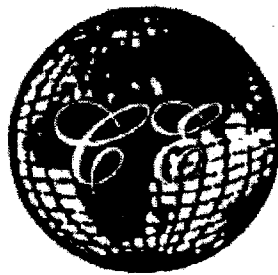


16th

ANNUAL REPORT

2009-2010



CEENIK EXPORTS (INDIA) LIMITED

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BOARD OF DIRECTORS

NARAIN N. HINGORANI, *Chairman & Managing Director*

BRIJLAL S. BACHANI

PREM L. VACHHANI

CHANDRU K. BAKHTIANI

BANKERS

1) KARNATAKA BANK LTD.
OVERSEAS BRANCH
NARIMAN POINT, MUMBAI – 400 021.

2) HDFC BANK LTD.
LOWER PAREL, MUMBAI – 400 013.

3) ICICI BANK LTD.
LOWER PAREL, MUMBAI – 400 013.

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ANNUAL GENERAL MEETING

On Thursday, 30th September, 2010 at 11.00 a.m. at
10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Road,
Bandra (W), Mumbai – 400 050.

NOTE :

Shareholders are requested to bring their Copy of the
Annual Report alongwith them as the same will not be
distributed at the Meeting.

AUDITORS

M/s.UDAYAVAR DHANESH KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
B/7, AMBEKAR NAGAR,
OFF G. D. AMBEKAR MARG,
PAREL, MUMBAI – 400 012.

REGISTRARS AND TRANSFER AGENTS

MONDKAR COMPUTERS PVT. LTD.
21, SHAKIL NIWAS, MAHAKALI CAVES ROAD,
ANDHERI(E), MUMBAI – 400 093.

REGISTERED OFFICE

10/A, JEEVAN JAGRUTI C.H.S. Ltd., DR. AMBEDKAR
ROAD, BANDRA (W), MUMBAI – 400 050.

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NOTICE

NOTICE is hereby given that the **Sixteenth Annual General Meeting** of the members of **CEENIK EXPORTS (INDIA) LTD.** will be held at 11.00 A.M. on Thursday, 30th September, 2010 at 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Road, Bandra (W), Mumbai – 400 050, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 and Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Prem L. Vachhani, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Regd. Office:

10/A, Jeevan Jagruti C.H.S. Ltd.,
Dr. Ambedkar Road, Bandra(W),
Mumbai – 400 050.
Date: 30th Aug. 2010.

By Order of the Board
(Narain N. Hingorani)
Chairman & Managing Director

NOTES

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THAT SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- b) INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT ARE FURNISHED IN CORPORATE GOVERNANCE REPORT AND HENCE, THE SAME IS NOT SEPARATELY PROVIDED IN THE NOTICE.
- c) REGISTER OF MEMBERS AND SHARE TRANSFER REGISTERS OF THE COMPANY WILL REMAIN CLOSED FROM 22th SEPTEMBER, 2010 TO 30th SEPTEMBER, 2010 (BOTH DAYS INCL' SIVE)

DIRECTORS' REPORT

To,
The Members,
Ceenik Exports (India) Ltd.

Your Directors hereby present their SIXTEENTH ANNUAL REPORT alongwith the Audited Financial Statements for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS:

	(Rupees)	(Rupees)
	2009-2010	2008-2009
Profit before Financial Cost, Depreciation & Tax	2,33,79,776	2,74,81,856
Less: Financial Cost	2,00,80,761	1,93,83,890
Less: Depreciation	6,48,614	10,07,249
Profit/Loss before Tax	26,50,401	70,90,717
Less: Provision for Tax	1,75,000	10,50,000
Less: Provision for Fringe Benefit Tax	0	50,000
Less: Prior Period Expenses	2,33,154	0
Add/Less: Deferred Tax Expenses(Income)	(3,85,835)	76,429
Add/Less: Short Provision of Tax / Sundry Balw/off	7,58,152	6,36,615
Net Profit for the year	18,69,930	52,77,673
Balance brought forward from Previous Year	12,10,58,332	11,57,80,659
Balance Carried Forward	122,928,262	12,10,58,332

DIVIDEND

Due to insufficient Profits, your Directors have not recommended any dividend.

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Garment Industry in India is witnessing stupendous growth. The demographic structure of our country gives tremendous scope for the development of the industry. The entry of Multinational Retail Chains also augurs well for the industry.

PERFORMANCE REVIEW

Export Sales of Garments fell nearly 55% for the year under review. Local Sales were also down by about 53% as a result Profit after tax decreased by about 65%. Income from the real estate & investment segment contributed to the majority of profit.

The total income for the year was Rs.796.81 lakhs and pre-tax profit was Rs. 26.50 lakhs as against Rs. 1631.55 lakhs and Rs. 70.90 lakhs for the previous year respectively.

OPPORTUNITIES & THREATS

The Indian Economy is one of the few countries which are growing. This presents a huge opportunity. The overall development of Indian markets & increasing purchasing power of Indian consumers offers huge Opportunities.

There is intense competition in the local market. The major markets of USA and Europe are still battling with recession which will affect export sales.

RISKS AND CONCERNS

The increased uncertainties in the Overall Business Scenario pose tremendous risks to business planning. The sudden & huge fluctuation in the exchange rate poses major risk to our profitability.

