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OK PLAY INDIA LTD · ANNUAL REPORT 2009



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Letter by Chairman

September 3, 2009

It is my pleasure in reaching out and communicating with you for the Annual General Meeting and forwarding the Annual Report of your Company for the year ending 31st March, 2009.

During the year under review, the Company has discontinued trading of raw materials to consolidate its manufacturing business. Taking only the 'Manufacturing' sales, the Gross sales have increased marginally by around 8%, despite economic slowdown during the year. Due to tough market conditions, the company's product mix has also changed causing the profit margins to dip and resulting in a small cash profit only.

However, in continuation of the company's policy of innovation, expansion and diversification, the Company has entered into a Marketing, Technical & Manufacturing collaboration agreement with Hofit Kibbutz Kinneret Ltd. of Israel which is engaged in manufacturing of inspection chambers for sewage, drainage, water and communication systems for domestic, public and industrial infrastructure. Under the agreement, your Company will manufacture these products for sale in India and neighbouring Countries.

Your company has also been awarded a rate contract by the Director, Supplies & Disposals, Haryana for supply of Dual Desks. The supplies will start shortly.

I am confident that the consistent expansion & diversification policies of the management will deliver value in the near future to the stakeholders.

I acknowledge and appreciate the dedicated efforts of all employees thus enabling the company to move towards its goals.

I would like to take this opportunity to express my gratitude to the Board, customers, suppliers, bankers, employees and our shareholders for their unceasing confidence and support.

With best wishes,

Sincerely,



Justice T. R. Handa (Retd.)
Chairman & Whole-time Director



CORPORATE INFORMATION

BOARD OF DIRECTORS

JUSTICE (RETD.) T.R.HANDA	Chairman & Whole -Time Director
SH. RAJAN HANDA	Managing Director
MRS. MAMTA HANDA	Whole -Time Director
DR. RAJAN WADHERA	Whole -Time Director
SH. SHALABH JASORIA	Director
SH. S.M. HANDA	Director
SH. RAKESH KR. BHATNAGAR	Director

COMPANY SECRETARY

SH. DHIR SINGH BHATI

AUDITORS

M/S S.P. MARWAHA & CO.
22/44, WEST PATEL NAGAR,
NEW DELHI-100008

BANKERS

- CITI BANK N.A., GURGAON
- IDBI BANK, DELHI
- CANARA BANK, S.D. AREA, NEW DELHI
- STATE BANK OF INDIA, SOHNA

REGISTERED OFFICE

PLOT NO. 17-18, ROZ-KA-MEO INDL. ESTATE,
TEHSIL NUH, DISTRICT MEWAT
HARYANA – 122103
PHONES: 0124 – 2362335-36
Websites: www.okplay.in

CORPORATE OFFICE

124, NEW MANGLAPRI, MEHRAULI,
NEW DELHI – 110030, INDIA
PH. : +91 11 46190000
FAX: +91 11 46190090
Investor.relations@okplay.in

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 20th Annual General Meeting of the members of OK PLAY INDIA LIMITED will be held on Wednesday, the 30th day of September, 2009 at 10.00 A.M. at Hakim Ji ki Choupal, opposite Batra Hospital, Vill-Ujina, P.S. - Nuh, Dist. Mewat (Haryana) to transact the following:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the financial year ended 31st March, 2009 and Balance Sheet of the Company as at that date along with Directors' Report and Auditors' report thereon and the Cash Flow Statement.
2. To appoint a Director in place of Sh. Shalabh Jasoria, Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Smt. Mamta Handa, Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s S. P. Marwaha & Co., Chartered Accountants, the retiring auditors are eligible for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT subject to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, approval be and is hereby accorded for the re-appointment of Smt. Mamta Handa as Whole Time Director of the Company for a period of three years from 20th June, 2010 to 19th June, 2013 and for payment of remuneration/ minimum remuneration as described below:

I Salary

Basic Salary: Rs.1,50,000/- (Rupees One Lac Fifty Thousand only) per month with effect from 20th June, 2010.

II. Allowances & Perquisites

Allowances & Perquisites shall be allowed in addition to Salary. However, it shall be restricted to an amount equal to Rs.1,50,000/- per month. Allowances and Perquisites are broadly classified as follows, viz., House Rent Allowance, Gas, Electricity, Water & Furnishing, Medical Reimbursement and Leave Travel concession as per rules of the Company, Personal Accident Insurance, Meal

OK PLAY INDIA LIMITED

vouchers, Books & Periodicals, Use of Company's car with driver, Residential Telephones, Special Allowances etc.

For the purpose of calculating the above ceiling, perquisites will be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. However, ceilings under each of the above heads shall be fixed/re-fixed as may be mutually agreed to between the Company and the Appointee so as not to exceed the limit of Rs.1,50,000/- or to allow any other perquisite.

III. **Other Payments and Provisions which shall not be included in the computation of the ceiling on remuneration:**

i) Contribution towards Provident Fund and Superannuation Fund:

Contribution towards Provident Fund and Superannuation fund as per Company's rules as amended from time to time. Contributions to Provident Fund, Pension / Superannuation / Annuity Fund to the extent of the limits prescribed under I.T.Rules 1962 or notification issued thereunder from time to time will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act / Rules / Notifications.

ii) Gratuity

Gratuity payable, as per the rules of the Company.

iii) Leave encashment

Encashment of Leave as per the rules of the Company.

"RESOLVED FURTHER THAT consent be and is hereby also accorded for payment of salaries, allowances etc as detailed above to Smt. Mamta Handa as minimum remuneration, in the absence or inadequacy of profits in any year."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary, increase, modify or alter the remuneration and perquisites, in such manner as may be agreed to between the Board of Directors and Smt. Mamta Handa subject to the maximum annual remuneration not exceeding the limits prescribed under Table (B), Part II of Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

Except Mr. Rajan Handa, Justice T. R. Handa (Retd.) and Mrs. Mamta Handa, no other directors are concerned or interested.

The Board of Directors of your Company recommends to pass the resolution as a Special Resolution.

**By order of the Board of Directors
for OK PLAY INDIA LTD.**

Place : New Delhi
Dated: 25th August, 2009

**(DHIR SINGH BHATI)
Company Secretary**



NOTES FOR MEMBERS ATTENTION

1. A member entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on a poll on his/her behalf and the proxy need not be a member of the Company.
2. **THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY FORM IS ENCLOSED.**
3. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at this Annual General Meeting is attached.
4. The Register of members and share transfer books of the Company shall remain closed from 23.09.2009 to 30.09.2009 (both days inclusive).
5. Relevant details, in terms of clause 49 of the Listing Agreement, in respect of the Directors proposed to be appointed/re-appointed are given in the Report on Corporate Governance.
6. Members attending the meeting are requested to bring their copy of the Annual Report as extra copies will not be supplied.
7. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. All members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and forward all other correspondence including physical share certificates for transfer to Company's Share Transfer Agents MAS SERVICES LIMITED, T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi- 110 020.
10. Members seeking further information on the Accounts or any other matter contained in the Notice, are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.
11. To avail the facility of nomination, members may write to the Company for obtaining the Nomination Form (Form 2B).
12. **Entry to the venue of the meeting will be strictly on Entry Slip available at the counters at the entrance and to be exchanged with Attendance Slip.**
13. No Brief case or Bag will be allowed to be taken inside the venue of the meeting.

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ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO. 5 OF THE NOTICE

The Board of Directors at their Meeting held on 25th August 2009 re-appointed Smt. Mamta Handa as Whole-Time Director for a further period of 3 years from 20th June, 2010 to 19th June, 2013 and also authorize the Remuneration Committee to fix the remuneration subject to approval of shareholders. Subsequently, the Remuneration Committee at their meeting held on 25th August 09, having regard to the various requirements stipulated in Schedule XIII, have fixed the remuneration payable to Smt. Mamta Handa as detailed in the Resolution No.5, subject to approval of the shareholders.

The Notice read with the Explanatory Statement and contents therein may be treated as an abstract of the terms of re-appointment and remuneration payable to Smt. Mamta Handa under section 302 of the Companies Act, 1956.

Hence, the proposed special resolutions, seeking approval of shareholders.

In this regard, as required under Part II, Section II (B) of Schedule XIII to the Companies Act, 1956 the following information is furnished:

I. GENERAL INFORMATION

(1) Nature of Industry:

The Company is in the business of plastic moulded products such as POP products, Industrial products, Automobile products and Children products.

(2) Date of commencement of commercial Production:

The Company commenced its commercial production in the year 1990.

(3) Financial Performance based on given indicators:

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Sales	4280.63	4589.92	4077.49
Profit/ (Loss) before tax	1454.25	615.40	(1570.80)
Profit/ (Loss) after tax	1162.32	321.40	(1035.62)

(Rs. In Lacs)

(4) Export performance, net foreign exchange earnings

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Foreign Exchange Earnings	350.00	1.42	30.03

(Rs. In Lacs)



(5) Collaborations:

The Company has ongoing **Marketing, Technical & Manufacturing collaboration with PURFORM of New Zealand, the world's largest selling plastic mannequins brand** – known internationally for pioneering the concept of mannequins and **Hofit Kibbutz Kinneret Ltd.** (Hofit) of Israel engage in manufacturing of inspection chambers for sewage, drainage, water and communication systems for domestic, public and industrial infrastructure.

II. INFORMATION ABOUT THE APPOINTEES:

(1) Background details, recognition/awards:

Smt. Mamta Handa is 41 years old. She is Commerce Graduate and has vast experience in the area of Administration, Publicity and marketing related functions.

(2) Past remuneration:

Smt. Mamta Handa

Period	Salary (In Rs.)	Perquisites (In Rs.)	Retirement Benefits (In Rs.)	Total (In Rs.)
1.4.2007-31.03.2008	6,00,000	3,60,000	1,00,846	10,60,846
1.4.2008-31.03.2009	6,00,000	3,60,000	1,00,846	10,60,846

(3) Job profile and suitability:

Smt. Mamta Handa as Whole Time Director is responsible for overall management related to administration and other related areas. With the requisite knowledge and experience as detailed in the background and considering the talents and skills acquired in the course of her career development, it is considered that the appointee is suitable for the assignment.

(4) Remuneration proposed:

Details of remuneration payable to Smt. Mamta Handa, Whole Time Director are furnished in the resolution under Item No.5 of the Notice.

The Remuneration in the form of salaries, allowances, etc. has been fixed by the Remuneration Committee of the Board, subject to maximum annual remuneration not exceeding the limits prescribed under Schedule XIII of the Companies Act, 1956.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Taking into consideration (a) the size of the organization (b) the level of operation of the unit (c) the invaluable experience of the incumbents (d) adverse business scenario faced by the Company in view of ever increasing oil prices and tight market situation (e) efforts required to be put in by the incumbents to bring back the Company to be profit making from sick Company and (f) industrial norms on remuneration package to Whole-Time Directors in Plastic Moulding Industries, it is considered that the remuneration package is very

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reasonable.

