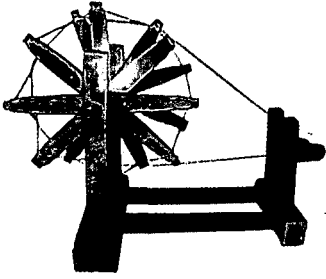


# Sarda Plywood Industries Ltd.



## 52nd Annual Report 2008-2009





## The unity of our nation was spun on wood

If we grow wood only for fuel, look what we lose

Where would we get wood for the necessities for life?

For cradles.

Ploughs.

Doors and windows...

After all, nature does provide alternative fuels - but there is no substitute for wood.

So what can we do? The answer is simple.

We can - and must - grow more forests.

And when we do, we must concentrate not only on the number of trees we plant, but also on the species we plant.

In short, we must go in for Mixed Forestry.

Mixed Forestry simply means planting a balanced mix of trees. To meet our undeniably important fuel and fodder needs - as well as our industrial timber needs.

And, to further enhance conservation, we must make the best use of our forest resources.

As plywood does.

Because one unit volume of plywood serves the purpose of two unit volumes of sawn timber - a saving of 200%.

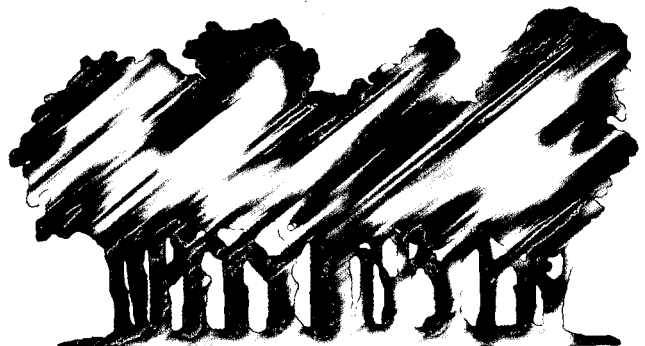
This means in turn that pressure on the demand for sawn wood is reduced - and our forest resources conserved.

**All over the world forestry is booming a priority - let's act before it's too late.**



Sarda Plywood Industries Ltd.

*Plywood conserves forests*





# Sarda Plywood Industries Limited

## Board of Directors

Dr. Samares Kumar Chanda

*Chairman*

Shri Sujit Chakravorti

Dr. Kali Kumar Chaudhuri

Shri Ratan Lal Gagar

Shri Kirti Kumar Maheshwari

Shri Naresh Pachisia

Shri Sohan Lal Yadav

*Whole-time Director*

Shri Sudeep Chitlangia

*Managing Director*

## Chief Financial Officer & Company Secretary

Shri B. L. Mundhra

## Bankers

United Bank of India

State Bank of India

## Auditors

G. P. Agrawal & Co.

*Chartered Accountants*

## Registered Office

9, Parsee Church Street

Kolkata - 700 001

## Corporate Office

North Block, 4th Floor

113, Park Street

Kolkata - 700 016

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## Notice to the Members

**NOTICE** is hereby given that the 52<sup>nd</sup> Annual General Meeting of SARDA PLYWOOD INDUSTRIES LIMITED will be held at The Far Pavilion, Tollygunge Club Limited, 120, Deshapran Sasmal Road, Kolkata – 700 033, on Monday, the 21<sup>st</sup> September 2009 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2009 and Balance Sheet as at that date, together with Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Sujit Chakravorti who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Naresh Pachisia, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and for this purpose, to consider and if thought fit, to pass with or without modification the following resolution :  
"RESOLVED that Messrs G.P. Agrawal & Co., Chartered Accountants be and are hereby re-appointed as Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors."
5. To appoint Branch Auditors and fix their remuneration and for this purpose, to consider and if thought fit, to pass with or without modification the following resolution :  
"RESOLVED that pursuant to Section 228(3) of the Companies Act, 1956, Messrs Grover Dinesh & Associates, Chartered Accountants be and are hereby re-appointed as Branch Auditors of the Company for auditing the books of accounts maintained by the Delhi Branch of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors."

### SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification the following resolutions :

#### 6. As Ordinary Resolution :

"RESOLVED that pursuant to Sections 198, 269, 309, 310 and 311 read with Schedule-XIII and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification or re-enactment thereof, approval be and is hereby granted to the re-appointment of Shri Sohan Lal Yadav as Wholtime Director of the Company for the period 1st April 2009 to 31st March 2012 on the terms and conditions and remuneration as provided hereunder :

- (a) Salary of Rs. 1,08,500/- per month which may be revised, within the limits laid down in Schedule XIII, by the Remuneration Committee at any time during the tenure of his appointment.
- (b) Other allowances :
  - (i) Tribal Area Allowance : Rs.200/- per month.
  - (ii) Remote Area Allowance : Rs.200/- per month.
- (c) Perquisites:

#### PART – A

- i) Housing: Free unfurnished house to be provided by the Company subject to a deduction of 7.50% of the salary.
- ii) Medical Benefits: Reimbursement of medical expenses (including medical insurance) for himself and his family subject normally to a ceiling of one month's salary in a year or three months' salary over a period of three years, provided that any additional expenditure incurred for medical treatment over and above the above ceiling for himself and his family may be reimbursed on actual basis subject to approval by the Remuneration Committee.

**Notice (Contd.)**

- iii) Leave Travel Concession: For self and family as per Company's Rules once in a year.
- iv) Personal Accident Insurance: As per rules of the Company, premium not to exceed Rs.1,000/- per annum.
- v) Club Fees: Fees of Clubs subject to a maximum of two Clubs excluding the admission fee.

**PART – B**

- vi) Company's contribution towards Provident/Pension Fund: Subject to a ceiling of 12% of the salary or such other rate as may be prescribed under the Employees' Provident Fund and Miscellaneous Scheme, 1952.
- vii) Company's contribution towards Superannuation Fund: Such contribution together with contribution to the Provident/Pension Fund shall not exceed 27% of the salary or such other rate as may be laid down in the Income Tax Rules, 1962 from time to time.
- viii) Gratuity: Not exceeding 15 days' salary for each completed year of service.
- ix) Encashment of leave at the end of the tenure.

**PART – C**

- x) Car on Company's business : Provision of car for use on Company's business will not be considered as perquisite.
- xi) Telephone at Residence: Provision of telephone at residence will not be considered as perquisite.

“RESOLVED FURTHER that the aforesaid remuneration be paid to Sri Sohan Lal Yadav, Wholetime Director, as minimum remuneration notwithstanding no profits or inaequate profits in any financial year”.

By Order of the Board

Registered Office :  
9, Parsee Church Street  
Kolkata - 700 001  
30<sup>th</sup> June 2009

[B.L. MUNDHRA]  
Chief Financial Officer &  
Company Secretary

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY FORM MUST REACH THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS PRIOR TO THE TIME OF HOLDING THE MEETING.
2. Register of the Members and the Share Transfer Books of the Company will remain closed from 16<sup>th</sup> September 2009 to 21<sup>st</sup> September 2009 (both days inclusive).
3. Unclaimed dividend for the years 2001-02, 2004-05 and 2005-06, which may remain unpaid or unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund of the Central Government. Members, who have not yet encashed their dividend warrants for the above said years are requested to contact the Registrar and Share Transfer Agents.
4. Members are requested to intimate change in their addresses, if any, to the Registrar and Share Transfer Agents in respect of equity shares held in physical mode and to their depository participants (DPs) in respect of shares held in dematerialised form.
5. Members/Proxies are requested to bring the attendance slips with them duly filled in and hand over the same at the entrance of the meeting hall.
6. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring with them their copy of the Annual Report at the Annual General Meeting.



**Notice (Contd.)**

7. Members seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

8. A brief resume of the Directors, proposed to be re-appointed -

(a) Name of Director : Shri Sujit Chakravorti  
Date of Birth : 13<sup>th</sup> September 1943  
Date of Appointment : 27<sup>th</sup> September 2002  
Qualification : M.Com, F.C.A, F.I.C.W.A.  
Experience : 38 years  
Other Directorships : (1) Deepak Industries Ltd.  
(2) Kitply Industries Ltd.  
(3) North Eastern Electric Corporation Ltd.  
(4) Parcon (India) Pvt. Ltd.  
(5) WEBFIL Ltd.  
Committee Memberships : (1) Deepak Industries Ltd. - Audit Committee.  
in other Companies : (2) Kitply Industries Ltd. - Audit Committee.  
(3) North Eastern Electric Corpn. Ltd. - Audit Committee.  
(4) WEBFIL Ltd. - Audit Committee  
Number of shares held in the Company : Nil

b) Name of Director : Shri Naresh Pachisia  
Date of Birth : 26<sup>th</sup> September 1962  
Date of Appointment : 16<sup>th</sup> September 2005  
Qualification : B.Com, CFP  
Experience : 27 years  
Other Directorships : (1) SKP Securities Ltd.  
(2) SKP Commodities Ltd.  
(3) SKP Insurance Brokers & Advisors Pvt. Ltd.  
(4) Murlidhar Ratanlal Exports Ltd.  
(5) Linc Pen & Plastics Ltd.  
(6) Diana Tea Company Ltd.  
(7) Electrosteel Integrated Ltd.  
Committee Memberships : (1) Linc Pen & Plastics Ltd. - Share Transfer Committee,  
in other Companies : Audit Committee and Remuneration Committee.  
(2) Diana Tea Company Ltd. - Share Transfer Committee,  
Audit Committee and Remuneration Committee.  
(3) SKP Securities Ltd. - Shareholders' Committee and  
Audit Committee.

Number of shares held in the Company : Nil

**Notice (Contd.)**

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

**Item No. 6**

The Board of Directors have re-appointed Shri Sohan Lal Yadav as Wholetime Director of the Company for the period 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2012 on the remuneration and other terms and conditions as contained in the resolution.

The re-appointment made by the Board of Directors is, however, subject to the approval by the members in the General Meeting.

Shri Sohan Lal Yadav is working with the Company since last 44 years and has rich experience in plywood and tea industries. Your Directors are of the opinion that his continued association with the Company will be beneficial to the Company. The proposed resolution seeks the approval of the members to his re-appointment.

The Resolution set out in Item No. 6 of the Notice convening the meeting has to be considered accordingly and the Board recommends the same.

A Notice under Section 302 of the Companies Act, 1956 as to the abstract of the terms of re-appointment of Shri Sohan Lal Yadav was despatched to all the shareholders of the Company.

Shri Sohan Lal Yadav may be regarded as concerned with or interested in the resolution to the extent of the remuneration proposed to be paid to him. No other Director of the Company is in any way concerned or interested in the Resolution.

Registered Office :  
9, Parsee Church Street  
Kolkata - 700 001  
30<sup>th</sup> June 2009

By Order of the Board

[B.L. MUNDHRA]  
*Chief Financial Officer &  
Company Secretary*



## Directors' Report to the Members

Your Directors have pleasure in submitting their 52<sup>nd</sup> Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March 2009.