The speed of creation of new infrastructure in the country is a major concern. Availability of skilled manpower and rising costs of land are other major concerns.

FINANCE

The finance cost for the year was marginally higher at Rs. 200.80 lakhs as against Rs.193.83 lakhs for the previous year. The Management is striving to bring down the cost of funds. The working capital requirements are being prudently managed.

INTERNAL CONTROLS

The Company has in place adequate internal control systems and procedures so that all assets and resources are used efficiently and are adequately protected.

SAFETY, HEALTH & ENVIRONMENTAL PROTECTION

Garment manufacturing is non-polluting industry. The Company is providing appropriate training to employees in order to optimize the contribution of each employee.

PERSONNEL

The Company had 11 employees as on 31st March, 2010 as against 12 as on 31st March, 2009. Industrial relations continued to be cordial.

None of the employees is covered by the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and therefore no details have been furnished as part of this report.

FUTURE PROSPECTS

Efforts are being made for increasing local sales by tie-ups with agents & showrooms and better customer relations. Future prospects of garment Industry is very bright as the domestic economy is growing by leaps & bounds & consumer preference is shifting from tailor made to ready made garments.

RISK MANAGEMENT

Your Directors regularly review the steps required to mitigate the business risk. The exports are generally covered under ECGC. The assets of the Company are adequately insured.

CAUTIONARY NOTE

Certain statements in the above report may be forward looking and are stated as required by legislation in force. The actual results may be affected by many factors which may be different from what the Directors/ Management envisage in terms of future performance and outlook.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of Companies Act, your Directors state as follows:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation wherever necessary relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgements 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 and of the profit or loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing fraud and other irregularities.
- iv. That the Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

Mr. Prem L. Vachhani shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a separate report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to in the Directors' Report.

CONSERVATION OF ENERGY ETC.

Your Company is not using any specific energy, which could be conserved by exercising any device. Further, the Company is using its in-house technology and hence, question of absorbing technology does not arise. Therefore, information 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 is not given.

During the year under the review, the Company earned foreign exchange worth Rs. 304.51 lakhs and spent foreign exchange worth Rs.16.94 lakhs.

COMPLIANCE REPORT

The company has received Compliance Report us 383 A of the Companies Act. 1956 from Mr. Upendra C. Shukla Company Secretary. The same is annexed and forms part of this report

AUDITORS

M/s. Udayavar Dhanesh Kumar & Associates, Chartered Accountants, Auditors of the Company, shall retire at the forthcoming Annual General Meeting. They are eligible for reappointment. Members are requested to appoint Auditors and fix their remuneration.

APPRECIATION

Your Directors thank The Karnataka Bank Ltd., HDFC Bank Ltd., & ICICI Bank Ltd. for their support. Your Directors also wish to place on record the dedicated services rendered by all employees of the Company. Directors also thank all the Shareholders for their support to the Company.

Mumbai.
30th August 2010.

For & on behalf of the Board
(Narain N. Hingorani)
Chairman & Managing Director

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REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below:

A. MANDATORY REQUIREMENT

I. COMPANIES PHILOSOPHY ON CODE OF GOVERNANCE

The basic philosophy of corporate governance in the Company is to achieve business excellence, comply with laws and regulations and dedicate itself for increasing long term shareholder value.

II. BOARD OF DIRECTORS

a) As on 31st March, 2010, the strength of the Board of Directors was four comprising of Chairman and Managing Director, and three other Non Executive Directors.

During the financial year under review, Nine Board Meetings were held on 13.04.09, 11.06.09, 30.06.09, 31.07.09, 10.09.09, 31.10.09, 20.11.09 and 29.01.10 and 05.03.10. Attendance of each Director at the Board Meetings and last Annual General Meeting and the number of Companies and Committees where he is Director/Member (as on 31st March, 2010), is as under:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM held on 30.09.2009	No. of other Companies in which Director	Member of Committee other than Private & Foreign Co.	No. of Share held
Mr. Narain Hingorani	Chairman & Managing Director	9	Yes	4	1	4,50,000
Mr. Brijjal Bachani	Independent Non-Executive	8	No	1	1	500
Mr. Prem Vachhani	Non-Executive	6	Yes	0	2	3,600
Mr. Chandru Bakhtiani	Independent Non-Executive	8	No	1	2	Nil

Particulars of Director retiring by rotation and seeking re-appointment are given below

Name of Director	Mr. Prem Vachhani
Date of Birth	06.04.1938
Date of Appointment	31.01.1999
Business Experience	43 years
Qualification	Diploma in Engineering
Directors in other Companies incorporated in India	None
Chairman/Member of Committee of Companies other than Ceenik Exports (India) Ltd.	None

b) Board Procedure

All the Directors on the Board are informed about the date and venue of each Board Meeting in advance alongwith Agenda. To enable the Board to discharge its responsibilities effectively, the Managing Director and Internal Audit or apprise the Board about performance of the Company. The Board reviews the strategy, business plan, annual operating and capital expenditure budgets, projections, compliance reports of all laws applicable to the company as well as the steps taken to rectify instances on non-compliances, taking on record of unaudited quarterly / half yearly / annual results, minutes of the meetings of the Audit and other Committees of the Board and information on recruitment of officers just below the Board level.

c) Code of Conduct

The Board has laid down Code of Conduct for the Board Members and other senior management and employees of the Company. All Board Members and senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

d) Disclosures

- i) **CEO Certificate :** The Managing Director has given a certificate to the Board as contemplated in clause 49 of the Listing Agreement and the same was placed before the Board.
- ii) There was no transaction of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
- iii) *Transaction with related parties are disclosed under clause no. 8 of schedule 14 forming part of the Accounts. The register of contracts containing the transactions in which Directors are interested is placed before the Board for its approval.*
- iv) During the last three years, there were no strictures or penalties imposed by either the Securities Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market.