- (6) Pecuniary relationship, directly or indirectly with the Company / relationship with Managerial personnel, if any

Smt. Mamta Handa has no pecuniary relationship with the Company, directly or indirectly (except to the extent of the remuneration received / receivable by her from the Company, and her respective holding in the Company's equity share capital).

III. OTHER INFORMATION

1. Reason of loss or inadequate profits:

The Company's performance for the year 2008-09 was affected due to change in product mix & economic downturn contributing to slower consumer demand. This year considerable sale of water tanks, a low value added product with high material costs affected the profitability adversely.

2. Steps taken or proposed to be taken for improvement

The Company continues to have a strong brand image in the market and the ongoing quality improvement efforts including improvement in process capabilities, reduction of scrap will enable the Company to meet new challenges in cost, quality and productivity.

The Company is also emphasizing on development of new business in plastic molding including development of new products especially the man hole, mannequins, outdoor play ground equipment and delivery boxes which are almost complete now. The Company continues to devote increasing efforts to build export markets and expect to achieve significant improvement in the current year.

3. Expected increase in productivity and profits in measurable terms

The Company is continuously making efforts to maintain the plant efficiency at the highest level, reduce expenditures, carry out market development activities to improve the sales, to disinvest non-core assets/investments and utilize the funds to reduce the interest burden. Action as proposed is expected to fetch good results in the years to come.

IV DISCLOSURES

The Shareholders of the Company have been informed about the remuneration of Smt. Mamta Handa through the disclosures made in the Corporate Governance Report attached to the Directors report.

By order of the Board of Directors
For **OK PLAY INDIA LIMITED**

Place : New Delhi
Dated: 25th August, 2009

(DHIR SINGH BHATI)
Company Secretary



DIRECTORS' REPORT

To
The Members,

The Directors have great pleasure in presenting the 20th Annual Report on the operations of the Company together with the audited Financial Results of the Company for the financial year ended 31st March, 2009.

FINANCIAL RESULT

Rs. In Lacs

	Current Year	Previous Year
	Ended 31st March , 2009	Ended 31st March , 2008
Sales (Gross)	4077.49	4589.92
Other Receipt	12.54	3.54
Profit before Interest , Depreciation & exceptional items	163.92	864.86
Interest	81.82	16.63
Exchange Fluctuation	1227.43	(51.71)
Depreciation	424.52	284.18
Profit/(Loss) for the Year	(1569.85)	615.76
Prior Period expenses	0.95	0.36
Profit/(Loss) before Tax	(1570.80)	615.40
Provision for Tax	(535.19)	294.01
Profit/(Loss) after taxation	(1035.61)	321.39
Profit & Loss A/C Brought Forward	2137.13	1815.74
Net Profit carried to Balance Sheet	1101.52	2137.13

OPERATIONS

Due to the economic slowdown, Sales of the Company have shown a reduction in the year 2008-09. The sales in the year under review have decreased by Rs. 512.43 Lacs from Rs. 4589.92 Lacs to Rs. 4077.49 Lacs which is a decrease of 11.16 %. Other income includes, interest received, Misc receipts & Balances written off.

The company is continuing with the diversification into other plastic goods like mannequins, outdoor playground equipment, delivery boxes, signages, automobile components etc. and further investing in moulds for new products which is expected to give good returns in the future also.

A detailed review of the company's performance and future prospects is included in the Management Discussion and analysis section of this Annual Report.

OK PLAY INDIA LIMITED

DIVIDEND

To conserve the funds for the business of the Company including the funding for the expansion plans, your Directors regret their inability to recommend any dividend.

FIXED DEPOSITS

During the financial year under review, your Company had neither accepted nor renewed any deposit from the public within the meaning of Section 58A of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the company's Articles of Association, Mrs. Mamta Handa and Mr. Shalabh Jasoria retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment as Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm:

- (i) That in the preparation of the Annual Accounts, the applicable standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the Company had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2009 and of the profit & loss account of the Company for that period;
- (iii) That your Company had 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; and
- (iv) That the accounts of your Company have been prepared on a going concern basis.

HUMAN RELATIONS

Your Company continues to enjoy cordial relations amongst all its employees. In this pursuit of creating its own management cadre, your company has recruited executives and staff at various levels, including senior management positions during the year.

INDUSTRIAL RELATIONS

During the year, your Company maintained harmonious and cordial industrial relations.
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE



EARNINGS AND OUTGO

Statutory disclosures as required by the Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988, particulars relating to Conservation of Energy, technology absorption, foreign exchange earnings and outgo, are given in the enclosed "Annexure-A" which forms part of the report.

CORPORATE GOVERNANCE

It has been the endeavor of your company to follow and put into practice the code of Corporate Governance, in letter and spirit. A detailed Corporate Governance Report is attached and forms part of this report.

A certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement, forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report, highlighting the performance and prospects of the Company's energy and environment businesses is attached and forms part of this report.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee who falls under the terms of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

DEMATERIALISATION OF SHARES

As on 31st March, 2009, 85.09% (approx) of equity shares out of the total subscribed capital have been dematerialized.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE870B01016.

AUDITORS

M/s S. P. Marwaha & Co., Chartered Accountants, the present auditors of the company will retire as auditors at the ensuing Annual General Meeting and are eligible for re-appointment.

NOTES ON ACCOUNTS

The notes to the accounts referred to by the Auditors in their report are self-explanatory and may be treated as information/explanation submitted by the Board as contemplated under section 217(3) of the Companies Act, 1956.

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LISTING OF SECURITIES

Presently, the Securities of the Company are listed at the Bombay Stock Exchange Ltd., The Ahmedabad Stock Exchange, and the Jaipur Stock Exchange Ltd. Hon'ble BIFR has directed Ahmedabad Stock Exchange Ltd. and Jaipur Stock Exchange Limited to waive off the arrears and allow the delisting of the company's shares from these stock exchanges.

ACKNOWLEDGEMENT

The Board of Directors wish to place their appreciation of the company's clients, vendors, bankers, Haryana State Infrastructure and Industrial Development Corporation and investors for their continued support during the year.

Your Directors also wish to place on record their deep appreciation of the dedication and contribution made by employees at all levels, who through their competence, hard work and support have enabled the company to work efficiently and look forward to their continued support in future as well.

By order of the Board of Directors
for **OK PLAY INDIA LTD.**

Place: New Delhi
Dated: 31st July, 2009

Justice T.R.Handa (Retd.)
Chairman-cum-Wholetime Director

ANNEXURE "A" TO DIRECTORS' REPORT

Information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Director's report for the year ended 31st March, 2009 :-

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of fuel and electricity.

b) Relevant data in respect of energy consumption is as below:

POWER CONSUMPTION:

	Current Year Ending 31.03.2009	Previous Year Ending 31.03.2008
a. Electricity Purchased		
1. Units	1837819	825369*
2. Total Amount	82.54	36.46 (Rs. in Lacs)
3. Rate / unit	4.49	4.42
b. HSD Fuel Consumption		
1. Quantity (K.ltrs) (for production purpose)	586.093*	250.636*
2. Total Amount	196.91	76.98 (Rs. in Lacs)

* Allocated Figures

B. TECHNOLOGY ABSORPTION

The Company does not depend on foreign technology for manufacturing of its engineering range of products. In fact, the Company is self-reliant in the design as well as in the manufacturing process of moulds. For the new generation range of automotive parts your company has entered into a technology transfer arrangement with M/s Solar Plastic INC a USA based company.

OK PLAY INDIA LIMITED

Research and Development: -

a. Specified Areas in which the Company carries out R&D: -

The focus on Research and Development activity during the current year continued on development of new products & variants thereof apart from improving the existing products and value engineering of products.

b. Benefit derived as a result of above R&D: -

During the year, various types of signages besides other items have been developed and production of the same commenced successfully.

c. Future plan of Action.

Further development of moulds and products based on market requirement.

d. Expenditure on Research and Development:-

The following Expenditure was incurred on conducting R&D.

	Rs. in Lakhs
a. Capital (Development & Manufacturing of Moulds)	458.95
b. Recurring	-----
c. Total	458.95
d. Total R&D expenditure as a percentage of total turnovers	11.26%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

a. Earnings

Foreign exchange earnings during the year were Rs.30,02,650.17
(Previous year Rs. 1,42,327.50/-)

b. Outgo

Foreign exchange outgo during the year was Rs. 16759224.73/-
(Previous year Rs. 49483160.97.00/-)

for OK PLAY INDIA LTD.

Place: New Delhi
Date: 31st July, 2009

Justice T. R. Handa (Retd.)
Chairman cum Whole Time Director



CERTIFICATE OF MANAGING DIRECTOR ON CODE OF CONDUCT

To,

The Members of OK Play India Ltd.,

It is hereby certified that:-

(a) The Board of Directors of the Company has laid down a comprehensive Code of Conduct for its members and senior management personnel.

(b) The affirmation of compliance of code of conduct for the year 2009-10 has been received from all the Board members and senior management personnel.

for **OK PLAY INDIA LTD.**

Place: New Delhi
Date: 31st July, 2009

(RAJAN HANDA)
Managing Director

REPORT OF THE DIRECTORS ON THE CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that good Corporate Governance contemplates that corporate actions balance the interest of all stakeholders and satisfy the tests of accountability, transparency, empowerment and integrity for the efficient and ethical conduct of businesses. OK Play's code of Corporate Governance has been drafted in compliance with the code of corporate governance as promulgated by the SEBI.

2. BOARD OF DIRECTORS

The Board of Directors consists of seven Directors out of which three are Non-executive Directors. All the directors are eminent professionals with experience in Business, Industry, Finance & Law of which three are independent. The company has an executive chairman. The Board is responsible for the management of the business and meets regularly for discharging its role and functions.

BOARD MEETINGS

During the year under review 9 Board meetings were held i.e. on 29/04/08, 07/05/08, 30/06/08, 30/07/08, 31/07/08, 07/08/08, 25/08/08, 31/10/08 & 30/01/09. The Company had its last Annual General Meeting of Shareholders on 30/9/2008.