FINANCIAL RESULTS	(Rs. in lacs)	
	Year ended on 31.03.2009	Year ended on 31.03.2008
Gross Profit/(Loss)	(193.01)	187.36
Less: Depreciation	124.24	123.18
Profit/(Loss) before Taxation	(317.25)	64.18
Less: Provision for Current Tax	-	37.00
Less: Provision for Fringe Benefit Tax	17.90	12.90
Less: Provision for deferred tax	(106.90)	(14.34)
Net Profit/(Loss)	(228.25)	28.62
Excess Provision for Taxation for earlier years written back	4.80	1.32
Balance brought forward from previous year	696.85	666.91
Balance carried forward	<u>473.40</u>	<u>696.85</u>

### OPERATIONS

During the year under review the Company has achieved a gross turnover of Rs.10582.74 Lacs as against Rs.9362.76 lacs in the preceding year. During the year 2008-09, the global recession and consequent slow down in the Indian economy has resulted in lower than expected growth in the Company's plywood business. Further, adverse variation in the Foreign Exchange rate has also adversely impacted the performance of the Plywood Division. Lower availability and high cost of green leaf has resulted into lower production at its tea factory and consequently the Tea Division of the Company has also incurred operating loss. As a result, the Company has incurred a net loss of Rs.228.25 lacs during the year 2008-09 as against net profit of Rs.28.62 lacs in the preceding year.

### DIVIDEND

In view of the losses incurred by the Company, the Directors regret their inability to recommend any dividend for the year ended 31<sup>st</sup> March 2009.

### PREFERENTIAL ISSUE

The Company allotted 4,40,000 Equity Shares of Rs.10/- each at a premium of Rs. 27.23 per share as fully paid up upon exercise of the option attached to the Convertible Warrants issued on preferential basis. Due to non exercise of option in respect of balance 2,00,000 Convertible Warrants, the amount paid thereon was forfeited as per the terms of the issue. The above said 4,40,000 Equity Shares rank pari-passu with the existing equity shares of the Company and are subject to a lock-in-period of one year from the date of allotment.

### EXPANSION

The Company is setting up a plywood manufacturing unit at Jeypore, Assam and the License Agreement entered into with M/s. Shree Timber Products Pvt. Ltd. in respect of their plywood factory at Assam has been terminated.

### DIRECTORS

Shri Sujit Chakravorti and Shri Naresh Pachisia retire by rotation and being eligible, offer themselves for re-appointment.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The particulars required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are set out in Annexure-I forming part of this Report.



## **Directors' Report (Contd.)**

### **EMPLOYEES**

No employee of the Company is covered under Section 217(2A) of the Companies Act, 1956.

### **CORPORATE GOVERNANCE**

A Management Discussion and Analysis Report and a Report on Corporate Governance along with the certificate of the Auditors, Messrs G.P. Agrawal & Co., confirming compliance of the conditions of corporate governance, as stipulated under Clause 49 of the Listing Agreement are annexed.

### **STOCK EXCHANGE LISTING**

The Equity Shares of the Company are listed at the Bombay Stock Exchange Limited. The Company confirms payment of listing fee to the Bombay Stock Exchange Limited for the year 2009-2010.

### **AUDITORS**

Messrs G.P. Agrawal & Co., Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Messrs Grover Dinesh & Associates, Chartered Accountants, Branch Auditors for Delhi Branch of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the year ended 31<sup>st</sup> March 2009, the applicable accounting standards have been followed;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period under review;
- (iii) That the Directors have taken proper and sufficient care 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;
- (iv) That the Directors have prepared the accounts for the year ended 31<sup>st</sup> March 2009 on a 'going concern' basis.

### **ACKNOWLEDGEMENT**

Your Directors record their appreciation for the assistance and continued support extended to the Company by the Financial Institutions, Banks, Customers, Suppliers and various Government authorities. Your Directors also record their appreciation for the devotion and dedicated efforts of the employees at all levels.

For and on behalf of the Board

Registered Office:  
9, Parsee Church Street,  
Kolkata - 700001  
30<sup>th</sup> June, 2009

**DR. SAMARES KUMAR CHANDA**  
*Chairman*



**ANNEXURE - I TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009.**

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors Report.

**(A) CONSERVATION OF ENERGY**

- a) **Energy conservation measures taken:** Energy conservation, wherever possible, have already been implemented and there are no major areas where further energy conservation measures can be taken. However, efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.
- b) Form-A in respect of tea operations is enclosed.

**(B) TECHNOLOGY ABSORPTION**

- (c) Efforts made in technology absorption as per Form B : Form B is enclosed.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

- (d) **Efforts:** The Company has not exported any of its products during the year.

**(e) Earnings and Outgo :** (Rs. in Lacs)

(i) Foreign exchange earnings	NIL
(ii) Foreign exchange outgo (imports and other expenditure in foreign currency)	2476.85

**FORM - A**

(See rule 2)

(For Bought Leaf Tea Processing Factory)

**Disclosure of particulars with respect to conservation of energy**

	<u>2008-2009</u>	<u>2007-2008</u>
<b>A. POWER AND FUEL CONSUMPTION</b>		
1. Electricity		
(a) Purchased		
Unit	Kwh	484940
Total amount	Rs.	615200
Rate/unit	Rs./Kwh	4203563
(b) Own generation		8.67
(i) Through diesel generator		7.66
Unit	Kwh	12900
Unit per litre of diesel oil	Kwh/ltr.	37360
Cost/unit	Rs./Kwh	3.06
(ii) Through gas generator		11.30
Unit	Kwh	1254080
Unit per SCUM of natural gas	Kwh/SCUM	1670445
Cost/unit	Rs./Kwh	2.13
2. Coal		4.90
3. Furnace Oil		NIL
		NIL
		NIL

**Directors' Report (Contd.)**

		<u>2008-2009</u>	<u>2007-2008</u>
4. Natural Gas			
Quantity	SCUM	<b>1088049</b>	1834662
Total cost	Rs.	<b>7897095</b>	10435794
Rate	Rs./SCUM	<b>7.26</b>	5.69
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>			
Electricity	Kwh/Kg.	<b>0.74</b>	0.71
Coal		<b>NIL</b>	NIL
Furnace Oil		<b>NIL</b>	NIL
Natural Gas	SCUM/Kg.	<b>0.46</b>	0.56

**FORM - B**

(See rule 2)

**Disclosure of particulars with respect to technology absorption**

**I. Research and Development**

1. **Specific Areas** : Greater emphasis is being placed on development of innovative products through a sustained process of research and development. Efforts are being taken for improving yield and thereby reducing the cost of production.
2. **Benefits derived** : The Company has launched some value added and innovative products viz; Honeycomb Doors, Fire Resistant Doors etc.
3. **Future plan of action** : Efforts would continue for development of new and innovative products.
4. **Expenditure on R & D** : It has not been accounted for separately.

**II. Technology absorption, adoption and innovation**

1. **Efforts made** : Additional equipments have been installed for manufacture of value added products and effective utilization of the existing capacity
2. **Benefits** : The Company has been able to launch innovative products.
3. **Particulars of technology imported during the last five years** : Nil

Registered Office:  
9, Parsee Church Street,  
Kolkata - 700001  
30<sup>th</sup> June, 2009

For and on behalf of the Board

**DR. SAMARES KUMAR CHANDA**  
*Chairman*



## **Management Discussion and Analysis Report**

### **Overview**

Sarda Plywood Industries Ltd has two main business segments viz. Plywood and allied products and Tea. It manufactures quality plywood products using the best available raw materials at its factories in the states of Assam and Gujarat. It's presence in Plywood Industry is over five decades old.

### **Plywood**

Demand for Plywood is mainly dependant on the growth in the Housing and Infrastructure sectors. During the year 2008-09 there were visible signs of slow down, particularly in the second half of the year, in the Indian economy as a result of global recession. This has resulted in lower than expected growth in the Company's business.

With a stable Government at Centre and its emphasis on Infrastructure development, it is expected that Indian economy will continue to grow at a decent rate. Further, the reduction in excise duty to 4% will also give a boost to demand. Consequently, demand for plywood and allied products is expected to grow at a healthy rate in the current financial year.

Although plywood industry is highly competitive the Company with its pan-India presence in all segments of the industry including innovative and value added products is well placed to reap the benefits.

During the year 2008-09, segment revenue increased from Rs. 6497.47 lacs to Rs.7771.48 lacs i.e a growth of 19.61%. However, the Company has incurred segment loss before tax and interest of Rs.86.83 lacs as against segment profit before tax and interest of Rs.156.02 lacs in the preceding financial year mainly due to adverse variation in foreign exchange rate. With the increase in volumes and appreciation in the value of rupee it is expected that the performance of the division will improve substantially in the current financial year.

There is no significant threat to the industry and/or Company from any product/sector. Since the Company mainly uses imported raw materials, volatile foreign exchange rate is a matter of concern.

### **Tea**

Tea industry is directly dependent on weather conditions. Although demand for Tea has increased, there is no improvement in raw material availability. Lower availability and high cost of raw materials has resulted in lower production and consequent increase in operating losses.

During the year under review Company has been able to produce 23.46 lacs Kgs of CTC tea as against 32.56 lacs Kgs of CTC tea in the preceding financial year. Segment revenue during the year was Rs.2287.02 lacs as against Rs.2326.28 lacs in the preceding financial year. Segment profit before tax and interest decreased from Rs. 48.27 lacs to Rs.5.39 lacs due to higher raw material cost and lower production.

Availability of raw material depends upon weather conditions, which may fluctuate hampering production to a great extent. Raw material availability and price is a matter of concern.

### **Internal control systems and their adequacy**

The Company has adequate internal control systems. The Audit Committee of the Company periodically reviews the existing internal control systems and suitable steps are taken for upgradation thereof as and when deemed necessary. Internal Audit, including systems audit is conducted by an independent Chartered Accountants firm as per the internal audit programme finalized by the Audit Committee in consultation with the Internal Auditors. The recommendations of the Internal Auditors for further improvement in the systems are promptly implemented.

### **Financial Performance**

During the year under review, the gross turnover of the Company has increased from Rs. 9362.76 lacs to Rs.10582.74 lacs registering a growth of more than 13%. The Company has incurred a net loss of Rs.228.25 lacs as against a net profit of Rs. 28.62 lacs in the preceding year. In view of the losses incurred by the Company, the Board of Directors did not recommend any dividend.

### **Human Resources**

With a view to strengthen the human capital and also for allround development and growth of its employees, sustained efforts are taken to upgrade the knowledge and skill of employees at all levels. The performance of the employees is evaluated through a transparent appraisal system. The Company continues to maintain harmonious and cordial relationship with its employees. The total manpower strength as on 31<sup>st</sup> March 2009 was 542.

### **CAUTIONARY STATEMENT**

*Statement in the "Management Discussion and Analysis" section describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulation, tax regimes, economic developments within India and other factors such as any litigation and/or labour negotiations.*

## Report on Corporate Governance

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to good corporate governance and aims at achieving increased levels of transparency and accountability to its shareholders and other key stakeholders.