III.COMMITTEE OF THE BOARD

A) Audit Committee:

Terms of Reference and Composition, Number of Members and Chairman.

The Audit Committee comprises of Mr. Brijlal S. Bachani, Chairman, Mr. Prem Vachhani, Member, Mr. Chandru Bakhtiani, Member, all of whom are independent Directors; except Mr. Prem Vachhani.

The terms of reference of this Committee cover the matters specified under the clause 49 of the Listing Agreement and in Section 292A of the Companies Act, 1956.

During the year under review, the Audit Committee held four meetings which were attended by all the members.

B) Remuneration Committee:

The Remuneration Committee comprises of Mr. Chandru Bakhtiani and Mr. Prem Vachhani. The committee was not required to meet during the year.

Remuneration of Directors

The details of remuneration paid to the Directors during the financial year April, 2009 - March 2010 are given below:

a) Executive Directors

Name of Directors	Salary and Allowances	Commission (Provision made)	Perquisites	Retirement Benefits*
Mr. Narain Hingorani	Rs.4,80,000/-	NIL	NIL	NIL

* Excluding provision for Gratuity.

- Notes: 1. Notice period for termination of appointment of Managing Director is three months, on either side.
 2. Presently the Company does not have a scheme for grant of stock options either to the Executive Directors or employees.
 3. The Managing Director is not entitled to commission on the net profits of the Company.

b) Non-Executive Directors

Non-Executive Directors are not paid any remuneration including sitting fees for attending Board/ Committee Meetings.

C) Investor's Grievance Committee

The Company's Investors Grievance Committee has been constituted on 31.07.2002.

The Members of the Committee are Mr. Narain Hingorani, and Mr. Chandru Bakhtiani.

The Committee met 2 times during the year under review.

The Committee looks into redressing of shareholders / investors complaints, issue of duplicate Share Certificate. The Company's Registrars, M/s. Mondkar Computers Pvt. Ltd. has confirmed that they have not received any complaint on behalf of the company has also not recived any complaint for the shareholders Investors.

IV. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2006-07	28.09.2007	11.00 a.m.	225/A-1, Shah & Nahar Indl. Estate, S.J. Rd., Lower Parel(W), Mumbai-13.
2007-08	30.09.2008	11.00 a.m.	—do—
2008-09	30.09.2009	11.00 a.m.	129/A-1, Shah & Nahar Indl. Estate, S.J. Rd., Lower Parel(W), Mumbai-13.

All the resolutions set out in the respective Notices were passed by the Shareholders. No resolution was required to be put through postal ballot at any of the above General Meetings.

V. MEANS OF COMMUNICATIONS

Half-yearly report sent to each household of Shareholders
 Quarterly Results
 Any Website where displayed

No, as the Results of the Company are published in the Newspapers having wide reach.
 -do-
 No

Whether presentations made to Institutional Investors or to the Analysts
 Newspapers in which Results are normally published in

No
 Business Standard & Dainik Sagar or Mumbai Lakshadeep/ or Financial Express and Dainik Sagar

Whether Management Discussion and Analysis is a part of the Annual Report

Yes

VI. GENERAL SHAREHOLDER INFORMATION

AGM Date, Time and Venue

30.09.2010 at 11.00 a.m. at 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Road, Bandra (W), Mumbai -400 050
 April, 2010 to March, 2011

Financial Calendar

April to March

Financial Year

By end July, 2010

First Quarter Results

By end October, 2010

Second Quarter Results

By end January, 2011

Third Quarter Results

By end April, 2011

Fourth Quarter Results

Audited Results of the year ending 31st March, 11

End August, 2011

Date of Book Closure

22nd to 30th September, 2010.

Dividend Payment Date

No dividend declared

Listing on Stock Exchanges

The Stock Exchange, Mumbai. The Company has paid the Listing Fees to the Stock Exchange upto the Financial year ended 31st March, 2011.

Stock Code – Physical

531119

Demat ISIN Number for NSDL & CDSL

INE418D01010

Market Price Data:

Share Price – Face Value Rs. 10/-

The high & low price during the months in which the Company's shares were traded is as follows:

Month	High	Low
Apr'09	20.65	19.50
May'09	22.25	20.45
Jun'09	21.00	19.05
Jul'09	19.90	19.09
Aug'09	19.00	18.05
Sep'09	18.00	17.95

Month	High	Low
Oct'09	17.50	11.65
Nov'09	11.07	08.60
Dec'09	14.70	11.59
Jan'10	16.36	12.15
Feb'10	15.22	11.83
Mar'10	13.42	11.50

Registrars & Share Transfer Agents

Mondkar Computers Pvt. Ltd. 21, Shakil Niwas, Mahakali Caves Road, Andheri(E), Mumbai – 400 093.