OK PLAY INDIA LIMITED

The particulars of composition of the Board of Directors and attendance of Directors at Board Meetings, Annual General Meeting and also number of other directorships and committee membership/chairmanship are as follows:

Name of Director	Category of Directorship	Attendance		No. of other Directorships	No. of Board Committees	
		Board Meeting	Last AGM		As Chairman	As Member
Justice T. R. Handa (Retd.)	Chairman & Whole-Time Director	8	No	0	1	1
Mr. Rajan Handa	Managing Director	8	Yes	1	0	1
Mrs. Mamta Handa	Whole-Time Director	9	No	1	0	1
Dr. Rajan Wadhera	Whole-Time Director	9	Yes	0	0	2
Mr. Rajesh Sharma* (Nominee of HSIDC)	Nominee Director	0	No	0	0	0
Mr. S. M. Handa	Non Executive Director	2	No	0	0	2
Mr. Shalabh Jasoria	Non Executive Director	8	Yes	5	2	0
Mr. Jagdish Khullar**	Non Executive Director	2	No	0	0	0
Mr. Rakesh Kumar Bhatnagar***	Non Executive Director	1	No	0	0	0

Notes: (i)* Mr. Rajesh Sharma, Nominee Director, nomination withdrawn by HSIDC & (resigned) as director w.e.f. 28th August, 2008.

(ii) **Mr. Jagdish Khullar was appointed as an Additional Director w.e.f. 25th August, 2008, appointed as a Director in AGM w.e.f. 30th September, 2008 and resigned w.e.f. 14th July, 2009.

(iii) ***Mr. Rakesh Kumar Bhatnagar was appointed as an Additional Director w.e.f. 25th August, 2008 and appointed as a Director in AGM w.e.f. 30th September, 2008.

3. COMMITTEE OF BOARD OF DIRECTORS

The Board of Directors had constituted four Committees of the Board, which are Audit Committee, Share Transfer Committee, Shareholders Grievances Committee and Remuneration Committee.

4. AUDIT COMMITTEE

The Company has a qualified and independent audit Committee comprising of three directors as members. Two-thirds of members are Independent Directors. The terms of reference of the Audit Committee are in consonance with provisions of section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock exchanges.

Minutes of meetings of the audit committee are circulated to members of the committee and the Board is kept apprised.

COMPOSITION & ATTENDANCE

The Audit Committee comprises of the following Directors: -

Name of Member	Category	No. of Meetings attended
1. Sh. Shalabh Jasoria	Independent & Non-executive	4
2. Sh. S. M. Handa	Independent & Non-Executive	3
3. Sh. Rajan Wadhera	Whole-Time Director	5

the Audit Committee is always an independent & Non-executive director and is appointed by the members in the meeting.

Members of Audit Committee have requisite financial and management expertise. The Company Secretary acts as the Secretary to the committee.

During the year under review the Committee met on 29/04/2008, 30/07/2008, 07/08/2008, 31/10/2008 & 30/1/2009

5. REMUNERATION COMMITTEE

The Remuneration Committee, constitution of which is a non- mandatory requirement, was constituted by the Board of Directors to recommend/review the Remuneration package of whole –Time Directors. The remunerations of the Managing Director, Whole Time Director were approved by Remuneration Committee, Board of Directors and the shareholders of the Company and the remuneration package of Smt. Mamta Handa on his re-appointment was also approved by the Central Government,

COMPOSITION

The Remuneration Committee comprises of the following Directors: -

1. Sh. Shalabh Jasoria	Independent & Non-executive
2. Mr. S. M. Handa	Independent & Non-Executive
3. Sh. Rajan Wadhera	Whole-Time Director

Sh. Shalabh Jasoria is the chairman of the Remuneration Committee. Non Executive Directors were not paid anything during the financial year 2008-2009. The details of amount provided towards

OK PLAY INDIA LIMITED

Director's remuneration are as follows: .

Name	Salary	Sitting Fees	Total
Justice T. R. Handa (Retd.)	1620000	--	1620000
Rajan Handa	2263000	--	2263000
Mamta Handa	1060846	--	1060846
Rajan Wadhera	498804	--	498804

The Company has not provided for any performance linked incentive or Stock Option or Convertible instruments to the Directors of the Company.

No Commission and sitting fees was paid during the year to any Executive and Non-Executive Directors.

The directors of the Company are appointed by the Shareholders upon recommendation of the Board of Directors within the framework of the Companies Act, 1956 as well as the Articles of Association of the Company. The resolutions passed by these two governing bodies together with the service rules of the Company covers the terms, conditions and remuneration of such appointment. There is no service contract separately entered into by the Company with the Directors. Further, the resolutions appointing these Directors do not prescribe for the payment of any separate Severance Fees to them. However, the requirement of notice period is as per the service rules of the Company.

6. SHARE TRANSFER COMMITTEE

The Company's shares are compulsorily required to be traded in dematerialized form. Hence, the committee met at regular intervals considering the volume of transfers received in the physical segment. During the year the committee met 18 times.

7. SHAREHOLDERS' GRIEVANCES COMMITTEE

COMPOSITION

The Shareholders Grievances Committee comprises of the following:-

1. Mr. Rajan Handa Member
2. Dr. Rajan Wadhera Member
3. Mr. Shalabh Jasoria Member

The Shareholders/Investors Grievances Committee was constituted on 22nd March, 2003 in terms of Listing Agreement. The Committee looks into the redressal of shareholders/investors complaints. The Company Secretary attends the Shareholders Grievances Committee.

No grievance of any investor was pending as on 31st March, 2009.

During the year the Company received 10 complaints from shareholders. All the complaints were attended promptly and resolved to the satisfaction of the shareholders.

None of the Directors of the Company were members in more than 5 Committees nor acted as a

Chairman of more than 5 Committees including all companies in which they were Directors.

Year	AGM/ EGM	Location	Time	Date	Details of Special Resolutions passed
2008	AGM	Hakim Ji Ki Choupal, opposite Batra Hospital, Village -Ujina, Police Station – Nuh, Disst. Mewat, Haryana	10.00 A.M.	30/09/2008	Approval of re- appointment of Managing Director & Two Whole-Time Director under part II, Section II (B) of Schedule XIII of Companies Act, 1956.
2008	EGM	Regd. Office: 17 -18 Roz -Ka-Meo Industrial Estate, Tehsil Nuh, Distt. Mewat, Haryana	10.00 A.M.	01/03/2008	-
2007	AGM	Sardar Gurmukh Singh Public School, Nuh, Mewat	10.00 A.M.	29/09/2007	-
2006	AGM	Sardar Gurmukh Singh Public School, Nuh, Mewat	10.00 A.M.	29/09/2006	-

No special resolution was put through postal ballot at any of the 'General Body Meeting' during the last year.

- Notes on Directors seeking appointment/reappointment as required under Clause 49VI (A) of the Listing agreement entered into with the Stock Exchanges.

OK PLAY INDIA LIMITED

Information Pursuant to Clause 49 IV (G) of the Listing Agreement		
A brief resume of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting is given below:		
Name of the Director	Mrs. Mamta Handa	Mr. Shalabh Jasoria
Date of Birth	03.01.1968	27.06.1963
Date of appointment/re-appointment	20.06.2000	26.07.2005
Expertise in specific functional areas	She has wide experience in publicity and marketing related functions.	He is a practicing Chartered Accountant and has vast experience in finance, taxations, audit and related matters.
Qualifications	B.COM	Chartered Accountant (From Institute of Chartered Accountants of India)
Name of the other Indian public limited companies in which directorship held	NIL	1. Leisure Finance and Investments Pvt. Ltd. 2. Headlines Financial Services Pvt. Ltd. 3. N.A. Cold Storages Pvt. Ltd. 4. ABR Holdings Securities Pvt. Ltd.
Chairman/Member of Board Committees in other Indian public limited companies	NIL	NIL
Shareholding in the company	211102	NIL

10. **DISCLOSURES**

- No transaction of material nature has been entered into by the Company with related parties
- i.e. Directors or Management, their relatives, conflicting with Company's interest.



The Company has fulfilled all statutory compliances except the payment of listing fees to The Stock Exchange, Ahmedabad and Jaipur Stock Exchange Ltd.' Where the securities of the Company are listed. Hon'ble BIFR has directed Ahmedabad Stock Exchange Ltd. and Jaipur Stock Exchange Limited to waive off the arrears and allow the delisting of the company's shares from these stock exchanges.

11. MEANS OF COMMUNICATION

The Company published its Quarterly, Half Yearly Un-audited Financial Results and Audited Financial Results in the prescribed form. The results were forthwith sent to Stock Exchanges where the securities of the Company are listed and also published in the Newspapers namely Pioneer (English) & Veer Arjun (Hindi). The Management discussion and analysis report form part of this annual report.

12. CEO/CFO CERTIFICATION

In terms of requirements of clause 49 (V) of the Listing Agreement the CEO and CFO have submitted necessary certificate to the Board stating the particulars specified under the said clause. This certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings on 20th July, 2009.

13. GENERAL SHAREHOLDERS INFORMATION

General shareholders information has been given under shareholders diary, which is attached to this Annual Report.

OK PLAY INDIA LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Manufacturing and sales of plastic moulded products is the core business of your Company. Due to economic slowdown during the year, Sales of the Company have shown a reduction of 11.17 % over the turnover of the previous year.

Significant factors resulting in slowdown in growth figures include low volume for plastic products in market and the economic downturn contributing to slower consumer demand. Some of the drivers of roto moulding were focused around the following:

- Increase in operational efficiency through improvements in business process, infrastructure consideration, re-engineering, workload management, cut down on cycle time, increase speed to market
- Increased regulation leading to more enterprise regulation, security and reporting
- New focus areas initiatives.

Industry Structure and Development

The company has divided plastic moulded products into five categories which are as under:

1. POP Products: The Company has now designed and developed a contemporary range of plastic moulded Points of Purchase products, replacing the conventional fabricated alternatives. These products are not only attractive, but are also rust and weather proof. The solutions, thus offered, are far more cost effective than their conventional counterparts like acrylic, metal, or wood. The versatile moulding into any shape, size, or color has given these products unlimited possibilities and made them an instant hit in the advertising world.

2. Mannequins Products: The fashion revolution in India has matured into a momentous upheaval necessitating the prerequisites for suitable expansion. OK Play has entered in to an exclusive arrangement with PURFORM of New Zealand, one of the world's largest manufacturing plastic mannequins. Under this arrangement OK Play will manufacture and market the PURFORM range of mannequins in the Indian subcontinent, it will also manufacture for the international requirement of PURFORM.

3. Industrial Products: OK Play continuously interacts with major players of the industrial sector to try and develop alternatives encompassing the various advantages of plastics and thus providing technically viable solutions while replacing the conventional high cost materials. Industrial product solutions offered cover a wide range with vending carts, bus shelters, intercepting chambers, chemical storage tanks, coolant boxes being a few.