### 2. BOARD OF DIRECTORS

#### a) Composition of the Board

The Board consists of eight Directors comprising

- One Non-Executive Chairman (Independent)
- One Managing Director
- Five Non-Executive Independent Directors
- One Executive Director

None of the Director are related to any other Director of the Company

#### b) Board Meetings held during the year ended 31<sup>st</sup> March 2009

During the year under review six Board Meetings were held on 30<sup>th</sup> May 2008, 30<sup>th</sup> June 2008, 31<sup>st</sup> July 2008, 3<sup>rd</sup> September 2008, 31<sup>st</sup> October 2008 and 30<sup>th</sup> January 2009.

#### c) Attendance at Board Meetings and at the last AGM

Name of Director	Category of Directorship	Number of Board Meetings		Attendance at last AGM
		Held	Attended	
Dr. Samares Kumar Chanda	Non-Executive Chairman	6	6	Yes
Dr. Kali Kumar Chaudhuri	Non-Executive & Independent	6	6	Yes
Shri Sujit Chakravorti	Non-Executive & Independent	6	6	Yes
Shri Sudeep Chitlangia	Managing Director	6	6	Yes
Shri Ratan Lal Gaggar	Non-Executive & Independent	6	5	Yes
Shri Kirti Kumar Maheshwari	Non-Executive & Independent	6	1	No
Shri Naresh Pachisia	Non-Executive & Independent	6	5	No
Shri Sohan Lal Yadav	Wholetime Director	6	1	No

#### d) Number of other Directorships or Board Committees of which Director is a Member/ Chairman

Name of Director	No. of Directorship(s) in other public Limited Companies	No. of Membership(s) in other Board Committees	No. of Chairmanship(s) in other Board Committees
Dr. Samares Kumar Chanda	None	None	None
Dr. Kali Kumar Chaudhuri	Two	One	None
Shri Sujit Chakravorti	Four	Four	Two
Shri Sudeep Chitlangia	Three	None	None
Shri Ratan Lal Gaggar	Thirteen	Ten	None
Shri Kirti Kumar Maheshwari	None	None	None
Shri Naresh Pachisia	Five	Eight	One
Shri Sohan Lal Yadav	None	None	None

### 3. AUDIT COMMITTEE

#### Composition

The Audit Committee comprises of three Non-Executive Directors, all of whom are Independent Directors. The names of the members of the Committee are Shri Sujit Chakravorti (Chairman of the Committee), Shri Ratan Lal Gaggar and Shri Naresh Pachisia. The Managing Director is permanent invitee in all meetings of the Committee. The Company Secretary acts as the Secretary of the Committee.

#### Meetings and Attendance during the year ended 31<sup>st</sup> March 2009

Name of Director	No. of Meetings held	No. of Meetings attended
Shri Sujit Chakravorti	5	5
Shri Ratan Lal Gaggar	5	4
Shri Naresh Pachisia	5	4



**Terms of Reference**

The terms of reference of Audit Committee are as laid out in Clause 49 of Listing Agreement.

**4. REMUNERATION COMMITTEE**

**Composition**

The Remuneration Committee comprises of three Non-Executive Directors, all of whom are Independent Directors. The names of the members of the Committee are Dr. Samares Kumar Chanda (Chairman of the Committee), Shri Ratan Lal Gaggar and Shri Sujit Chakravorti.

**Meetings and Attendance during the year ended 31<sup>st</sup> March 2009**

No meeting was held during the year ended 31<sup>st</sup> March 2009.

**Terms of Reference**

The terms of reference of Remuneration Committee are to recommend/review the remuneration package of the Managing/Whole-time Directors, based on performance.

**Details of remuneration to Directors**

Name	Salary & Perks (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Dr. Samares Kumar Chanda	-	49000	49000
Dr. Kali Kumar Chaudhuri	-	45000	45000
Shri Sujit Chakravorti	-	75000	75000
Shri Sudeep Chitlangia	1777745	-	1777745
Shri Ratan Lal Gaggar	-	65500	65500
Shri Kirti Kumar Maheshwari	-	7500	7500
Shri Sohan Lal Yadav	1660086	-	1660086
Shri Naresh Pachisia	-	61500	61500

**Note :**

- (a) (i) Appointment of Shri Sudeep Chitlangia is for the period 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2011.
- (ii) Appointment of Shri Sohan Lal Yadav was for the period 1<sup>st</sup> April 2006 to 31<sup>st</sup> March 2009 and he has been re-appointed for the period 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2012 subject to approval of the members in General Meeting.
- (b) The Company does not have any scheme for grant of stock options to its Directors or employees.
- (c) The Company does not pay any commission or performance linked incentives to any of its Directors.

**Shareholding of Non-Executive Directors**

None of the Non-Executive Directors hold any shares in the Company as sole/first shareholder. Dr. Samares Kumar Chanda holds 2000 shares in the Company as joint holder.

**5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE**

**Composition**

The Shareholders'/Investors' Grievance Committee consists of Dr. Samares Kumar Chanda, Non-Executive Independent Director and Chairman of the Committee, Shri Ratan Lal Gaggar, Non-Executive Independent Director and Shri Sudeep Chitlangia, Managing Director. The Company Secretary acts as the Secretary to the Committee.

**Meetings and Attendance during the year ended 31<sup>st</sup> March 2009**

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Samares Kumar Chanda	4	4
Shri Sudeep Chitlangia	4	4
Shri Ratan Lal Gaggar	4	4

**Compliance Officer**

Shri B.L. Mundhra, Chief Financial Officer & Company Secretary is the Compliance Officer.

## Report on Corporate Governance (Contd.)

### Shareholders' Complaints

During the year ended 31<sup>st</sup> March 2009, the Company received 6 complaints and all complaints (except those under litigation, disputes or court orders) were replied/resolved to the satisfaction of the shareholders. No complaints were pending at the beginning and at the closing of the year.

### 6. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as under :

Financial Year	Location	Date	Time
2005-2006	The Far Pavilion, Tollygunge Club Limited, 120, Deshapran Sasmal Road, Kolkata – 700 033	21.09.2006	11.00 A.M.
2006-2007	-do-	26.09.2007	11.00 A.M.
2007-2008	-do-	26.09.2008	11.00 A.M.

#### Notes :

- A special resolution was passed in the Annual General Meeting held on 21<sup>st</sup> September 2006 regarding delisting of Equity Shares of the Company from The Calcutta Stock Exchange Association Limited. No special resolutions were passed in the Annual General Meetings held on 26<sup>th</sup> September 2007 and 26<sup>th</sup> September 2008.
- No special resolution was passed through postal ballot during the year 2008-09.
- No special resolution is proposed to be put through postal ballot in the ensuing Annual General Meeting.

### 7. DISCLOSURES

- The Company has entered into a few transactions with the related parties, the details whereof have been given in notes to the accounts and which have been reviewed by the Audit Committee of the Company. However, these are not prejudicial to the interest of the Company.
- There were no instances of non-compliance nor have any penalties or strictures been imposed by any Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
- The Company has not adopted any whistle blower policy. No personnel were denied access to the Audit Committee.
- Management Discussion & Analysis, which has been reviewed by the Audit Committee of the Company, is a part of the Annual Report.
- The Board has adopted a code of conduct for Directors and Senior Management of the Company and the same has been posted on the Company's website. The declaration signed by the Managing Director to the effect that all Board members and Senior Management personnel have affirmed compliance with the code forms part of the Annual Report.
- The Managing Director and the Chief Financial Officer have submitted a certificate to the Board of Directors of the Company in connection with the matters specified in Sub-clause V of Clause 49 of the Listing Agreement.
- The Company has fulfilled the following non mandatory requirements as prescribed in Annexure 1D of Clause 49 of the Listing Agreement :
  - The Company has set up a Remuneration Committee; details whereof have been given in para 4 of this report.
  - Financial statements of the Company are unqualified.



**8. MEANS OF COMMUNICATION**

- a) Quarterly results are normally published in Financial Express in English and Kalantar in Bengali.
- b) Latest quarterly financial results are displayed on its Website [www.sardaplywood.in](http://www.sardaplywood.in).
- c) No presentations were made to institutional investors or analysts.

**9. GENERAL SHAREHOLDER INFORMATION**

- I. Annual General Meeting
  - Date and Time : 21<sup>st</sup> September 2009 at 11.00 A.M.
  - Venue : The Far Pavilion, Tollygunge Club Limited  
120, Deshapran Sasmal Road, Kolkata - 700033
- II. Financial Calendar for the year 2009-2010
  - Results for the first quarter - Last week of July
  - Results for the second quarter - Last week of October
  - Results for the third quarter - Last week of January
  - Annual Audited Results - Last week of June
- III. Book Closure Date : 16<sup>th</sup> September 2009 to 21<sup>st</sup> September 2009 (both days inclusive).
- IV. Dividend Payment Date : Not Applicable
- V. Listing on Stock Exchanges : Bombay Stock Exchange Ltd.
- VI. Stock Code Details

Name of Stock Exchange	Scrip Code
Bombay Stock Exchange Ltd.	516003

**VII. Market Price Data**

Month	BSE		SENSEX	
	High	Low	High	Low
April 2008	33.70	27.30	17480.74	15297.96
May 2008	36.00	29.00	17735.70	16196.02
June 2008	31.10	23.15	16632.72	13405.54
July 2008	25.10	18.35	15130.09	12514.02
August 2008	25.55	22.50	15579.78	14002.43
September 2008	25.70	18.05	15107.01	12153.55
October 2008	24.10	11.10	13203.86	7697.39
November 2008	25.41	16.00	10945.41	8316.39
December 2008	24.05	20.75	10188.54	8467.43
January 2009	22.95	16.00	10469.72	8631.60
February 2009	19.75	15.40	9724.87	8619.22
March 2009	18.60	14.85	10127.09	8047.17

**VIII. Share Transfer System**

M/s. Maheshwari Datamatics Private Limited are the Share Transfer Agents/Registrars (both for physical as well as demat segments) of the Company. The Board of Directors of the Company has authorized Shri Sudeep Chitlangia, Managing Director and Shri B.L. Mundhra, Chief Financial Officer & Company Secretary of the Company to approve all valid share transfer requests on regular basis and accordingly all valid transfers are effected within a fortnight. Details of approved share transfers are submitted to the Shareholders' / Investors' Grievance Committee.