Person to Contact

Mr. Ravi Utekar

Telephone No.

022 2836 6620

Fax No.

022 2821 1996

Share Transfer System

The power to approve transfer of shares purchased by an investors in physical form has been delegated by the Board of Directors to Investors' Grievance Committee. Transfers are approved as and when received. Transfers in favour of NSDL/CDSL on dematerialisation requests are approved by Managing Director

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Distribution of Shareholding as on 31.03.2010

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-500	997	79.253	1,40,071	4.181
500-1000	73	5.803	61,993	1.851
1001-2000	120	9.539	2,04,686	6.110
2001-3000	18	1.431	45,070	1.345
3001-4000	12	0.954	44,050	1.315
4001-5000	5	0.397	23,340	0.697
5001-10000	11	0.874	74,991	2.239
10001 And Above	12	1.749	27,55,799	82.263
TOTAL	1248	100.00	33,50,000	100.00

Shareholding Pattern as on 31.03.2010

Categories of Shareholders

Indian Promoters	Percentage %
Non Resident Indians	74.60
Private Bodies Corporate	0.08
Indian Public	2.96
Dematerialisation of Shares and Liquidity as on 31.03.2010	22.36
Outstanding GDRs/ ADRs/ Warrants	Dematerialised – 13,90,475
Factory Location	Not issued

Address for correspondence

D/396/2, TTC Indi. Area MIDC, Turbhe,
Navi Mumbai - 400709

Shareholder correspondence should be addressed to the
Company's Registrars.Mondkar Computers Pvt. Ltd.
21, Shakil Niwas, Mahakali Caves Road,
Andheri (E), Mumbai - 400 093.

Shareholders holding shares in dematerialised form should address all their correspondence (including change of address, nomination, bank details to be incorporated on dividend warrants, Powers of Attorney, etc.) to their Depository Participants.

B. NON MANDATORY REQUIREMENTS

a) Chairman of the Board

Whether Chairman of the Board is entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties

Expenses incurred in performance of his duties are reimbursed.

b) Remuneration Committee

Formed

c) Shareholder Rights

The half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of Shareholders.

The Company's half yearly Results are published in English and Marathi newspapers having wide circulation. Hence same are not sent to Shareholders.

d) Postal Ballot

The company will make use of postal ballot for obtaining approval for such items as are mandated under the listing agreements and by Section 192 A of the Companies Act, 1956.

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Members of Ceenik Exports (India) Ltd.

I, Narain Hingorani, Managing Director of Ceenik Exports (India) Ltd. declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Place : Mumbai

(Narain N. Hingorani)

Date : 30.08.2010

Chairman & Managing Director

COMPLIANCE CERTIFICATE

To:
The Members
Ceenik Exports (India) Limited

I have examined the registers, records, books and papers of Ceenik Exports (India) Limited (the Company) as per provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanation furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure A to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies, Maharashtra, within the time prescribed under the Act and the rules made thereunder. The Company has not filed any form/return with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited company, comments on invitation to public to subscribe for shares/debentures or acceptance of deposits as applicable to a Private Limited Company are not required.
4. The Board of Directors duly met nine times on 13.04.09, 11.06.09, 30.06.09, 31.07.09, 10.09.09, 31.10.09, 20.11.09, 29.01.10, and 05.03.10 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No circular resolutions was passed during the financial year.
5. The Company had closed its Register of Members from 22/09/2009 to 30/09/2009 (both days inclusive) during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 30th September, 2009 after giving due notices to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in Section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section. The company has also applied for compounding of offence incurred during the period.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there was no appointment/instance falling within the purview of Section 314 of the Act, the Company has not obtained approval from the Board of Directors, members or Central Government.
12. Company has not issued any duplicate share certificate during the financial year.
13. (i) The Company has delivered all the certificates on lodgment thereof for transfer. There was no allotment or transmission of shares during the financial year.
(ii) As the Company did not declare any dividend during the financial year, the need to deposit any amount of dividend in a separate Bank Account did not arise.
(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
(iv) There was no such amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years;
(v) The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Directors have been duly made. There was no appointment of an Additional Director, Alternate Director and Director to fill casual vacancy during the financial year.
15. The appointment of Managing Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act. Company has not appointed Whole-time Director or Manager.
16. The Company has not appointed sole selling agents.