4. Automobile Products: Continuous interactions with the automobile sector and on-going product development initiatives has enabled OK Play to successfully develop a range of other automobile products like Fuel Tanks for SAME DEUTZ, SONALIKA Tractors, and other components for RSB Trailers, ANG Trailers etc. Bumpers, Side Fenders, etc. are currently under various stages of experimentation.

5. Children Products: The largest manufacturer of plastic toys in India, OK Play has a diversified range of over 120 products across various categories like toys & games, ride-ons, playground equipment, children furniture, etc. OK Play toys are more than just conventional 'play with' toys and



have been specially crafted and designed to be a source of enjoyment , while also imparting education in valuable ways. We have added a range of outdoor play ground equipment which is safe and non toxic bringing in new standards of safety and ease of maintenance very valuable in many ways.

Opportunities, Threats and Outlook

Your Company is engaged in manufacturing of plastic moulded toys, play ground equipment, furniture and other articles of plastic. The demand for our products is expected to increase because plastic products are being considered as replacement for of Steel in various sectors. Your company, through continuous Research and Development efforts has developed new value added products. This will give an edge to your company against competitors in the domestic market besides helping to sustain sales realization levels.

Segment wise Performance

The Company is engaged only in the business of manufacturing of products made up of plastic and there are no separate reportable segments.

Internal Control System and their Adequacy

The Company has an adequate and effective system of accounting and administrative controls supported by qualified outside Internal Auditors with a proper and adequate system of internal checks and controls to ensure safety and proper recording of all assets of the company and their proper and authorized utilization.

The Audit Committee of the Board of Directors regularly reviews the effectiveness of the internal control systems in order to ensure due and proper implementation of and due compliance with various applicable laws, accounting standards and regulatory guidelines.

Human Resources/ Industrial Relations Front

Increase in value of Human Capital through development of individual and collective skills and knowledge is essential for any company for its continuous growth. Your company implements in house programs for skill development and updating of competency of its employees on a continuous basis.

Your Company lays great emphasis on building a motivated work force, which can participate constructively in the growth of the company. The Company continues to focus on the Safety, Health, Training and Development of the employees.

The employee strength of your company currently is 181.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis Report containing the Company's objectives, expectations, projections, estimates about the Company's strategy for growth, product development, market share, controls may be "forward looking statement" within the meaning of applicable securities laws and regulations.

OK PLAY INDIA LIMITED

Forward Looking Statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied, depending upon economic conditions, demand, supply, change in government policies, price conditions, political conditions, economic scenario and various other incidental factors within or outside the country.

**By order of the Board of Directors
for OK PLAY INDIA LTD.**

Place : New Delhi
Dated: 31th July, 2009

**Justice T.R.Handa (Retd.)
Chairman-cum-Wholetime Director**

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of OK PLAY INDIA LIMITED,

We have reviewed the compliance of conditions of corporate governance by OK PLAY INDIA LIMITED for the year ended 31st March, 2009, as stipulated in the Clause 49 of the Listing Agreement of the said Company with Stock Exchanges, with the relevant records and documents maintained by the Company and furnished to us.

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

In our opinion and to the best of our information and according to explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

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

We have been explained that no investor grievances are pending as on 31st March, 2009 for a period exceeding one month against the Company as per the records maintained by the Company.

**For S. P. MARWAHA & Co.
Chartered Accountants**

Place : New Delhi
Date : 31st July, 2009

**A. S. BAJAJ
Partner**



SHAREHOLDER'S DIARY

1. DATE, TIME & VENUE OF THE ANNUAL GENERAL MEETING

30th September, 2009 at 10.00 A.M. at Hakim Ji ki Choupal, opposite Batra Hospital, Vill-Ujina, P.S. - Nuh, Dist. Mewat (Haryana).

2. PARTICULARS OF FINANCIAL CALENDAR

Financial Year	1 st April to 31 st March
First Quarter	1 st April to 30 th June
Second Quarter	1 st July to 30 th September
Third Quarter	1 st October to 31 st December
Fourth Quarter	1 st January to 31 st March

3. LISTING INFORMATION

Shares of your Company are listed on following Stock Exchanges:

Bombay Stock Exchange Limited
Ahmedabad Stock exchange Limited
Jaipur Stock Exchange Ltd.

The Hon'ble BIFR vide its order dt. 6/12/2005 has directed the Ahmedabad Stock Exchange and the Jaipur Stock Exchange to waive off arrears of Listing fees payable and allow delisting of shares from these stock exchanges.

4. STOCK CODE

BSE	JAIPUR	AHMEDABAD
526415	-	41770

5. SHARES OF OK PLAY INDIA LTD. ARE TRADED IN DEMAT FORM:

National Securities Depository Ltd.

ISIN Code No. of Shares INE 870B01016

Central Depository Services (I) Ltd.

OK PLAY INDIA LIMITED

6. BOOK CLOSURE

From: 23rd September, 2009 to: 30th September, 2009 (Both days inclusive)

7. INVESTOR SERVICE CELL

The Company's Investor's Service Cell is functioning at
17-18, Roz-Ka-Meo Industrial Estate,
Mewat (Haryana)
E-mail: dhir.singh@okplay.in

8. COMPLIANCE OFFICER:

Mr. Dhir Singh Bhati, Company Secretary

9. ADDRESS FOR CORRESPONDENCE

OK PLAY INDIA LIMITED

17-18 Roz-Ka-Meo Industrial Estate
Tis. Nuh, Distt. Mewat
Haryana – 122 103

10. REGISTRAR AND SHARE TRANSFER AGENTS

MAS SERVICES LTD.

T-34, IInd Floor, Okhla Industrial Area
Phase-II, New Delhi- 110 020
Ph. 011-26387281, 82& 83

11. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2009

CATEGORY	No. of Shares	% to Total
<u>A. PROMOTER'S HOLDING</u>		
(Including Directors, Relatives & associates)	10616402	66.43
<u>B. NON-PROMOTER'S HOLDING</u>		
Banks, FIs, Mutual Funds, Insurance Companies, (Central/State Govt. Institutions/ Non-Govt. Institutions)	5600	0.04
a. Private Corporate Bodies	1564920	9.79
b. Indian Public	3463504	21.67
c. NRIs / OCBs	256463	1.60
d. Others	75211	0.47
GRAND TOTAL	15982100	100.00

12. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2009

Share holding of nominal value		Shareholders		Share Amount	
Rs. (1)	Rs. (2)	Number (3)	% To Total (4)	Rs. (5)	% to total (6)
Upto -- 5000		9054	90.77	14816840	9.27
5001 to 10000		488	4.89	4080730	2.55
10001 to 20000		198	1.99	2996990	1.88
20001 to 30000		61	0.61	1585570	0.99
30001 to 40000		35	0.35	1258710	0.79
40001 to 50000		25	0.25	1185650	0.74
50001 to 100000		52	0.52	3681450	2.30
100001 and above		62	0.62	130215060	81.48
Total		9975	100.00	159821000	100.00

OK PLAY INDIA LIMITED

REPORT OF THE AUDITORS

TO THE MEMBERS OF OK PLAY INDIA LIMITED

We have audited the attached Balance Sheet of M/s. OK PLAY INDIA LIMITED as at 31st March, 2009 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order, to the extent applicable.
2. Further to our comments in the Annexure referred to in the paragraph 1 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account, Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account, Cash Flow Statement dealt with by this report comply with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, as they apply to the Company.
 - (e) On the basis of written representations received from the directors as at 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of the section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the



Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2009;
- ii) in the case of Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For S. P. MARWAHA & CO.
Chartered Accountants

Place: New Delhi
Date: 20th July, 2009

A. S. BAJAJ
Partner

Annexure referred to in paragraph 1 of the report of even date

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) These assets have been physically verified by the management at the end of the financial year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) As per the records and as explained to us, the Company has not disposed off any substantial or major portion of fixed assets during the year.
- ii) a) As explained to us, the inventories held by the Company were physically verified during the year by the management at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) a) According to the information and explanations given to us, the Company has not granted during the year secured or unsecured loans to Companies, firms or other parties covered in the register maintained under section 301 of Companies Act, 1956. Accordingly, para (iii) (b),(c) and (d) of the order are not applicable.

OK PLAY INDIA LIMITED

- e) According to the information and explanations given to us, the company has taken unsecured loan during the year from directors. The maximum amount involved during the year was Rs. 150,50,000/- and there is no amount outstanding at the year end.
- f) According to the information and explanations given to us, in our opinion, the terms and conditions of unsecured loans taken by the company, are not, prima-facie, prejudicial to the interest of the Company.
- g) The Company has been regular in payment of principal amount as stipulated. Further, there are no dues outstanding as at the year end.
- iv) a) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventories, fixed assets and for the sale of goods and services.
b) In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control.
- v) a) On the basis of the audit procedures performed by us, and according to the information and explanations and representations given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act have been made at prices which are reasonable having regard to the prevailing market prices at that relevant time.
- vi) The Company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of sections 58 A and 58 AA of the Companies Act, 1956 and the rules framed thereunder are applicable.
- vii) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
- viii) The Central Government has not prescribed the maintenance of cost records by this company under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- ix) (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, wealth tax, custom duty, service tax, excise duty, cess and any other material statutory dues applicable to it except sales tax of Rs. 59,76,122.28 which is

outstanding for more than six months from the date it became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, custom duty and cess which have not been deposited with the appropriate authorities on account of any dispute except:
- (i) disputed Sales Tax of Rs. 11,200/- pending before the Sales Tax Officer;
 - (ii) disputed Sales Tax of Rs. 23,624/- pending before the Assistant Commissioner, Sales Tax;
 - (iii) disputed sales tax penalty of Rs. 5,00,000/- pending before the Haryana Tax Tribunal.
 - (iv) disputed penalty of Rs. 29,37,276/- under the Central Excise Act pending before the Central Excise & Service Tax Appellate Tribunal.
- x) The Company does not have accumulated losses at the end of the financial year March 31, 2009. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2009 and in the immediately preceding financial year ended March 31, 2008.
- xi) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions & banks.
- xii) As per records maintained by the Company, no loans or advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefits fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to this Company.
- xiv) As per the records maintained, the Company does not deal or trade in shares, securities, debentures and other investments.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi) The term loan raised during the year has been applied for the purpose for which the loan was obtained.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we are of the opinion that funds raised on short term basis have not been used for long term investment.