## Report on Corporate Governance (Contd.)

### IX. Distribution of Shareholding as on 31<sup>st</sup> March 2009

No. of shares of Rs 10 each	No. of shareholders	% of Shareholders	No. of shares held	Shareholding %
1-500	6948	95.5052	929128	22.7567
501-1000	198	2.7216	155073	3.7981
1001-5000	97	1.3333	202624	4.9628
5001-10000	11	0.1512	77443	1.8968
10001-100000	15	0.2062	752652	18.4343
100001 & above	6	0.0825	1965965	48.1513
<b>TOTAL</b>	<b>7275</b>	<b>100.0000</b>	<b>4082885</b>	<b>100.0000</b>

### X. Categories of Shareholding as on 31<sup>st</sup> March 2009

Categories of Shareholders	No. of shares held	Percentage
Indian Promoters	1696119	41.55
Banks and Mutual Funds	11200	0.27
Bodies Corporate	500346	12.25
Individuals	1875220	45.93
<b>Total</b>	<b>4082885</b>	<b>100.00</b>

- XI. Dematerialisation of shares and liquidity : The Company's shares are available for dematerialisation with NSDL and CDSL. The ISIN allotted to the Company's Equity Shares is INE932D01010. As on 31<sup>st</sup> March 2009, 36.63% of the Share Capital has been dematerialised.
- XII. Outstanding GDR/ADR/Warrants/Convertible Instruments and their impact on Equity : Not Applicable
- XIII. Plant locations : 1. Tea Unit  
P.O. Jeypore - 786614  
Dist. Dibrugarh, Assam  
2. Plywood Unit (Under License Agreement)  
Rajkot Gondal Highway  
Shapar - 360002, Veraval  
Dist. Rajkot, Gujarat
- XIV. Address for Correspondence : Maheshwari Datamatics Pvt. Ltd.  
6 Mangoe Lane, Kolkata - 700001  
Phone : (033) 2243 5029/2243 5809  
Fax : (033) 2248 4787  
E-mail : mdpl@cal.vsnl.net.in
- XV. E-mail id for investor grievances : investors@sardaplywood.com

### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF SARDA PLYWOOD INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Sarda Plywood Industries Limited for the year ended 31<sup>st</sup> March 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the 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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.



**Report on Corporate Governance (Contd.)**

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, 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 as per the records maintained, there were no investors grievances remaining unattended/pending for more than 30 days as at 31<sup>st</sup> March, 2009 except those under litigation, disputes or court orders.

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 G.P. AGRAWAL & CO.  
*Chartered Accountants*

7A, Kiran Shankar Ray Road  
Kolkata - 700 001  
30<sup>th</sup> June 2009

(CA. SUNITA KEDIA)  
*Partner*  
*Membership No. 60162*

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Board has adopted a Code of Conduct for its Directors and Senior Management of the Company and the same is available on the Company's website.

I confirm that the Company has received from the Senior Management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct, as applicable to them, during the financial year ended 31<sup>st</sup> March 2009.

Kolkata  
30<sup>th</sup> June 2009

[Sudeep Chitlangia]  
Managing Director

## Auditors' Report to the Members

We have audited the attached Balance Sheet of **SARDA PLYWOOD INDUSTRIES LIMITED** as at 31<sup>st</sup> March, 2009 and the relative Profit and Loss Account and the Cash Flow Statement for the year ended on that date (in which are incorporated the accounts of Company's branch at Delhi audited by other Auditors), all of which we have signed under reference to this report. 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 have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

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

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditors Report have been forwarded to us and have been appropriately dealt with in this report.
- (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
- (v) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March, 2009, 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, 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Act;
- (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 Act, 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 31<sup>st</sup> March, 2009,
  - b) in the case of the Profit & Loss Account, of the LOSS for the year ended on that date, and
  - c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For G.P. AGRAWAL & CO.  
Chartered Accountants

7A, Kiran Shankar Ray Road  
Kolkata - 700 001  
30<sup>th</sup> June 2009

(CA.SUNITA KEDIA)  
Partner  
Membership No. 60162

### ANNEXURE TO THE AUDITORS' REPORT

Referred to in Auditors' Report of even date to the Members of **SARDA PLYWOOD INDUSTRIES LIMITED** on the Accounts for the year ended 31<sup>st</sup> March 2009.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the Management during the year. To the best of our knowledge, no material discrepancies were noticed on such verification.
- c) The Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.



### Auditors' Report to the Members (Contd.)

- (ii) a) The inventories (excluding stocks with third parties) have been physically verified during the year by the Management at reasonable intervals. In respect of inventories lying with third parties confirmation has been obtained from some of the parties.
- b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) On the basis of our examination, we are of the opinion that the Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) a) The Company has not granted any loan to any party covered in the register maintained under section 301 of the Act during the year.
- b) As the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in register maintained under section 301 of the Act, clauses (iii)(b) to (iii)(d) of paragraph 4 of the said order are not applicable to the Company.
- c) The Company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of Act.
- d) As the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act, clauses (iii)(f) to (iii)(g) of paragraph 4 of the said order are not applicable to the Company.
- (iv) On the basis of information and explanation given to us, we are of the opinion that the Company has an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. There is no failure to correct major weakness in internal control.
- (v) a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section 301.
- b) In our opinion and according to information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposit within the meaning of section 58A, 58AA or any other relevant provisions of the Act and the Rules framed thereunder.
- (vii) In our opinion, the internal audit system of the company is commensurate with the size of Company and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company in respect of products where pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under section 209(1)(d) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however, as not required, have not made a detailed examination of such records.
- (ix) a) According to the records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2009 for a period of more than six months from the date of becoming payable.

## Auditors' Report to the Members (Contd.)

- b) The disputed statutory dues aggregating to Rs. 244.59 lacs that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl No	Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relate	Forum where the dispute is pending
1.	Delhi Sales Tax Act, 1975	Sales Tax	77,86,548	1990-91	Addl. Commissioner of Sales Tax
2.	Central Sales Tax Act, 1956	Sales Tax	47,51,800	1990-91	Addl. Commissioner of Sales Tax
3.	West Bengal Sales Tax Act, 1994	Sales Tax	41,063	2000-01	Appellate & Revisional Board
4.	Value Added Tax Act, 2003	Sales Tax	1,16,47,430	2005-06	Dy. Commissioner of Sales Tax
5.	Central Sales Tax Act, 1956	Sales Tax	70,769	2005-06	Dy. Commissioner of Sales Tax
6.	The Taxes on entry of goods into Calcutta Metropolitan Area Act, 1972	Entry Tax	74,200	1992-93	Dy. Director of Entry Tax
7.	Income Tax Act, 1961	Income Tax	87,429	1985-86	Income Tax Appellate Tribunal

- (x) The Company has no accumulated losses. Cash loss incurred during the financial year covered by our aud it has been set off with the brought forward balance in the Profit & Loss Account.
- (xi) The Company has not defaulted in payment of dues to a financial institution or bank. Debentures have not been issued by the Company.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and similar securities.
- (xiii) The provisions of any special statue applicable to Chit Fund, Nidhi or Mutual Benefit Society are not applicable to this Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures or other investments. However, the investments made by the Company in shares and other securities have been held by the Company in its own name.
- (xv) According to the records of the Company and the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) On the basis of our examination and according to the information and explanation given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on the short term basis have not been used for long term purposes.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company has not issued any secured debentures.
- (xx) The Company has not raised any moneys by public issue during the period covered by our audit report.
- (xxi) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially misstated.

For G.P. AGRAWAL & CO.  
Chartered Accountants

7A, Kiran Shankar Ray Road  
Kolkata - 700 001  
30<sup>th</sup> June 2009

(CA.SUNITA KEDIA)  
Partner  
Membership No. 60162



**BALANCE SHEET as at 31st March, 2009**

	Schedules	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>I. SOURCES OF FUNDS</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	40,856,975	36,456,975
(b) Reserves & Surplus	2	243,854,545	253,685,015
(c) Convertible Warrants		-	2,382,720
(Refer note no.B 5 of Schedule 20)			
<b>(2) Loan Funds</b>			
(a) Secured Loans	3	180,803,915	169,134,453
(b) Unsecured Loans	4	1,984,470	2,269,347
<b>(3) Deferred Tax Liability (Net)</b>			
(Refer note no. B 12 of Schedule 20)			
<b>TOTAL</b>		<u>473,163,956</u>	<u>480,282,212</u>
<b>II. APPLICATION OF FUNDS</b>			
<b>(1) Fixed Assets</b>			
(a) Gross Block	5	248,260,275	256,657,934
(b) Less: Depreciation		158,696,131	158,629,145
(c) Net Block		89,564,144	98,028,789
(d) Capital Work in Progress		2,851,921	707,075
<b>(2) Investments</b>			
(3) <b>Current Assets, Loans &amp; Advances</b>	6	105,626,594	105,790,926
(a) Inventories	7	223,583,197	251,717,786
(b) Sundry Debtors	8	145,241,499	98,807,655
(c) Cash & Bank Balances	9	17,135,522	18,097,109
(d) Loans & Advances	10	97,080,048	127,242,210
		<u>483,040,266</u>	<u>495,864,760</u>
<b>Less: Current Liabilities &amp; Provisions</b>			
(a) Current Liabilities & Provisions	11	207,918,969	220,109,338
		<u>207,918,969</u>	<u>220,109,338</u>
<b>Net Current Assets</b>		<u>275,121,297</u>	<u>275,755,422</u>
<b>TOTAL</b>		<u>473,163,956</u>	<u>480,282,212</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 20

Schedules 1 to 11 & 20 referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date.

For G.P. AGRAWAL & CO.  
Chartered Accountants

CA. SUNITA KEDIA  
Partner  
(Membership No.60162)  
Kolkata : 30th June, 2009

B.L.MUNDHRA  
Chief Financial Officer &  
Company Secretary

On behalf of the Board

SUJIT CHAKRAVORTI  
Director

SUDEEP CHITLANGIA  
Managing Director

**PROFIT & LOSS ACCOUNT for the year ended 31st March, 2009**

		2008-09	2007-08
I. INCOME	Schedules	Rs.	Rs.
Sales	12	1,012,841,218	885,731,076
Other Income	13	9,881,944	21,133,177
Increase/(Decrease) in Stock	14	(17,866,800)	41,122,954
		<u>1,004,856,362</u>	<u>947,987,207</u>
<b>II. EXPENDITURE</b>			
Purchases of Trading Goods		75,813,293	100,388,978
Raw Materials Consumed	15	590,227,599	525,726,700
Manufacturing & Maintenance Expenses	16	118,930,378	105,732,698
Payments to & Provisions for Employees	17	57,435,912	49,305,724
Administrative, Selling, Distribution & Other Expenses	18	156,228,282	126,070,391
Interest	19	25,522,161	22,026,518
Depreciation		12,423,523	12,318,132
		<u>1,036,581,148</u>	<u>941,569,141</u>
<b>III. PROFIT / (LOSS) BEFORE TAXATION</b>		<b>(31,724,786)</b>	6,418,066
Less : Provision for Current, Tax		-	3,700,000
Less : Provision for Fringe Benefit Tax		1,790,000	1,290,000
Less : Provision for Deferred Tax		(10,689,651)	(1,433,453)
<b>IV. PROFIT / (LOSS) AFTER TAXATION</b>		<b>(22,825,135)</b>	2,861,519
Add : Excess Provision for taxation for earlier years written back		480,709	132,498
Balance brought forward from previous year		69,684,674	66,690,657
<b>V. BALANCE CARRIED TO BALANCE SHEET</b>		<b>47,340,248</b>	69,684,674
Earnings per Share of Rs. 10 each (See note no.B 11 in Schedule 20)			
Basic		(5.99)	0.82
Diluted		(5.27)	0.73

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 20  
Schedules 12 to 20 referred to above form an integral part of the Profit & Loss Account.

This is the Profit & Loss Account referred to in our report of even date.