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17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed in the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares or securities during the financial year ended 31st March, 2010.
20. The Company has not bought back any shares during the financial year ending 31st March, 2010.
21. The Company has not redeemed any preference shares/debentures during the financial year.
22. The Company was not required to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposit including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The amount borrowed by the Company from Directors, members, public, financial institution, banks and others during the financial year ended 31st March, 2010 are within the borrowing limits of the Company and that necessary resolution as per Section 293(1)(d) of the Act have been passed in duly convened Annual General Meeting held on 30th September, 2009.
25. The Company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not given any guarantee or provided security to other bodies corporate.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notice received by the Company or any other punishment imposed on the Company during the financial year, for offenses under the Act.
32. The Company has not received any money as security from its employees during the year under certification.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Place: MUMBAI
Date : 30.08.2010

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

ANNEXURE A

Registers as maintained by the Company

- 1) Minutes Book of the Board Meeting u/s 193 of the Act.
- 2) Minutes Book of the General Meeting u/s 193 of the Act.
- 3) Register of Members of the Company u/s 150 of the Act.
- 4) Register of Directors u/s 303 (2) of the Act.
- 5) Register of Directors' Shareholding u/s 307
- 6) Register of Charges u/s 143
- 7) Register of Contracts u/s 301

ANNEXURE B

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2010 :

- 1) Form No. 23AA-Notice of address at which books of accounts are maintained w.e.f. 11/06/2009 filed u/s 209 on 20/07/2009
- 2) Form No.18-shifting of Registered Office within limits of Mumbai effected on 20/11/2009 filed u/s 146 on 14/01/2010
- 3) Annual Accounts for the year ended 31/03/2009 filed u/s 220 on 28/01/2010.
- 4) Compliance Report for the year ended 31/03/2009 filed u/s 383A on 28/01/2010
- 5) Form 24-A-application for approval u/s 297 filed on 15/03/2010
- 6) Annual Return as on 30/09/2008 filed u/s 159 on 30/04/2010
- 7) Annual Return as on 30/09/2009 filed u/s 159 on 30/04/2010.

Place: Mumbai
Date : 30.08.2010

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

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Certificate of Compliance from Auditors as stipulated under clause 49 of the listing agreement of the Stock Exchanges in India

CERTIFICATE

To the Shareholders

We have examined the compliance of conditions of Corporate Governance by Ceenik Exports (India) Ltd. for the year ended on 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2010 no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Investor Grievances Committee.

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

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants

Mumbai
30.08.2010.

Dhanesh Kumar Udayavar
Proprietor

Auditors' Report to the Members of Ceenik Exports (India) Ltd.

- 1) We have audited the attached Balance Sheet of Ceenik Exports (India) Ltd. as at 31st March, 2010 and also the Profit and Loss Account and also the cash flow statement 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.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount 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.
- 3) As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
- 4) Further to our comments in the Annexure referred to above, we report that: -
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. 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.
 - iii. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.

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- iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
- v. On the basis of the written representations received from the directors, as on **31st March 2010** and taken on record by the Board of Directors, we report that none of the directors is disqualified as on **31st March 2010** from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting policies and notes appearing thereon as contained in **Schedule 14** give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the Balance Sheet, of the State of affairs of the Company as at **31st March 2010**;
 - b. In the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **UDAYAVAR DHANESH KUMAR & ASSOCIATES**

Chartered Accountants

Firm Registration No. : 119401W

DHANESH KUMAR UDAYAVAR

Proprietor

Membership No. 102031

Place: Mumbai

Date: 30.08.2010

ANNEXURE TO THE AUDITORS REPORT

(Referred to in Paragraph 3 of our Report of even date)

1.
 - a. The Company has maintained proper records to show full particulars, including quantitative details and situation of the fixed assets.
 - b. All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. As explained to us, the company has not disposed off a major or any part of plant and machinery during the year.
2.
 - a. As explained to us, the inventory has been physically verified by the management. According to the information and explanations given to us, we are of the opinion, the frequency of the verification is reasonable.
 - b. In our opinion, the procedure of the physical verification of the inventories followed by the company are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The company is maintaining records of inventory. No discrepancies are noticed on verification between the physical stocks and the book records. However, the Company needs to improve methods of maintaining records of inventories of raw materials sent for processing, stitching, washing and other processes.

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3. a. The following are the particulars of unsecured loans taken from Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

Sr. No.	Name of the party	Amount (in Rs.)	Relationship	Year end Balance (Rs.)
1	Ceenik Fashions	8,00,000/-	Proprietor is Managing Director / Shareholder	42,597/-
2	International Exports Corporation	18,00,000/-	Proprietor is Shareholder / Promoter	29,176/-
3.	September Fashion	102,60,000/-	Proprietor is Shareholder / Promoter	28,979/-
4.	Ceenik Holdings Pvt. Ltd.	10,00,000/-	Company under same Management	1009731/-
5.	Niktin Properties & Estates Pvt. Ltd.	11,107/-	Company under same management	555/-

- b. No loans are given to Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- c. Interest are paid on loans taken from Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the rate of interest and other terms and conditions on which loans have been taken / given are not prime facie prejudicial to the interest of the company.
- d. The company is regular in repaying the principal amounts as stipulated and the parties have repaid the principal amounts as stipulated.
- e. There is no overdue amount of loans taken / given from / to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct weakness in internal controls.
- 5.a. Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b. In respect of contracts or arrangements to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956; to the best of our knowledge and belief and according to the explanation and information given to us following are the transactions entered for an amount exceeding Rs. 5 lacs:

Sr. No.	Name of the Party	Nature of Transaction	Amount (in Rs.)
1.	Viking Advanced Technologies Pvt. Ltd.	Labour Charges Paid	63,50,708/-
2.	Viking Advanced Technologies Pvt. Ltd.	Deposit for premises	50,00,000/-