OK PLAY INDIA LIMITED

- 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 debenture during the year.
- xx) The Company has not raised any money by public issues during the year.
- xxi) On the basis of the audit procedures carried out by us and information and explanation given by the management, we state that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For S. P. MARWAHA & CO.
Chartered Accountants**

Place: New Delhi
Date: 20th July, 2009

**A. S. BAJAJ
Partner**



BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE	31.03.2009	31.03.2008
	(RS)	(RS)
SOURCES OF FUNDS		
SHARE HOLDERS' FUNDS		
Share Capital	A 159680277.00	154680277.00
Reserves & Surplus	B <u>174663302.27</u>	<u>218380077.17</u>
	334343579.27	373060354.17
Share Application Money Received	0.00	64845000.00
LOAN FUNDS		
Secured	C 72152336.43	4121320.48
Unsecured	<u>521743000.00</u>	<u>399000000.00</u>
	593895336.43	403121320.48
DEFERRED TAX LIABILITY (NET)	0.00	21475000.00
TOTAL	928238915.70	862501674.65
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block	D 652359892.31	545750008.29
Less : Depreciation	<u>216285820.76</u>	<u>177895636.40</u>
Net Block	436074071.55	367854371.89
Capital Work-in-Progress	<u>280000.00</u>	<u>0.00</u>
	436354071.55	367854371.89
CURRENT ASSETS, LOANS & ADVANCES		
Inventories	E 72053813.85	69973716.14
Sundry Debtors	F 200022192.57	178599789.47
Cash & Bank Balances	G 75100188.23	105202082.37
Loans & Advances	H <u>275253363.65</u>	<u>297093384.08</u>
	622429558.30	650868972.06
Less : Current Liabilities & Provisions	I <u>193085660.15</u>	<u>169155141.30</u>
NET CURRENT ASSETS	429343898.15	481713830.76
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	J 29571946.00	12933472.00
DEFERRED TAX ASSET (NET)	32969000.00	0.00
TOTAL	928238915.70	862501674.65
NOTES TO ACCOUNTS	Q	

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
CHAIRMAN CUM WHOLETIME DIRECTOR

(Rajan Handa)
MANAGING DIRECTOR

(Dhir Singh Bhati)
COMPANY SECRETARY

AUDITORS' REPORT
As per our separate report of even date attached.
for **S.P.MARWAHA & CO.**
Chartered Accountants

Place : New Delhi
Date : 20th July, 2009

(A.S.BAJAJ)
Partner

OK PLAY INDIA LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	CURRENT YEAR (RS)	PREVIOUS YEAR (RS)
INCOME			
Sales (Gross)		407749097.07	458991743.24
Less: Excise Duty		<u>36753995.08</u>	<u>35597622.08</u>
Sales (Net)		370995101.99	423394121.16
Other receipts	K	<u>1253810.95</u>	<u>354154.95</u>
		<u>372248912.94</u>	<u>423748276.11</u>
EXPENDITURE			
Manufacturing Expenses	L	245811875.90	256918493.21
Employees Remuneration and Benefits	M	46894525.71	26927537.67
Administrative & Other Expenses	N	25517250.88	28454213.70
Selling & Distribution Expenses	O	37633924.79	24961742.87
Interest & Finance Expenses	P	<u>8181741.63</u>	<u>1662798.02</u>
		<u>364039318.91</u>	<u>338924785.47</u>
Profit before Depreciation & Exceptional items		8209594.03	84823490.64
Less/(Add) : Exchange Fluctuation		<u>122743000.00</u>	<u>(5171000.00)</u>
Profit/(Loss) before Depreciation		(114533405.97)	89994490.64
Less : Depreciation	D	<u>42451950.93</u>	<u>28418082.74</u>
		(156985356.90)	61576407.90
Less : Prior period expenses		<u>95418.00</u>	<u>36098.00</u>
Profit/(Loss) before Tax		(157080774.90)	61540309.90
Provision for Tax			
- Current Tax		0.00	18800000.00
- For Earlier Years		0.00	4138000.00
- Fringe Benefit Tax		925000.00	700000.00
- Deferred Tax		<u>(54444000.00)</u>	<u>5763000.00</u>
Profit/(Loss) after Tax		(103561774.90)	32139309.90
Profit & Loss A/C brought forward from last year		<u>213713927.17</u>	<u>181574617.27</u>
Profit carried to Balance Sheet		<u>110152152.27</u>	<u>213713927.17</u>

NOTES TO ACCOUNTS

Q

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
CHAIRMAN CUM WHOLE TIME DIRECTOR

(Rajan Handa)
MANAGING DIRECTOR

(Dhir Singh Bhati)
COMPANY SECRETARY

AUDITORS' REPORT
As per our separate report of even date attached
for **S.P.MARWAHA & CO.**
Chartered Accountants

Place : New Delhi
Date : 20th July, 2009

(A.S.BAJAJ)
Partner

SCHEDULE 'A' SHARE CAPITAL

	<u>31.03.2009</u>	<u>31.03.2008</u>
	<u>RS</u>	<u>RS</u>
<u>AUTHORISED CAPITAL</u>		
3,00,00,000 (Previous year 3,00,00,000)	300000000.00	300000000.00
Equity shares of Rs.10/- each	<u>300000000.00</u>	<u>300000000.00</u>
<u>ISSUED</u>		
1,60,38,000 (Previous year 1,55,38,000)	160380000.00	155380000.00
Equity shares of Rs.10/- each	<u>160380000.00</u>	<u>155380000.00</u>
<u>SUBSCRIBED AND PAID UP</u>		
1,59,82,100 (Previous year 1,54,82,100)		
Equity shares of Rs.10/- each	159821000.00	154821000.00
Less : Allotment Money unpaid	140723.00	140723.00
	<u>159680277.00</u>	<u>154680277.00</u>

SCHEDULE ' B ' RESERVES & SURPLUS

	<u>31.03.2009</u>	<u>31.03.2008</u>
	<u>RS</u>	<u>RS</u>
<u>CAPITAL RESERVE</u>		
Capital Subsidy Received	2500000.00	2500000.00
Capital Reserve	642150.00	642150.00
Investment Allowance Reserve	1524000.00	1524000.00
Share Premium Account	59845000.00	0.00
Profit & Loss Account	110152152.27	213713927.17
	<u>174663302.27</u>	<u>218380077.17</u>

SCHEDULE ' C ' LOAN FUNDS

	<u>31.03.2009</u>	<u>31.03.2008</u>
	<u>RS</u>	<u>RS</u>
<u>SECURED</u>		
Domestic Factoring Facility (Secured against Book Debts)	58542518.20	0.00
Term Loan - Others (Secured against Vehicles)	13609818.23	4121320.48
	<u>72152336.43</u>	<u>4121320.48</u>
<u>UNSECURED</u>		
Foreign Currency Convertible Bonds	521743000.00	399000000.00
	<u>521743000.00</u>	<u>399000000.00</u>

SCHEDULE ' D ' FIXED ASSETS

DESCRIPTION	* GROSS BLOCK			* DEPRECIATION				* NET BLOCK	
	AS ON 01.04.2008	ADDITIONS / (DISPOSALS)	AS ON 31.03.2009	AS AT 01.04.2008	1.4.2008 to 31.03.2009	ADJUSTED	TOTAL UPTO 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
LAND (FREEHOLD)	125359962.60	5927700.00	131287662.60	-	-	-	-	131287662.60	125359962.60
BUILDINGS	46711505.34	8614292.70	55325798.04	9249100.15	1390348.12	-	10639448.27	44686349.77	37462405.19
PLANT & MACHINERY	331331309.98	74147819.11 (3625178.28)	401853950.81	155290013.57	36616179.93	(3031942.24)	188874251.26	212979699.55	176041296.41
FURNITURE & FITTINGS	6489514.38	2701438.50	9190952.88	2351865.03	440189.11	-	2792054.14	6398898.74	4137649.35
OFFICE EQUIPMENTS	11457409.89	4491438.16	15948848.05	7126388.30	1653565.38	-	8779953.68	7168894.37	4331021.59
MOTOR LORRY	655832.67	659025.00 (1332.67)	1313525.00	242231.70	94980.71	(412.53)	336799.88	976725.12	413600.97
MOTOR CAR	16933074.40	14302323.00 (3769812.00)	27465585.40	3634176.61	1574681.43	(1029411.80)	4179446.24	23286139.16	13298897.79
INTANGIBLE ASSETS	6811399.03	3162170.50	9973569.53	1861.04	682006.25	-	683867.29	9289702.24	6809537.99
CAPITAL WORK-IN-PROGRESS	545750008.29 0.00	106609884.02 280000.00	652359892.31 280000.00	177895636.40 0.00	42451950.93 0.00	(4061766.57) 0.00	216285820.76 0.00	436074071.55 280000.00	367854371.89 0.00
TOTAL	545750008.29	106889884.02	652639892.31	177895636.40	42451950.93	(4061766.57)	216285820.76	436354071.55	367854371.89
PREVIOUS YEAR	306669117.90	239080890.39	545750008.29	149871209.13	28418082.74	(393655.47)	177895636.40	367854371.89	

* In Rs.



	<u>31.03.2009</u>	<u>31.03.2008</u>
	<u>RS</u>	<u>RS</u>
<u>SCHEDULE ' E ' INVENTORIES</u>		
Packing Materials & Accessories	14346820.27	12557588.14
Raw Materials	12015352.81	16122925.27
Work - In - Process	27587028.21	18773182.05
Stores & Spares	5400299.73	4030714.68
Finished Goods	12704312.83	18489306.00
	<u>72053813.85</u>	<u>69973716.14</u>

SCHEDULE ' F ' SUNDRY DEBTORS

(Unsecured, Considered Good)

More than Six Months	124351830.53	101734013.07
Others	75670362.04	76865776.40
	<u>200022192.57</u>	<u>178599789.47</u>

SCHEDULE ' G ' CASH AND BANK BALANCES

Cash in Hand including imprest	736392.40	664046.68
Balances in Scheduled Banks:		
In Current Account	65031065.83	101594309.69
In Fixed Deposit	9332730.00	2943726.00
	<u>75100188.23</u>	<u>105202082.37</u>

SCHEDULE ' H ' LOANS & ADVANCES'

(Unsecured, Considered Good)

Advances recoverable in Cash or in kind or for value to be received	221114431.57	256068635.43
Staff Advances	306538.60	202518.48
Security and Other Deposits	2140615.00	1224458.00
Advance Income Tax / TDS	51691778.48	39597772.17
	<u>275253363.65</u>	<u>297093384.08</u>

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	<u>31.03.2009</u>		<u>31.03.2008</u>
	<u>RS</u>		<u>RS</u>
<u>SCHEDULE 'I' CURRENT LIABILITIES & PROVISIONS</u>			
<u>A) CURRENT LIABILITIES</u>			
Sundry Creditors (Trade)	14719389.06		15355246.32
Sundry Creditors (Others)	104740889.50		82469739.59
Due to Directors	2294094.79		2025811.43
Other Liabilities	17208320.80		15185561.96
<u>B) PROVISIONS</u>			
Provision for Taxation	51079156.00	51079156.00	
Provision for Fringe Benefit Tax	937110.00	764000.00	
Provision for Gratuity	2106700.00	54122966.00	2275626.00
	<u>193085660.15</u>		<u>169155141.30</u>

