management policies.

Remuneration Policy and Details of Remuneration Paid:

During the year under review, the Company has not paid any remuneration to Directors.

Share Transfer Committee/Investor Grievance Committee:

Shareholder's Grievance Committee was constituted to look into shareholder's/Investor's grievance relating to transfer/transmission of shares, non-receipt of Dividend/Annual Reports, duplicate share certificate & other related matter. The Shareholder/Investor Grievance committee has been constituted under the chairmanship of Mr. B.C. Parekh with Mr. Akshay Bhatt and Mr. Sandeep Poddar.

Name & Designation of Compliance Officer:

Mr. B.C. Parekh

102 Atlanta

Nariman point

Mumbai 400 021

GENERAL BODY MEETINGS:

Financial Year	Date	Venue
1st April 2006 to 31st March 2007	Friday, 29th day of September 2007 at 11 a.m.	Plot No. J-61, Additional MIDC Area, Murbad, District Thane.
1st April 2007 to 31st March 2008	Wednesday, 10th day of September 2008, AT 11 a.m.	Plot No. J-61 Additional MIDC Area, Murbad, District Thane.
1st April 2008 to 31st March 2009	Monday, 29th day of June, 2009 2008 at 11.00 a.m.	Plot No. J-61 Additional MIDC Area, Murbad, District Thane.

DISCLOSURES:

The related party transactions are reported in the notes to the Accounts of this Annual Report.

MEANS OF COMMUNICATION:

Quarterly results have been communicated to Bombay Stock Exchange limited where the shares of the Company's is listed and the same has been published in Two Newspaper-Free Press Journal(in English) and Nav Shakti(in Marathi) in terms of the requirement of Listing Agreement. annual Reports are dispatched to all the shareholders.

AUDITOR'S REPORT**TO THE MEMBERS OF TPI INDIA LIMITED.**

1. We have audited the attached Balance Sheet of TPI INDIA LIMITED as on 31st March 2010, and also the Profit and Loss Account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of 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 standard 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 disclosure in the financial statement. An audit also includes assessing the accounting principles used and significant estimate 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 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matter specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 it appears from our examination of those books;
 - c) The Balance sheet, Profit & Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion the Balance sheet, Profit & Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956,
 - e) ***On the basis of representations received from directors as on March 31, 2010 and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.***
 - f) In our opinion, to the best of our information and according to the explanations given to us, the said accounts, subject to:- ***and read together with other notes thereon*** gives the information required by the Companies Act, 1956 in the manner so required and gives a True and Fair View in conformity with the accounting principles generally accepted in India.
- 1) In the case of the Balance sheet, of the state of affairs of the Company as at 31st March, 2010.
- 2) In the case of the Profit and loss account, of the Profit of the Company for the year ended on that date.
- 3) In the case of the Cash flow statement, of the cash flows for the year ended on that date.

For B. R. Dalal & Co.
Chartered Accountants

Place : Mumbai
Date : 31st May, 2010

Bharat Dalal
(Proprietor)
Membership No. 31052

ANNEXURE TO THE AUDITOR'S REPORT.

Referred to in paragraph 3 of the Auditor's Report to the Members of TPI INDIA LIMITED on the financial statements for the year ended 31st March, 2010.

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the Fixed Assets have not been physically verified by the management during the year but there is regular programme of verification which in our opinion is reasonable having regard to the size of the company and the nature of its Assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off a substantial part of its Fixed Assets.
2. (a) The Inventories have been physically verified by the management at the end of the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.
- (c) The Discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt in the books of accounts.
3. [A] In respect of Unsecured Loans, taken by the Company from Companies, Firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

We Report that:-

- (a) *The company has taken unsecured loans from 6 parties aggregating to Rs.6,44,50,000/- at the year end. The Maximum amount involved during the year was Rs.6,44,50,000/-*
- (b) In our opinion and according to the information and explanations given to us, the rate of interest wherever applicable and other terms and conditions are not prima-facie prejudicial to the interest of the company.
- (c) *In respect of loans taken by Company, Company is regular in repayment of principal amount and interest thereon except in respect of Loan from MSFC with whom OTS effected during the year and principal amount of Rs. 42 Lacs has been paid off before the end of the year.*
- [B] The Company has not granted any Loan Secured or Unsecured to any of the parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sales of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control.
5. (a) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of