For G.P. AGRAWAL & CO.  
Chartered Accountants

CA. SUNITA KEDIA  
Partner  
(Membership No.60162)  
Kolkata : 30th June, 2009

B.L.MUNDHRA  
Chief Financial Officer &  
Company Secretary

On behalf of the Board

SUJIT CHAKRAVORTI  
Director

SUDEEP CHITLANGIA  
Managing Director



**Schedules annexed to the Accounts**

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>Schedule 1</b>		
<b>SHARE CAPITAL</b>		
Authorised		
250,00,000 Equity Shares of Rs.10/- each	<b>250,000,000</b>	250,000,000
<b>Issued</b>		
42,62,810 (Previous year 38,22,810) Equity Shares of Rs.10/- each	<b>42,628,100</b>	38,228,100
<b>Subscribed &amp; Paid up</b>		
40,82,885 (Previous year 36,42,885) Equity Shares of Rs.10/- each fully called up (Of the above shares 10,91,900 Equity Shares were allotted as fully paid-up by way of Bonus Shares by capitalisation of General Reserve) Add :Forfeited shares (Amount originally paid up)	<b>40,828,850</b>  <b>28,125</b>	36,428,850  28,125
	<b>40,856,975</b>	36,456,975
<b>Schedule 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
Capital Reserve (On revaluation of Fixed Assets)		
As per last Account	4,207,618	4,419,462
Less : Depreciation	211,844	211,844
	<b>3,995,774</b>	4,207,618
Capital Subsidies (As per last Account)	9,142,491	8,685,580
Add : Government grants received during the year	-	456,911
	<b>9,142,491</b>	9,142,491
Security Premium Account (As per last Account)	46,909,200	46,909,200
Add: Received during the year	1,19,81,200	-
	<b>58,890,400</b>	46,909,200
General Reserve (As per last Account)	123,741,032	123,031,896
Add: Convertible Warrants Forfeited	744,600	-
Add: Transitional Adjustment for Gratuity as per AS 15 (Revised)	-	277,656
Add: Transitional Adjustment for Earned Leave as per AS 15 (Revised)	-	866,128
Less: Transitional Adjustment for Sick Leave as per AS 15 (Revised)	-	69,499
Less: Deffered Tax Liability as per,AS 15 (Revised)	-	365,149
	<b>124,485,632</b>	123,741,032
Profit & Loss Account (As per annexed Account)	47,340,248	69,684,674
	<b>243,854,545</b>	253,685,015
<b>Schedule 3</b>		
<b>SECURED LOANS</b>		
<b>Term Loans</b>		
From Scheduled Banks	16,300,000	34,400,000
<b>Working Capital Loan</b>		
From Scheduled Banks	164,503,915	134,734,453
	<b>180,803,915</b>	169,134,453



**Schedules annexed to the Accounts (Contd.)**

Notes :

**1. Nature of Security :**

- (a) Term loans (Excluding Rs.38,00,000) are secured by pari passu first charge on the Company's immovable properties, both present and future, situated at Jeypore (Assam) by deposit of title deeds and also by hypothecation, ranking pari passu, of the Company's movable properties (except book debts), subject to charges created in favour of Company's bankers over present and future stocks. Term Loan from a scheduled bank amounting to Rs. 38,00,000 (previous year Rs.54,00,000) is secured by exclusive charge over specified machinery. Term Loan from schedule Bank amounting to Rs. Nil (previous year Rs.40,00,000) is additionally secured by personal guarantee of Managing Director.
- (b) Working capital loans are secured by hypothecation of present & future stocks and book debts and second charge on the Company's immovable and movable properties situated at Jeypore (Assam) and personal guarantee of Managing Director.

**2. Terms of Repayment**

Out of Term Loans from Scheduled Banks Rs.1,43,00,000 (Previous year Rs.1,81,00,000) falls due for repayment within one year.

	As at 31.03.2009	As at 31.03.2008
	Rs.	Rs.
<b>Schedule 4</b>		
<b>UNSECURED LOANS</b>		
<b>Other Loans</b>		
From Bank	1,612,002	2,269,347
From Others	372,468	-
	<u>1,984,470</u>	<u>2,269,347</u>

**Schedule - 5**

**FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	As at 31.03.2008	Additions	Deductions	As at 31.03.2009	As at 31.03.2008	For the Year	Sales/ Adjustment	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Freehold Land	3,165,248	-	-	3,165,248	-	-	-	-	3,165,248	3,165,248
Buildings	62,364,495	-	-	62,364,495	21,610,467	1,699,164	-	23,309,631	39,054,864	40,754,028
Plant & Machinery	147,528,698	946,914	13,067,761	135,407,851	106,227,255	8,531,534	11,650,360	103,108,425	32,299,426	41,301,447
Motor Vehicles	17,073,446	1,778,762	1,098,648	17,753,560	10,202,029	1,309,892	892,728	10,619,123	7,134,437	6,871,417
Furniture Fixture & Office Equipments	26,526,047	3,073,774	30,700	29,569,121	20,589,398	1,094,777	25,223	21,658,952	7,910,169	5,936,649
Capital Work-in-Progress									89,564,144	98,028,789
									2,851,921	707,075
<b>Total</b>	256,657,934	5,799,450	14,197,109	248,260,275	158,629,145	12,635,367	12,568,388	158,696,131	92,416,065	98,735,864
Previous Year	253,101,532	3,885,012	328,610	256,657,934	146,329,482	12,529,976	230,313	158,629,145	98,735,864	



**Schedules annexed to the Accounts (Contd.)**

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>Schedule 6</b>		
<b>INVESTMENTS (At Cost)</b>		
(Long term, other than trade)		
<b>In Equity Shares of Joint Stock Companies</b>		
(Fully Paid up of Rs.10/- each unless otherwise stated)		
No of Shares/ <b>Quoted:</b>	Name Of Companies	
200	Assam Petro-Chemicals Ltd.	2,000
49	Reliance Industries Ltd.	32,842
1180	Radico Khaitan Ltd. of Rs 2/- each	7,080
61	Rampur Fertilizers Ltd.	1,830
3500	SMIFS Capital Markets ltd.	1,032,553
1000	Simplex Infrastructures Ltd. of Rs 2/- each	20,052
1000	United Credit Ltd.	9,032
	Aggregate value of quoted investments	<u>1,105,389</u>
<b>Unquoted :</b>		
350000	P. S. Plywood Products Private Ltd.	80,508,750
100	Orissa Tea Plantations Ltd.	1,000
100	Pro Sports Management Ltd. of Rs. 1000/- each	100,000
2485000	Pousali Sales Pvt. Ltd.	24,935,935
300	The Albion Plywood Ltd.	452
200	The Purbanchal Bank Limited of Rs.100/- each (Rs.60/-called & paid up)	12,000
	Aggregate value of unquoted investments	<u>105,558,137</u>
		<u>106,663,526</u>
	Less: Provision for diminution in value of Investments	<u>1,036,932</u>
		<u>105,626,594</u>
		<u>105,558,137</u>
		<u>106,663,526</u>
		<u>872,600</u>
		<u>105,790,926</u>

- Notes: 1) Aggregate Market Value of quoted investments : Rs. 430,296 (Previous year Rs.1,048,001)  
 2) Besides above, the Company holds following shares in relation to the shares already sold by it :
- |                                |    |
|--------------------------------|----|
| a) JK Tyre & Industries Ltd.   | 33 |
| b) Rampur Fertilizers Ltd.     | 16 |
| c) Bengal & Assam Company Ltd. | 2  |

**Schedule 7**

**INVENTORIES**

(Valued & certified by the Management)

Raw Materials (incl. in transit)	74,465,329	84,233,276
Stores & Spares and Chemicals	11,850,026	11,283,945
Stock-in-Process	32,781,212	33,092,499
Finished Goods	59,199,248	58,381,891
Finished Goods in transit	4,333,105	1,361,504
Trading Goods	38,605,221	59,634,151
Trading Goods in transit	2,349,056	3,730,520
	<u>223,583,197</u>	<u>251,717,786</u>

**Schedule 8**

**SUNDRY DEBTORS**

(Unsecured, considered good)

Exceeding six months	17,198,965	5,772,126
Other Debts	128,042,534	93,035,529
	<u>145,241,499</u>	<u>98,807,655</u>

**Schedules annexed to the Accounts (Contd.)**

	As at 31.03.2009 Rs.		As at 31.03.2008 Rs.
<b>Schedule 9</b>			
<b>CASH &amp; BANK BALANCES</b>			
Cash in Hand (as certified)	864,818		867,440
Cheques in hand & Remittances in Transit	10,019,805		7,257,892
With Scheduled Banks			
In Current Accounts	5,703,026		9,087,366
In Dividend Accounts	487,873		489,611
In Fixed Deposit (Pledged FDR for Rs.10,000/- with Government Authorities, Previous year Rs.344,800/-)	60,000		394,800
	<u>17,135,522</u>		<u>18,097,109</u>
<b>Schedule 10</b>			
<b>LOANS &amp; ADVANCES</b> <i>(Unsecured, considered good)</i>			
Loans	23,725,000		50,375,000
Advances recoverable in cash or in kind or for value to be received	53,241,771		52,499,361
Advance Income Tax including tax deducted at source	10,490,188	26,730,494	
Less: Provision for Taxation	<u>6,780,000</u>	<u>22,650,000</u>	4,080,494
Balance with Central Excise Authorities	3,974,908		9,386,961
Security and Other Deposits	12,428,181		10,900,394
	<u>97,080,048</u>		<u>127,242,210</u>
<b>Schedule 11</b>			
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>			
<b>Current Liabilities</b>			
Acceptances	112,932,425		100,214,802
Sundry Creditors (refer note no. B 4 of Schedule 20)			
Dues to Micro, Small & Medium Enterprises			
Others	55,874,975		75,296,639
Advances and deposits from customers	10,910,193		16,523,181
Investor Education and Protection Fund	487,873		489,611
(Unclaimed Dividend not due for transfer)			
Other Liabilities	<u>25,027,761</u>		<u>25,414,369</u>
	<u>205,233,227</u>		<u>217,938,602</u>
<b>Provisions</b>			
Provision for Leave	2,685,742		2,170,736
	<u>2,685,742</u>		<u>2,170,736</u>
	<u>207,918,969</u>		<u>220,109,338</u>
<b>Schedule 12</b>			
<b>SALES</b>			
Finished Goods	907,152,834	789,512,323	
Less: Excise Duty & Cess	<u>45,432,759</u>	<u>50,545,067</u>	738,967,256
Trading Goods	150,887,525		146,678,020
Others	233,618		85,800
	<u>1,012,841,218</u>		<u>885,731,076</u>
<b>Schedule 13</b>			
<b>OTHER INCOME</b>			
Interest(Gross)	5,590,600		10,232,075
Rent (Gross)	662,100		624,600
Dividends from Long Term Investments	38,316		34,423
Claims	1,395,566		1,184,947
Subsidies	-		4,682,564
Miscellaneous Receipts	158,802		182,321
Profit on sale of Long Term Investments	-		1,585
Profit on sale of Fixed Assets	1,303,193		-
Exchange Rate Fluctuation	-		4,078,593
Liabilities No Longer required written back	733,367		92,886
Provision for diminution in value of Investments written back	-		19,183
	<u>9,881,944</u>		<u>21,133,177</u>