SCHEDULE 'J' MISCELLANEOUS EXPENDITURE

<u>Deferred Revenue Expenditure</u>			
FCCB Issue Expenses	12933472.00	16166840.00	
Less: Written off during the year	<u>3233368.00</u>	<u>9700104.00</u>	12933472.00
Advertisement Expenses		19871842.00	<u>0.00</u>
		<u>29571946.00</u>	<u>12933472.00</u>

SCHEDULE 'K' OTHER RECEIPTS

	<u>CURRENT YEAR</u>		<u>PREVIOUS YEAR</u>
	<u>(RS)</u>		<u>(RS)</u>
Interest Received	889416.89		225603.00
Balances Written Off	82052.06		0.00
Miscellaneous Receipts	282342.00		128551.95
	<u>1253810.95</u>		<u>354154.95</u>

SCHEDULE 'L' MANUFACTURING EXPENSES

<u>Cost of goods/materials :</u>			
Purchases	181367359.57	258962537.56	
Add : Decrease (Less increase) in stocks	<u>1078719.47</u>	182446079.04	<u>(34834944.17)</u>
Power and Fuel		27944367.64	11343930.68
Stores and Spares consumed		3374811.67	2194239.21
Repairs and Maintenance :			
Plant & Machinery	2425084.14	810349.44	
Buildings	<u>1092901.60</u>	<u>3517985.74</u>	<u>126738.00</u>
Accessories		17633236.29	13771257.90
Packing Charges		7365267.51	1963332.40
Other Expenses		2096198.13	1250891.91
Excise Duty Pulverised Material		1433929.88	1330160.28
	<u>245811875.90</u>		<u>256918493.21</u>



	<u>CURRENT YEAR</u> (RS)	<u>PREVIOUS YEAR</u> (RS)
<u>SCHEDULE 'M' EMPLOYEES REMUNERATION & BENEFITS</u>		
Salaries, Wages and Bonus	44769060.56	25159374.97
Contribution to Provident & other funds	2125465.15	1768162.70
	<u>46894525.71</u>	<u>26927537.67</u>

SCHEDULE 'N' ADMINISTRATIVE & OTHER EXPENSES

FCCB issue expenses written off	3233368.00	3233368.00
Fee & Registration	1033820.92	834559.30
Balances Written Off	0.00	1257252.39
Donation	52200.00	500.00
Rent	798000.00	1402300.00
Insurance	349746.21	358471.10
Travelling & Conveyance Expenses	8252555.56	8453321.96
Postage, Telegrams and Telephones	2219328.11	1753559.44
Printing & Stationery	985897.95	422492.83
Welfare Expenses	1537823.75	1307916.64
Legal & Professional charges	244492.00	2492752.00
Electricity & Water Expenses	820416.08	172867.76
Audit Fee	90000.00	90000.00
Wealth Tax	76433.00	47039.00
Rates & Taxes	1530235.39	3996493.00
Miscellaneous Expenses	1066223.13	1079881.35
Repair & Maint. (Others)	1951144.40	937625.40
Loss on Sale of Assets	1219556.38	415673.53
Advertisement others	56010.00	198140.00
	<u>25517250.88</u>	<u>28454213.70</u>

SCHEDULE 'O' SELLING AND DISTRIBUTION EXPENSES

Royalty Paid	604532.00	0.00
Advertisement	1446972.00	64659.00
Business Promotion Expenses	732363.37	282749.16
Freight & Octroi	6907654.15	3057253.47
Discounts	13594195.56	14307879.71
Commission Paid	12985000.00	5169111.00
Damaged Goods	1363207.71	2080090.53
	<u>37633924.79</u>	<u>24961742.87</u>

SCHEDULE 'P' INTEREST & FINANCE EXPENSES

Other Interest	1887601.35	909905.91
Discounting charges	5719555.06	0.00
Bank Charges and Commission	574585.22	752892.11
	<u>8181741.63</u>	<u>1662798.02</u>

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SCHEDULE 'Q'

SCHEDULE OF NOTES TO THE ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009 AND THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

1. Significant Accounting Policies

i. General

These Accounts have been prepared on historical cost basis. All expenses and income to the extent considered payable and receivable, unless stated otherwise, have been accounted for on Mercantile basis.

ii. Fixed Assets including Intangible assets and Depreciation

Fixed Assets are stated on cost basis including the cost of installation where incurred. Depreciation on fixed assets (other than intangible assets) has been provided according to Straight Line Method on prorata basis at rates specified in schedule XIV of the Companies Act, 1956.

Intangible assets comprising of product designs, technical know-how etc. are amortized over a period of ten years, the estimated minimum useful life of the related products.

iii. Inventories

The closing stock of Raw Materials, Packing Material & Accessories, Stores & Spares and Work in Process have been valued at cost while the Finished Goods have been taken at lower of cost or realisable value. These goods have been taken as per inventory taken, valued and certified by the management.

iv. Provision for Current and Deferred Tax.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.

v. Provisions and Contingent Liabilities/Assets

Provision in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of the obligations. Contingent Liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognised or disclosed in the financial statements.

vi. Employee benefits

Company's contribution to Government Administered Provident Fund and Employees' State Insurance Corporation are charged to Profit & Loss Account.

Defined benefit contributions in respect of gratuity are provided on the basis of actuarial valuation made at the end of the financial year. Actuarial gains or loss arising from such valuation are charged to revenue in the year in which they arise.

vii. Research & Development

Expenditure on research & development which results in creation of capital assets is treated in the same way as expenditure on fixed assets.

viii. Revenue Recognition

Sales (net of returns) are recognised at the point of dispatch of goods to customers and include excise duty but exclude sales taxes.

ix. Foreign Currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary items (assets and liabilities) denominated in foreign currency are translated into rupee at the exchange rates prevailing on the balance sheet date.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for amount to Rs. 4,40,00,000/- (Previous Year Rs. 90,50,000/-).

3. Contingent Liabilities not provided for :

(i) Demand of penalty of Rs. 29,37,276/- (Previous Year Rs. 29,37,276/-) under the Central Excise Act is in dispute and pending before the Central Excise & Service Tax Appellate Tribunal.

(ii) The sales tax authorities, on the basis of sales tax assessments, have imposed Rs.5,00,000/- (Previous Year Rs. 6,89,142/-) as penalty.

However, the Hon'ble Board for Industrial & Financial Reconstruction vide its sanctioned rehabilitation scheme dated 6th December, 2005 has directed the state government to consider the waiver of the interest and penalty imposed on sales tax and accordingly the company has appealed to the higher authorities for the same.

(iii) Guarantees given to banks as counter guarantees for performance of contracts Rs. 91,95,733/- (Previous Year Rs. 29,36,983/-).

4. In the opinion of the Management, the Current Assets, Loans and Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business atleast equal to

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the amount stated therein. The provision for all known liabilities have been made and are adequate. However, the balances of parties are subject to confirmation.

5. An amount of Rs.75,000/- appropriated by the Merchant Banking Division of Syndicate Bank without consent of the Company is being contested for recovery.
6. Amounts shown under the head 'Secured Loans' have been secured as below:-
 - (i) Domestic Factoring Facility: Secured against hypothecation of book debts and additionally secured by the personal guarantee of a director of the company.
 - (ii) Term Loans-Others: Secured against hypothecation of respective vehicles.
7. A vehicle had been imported in an earlier year from Volkswagen AG through the managing director as per agreement between him and the company. As the vehicle is hypothecated to a bank, it will be registered in the name of the company after satisfaction of the loan.
8. The Board of Directors of the Company at its meeting held on 23rd July, 2007 issued zero coupon unsecured Foreign Currency Convertible Bonds ('FCCB') aggregating to US \$ 10 million, at par. The bondholders have an option to convert these bonds into equity shares at an initial conversion price of Rs. 140/- per share at a fixed exchange rate (Rs. 40.34 = US \$ 1). The conversion price may be reset on the first, second and third anniversaries of the Bonds. The reset conversion price cannot be lower than Rs. 98.15 or the applicable reset floor price as prescribed by SEBI from time to time. The conversion price will be subject to certain adjustments as detailed in the offering circular such as dilution, bonus, dividends, right issue etc. Unless previously redeemed, repurchased or converted, the company will redeem these bonds at 146.25 percent of the principal amount on 24th July, 2012. As at 31st March, 2009 none of the 'FCCB' have been converted into equity shares and the balance of 'FCCB' outstanding as on 31st March, 2009 have been included and disclosed in Schedule 'C'- Loan Funds under the sub-heading 'Unsecured'.

The company expects that the bond holders would opt for conversion rather than redemption and hence, in that case no premium would be payable and on that basis the same is not provided for. Maximum premium amount payable at current exchange rates is Rs.24,13,06,138/-
9. Expenses on issue of Foreign Currency Convertible Bonds are being written off over five financial years.
10. Research & Development expenses of Rs. 42,583/- have been treated as fixed assets as they have resulted in the creation of capital assets.
11. The Hon'ble Board for Industrial and Financial Reconstruction in its hearing held on 5th December, 2006 had discharged the company from the purview of SICA/ BIFR and had given further directions that the un-implemented provisions of the sanctioned rehabilitation scheme of 2005 would continue to remain in full force and these would be implemented by the concerned agencies.

Accordingly, the relief and concessions granted by the Hon'ble Board for Industrial & Financial Reconstruction in respect of sections 41 (1) and 115JB of the Income Tax Act, 1961 and availed by the company in the preceding years are under consideration of the Income Tax

Authorities and have yet to be regularized by way of an order.