6. The company has not accepted deposits from public, under section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company has an internal audit system commensurate with size and nature of its business.
8. The Company is not required to maintain any Books of Accounts pursuant to the rules made by the Central Government for the maintenance of Cost Records under section 209(1) (d) of the Companies Act, 1956

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- 9.a. According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other material statutory dues applicable to it and no amount were in arrears as at 31st. March, 2010 for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
10. There are no accumulated losses at the beginning of the year, and the accumulated losses are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered under audit and the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, during the year under audit.
13. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. Based on our audit procedures and on the information and explanations given to us, the company has maintained proper records of the transactions and contracts in respect of dealings or trading in shares, securities, debentures and other investments. The company timely records the transactions and the shares, securities, debentures and other securities are held by the company in its own name.
15. According to the information and explanations given to us, the company has not given guarantees for the loans taken by others from banks or financial institutions.
16. The term loans granted to the company have been applied for the purpose for which it was granted.
17. During the accounting period covered by our report, the company has generated from Long Term Sources; Rs. 52.35 lacs from sale of Fixed Assets and Rs. 18.70 from operations. We find that long term funds were applied for long term and short term purposes during the accounting period covered by our report.
18. The company has not made preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. The company has not issued debentures during the year. Therefore, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. The company has not made a public issue of any of its securities. Therefore, the provisions of clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **UDAYAVAR DHANESH KUMAR & ASSOCIATES**

Chartered Accountants

Firm Registration No. 119401W

DHANESH KUMAR UDAYAVAR

Proprietor

Membership No. 102031

Place : Mumbai

Date : 30th August, 2010

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BALANCE SHEET
as at 31st March, 2010

I. SOURCES OF FUND	Schedule		As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
1. SHARE HOLDERS FUND				
(a) Share Capital	1	33,500,000		33,500,000
(b) Reserve & Surplus	2	<u>132,272,644</u>		<u>130,402,714</u>
			165,772,644	163,902,714
2. LOAN FUNDS				
(a) Secured Loans	3	135,429,635		165,457,208
(b) Unsecured Loans	4	<u>1,111,038</u>		<u>1,275,283</u>
			<u>136,540,673</u>	<u>166,732,491</u>
Total			<u><u>302,313,316</u></u>	<u><u>330,635,205</u></u>
II. APPLICATION OF FUNDS				
1. FIXED ASSETS	5			
(a) Gross Block		10,112,991		15,841,030
(b) Less: Depreciation		6,701,309		7,194,503
(c) Net Block			<u>3,411,682</u>	<u>8,646,527</u>
2. INVESTMENTS	6		211,049,706	209,055,283
3. CURRENT ASSETS, LOANS & ADVANCES	7			
(a) Inventories		27,710,266		17,942,785
(b) Sundry Debtors		59,550,731		121,266,548
(c) Cash & Bank Balances		2,099,086		-3,199,727
(d) Other Current Assets		13,87,533		2,242,161
(e) Loans & Advances		13,053,946		14,814,393
(f) Share Application Money		3,500,000		5,100,000
(g) Deferred Tax Assets		<u>692,380</u>		306,545
		107,993,959		<u>158,472,674</u>
Less : Current Liabilities & Provisions	8			
(a) Liabilities		17,782,031		43,200,206
(b) Provisions		<u>2,360,000</u>		2,339,074
		<u>20,142,031</u>		<u>45,539,280</u>
Net Current Assets			87,851,928	112,933,394
MISCELLANEOUS EXPENDITURE			-	-
Total			<u><u>302,313,316</u></u>	<u><u>330,635,205</u></u>

Notes forming part of Accounts 14

As per our attached report of Even Date
For **Udayavar Dhanesh Kumar & Associates**
Chartered Accountants

Firm Registration No 119401W
Dhanesh Kumar Udayavar
Proprietor
Membership No. 102031

Place : Mumbai
Date : 30.08.2010

For and on behalf of the Board
Narain N. Hingorani
Chairman & Managing Director

Prem L Vachhani
Director

Place : Mumbai
Date : 30.08.2010

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PROFIT AND LOSS ACCOUNT
for the year ended 31st March, 2010

INCOME	Schedule	For the year ended	
		31.03.2010 Rupees	31.03.2009 Rupees
Sales - Exports		31,183,486	70,898,711
Sales - Local		18,726,816	40,629,325
Income from property		21,030,617	23,697,242
Other Income	9	7,001,826	26,466,920
Increase in stock	10	1,739,000	1,463,407
		<u>79,681,745</u>	<u>163,155,605</u>
EXPENDITURE			
Decrease in stock	10	-	-
Materials	11	25,867,588	93,875,297
Other Expenses	12	30,434,380	41,798,452
Interest paid	13	20,080,761	19,383,890
Depreciation		648,614	1,007,249
		<u>77,031,344</u>	<u>156,064,888</u>
Profit/ (Loss) before Taxation		2,650,401	7,090,717
Less: Sundry Balances Written off		758,152	-
Less Prior Period Expenses		233,154	-
Less: Provision for Tax		175,000	1,050,000
Less: Provision for Fringe Benefit Tax		-	50,000
Add (Less) : Deferred Tax Income / (Expenses)		385,835	(76,429)
Profit/ (Loss) after Taxation		<u>1,869,930</u>	<u>5,914,288</u>
Less : Short Provision for tax		-	636,615
Profit / (Loss) for the year		<u>1,869,930</u>	<u>5,277,673</u>
Balance Brought Down		121,058,332	115,780,659
Available for Appropriations		<u>122,928,262</u>	<u>121,058,333</u>
Transfer to General Reserve		-	-
Balance Carried to Balance Sheet		122,928,262	121,058,332
		<u>122,928,262</u>	<u>121,058,332</u>