**Schedules annexed to the Accounts (Contd.)**

	2008-09 Rs.		2007-08 Rs.
<b>Schedule 14</b>			
<b>INCREASE/(DECREASE) IN STOCK CLOSING STOCK</b>			
Finished Goods	63,532,353		59,743,395
Trading Goods	38,605,221		59,949,692
Stock-in-Process	32,781,212		33,092,499
	<u>134,918,786</u>		<u>152,785,586</u>
<b>OPENING STOCK</b>			
Finished Goods	59,743,395	38,577,945	
Less: Transferred to Raw Materials	-	523,589	38,054,356
Trading Goods	59,949,692	84,418,150	
Less: Transferred to Raw Materials	-	34,183,736	50,234,414
Stock-in-Process	33,092,499		23,373,862
	<u>152,785,586</u>		<u>111,662,632</u>
<b>INCREASE/(DECREASE)</b>	<u>(17,866,800)</u>		<u>41,122,954</u>
<b>Schedule 15</b>			
<b>RAW MATERIALS CONSUMED</b>			
Opening Stock	82,070,620	2,676,152	
Add: Transfer from Opening Stock-in-trade	-	34,707,325	
Add: Acquired upon transfer of business	-	43,028,463	
Add : Purchases	566,257,775	527,385,380	607,797,320
Less : Closing Stock	58,100,796		82,070,620
	<u>590,227,599</u>		<u>525,726,700</u>
<b>Schedule 16</b>			
<b>MANUFACTURING &amp; MAINTENANCE EXPENSES</b>			
Chemical Consumption	40,927,358		40,248,650
Stores & Spare Parts	9,319,604		8,303,393
Power & Fuel	47,322,129		45,239,201
Building Repairs & Maintenance	1,925,423		637,017
Machinery Repairs & Maintenance	8,623,187		7,370,334
Other Repairs & Maintenance	2,819,331		3,934,103
Job Charges	7,993,346		-
	<u>118,930,378</u>		<u>105,732,698</u>
<b>Schedule 17</b>			
<b>PAYMENTS TO &amp; PROVISION FOR EMPLOYEES</b>			
Salary,Wages,Bonus and other Amenities	50,326,058		43,188,323
Contribution to Provident,Pension & Other Funds	6,010,198		5,078,114
Employees' Welfare Expenses	1,099,656		1,039,287
	<u>57,435,912</u>		<u>49,305,724</u>
<b>Schedule 18</b>			
<b>ADMINISTRATIVE,SELLING,DISTRIBUTION AND OTHER EXPENSES</b>			
Rent	5,218,717		4,063,757
Electricity	840,282		727,021
License Fee	27,000,000		27,000,000
Rates & Taxes	975,494		837,074
Watch and Ward Expenses	701,038		941,961
Insurance	2,493,023		2,939,477
Postage, Telegrams, Telephones & Telex	3,616,950		3,350,615
Travelling & Conveyance	9,170,048		7,469,116
Vehicle Maintenance	5,122,379		5,289,262
Printing & Stationery	1,219,514		2,323,866
Legal and Professional Charges	6,397,908		5,289,494

Schedules annexed to the Accounts (Contd.)	2008-09 Rs.	2007-08 Rs.
<b>Schedule 18 (Contd.)</b>		
Miscellaneous Expenses	1,672,043	1,730,414
Statutory Auditors' Remuneration	172,480	107,956
Charity & Donations	57,933	86,864
Bank charges	1,632,172	1,148,417
Packing, Forwarding, Freight, Octroi and Delivery Expenses	37,797,054	37,031,640
Sales Tax	70,665	-
Commission on Sales	8,477,073	6,115,622
Brokerage on Sales	750,651	1,232,353
Advertisement, Publicity & Sales Promotion	18,106,593	18,240,143
Exchange Rate Fluctuation	24,425,205	-
Provision for diminution in value of investments	164,332	-
Loss on Sale of Fixed Assets	-	26,825
Bad Debts & Sundry Balances Written Off	10,005	66,035
Adjustment related to earlier years	136,723	52,479
	<u>156,228,282</u>	<u>126,070,391</u>
<b>Schedule 19</b>		
<b>INTEREST</b>		
On Fixed Loans	3,122,316	5,682,318
On Other Loans	<u>22,399,845</u>	<u>16,344,200</u>
	<u>25,522,161</u>	<u>22,026,518</u>
<b>Schedule 20</b>		

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

- 1 (a) The accounts of the company have been prepared on the concept of going concern and on accrual basis except that insurance and other claims / refunds / subsidies are being accounted for / adjusted in the books as and when settled. Accounts have also been prepared in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.
- (b) Sales is inclusive of Excise Duty & exclusive of Sales Tax / VAT .
- (c) Short-term employee benefits (benefits which are payable before the end of twelve months after the end of the period in which the employees render service) are measured at cost.
- (d) Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which the employees render service) and post employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of annual third party actuarial valuations.
2. Fixed assets have been stated at cost (net of Cenvat) as increased by attributable direct and indirect expenses less accumulated depreciation. Wherever these assets have been revalued, the amounts stated are inclusive of enhanced value on account of revaluation.
3. Depreciation on Fixed Assets have been provided for on straight line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 as amended.
4. Inventories are valued at lower of cost or net realisable value. The cost of inventories is computed on weighted average/ FIFO basis. The cost of Finished Goods includes cost of conversion and cost incurred in bringing the inventories to their present location and condition.
5. Long term investments have been stated at cost and provision for diminution in the value is considered individually only if, such decline is other than temporary.
6. Foreign currency transactions are accounted for at the exchange rate prevailing on the date of transaction. Assets and Liabilities related to foreign currency transactions (other than those covered by forward contract which are stated at contracted rates) are translated at exchange rate prevailing at the end of the year. Exchange difference in respect of monetary assets is charged to Profit & Loss Account.
7. a) Government grants of the nature of project subsidy are credited to Capital Reserves.  
b) Other Government grants of revenue nature are credited to Profit & Loss Account under the heading 'Other Income'.
8. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
9. Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
10. Impairment losses, if any, are recognised in accordance with the Accounting Standard issued in this regard by The institute of Chartered Accountants of India.



**Schedules annexed to the Accounts (Contd.)**

11. Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Contingent liabilities are shown by way of Notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable. Contingent assets are not recognised in the Accounts.

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>B. NOTES ON ACCOUNTS</b>		
1. Estimated amount of contract remaining to be executed on Capital Account and not provided for	25,106,109	867,253
2. Contingent Liabilities not provided for in respect of :		
a) Uncalled Capital against partly paid-up shares held as investments	8,000	8,000
b) Guarantees furnished by Company's Bankers on behalf of the Company	-	334,800
c) Demand raised by Govt. authorities in respect of Taxes and Duties and contested by the Company .	24,459,239	17,290,072
3. Managerial Remuneration		
a) Remuneration paid to Managing Director / Wholetime Directors and debited to respective accounts		
Salary and other amenities	2,746,091	2,521,094
Contribution to Provident Fund, Superannuation Fund	691,740	510,300
	<u>3,437,831</u>	<u>3,031,394</u>
b) Directors' Sitting Fees (Included in Miscellaneous expenses)	303,500	254,000
4. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.		
5. During the year the Company has allotted 440000 Equity Shares upon exercise of the option attached to the Convertible Warrants issued to a non-promoter entity /investor on preferential basis. Application money received in respect of balance 200000 Warrants have been forfeited as per terms of issue. The amount raised as above has been utilised to meet a part of the increased working capital requirements.		
6. Auditors' Remuneration includes -		
Audit Fee (includes Rs. 6,618 (Previous year Rs. 6,742) paid to branch auditors)	116,918	74,230
Tax Audit fee	22,060	16,872
Certification Fee	33,502	16,854
	<u>172,480</u>	<u>107,956</u>
7. Tax deducted at source in respect of -		
Rent received	131,325	137,096
Interest received	1,110,812	2,000,142
8. Interest (Gross) Includes-		
Interest Received on Bank Deposit	8,299	14,552
Interest on Loans	5,387,026	9,605,913
Interest on Others	195,275	611,610
	<u>5,590,600</u>	<u>10,232,075</u>
9. Sundry Debtors include Rs. 8,61,995 (Previous year Rs. 8,61,995) under litigation.		
10. Segment information as per Accounting Standard - 17 on 'Segment Reporting' :		
The Company has identified two business segments viz. Plywood and Tea. Segments have been identified and reported taking into account the nature of the products, the differing risks and returns, the organisational structure & internal business reporting system.		
a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".		
b) Segment Assets and Segment Liabilities represent assets and liabilities of respective segments. Investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocable".		
c) Information about Primary Business Segment :		

**Schedules annexed to the Accounts (Contd.)**

Schedule 20 (Contd.)	Plywood	Tea	Others	Unallocated	Total
Segment Revenue	777,148,109	228,701,568	10,582,469	-	1,016,432,146
	(649,747,019)	(232,627,789)	(13,577,578)	(-)	(895,952,386)
Segment Results	-8,662,905	539,376	994,263	-	-7,129,266
	(15,602,435)	(4,827,481)	(1,667,811)	(-)	(22,097,727)
Less : Interest					25,522,161
					(22,026,518)
Other unallocable expenditure net of unallocable income					-926,641
					(-6,346,858)
Total Profit/(Loss) before tax					-31,724,786
					(6,418,067)
<b>Other Information</b>					
Segment Assets	432,483,975	90,155,474	10,184,378	148,259,098	681,082,925
	(391,950,320)	(117,883,907)	(13,166,906)	(177,390,417)	(700,391,550)
Segment Liabilities	195,552,681	11,761,646	116,769	188,940,309	396,371,405
	(200,103,153)	(18,107,086)	(1,409,488)	(188,247,113)	(407,866,840)
Capital Expenditure	7,774,346	169,950	-	-	7,944,296
	(3,837,522)	(47,490)	(-)	(-)	(3,885,012)
Depreciation	4,677,461	7,746,062	-	-	12,423,523
	(4,313,787)	(8,004,345)	(-)	(-)	(12,318,132)

Notes :

- There are no transactions between segments . Common costs are apportioned on a reasonable basis.
- Since the company's activities / operations are primarily within the country, there is only one geographical segment.
- Figures in the brackets pertain to previous year.

11. In calculating Earnings per share	2008-09 Rs.	2007-08 Rs.
a) Numerator used :		
Profit / (Loss) after tax	(22,825,135)	2,861,519
Add: Taxation for earlier years written back	480,709	132,498
Total (a)	<u>(22,344,426)</u>	<u>2,994,017</u>
b) Denominator used in computing Basic Earning per Share:		
Weighted Average Number of Equity Shares	3,733,296	3,642,885
c) Denominator used in computing Diluted Earning per Share:		
Weighted Average Number of Equity Shares including Potential Equity Shares	4,242,337	4,094,033
d) Nominal value of equity shares (Rs.)	10.00	10.00
e) Basic Earnings per share (a/b) (Rs.)	(5.99)	0.82
f) Diluted Earnings per share (a/c) (Rs.)	(5.27)	0.73
	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.