12. Defined Benefit Plan

Reconciliation of opening and closing balances of Defined Benefit obligation

	GRATUITY (FUNDED) <u>2008- 09</u> (Rs.)	GRATUITY (FUNDED) <u>2007- 08</u> (Rs.)
Present value of obligation at beginning of the year	19,40,712	14,22,972
Interest Cost	1,44,108	1,06,723
Current Service cost	3,69,034	3,31,880
Benefits paid	(102929)	0
Actuarial (gain) / loss on obligation	(275564)	79,137
Present value of obligation at year end	20,75,361	19,40,712

Reconciliation of opening and closing balances of fair value of plan assets

	GRATUITY (FUNDED) <u>2008- 09</u> (Rs.)	GRATUITY (FUNDED) <u>2007- 08</u> (Rs.)
Fair value of plan assets at beginning of year	6,64,332	2,42,966
Expected return on plan assets	52,731	20,869
Employer Contributions	3,87,785	3,98,447
Benefits paid	(102929)	0
Actuarial gain / (loss) on plan assets	(5166)	2,050
Fair value of plan assets at year end	9,96,753	6,64,332
Net actuarial gain / (loss) recognized		

Reconciliation of fair value of assets and obligations

	GRATUITY (FUNDED) <u>2008- 09</u> (Rs.)	GRATUITY (FUNDED) <u>2007- 08</u> (Rs.)
Present value of obligation at year end	20,75,361	19,40,712
Fair value of plan assets at year end	(9,96,753)	(6,64,332)
Net liability recognized in balance sheet	10,78,608	12,76,380

Expense recognized during the year (Under the head "Employees Remuneration and Benefits" - Refer Schedule 'M')

	GRATUITY (FUNDED) <u>2008- 09</u> (Rs.)	GRATUITY (FUNDED) <u>2007- 08</u> (Rs.)
Current Service cost	3,69,034	3,31,880
Interest Cost	1,44,108	1,06,723
Expected return on plan assets	(52,731)	(20,869)
Net actuarial (gain)/ loss recognized in the year	(270,398)	77,087
Net cost recognized in the year	1,90,013	4,94,821

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Reconciliation showing movements during the year in the Net Liability

	GRATUITY (FUNDED) 2008- 09 (Rs.)	GRATUITY (FUNDED) 2007- 08 (Rs.)
Net liability at beginning of year	12,76,380	11,80,006
Cost recognized in the year	1,90,013	4,94,821
Employer Contributions	(3,87,785)	(3,98,447)
Net liability at year end	<u>10,78,608</u>	<u>12,76,380</u>

Actual return on plan assets

	GRATUITY (FUNDED) 2008- 09 (Rs.)	GRATUITY (FUNDED) 2007- 08 (Rs.)
Expected return on plan assets	52,731	20,869
Actuarial gain/ (loss) on plan assets	(5,166)	2,050
Actual return on plan assets	<u>47,565</u>	<u>22,919</u>

Actuarial assumptions

	GRATUITY (FUNDED) 2008- 09 (Rs.)	GRATUITY (FUNDED) 2007- 08 (Rs.)
Mortality Rate (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Withdrawal Rate	1% to 3% Depending on Age	1% to 3% Depending on Age
Discount rate (per annum)	8%	8%
Salary Escalation	6%	5%

13. The deferred tax liability/asset comprise of the following:

	As at 31st March, 2009 (Rs.)	As at 31st March, 2008 (Rs.)
(a) Deferred Tax Liability		
(i) Related to Fixed Assets	301,76,000	240,65,000
(ii) Deferred Revenue Expenditure allowed under the Income Tax Act, 1961	67,54,000	0
	<u>369,30,000</u>	<u>240,65,000</u>
(b) Deferred Tax Assets		
(i) Disallowance under the Income Tax Act, 1961	440,51,000	25,90,000
(ii) Unabsorbed depreciation/carried forward of losses under the Income Tax Act, 1961	258,48,000	0
	<u>698,99,000</u>	<u>25,90,000</u>
(c) Deferred Tax Liability/(Asset)(Net)	(329,69,000)	214,75,000

14. The Company has not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.
15. All the operations of the company are considered as a single business segment for the purpose of Accounting Standard 17, 'Segment Reporting'(AS17)), issued by the Institute of Chartered Accountants of India.

16 Related Party Disclosures:

(I) Relationships

Key Management Personnel

Justice T.R. Handa (Retd.)
Mr. Rajan Handa
Mrs. Mamta Handa
Dr. Rajan Wadhera

Relatives

Mrs. Usha Handa

Note: Related party relationship is as identified by the company and relied upon by the Auditors.

(II) Transactions carried out with related parties referred in (I) above, in ordinary course of business:

Nature of Transactions	Related Parties (Referred in (I))
Remuneration Paid	Rs. 54,42,650/-
Rent Paid	Rs. 18,000/-
Sale of Products	Rs 5285.39
Loan from directors	Max. Amount Rs. 150,50,000 /- Bal. on 31.03.2009 - NIL

17 Earnings Per Share (EPS):

	<u>31.03.2009</u>	<u>31.03.2008</u>
(a) Net Profit available for equity share holders (Rs.)	(10,35,61,774.90)	3,21,39,309.90
(b) Weighted average number of Equity Shares of Rs.10/- each outstanding during the year (No. of Shares)	1,59,32,785	1,54,82,100
(c) Basic / Diluted Earnings per shares (Rs.) (a/b)	(6.50)	2.08

Potential equity shares on conversion of the Foreign Currency Convertible Bonds into equity shares, at the option of the bond holders, are having an anti-dilutive effect and are therefore ignored in calculating diluted earnings per share.

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18. Details of Managerial Remuneration:

	31.03.2009	31.03.2008
	(Rs.)	(Rs.)
Salary	30,90,000.00	27,00,000.00
H.R.A.	18,54,000.00	16,20,000.00
Other Allowances	2,16,004.00	0.00
P.F.	253,800.00	216,000.00
Gratuity Provision	28,846.00	28,846.00
	54,42,650.00	45,64,846.00

19. Break up of the remuneration paid to the statutory auditors of the Company:

	31.03.2009	31.03.2008
	(Rs.)	(Rs.)
For Audit Fee	60,000.00	60,000.00
For Tax Audit	30,000.00	30,000.00
In Other Capacity	NIL	NIL

20. Consumption of Raw Material

	31.03.2009		31.03.2008	
	Qty.	Value	Qty.	Value
	(M.T.)	(Rs.)	(M.T.)	(Rs.)
Plastics *	2822.196	18,54,57,132.03	2,678.112	16,89,72,318.90

*Since all our basic raw material is plastic in nature and are consumed in different proportions in different products, the above information is given under one head.

21. Particulars of Stocks of Finished Goods and Sales

	Qty (Nos.)		Value (Rs.)	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
(i) Opening Stock				
Tanks & other Products	3,532	5,522	22,79,667.89	17,73,810.87
Toys & Furniture	12,159	13,830	59,52,534.06	31,07,120.30
	15,691	19,352	82,32,201.95	48,80,931.17
(i) Closing Stock				
Tanks & other Products	8,587	3,532	23,79,370.44	22,79,667.89
Toys & Furniture	12,443	12,159	63,79,699.95	59,52,534.06
	21,030	15,691	87,59,070.39	82,32,201.95
(iii) Sales/Adjustment				
Tanks & other Products	3,47,329	3,20,314	31,14,36,218.97	24,00,25,882.50
Toys & Furniture	59,868	4,36,811	8,94,49,923.10	13,12,41,280.69
	4,07,197	7,57,125	40,08,86,142.07	37,12,67,163.19

22. Particulars of Capacity and Production

Description	Unit	Licensed Capacity		Installed Capacity		Production	
		31.03.2009	31.03.2008	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Tanks & other Products	Nos.	Not Applicable as per Note below		5,92,400	3,53,300	3,52,384	3,18,324
Toys & Furniture	Nos.			5,13,600	5,13,600	60,152	4,35,140

Note: In 1990 the Licensed Capacity of 1500 M.T. was issued to the unit but subsequently license requirement was abolished for this industry.

23. (i) Stock, Purchases & Sales of Plastic Raw Materials (Trading)

	Qty (Kgs.)		Value (Rs.)	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Opening Stock	NIL	NIL	NIL	NIL
Closing Stock	NIL	NIL	NIL	NIL
Purchase	NIL	9,53,675	NIL	6,49,25,127.00
Sale	NIL	9,53,675	NIL	7,48,96,200.00

(ii) Stocks, Purchases & Sales of Finished Goods (Trading)

	Qty (Nos.)		Value (Rs.)	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Opening Stock	6,300	NIL	1,02,57,104.05	NIL
Closing Stock	1,957	6,300	39,45,242.44	1,02,57,104.05
Purchase	5	11,985	17,800.00	1,54,09,355.40
Sale	4,348	5,685	68,62,955.00	1,28,28,380.05

24. Consumption of imported and indigenous material and percentage thereof.

	31.03.2009		31.03.2008	
	Value (Rs.)	Percentage	Value (Rs.)	Percentage
RAW MATERIAL				
Imported	14,25,799.47	0.77	---	---
Indigenous	18,40,31,332.56	99.23	16,89,72,318.90	100.00
	18,54,57,132.03	100.00	16,89,72,318.90	100.00
ACCESSORIES & COMPONENTS				
Imported	26,380.46	0.15	---	---
Indigenous	1,76,06,855.83	99.85	1,37,71,257.90	100.00
	1,76,33,236.29	100.00	1,37,71,257.90	100.00

OK PLAY INDIA LIMITED

25.	Expenditure incurred in Foreign Currency	31.03.2009 (Rs.)	31.03.2008 (Rs.)
	a) Travelling	9,46,174.43	13,69,770.26
	b) Membership & Subscription	----	82,064.06
	c) Telephone	85,237.91	41,670.48
	d) Fees	3,56,474.92	1,38,61,090.86
	e) Technical Knowhow	31,62,170.50	68,11,399.03
	f) Royalty	16,33,871.00	----
		<u>31.03.2009</u> (Rs.)	<u>31.03.2008</u> (Rs.)
26.	Earning in Foreign Exchange - FOB Value of Exports (Rs.)	30,02,650.17	1,42,327.50
		<u>31.03.2009</u> (Rs.)	<u>31.03.2008</u> (Rs.)
27.	CIF Value of Imports		
	a) Toys & Furniture	----	1,13,15,918.65
	b) Capital Assets	67,59,628.45	1,47,33,787.48
	c) Raw Material	22,07,599.33	12,67,460.15
	d) Accessories	16,08,068.19	----

28. Previous year's figures have been regrouped wherever necessary to make them comparable with the current year.

For and on behalf of the Board

(Justice T.R. Handa)(Retd.)
CHAIRMAN CUM
WHOLE TIME DIRECTOR

(Rajan Handa)
MANAGING DIRECTOR

(Dhir Singh Bhati)
COMPANY SECRETARY

AUDITORS' REPORT
As per our separate report of even date attached.
for S.P. MARWAHA & CO.
Chartered Accountants

Place: New Delhi
Dated: 20th July, 2009

(A.S. BAJAJ)
Partner

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.