Notes forming part of Accounts 14
As per our attached report of Even Date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants
Firm Registration No 119401W
Dhanesh Kumar Udayavar
Proprietor
Membership No. 102031

Place : Mumbai
Date : 30th Aug 2010

For and on behalf of the Board
Narain N. Hingorani
Chairman & Managing Director

Prem L Vachhani
Director

Place : Mumbai
Date : 30th Aug, 2010

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Schedule No. 1 to 14 annexed to and forming part of the Balance sheet as at and the Profit and Loss Account for the year ended 31st March, 2010

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
Schedule 1: Share Capital:		
Authorised		
75,00,000 Equity Shares of Rs. 10 each	<u>75,00,000</u>	<u>75,00,000</u>
Issued, Subscribed & paid up		
33,50,000 Equity Shares of Rs. 10 each fully paid up (Previous year 33,50,000 Equity Shares of Rs. 10 each)	<u>33,50,000</u>	<u>33,50,000</u>
Schedule 2: Reserves & Surplus		
Export Reserve		
As per Last Account	460,324	460,324
General Reserve		
As per Last Account	8,884,058	
Set aside this year	-	8,884,058
Surplus as per Annexed Accounts	<u>122,928,262</u>	<u>122,058,332</u>
	<u>132,272,644</u>	<u>130,402,714</u>
Schedule 3: Secured Loans		
From a Bank against hypothecations of Raw Materials, Finished Goods, Stocks in Process and Book Debts and by endorsements of certain Export documents in favour of Bank and personal guarantee of the promoters.	19,006,999	42,488,815
Loan from Banks is against property acquired & personal guarantees of the promoters & Corporate Guarantee of Associate Company.	<u>116,422,636</u>	<u>122,968,393</u>
	<u>135,429,635</u>	<u>165,457,208</u>
Schedule 4: UnSecured Loans		
From Directors & Shareholders	100,752	1,264,176
Inter Corporate Deposit	<u>1,010,286</u>	<u>11,107</u>
	<u>11,11,038</u>	<u>12,75,283</u>

Schedule 5 : Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on	Addition	Sales/Deduction	Total	As on	For the year		As on	W. D. V.	W. D. V.
	01.04.2009	during the year		31.03.2010	01.04.2009	Additions	Deduction	31.03.2010	31.03.2010	31.03.2009
Factory Buildings, & Flats	6,515,180	150,000	5,945,260	7,19,920	1,667,243	19,449	1,141,808	544,894	175,006	4,847,936
Plant & Machinery	6,088,670	54,000	-	6,142,670	3,032,085	430,378	-	3,462,463	2,680,207	3,056,585
Furniture & Fixtures	346,524	-	-	346,524	283,669	11,376	-	295,045	51,479	62,855
Computers	575,109	13,221	-	588,330	519,021	26,100	-	545,121	43,209	56,088
Motor Car	2,315,547	-	-	2,315,547	1,692,485	161,311	-	1,853,796	461,751	623,062
Total	15,841,030	217,221	5,945,260	10,112,991	7,194,503	648,614	1,141,808	6,701,309	3,411,682	8,646,526
Previous Year	15,703,742	137,288	-	15,841,030	6,187,254	1,007,249	-	7,194,503	86,46,526	-