12. The deferred tax liability comprises of-

a) Deferred tax asset		
Expenses deductible when paid	309,274	-
Loss to be set off against future profits	9,477,518	-
	<u>9,786,792</u>	-
b) Deferred tax liability		
Related to Fixed Assets	15,450,843	16,314,485
Expenses deductible when paid	-	39,217
	<u>15,450,843</u>	<u>16,353,702</u>
Net Deferred Tax Liability	5,664,051	16,353,702



**Schedules annexed to the Accounts (Contd.)**

**Schedule 20 (Contd.)**

**13. Related Party Disclosures**

Particulars of transactions during the year ended 31st March 2009 :

Nature of Transactions	Associates	Key Management Personnel	Total
Directors Remuneration	-	3,437,831	3,437,831
	(-)	(3,031,394)	(3,031,394)
Sales	14,969,172	-	14,969,172
	(4,483,817)	(-)	(4,483,817)
Purchases	24,712	-	24,712
	(17,307)	(-)	(17,307)
Acquired upon transfer of business	-	(-)	-
	(66,402,325)	(-)	(66,402,325)
Rent Received	15,000	-	15,000
	(15,000)	(-)	(15,000)
Interest Received	5,226,462	-	5,226,462
	(9,109,068)	(-)	(9,109,068)
Rent Paid	102,000	-	102,000
	(60,000)	(-)	(60,000)
Licence fee Paid	24,000,000	-	24,000,000
	(24,000,000)	(-)	(24,000,000)
Refund of Loan Given	25,150,000	-	25,150,000
	(15,925,000)	(-)	(15,925,000)
Investment in Equity Shares	-	-	-
	(8,750)	(-)	(8,750)
Balance Outstanding at the Balance Sheet Date	42,460,421 Dr	-	42,460,421 Dr
	(63,908,388 Dr.)	(-)	(63,908,388 Dr.)

Figures in the brackets pertain to previous year.

The Company has neither written off nor written back any amount recoverable / payable from / to any related party during the year.

Disclosure of Metarial Transaction with Related Parties	2008-09 Rs.	2007-08 Rs.
Directors Remuneration		
Shri Sudeep Chitlangia	1,777,745	1,739,585
Shri Sohan Lal Yadav	1,660,086	1,291,809
Sales		
Purma Timber Products Ltd.	14,456,397	4,483,817
Purchase		
Madhya Bharat Papers Ltd.	24,712	17,307
Acquired upon transfer of business		
P.S Plywood Products Private Ltd.	-	66,402,325
Rent Received		
Madhya Bharat Papers Ltd.	15,000	15,000
Interest Received		
Poushali Sales Pvt. Ltd.	5,226,462	9,109,068
License Fee Paid		
P.S Plywood Products Private Ltd.	24,000,000	24,000,000
Rent Paid		
Calcutta Technicians & Advisers Ltd.	90,000	60,000
Madhya Bharat Papers Ltd.	12,000	-
Refund of Loan Given		
Poushali Sales Pvt. Ltd.	25,150,000	15,925,000
Investment in Equity Shares		
P.S Plywood Products Private Ltd.	-	8,750
Net Balance Receivable/(Payable)		
Abhinandan Fintex Pvt. Ltd.	-	633,521
Calcutta Technicians & Advisers Ltd.	1,740,000	1,740,000
P.S Plywood Products Private Ltd.	2,932,947	2,405,995
Poushali Sales Pvt. Ltd.	36,567,860	62,647,273
Purma Timber Products Ltd.	1,219,614	(3,518,401)



## Schedules annexed to the Accounts (Contd.)

### Schedule 20 (Contd.)

#### Names of related parties & description of relationship

Associates :	Abhinandan Fintex Pvt. Ltd. Calcutta Technicians & Advisers Ltd. Madhya Bharat Papers Ltd P S Plywood Products Pvt. Ltd. Poushali Sales Pvt. Ltd. Purma Timber Products Ltd.
Key Management Personnel :	Shri Sudeep Chitlangia Shri Sohan Lal Yadav

#### 14. Disclosure pursuant to AS-28 on ' Impairment of Assets :

Depreciation upto 31<sup>st</sup> March 2009 includes Rs. 6,563,305 being loss on impairment of assets pertaining to Plywood segment out of which Rs. 113,246 have been debited to / adjusted from Revaluation Reserve and Rs. 6,450,059 have been debited to / adjusted from General Reserve .

#### 15. Disclosure pursuant to AS-29 on Provisions, Contingent Liabilities and Contingent Assets :

- a) No provisions for Liabilities was made during the year and no provision was outstanding at the beginning and at the end of the year.
- b) The Contingent liabilities mentioned at SI No.1 are dependent upon Court decision / out of court settlement/ disposal of appeals etc.

16. Land, Building and Plant & Machinery were revalued on 30<sup>th</sup> June 1985 as per valuation report of M/s. Consolidated Enterprises and appreciation on revaluation aggregating to Rs. 16,377,041 was credited to Capital Reserve.

#### 17. Disclosure pursuant to AS - 15 (revised 2005) on "Employee Benefits"

##### Defined Contribution Plan:

Employee benefits in the form of Provident Fund, Pension Scheme and Superannuation Fund are considered as defined contribution plan and the contributions are made in accordance with the relevant statute and are recognized as an expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognized as expense for the year are as under:

	2008-09	2007-08
	(Rs.)	(Rs.)
Employers' Contribution to Provident Fund & Pension Fund	2,964,141	2,416,855
Employers' Contribution to Superannuation Fund	582,271	1,552,577

##### Defined Benefit Plan:

Post employment and other long-term employee benefits in the form of gratuity, sick leave and earned leave encashment are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognized in the balance sheet represent the present value of the obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The amount recognized in the profit and loss account in respect of Employees Benefit Schemes based on actuarial reports is as follows:



**Schedules annexed to the Accounts (Contd.)**

**Schedule 20 (Contd.)**

	2008 - 09			2007 - 08		
	Gratuity (Funded)	Sick Leave (Unfunded)	Earned Leave Encashment (Unfunded)	Gratuity (Funded)	Sick Leave (Unfunded)	Earned Leave Encashment (Unfunded)
<b>I. Components of Employer Expense</b>						
1 Current Service Cost	778,684	91,305	344,909	650,952	22,641	402,981
2 Past Service Cost	-	-	-	-	-	-
3 Interest Cost	578,633	6,607	125,746	598,352	5,907	119,757
4 Expected Return on Plan Asset	689,710	-	-	639,130	-	-
5 Curtailment Cost	-	-	-	-	-	-
6 Settlement Cost	-	-	-	-	-	-
7 Actuarial gain / (loss) recognized in the year	(1,167,566)	1,706	(760,186)	61,169	9,946	(389,607)
8 Net Expense Recognised in Statement of Profit & Loss Account	1,835,174	96,206	1,230,842	549,005	18,602	912,346
<b>II. Change in Present Value of Defined Benefit Obligation</b>						
1 Present Value of Defined Benefit Obligation at the Beginning of the year	7,878,375	88,101	2,082,635	7,454,393	69,499	1,647,539
2 Acquisition Adjustment	-	-	-	-	-	-
3 Interest Cost	578,633	6,607	125,746	598,352	5,907	119,757
4 Past Service Cost	-	-	-	-	-	-
5 Current Service Cost	778,684	91,305	344,909	650,952	22,641	402,981
6 Curtailment Cost	-	-	-	-	-	-
7 Settlement Cost	-	-	-	-	-	-
8 Benefits Paid	326,523	-	812,042	829,904	-	477,250
9 Actuarial Gain (Losses)	(1,311,203)	1,706	(760,186)	(4,581)	9,946	(389,607)
10 Present Value of Obligation at the End of the year	10,220,373	184,307	2,501,435	7,878,375	88,101	2,082,635
<b>III. Change in Fair Value of Plan Assets</b>						
1 Plan Assets at the Beginning of the year	8,621,378	NA	NA	7,989,128	NA	NA
2 Acquisition Adjustment	-	NA	NA	-	NA	NA
3 Settlement	-	NA	NA	-	NA	NA
4 Expected Return on Plan Assets	689,710	NA	NA	639,130	NA	NA
5 Actual Company Contribution	1,324,907	NA	NA	757,273	NA	NA
6 Actual Benefits Paid	326,523	NA	NA	829,904	NA	NA
7 Actuarial Gains/(Losses)	143,636	NA	NA	65,750	NA	NA
8 Plan Assets at the End of the year	10,453,109	NA	NA	8,621,378	NA	NA
<b>IV. Net Asset/(Liability) recognized in the Balance Sheet</b>						
1 Present value of Defined Benefit Obligation	10,220,373	184,307	2,501,435	7,878,375	88,101	2,082,635
2 Fair Value on Plan Assets	10,453,109	NA	NA	8,621,378	NA	NA
3 Funded Status (Surplus/(deficit))	232,736	NA	NA	743,003	NA	NA
4 Unrecognised past service cost	-	-	-	-	-	-
5 Net Asset/(Liability) recognized in Balance Sheet	232,736	(184,307)	(2,501,435)	743,003	(88,101)	(2,082,635)
<b>V. Actuarial Assumptions</b>						
1 Discount Rate (per annum)	7.50%	7.50%	7.50%	8.50%	8.50%	8.50%
2 Expected rate of return on plan assets (per annum)	8%	NA	NA	8%	NA	NA
3 Salary Increases	5%	5%	5%	6%	6%	6%
4 Retirement/ Superannuation Age	60	60	60	60	60	60
5 Mortality	LICI 1994/96	LICI 1994/96	LICI 1994/96	LICI 1994/96	LICI 1994/96	LICI 1994/96
<b>VI. Major Category of Plan Assets as a % of the Total Plan Assets</b>						
Administered by Life Insurance Corporation of India	100%	NA	NA	100%	NA	NA
<b>VII. Basis used to determine the Expected Rate of Return on Plan Assets</b>						
The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.						
<b>VIII. Basis of estimates of rate of escalation in salary</b>						
The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.						
The Gratuity Expenses have been recognized in "Contribution to Provident, Pension & Other Funds" and provision for Sick Leave and Earned Leave Encashment in "Salaries, Wages, Bonus and other amenities" under Schedule 17.						