3	0	3	4	7
---	---	---	---	---

 State Code

0	5
---	---

 (Refer Code List 1)

Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

Date Month Year

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

Public Issue

		N.	A.		
--	--	----	----	--	--

Rights Issue

		N.	A.		
--	--	----	----	--	--

Bonus Issue

		N.	A.		
--	--	----	----	--	--

Private Placement

	5	0	0	0
--	---	---	---	---

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

Total Liabilities

9	2	8	2	3	9
---	---	---	---	---	---

Total Assets

9	2	8	2	3	9
---	---	---	---	---	---

Source of Funds

Paid-Up Capital

1	5	9	6	8	0
---	---	---	---	---	---

Reserves & Surplus

1	7	4	6	6	4
---	---	---	---	---	---

Secured Loans

7	2	1	5	2
---	---	---	---	---

Unsecured Loans

5	2	1	7	4	3
---	---	---	---	---	---

Application of Funds

Net Fixed Assets

4	3	6	3	5	4
---	---	---	---	---	---

Investments

N	I	L
---	---	---

Net Current Assets

4	2	9	3	4	4
---	---	---	---	---	---

Misc. Expenditure

2	9	5	7	2
---	---	---	---	---

Deferred Tax Asset

3	2	9	6	9
---	---	---	---	---

OK PLAY INDIA LIMITED

I. Performance of Company (Amount in Rs. Thousands)

Turnover						Total Expenditure							
4	0	7	7	4	9	5	6	4	8	2	9		
+ - Profit/Loss Before Tax						+ - Profit/ Loss After Tax							
-	1	5	7	0	8	0	-	1	0	3	5	6	1

(Please tick Appropriate box + for Profit, - for Loss)

Earning Per Share in Rs.

(6	.	5	0)
---	---	---	---	----

Dividend Rate %

N	I	L
---	---	---

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

Item Code No.
(ITC Code)

3	9	2	6	9	0	8	0
---	---	---	---	---	---	---	---

Product Description

P	L	A	S	T	I	C		W	A	T	E	R		T	A	N	K	S
---	---	---	---	---	---	---	--	---	---	---	---	---	--	---	---	---	---	---

Item Code No.
(ITC Code)

9	5	0	1	0	0	1	0
---	---	---	---	---	---	---	---

Product Description

P	L	A	S	T	I	C		W	H	E	E	L	E	D		T	O	Y	S
---	---	---	---	---	---	---	--	---	---	---	---	---	---	---	--	---	---	---	---

Item Code No.
(ITC Code)

9	5	0	3	4	9	3	0
---	---	---	---	---	---	---	---

Product Description

P	L	A	S	T	I	C		T	O	Y	S		O	T	H	E	R	S
---	---	---	---	---	---	---	--	---	---	---	---	--	---	---	---	---	---	---



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	<u>Year ended</u> <u>31st March,2009</u> <u>Rs</u>	<u>Year ended</u> <u>31st March,2008</u> <u>Rs</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before Tax and extraordinary items	(156,985,356.90)	61,576,407.90
Adjustments for :		
Depreciation	42,451,950.93	28,418,082.74
Loss/(Profit) on sale of Assets	1,219,556.38	415,673.53
Interest Received	(889,416.89)	(225,603.00)
Interest Payments	8,181,741.63	1,662,798.02
Deferred Revenue Expenditure written off	3,233,368.00	3,233,368.00
Exchange Fluctuation written off	122,743,000.00	(5,171,000.00)
Operating Profit before Working Capital changes	19,954,843.15	89,909,727.19
Adjustments for :		
Trade and Other Receivables	(21,422,403.10)	(52,409,247.28)
Inventories	(2,080,097.71)	(40,543,255.45)
Trade Payables	23,757,408.85	88,029,796.82
Cash generated from operations	20,209,751.19	84,987,021.28
Interest paid	(8,181,741.63)	(1,662,798.02)
Cash flow before extraordinary items	12,028,009.56	83,324,223.26
Direct taxes paid	(12,845,896.31)	(37,927,381.37)
Extraordinary items	(95,418.00)	(36,098.00)
Net Cash from Operating Activities	(913,304.75)	45,360,743.89
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(114,286,206.97)	(240,594,219.39)
Sale of Fixed Assets	2,115,000.00	704,000.00
Interest Received	889,416.89	225,603.00
Net Cash used in Investing Activities	(111,281,790.08)	(239,664,616.39)

OK PLAY INDIA LIMITED

	<u>Year ended</u> <u>31st March,2009</u> <u>Rs</u>	<u>Year ended</u> <u>31st March,2008</u> <u>Rs</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Share Application Money Received	-	64,845,000.00
Loans & Advances paid	33,934,026.74	(187,038,310.55)
Deferred Revenue Expenses/FCCB Issue Expenses	(19,871,842.00)	(16,166,840.00)
Proceeds from Long Term Borrowings	68,031,015.95	(3,996,347.12)
Proceeds from Unsecured Loans	-	398,315,636.21
Net Cash used in Financing Activities	82,093,200.69	255,959,138.54
Net increase in Cash and Cash Equivalents	(30,101,894.14)	61,655,266.04
Cash and Cash Equivalents as at 1st April,2008	105,202,082.37	43,546,816.33
Cash and Cash Equivalents as at 31st March,2009	75,100,188.23	105,202,082.37

(Justice T.R.Handa) (Retd.)
CHAIRMAN CUM
WHOLETIME DIRECTOR

(Rajan Handa)
MANAGING DIRECTOR

(Dhir Singh Bhati)
COMPANY SECRETARY

AUDITORS' REPORT

As per our separate report of even date attached.
for **S.P.MARWAHA & CO.**
Chartered Accountants

Place : New Delhi
Dated : 20th July, 2009

(**A.S.BAJAJ**)
Partner



OK PLAY INDIA LTD.

Regd. Office : 17, Roz-Ka-Meo, Indl. Estate, Tehsil Nuh, District Mewat, (Haryana)

PROXY FORM

Folio No. : _____
No. of shares held: _____

DP_ID : * _____
Client_ID : * _____

I/WE _____ of _____ being a member of OK PLAY INDIA LIMITED hereby appoint _____ of _____ or failing him _____ of _____ as my / our Proxy to attend and vote for me / us on my / our behalf at the 20th Annual General Meeting of Company to be held on Wednesday, the 30th September, 2009 and at any adjournment thereof.

Signed this _____ day of _____ 2009.

* Applicable for investors holding Shares in Electronic form

Affix
Re. 1/-
Revenue
Stamp

NOTE :

- 1. The proxy must be returned so as to reach the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.**
2. Proxy cannot speak at the meeting or vote on a show of hands.

-----TEAR HERE-----

OK PLAY INDIA LTD.

Regd. Office : 17, Roz-Ka-Meo, Indl. Estate, Tehsil Nuh, District Mewat, (Haryana)

ATTENDANCE SLIP

Folio No. : _____

DP_ID : * _____

No. of Shares Held : _____

Client_ID : * _____

Member's Name and Address : _____

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

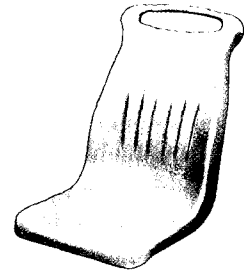
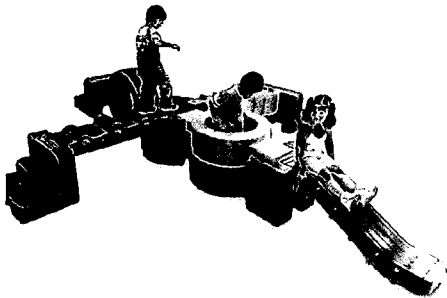
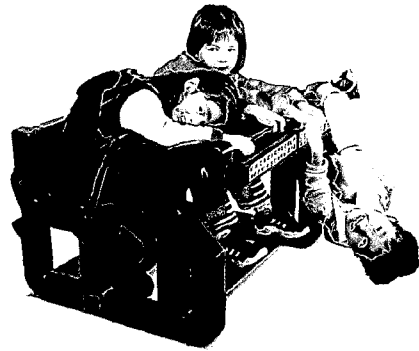
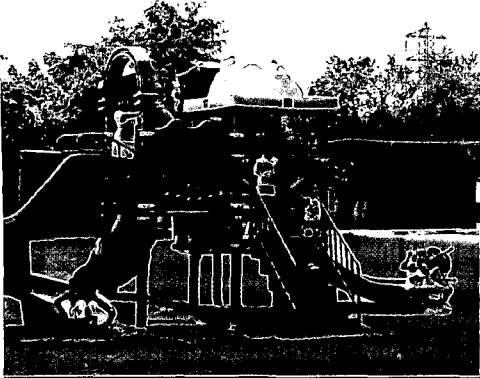
I hereby record my presence at the TWENTY ANNUAL GENERAL MEETING OF OK PLAY INDIA LTD. on Wednesday, the 30th September, 2009.

Members/Proxy's Name (In Block Letters): _____

Members/Proxy's Signature _____

NOTE : *Applicable for investors holding Shares in Electronic form

1. Members / Proxies are requested to bring the duly signed attendance slip to the Meeting and hand it over at the entrance.
2. This attendance slip is valid in case shares are held on the date of meeting.



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*Dream
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POP Products

Mannequins

Automotive Parts

Bus Seat Shells

POP Products

Signage

Signage

Signage

POP Products

Bus Seat Shells

Mannequins

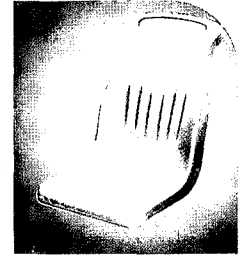
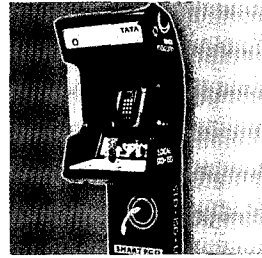
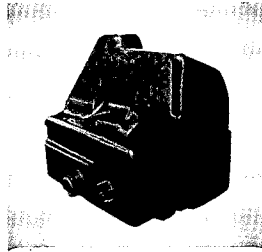
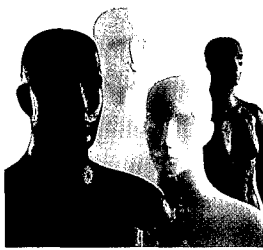
Automotive Parts

Automotive Parts

POP Products

Mannequins

Bus Seat Shells



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Innovative Toys

School Furniture

Innovative Toys

Play Equipment

Play Equipment

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Funstations

School Furniture

Funstations

Play Equipment

School Furniture

Funstations

www.okplay.in

investor.relations@okplay.in
info@okplay.in

OK PLAY INDIA LIMITED

Corporate Office:

124, New Manglapuri, Mehrauli, New Delhi-110030, India.
Ph: +91 11 46190000. Fax: +91 11 46190090

Registered Office & Works:

Plot No. 17-18, Roz-Ka-Meo Industrial Estate,
Tehsil Nuh, Distt. Mewat Haryana - 122103, India.
Ph: +91 124 2362335. Fax: +91 124 2362326.



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