**Schedules annexed to the Accounts (Contd.)**

**Schedule 20 (Contd.)**

**18. Additional information under Schedule VI of the Companies Act, 1956 :**

		2008-09		2007-08	
i) Capacity (Per Annum)	Unit	Licensed	Installed	Licensed	Installed
a) Tea	Kgs.	Not Applicable	37 Lakhs	Not Applicable	37 Lakhs
b) Plywood	Sqr.Mtr.on 4mm basis	45 Lakhs	45 Lakhs	45 Lakhs	45 Lakhs
ii) Particulars about Finished Goods	Unit	Quantity	Amount Rs.	Quantity	Amount Rs.
<b>A. Manufacturing</b>					
a) Production					
Plywood	Sqr.Mtr.on 4mm basis	3,039,210		3,008,353	
Veneer *	cbm.	5,481		6,124	
Tea	Kgs.	2,346,287		3,255,748	
		* includes 3763 cbm (Previous year 3276 cbm) for captive consumption			
b) Sales					
Plywood	Sqr.Mtr.on 4mm basis	2,974,179	653,620,994	2,909,526	529,580,962
Veneer	cbm.	1,740	25,973,161	2,301	31,702,978
Tea	Kgs.	2,498,016	227,558,679	3,456,429	228,228,383
			<u>907,152,834</u>		<u>789,512,323</u>
c) Opening Stock					
Plywood	Sqr.Mtr.on 4mm basis	144,177	24,909,589	45,350	9,128,929
Veneer	cbm.	549	18,247,698	-	-
Tea	Kgs.	263,563	16,586,108	464,244	28,925,427
			<u>59,743,395</u>		<u>38,054,356</u>
d) Closing Stock					
Plywood	Sqr.Mtr.on 4mm basis	209,208	39,598,700	144,177	24,909,589
Veneer	cbm.	527	15,770,136	549	18,247,698
Tea	Kgs.	111,834	8,163,517	263,563	16,586,108
			<u>63,532,353</u>		<u>59,743,395</u>
<b>B. Trading</b>					
a) Purchase					
Plywood	Sqr.Mtr.on 4mm basis	730,609	55,874,673	817,049	79,180,828
Laminates	Sheet	10,390	4,644,486	30,158	11,886,375
Furnitures	Nos.	1,290	15,294,134	1,244	9,321,775
			<u>75,813,293</u>		<u>100,388,978</u>
b) Sales					
Plywood	Sqr.Mtr.on 4mm basis	828,763	122,939,555	757,358	125,685,454
Laminates	Sheet	21,821	10,582,469	27,170	13,436,754
Furnitures	Nos.	1,342	17,365,501	915	7,555,812
			<u>150,887,525</u>		<u>146,678,020</u>



**Schedules annexed to the Accounts (Contd.)**

**Schedule 20 (Contd.)**

		2008 -09		2007 - 08		
	Unit	Quantity	Amount Rs.	Quantity	Amount Rs.	
c)	Opening Stock					
	Plywood	Sqr.Mtr.on 4mm basis	302,572	44,161,642	242,881	38,699,841
	Laminates	Sheet	19,743	7,547,732	16,755	6,037,425
	Furnitures	Nos.	1,210	8,240,318	881	5,497,148
			<u>59,949,692</u>		<u>50,234,414</u>	
d)	Closing Stock					
	Plywood	Sqr.Mtr.on 4mm basis	204,418	26,939,698	302,572	44,161,642
	Laminates	Sheet	8,312	3,369,293	19,743	7,547,732
	Furnitures	Nos.	1,158	8,296,230	1,210	8,240,318
			<u>38,605,221</u>		<u>59,949,692</u>	

NOTES: a) Plywood includes Block Boards & Flush Doors.

b) Sales includes samples, shortages and damages.

iii)	Raw Materials Consumed					
	Green Leaves	Kgs	10,645,044	155,518,366	14,602,105	143,778,270
	Timber	cbm	6,858	154,083,451	7,763	157,992,068
	Veneers (excl. own production)	cbm	9,430	147,890,318	9,344	116,272,428
	Planks & Beams	cbm	9,362	72,862,189	9,998	67,269,063
	Others			59,873,275		40,414,871
				<u>590,227,599</u>		<u>525,726,700</u>

iv)	Break up of Raw Materials Consumed	%		%	
	Indigeneous	57.64%	340,188,162	64.66%	339,919,219
	Imported	42.36%	250,039,437	35.34%	185,807,481
		<u>100.00%</u>	<u>590,227,599</u>	<u>100.00%</u>	<u>525,726,700</u>

v)	Value of Imports on C.I.F. basis			
	Raw Materials		236,491,090	191,861,097
	Trading Goods		9,342,606	36,735,270
	Machinery & Spares		651,705	-

vi)	Expenditure in Foreign Currency			
	Travelling		1,132,117	886,035
	Interest		-	1,041,119
	Others		95,787	127,467

vii) Stores & Spare Parts and Chemicals consumed are cent percent indigenous.

19. Figures for the previous year have been regrouped / rearranged wherever considered necessary to make them comparable with those of the current year.

**Schedules annexed to the Accounts (Contd.)**

**Schedule 20 (Contd.)**

**20. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No.	23493		21
Balance Sheet Date	31	03	2009
	Date	Month	Year

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

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

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

	Total Liabilities	473,164	Total Assets	473,164
Sources of Funds	Paid-up Capital	40,857	Reserve & Surplus	243,855
	Secured Loans	180,804	Unsecured Loans	1,984
	Deferred Tax Liability	5,664		
Application of Funds	Net Fixed Assets	92,416	Investments	105,627
	Net Current Assets	275,121	Misc.Expenditure	-

**IV. Performance of Company (Amount in Rs.Thousand)**

Turnover	1,068,156	Total Expenditure	1,099,881
Profit/Loss before tax	(31,725)	Profit/Loss after tax	(22,825)
Earning per Share in Rs.	(5.99)	Dividend Rate %	Nil

**V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)**

Item Code No.	441211.09
Product Description	Plywood
Item Code No.	090240.00
Product Description	Black Tea

( Signatories for Schedules 1 to 20 )

As per our Report of even date annexed

For G.P. AGRAWAL & CO.  
Chartered Accountants

CA. SUNITA KEDIA  
Partner  
(Membership No.60162)  
Kolkata : 30th June, 2009

B.L.MUNDHRA  
Chief Financial Officer &  
Company Secretary

On behalf of the Board

SUJIT CHAKRAVORTI  
Director

SUDEEP CHITLANGIA  
Managing Director



**Cash Flow Statement for the year ended 31st March, 2009**

	2008-09	2007-08
	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Interest, Tax & Extra Ordinary Items	(6,202,625)	28,444,584
Adjustments for :		
Depreciation	12,423,523	12,318,132
Profit / (Loss) on Sale of Investments	-	(1,585)
Profit / (Loss) on Sale of Fixed Assets	(1,303,193)	26,825
Provision for diminution in value of Investments	164,332	(19,183)
Interest	(5,590,600)	(10,232,075)
Dividend	(38,316)	(34,423)
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<u>(546,879)</u>	<u>30,502,275</u>
Adjustments for :		
Trade and Other receivable	(45,228,906)	32,511,681
Inventories	28,134,589	(120,312,499)
Trade Payables	<u>(12,188,631)</u>	<u>58,017,349</u>
<b>Cash Generated from Operations</b>	(29,829,827)	718,806
Direct Taxes Paid / Refund	(938,985)	(9,968,110)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<u>(30,768,812)</u>	<u>(9,249,304)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(7,944,296)	(4,171,213)
Sale of Fixed Assets	2,931,921	71,472
Capital Subsidy	-	456,911
Sale/(Purchase) of Investments	-	(6,628)
Investment in Deposit/Bills	26,650,000	19,425,000
Interest Income	7,527,518	7,581,126
Dividend Income	38,316	34,423
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<u>29,203,459</u>	<u>23,391,091</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	(18,100,000)	(21,900,000)
Working Capital Borrowings	29,769,462	31,163,516
Proceeds from Equity Shares	14,743,080	-
Proceeds from Convertible Warrants	-	2,382,720
Other Loans & Advances	(284,877)	344,502
Interest Paid	(25,522,161)	(22,026,518)
Dividends Paid	(1,738)	(14,238)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<u>603,766</u>	<u>(10,050,018)</u>
<b>NET INFLOW / OUTFLOW (A+B+C)</b>	<u>(961,587)</u>	<u>4,091,769</u>
<b>D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALANTS</b>		
Cash and Cash Equivalants (opening)	18,097,109	14,005,340
Cash and Cash Equivalants (Closing)	<u>17,135,522</u>	<u>18,097,109</u>
<b>NET INCREASE / (DECREASE)</b>	<u>(961,587)</u>	<u>4,091,769</u>

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on Cash Flow Statement notified in the Companies (Accounting Standards) Rules 2006.
- 2) Figures in brackets represent cash outflow.
- 3) Cash and Cash equivalent at the end of the year consist of :

	As at	As at
	<b>31.03.2009</b>	31.03.2008
a) Cash and Cheques in hand	10,884,623	8,125,332
b) Balances with banks :		
In Current Accounts	5,703,026	9,087,366
In Dividend Accounts	487,873	489,611
In Fixed Deposits	60,000	394,800
	<u>17,135,522</u>	<u>18,097,109</u>
- 4) Cash equivalents in the form of Fixed Deposits include Rs. 10,000 pledged with Government Authorities which are not available for use.

This is the Cash Flow Statement referred to in our report of even date:  
For G.P. AGRAWAL & CO.

Chartered Accountants

CA. SUNITA KEDIA  
Partner  
(Membership No.60162)  
Kolkata : 30th June, 2009

B.L.MUNDHRA  
Chief Financial Officer &  
Company Secretary

On behalf of the Board

SUJIT CHAKRAVORTI  
Director

SUDEEP CHITLANGIA  
Managing Director



INDIA'S NO.1 BLOCK BOARD

**DURO**  
**TITANIUM**

Plywood & Blockboard

**DURO**  
**Pumaply**

ALL WEATHER PROOF PLYWOOD

**DURO**  
**Fireshield**

FIRE RETARDANT PLYWOOD AND BLOCKBOARD



TEAK DECORATIVE PLYWOOD

**DURO**  
**NATURE'S IGNATURE**  
PREMIUM VENEERS & PLYWOODS

**DUROFLEX**  
PREMIUM FLEXIBLE PLYWOOD

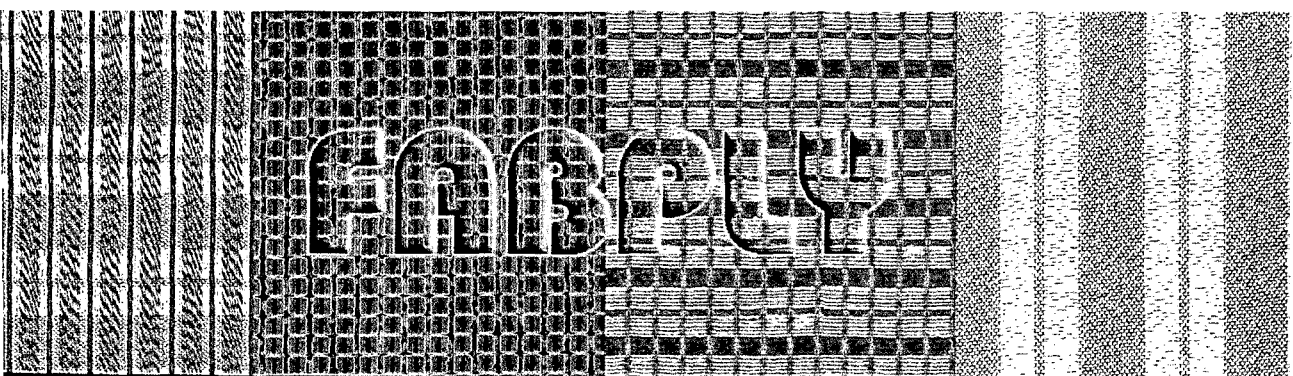
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**FABPLY**  
Ply with a fabric feel

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