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Schedule 6: Investments	As at 31.03.2010		As at 31.03.2009	
	Quantity	Rupees	Quantity	Rupees
Investment in Equity & Preference Shares				
UNQUOTED (Equity)				
Under same Management				
Ceenik Enterprises Ltd.	-	-	125,000	2,500,000
Ceenik Holdings Pvt. Ltd.	-	-	95,000	1,900,000
Niktin Properties & Estates Pvt. Ltd.	258,000	6,660,000	258,000	6,660,000
Viking Advanced Technologies Pvt. Ltd	70,000	11,900,000		
Others.. Global Ispat Ltd.	100,000	1,000,000	100,000	1,000,000
Scorpio India Ltd.	70,000	3,500,000	70,000	3,500,000
Ankola Papar Mills Pvt Ltd	-	-	20,000	5,000,000
Total A	498,000	23,060,000	668,000	20,560,000
UNQUOTED (Preference Non Cumulative)				
Under same Management				
9% Ceenik Enterprises Ltd.	500,000	5,000,000	500,000	5,000,000
9% Ceenik Holdings Pvt. Ltd.	100,000	1,000,000	100,000	1,000,000
Total B	600,000	6,000,000	600,000	6,000,000
QUOTED				
Aditya Birla Nuvo Ltd.	100	195,233	100	195,233
Alok Industries Ltd.	3,500	97,190	1,000	69,960
Arvind Mills Ltd.	1,000	49,490	1,000	49,490
Crompton Greaves Ltd.	150	0	-	-
Denso India Ltd.	800	10,560	800	10,560
Esab India Ltd.	100	4,110	100	4,110
Gillete India Ltd.	150	53,377	150	53,377
Glaxo Smithkline Pharma Ltd.	100	61,394	100	61,394
IDBI Ltd.	1,000	111,100	1,000	111,100
I-Flex Solutions Ltd.	-	-	100	96,758
India Cements Ltd.	500	100,975	500	100,975
M & M Ltd.	1,000	314,110	500	314,110
Morepen Laboratories Ltd.	3,600	114,490	3,600	114,490
Mysore Cements Ltd	-	-	1,000	40,200
Pidilite Industries Ltd.	4000	0	-	-
Novartis India Ltd.	100	26,365	100	26,365
Shree Renuka Sugars	2,000	3,881	-	-
Tata Tea Ltd.	100	88,981	100	88,981
Stalile Optical Technologies Ltd.	6250	0	-	-
<i>(Market Value as on 31.03.2010 is Rs. 28,041,13)</i>				
<i>(Market Value as on 31.03.2009 is Rs. 8,33,552)</i>				
Total C	9,050	1,231,255	10,150	1,336,832
Investment in Mutual Fund				
Fran klin India Opportunities Fund	30,000	300,000	30,000	300,000
Prudential ICICI Discovery Fund	4,889	50,000	4,888	50,000
HDFC Liquid Growth	31,870	500,000	31,870	500,000
<i>(NAV as on 31.03.2010 is Rs.16,74,371)</i>				
<i>(NAV as on 31.03.2009 is Rs.10,05,000)</i>				
Total D	66,758	850,000	66,758	850,000
Investment in Commercial Properties				
	---	179,908,451	---	180,308,451
Total E		179,908,451		180,308,451
Total A+B+C+D+E		--- 211,049,706		--- 209,055,283

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		For the year ended	
	Rupees	31.03.10	31.03.09
		Rupees	Rupees
Schedule 7: Current Assets, Loans and Advances			
(a) Inventories			
Stock in trade, at cost or market value whichever is lower			
Raw Material	17,492,442		9,323,039
Finished Goods	10,022,280		8,283,280
Tailoring Materials	115,905		273,216
Packing Materials	<u>79,639</u>		<u>63,250</u>
		27,710,266	17,942,785
(b) Sundry Debtors, Unsecured considered Good			
Outstanding for a period exceeding Six Months	56,871,731		66,469,900
Others	<u>2,679,000</u>		<u>54,796,648</u>
		59,550,731	121,266,548
(c) Cash & Bank Balances			
Cash on Hand	1,109,193		357,984
Balances with Schedule Banks:			
In Fixed Deposits	214,929		1,567,611
In Current Accounts	760,856		(5,263,431)
Interest accrued on fixed deposits	<u>14,108</u>		<u>138,109</u>
		2,099,086	(3,199,727)
(d) Other Current Assets			
Duty Drawbacks receivable	392,520		1,593,215
Sale tax set off receivable	491,945		630,331
Rent Receivable	<u>503,068</u>		<u>18,615</u>
		1,387,533	2,242,161
(e) Loans & Advances, unsecured, Good			
Advances recoverable in Cash or in kind for value to be recd.	3,303,257		8,352,187
Sundry Deposits	5,359,851		2,769,251
Tax paid in Advance	<u>4,390,855</u>		<u>3,692,925</u>
		13,053,964	14,814,363
(f) Share Application Money -Viking Advanced Technologies Pvt. Ltd. (Company under same Management)			
		3,500,000	5,100,000
(g) Deferred Tax Asset			
		<u>692,380</u>	<u>306,545</u>
		<u>107,993,959</u>	<u>158,472,675</u>
Schedule 8: Current Liabilities and Provisions			
(a) Liabilities			
Sundry Creditors	2,504,683		28,677,191
Other Liabilities	<u>15,277,347</u>		<u>14,523,015</u>
		17,782,031	43,200,206
(b) Provisions			
Provision for Taxation	2,165,000		1,990,000
Provision for Fringe Benefit Tax	195,000		195,000
Provision for Audit Fees	<u>-</u>		<u>154,074</u>
		23,60,000	2,339,074
		<u>20,142,031</u>	<u>45,539,280</u>

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	For the year ended	
	31.03.10	31.03.09
	Rupees	Rupees
Schedule 9: Other Income		
Export Incentive	2,779,337	6,813,875
Profit on Sale of Properties & Investments(Loss)	3,564,288	(23,99,861)
Interest on Loan	20,595	131,377
Discount Recd.	19,959	11,880
Dividend Income	24,725	57,150
Exchange Gain / (Loss)	-	21,388,588
Interest on Fixed Deposit	141,110	124,001
Interest on IT Refund	-	271,960
Sundry Balances written back	451,811	67,949
	<u>7,001,826</u>	<u>26,466,920</u>
Schedule 10: Increase / (Decrease) in Stock		
Stock at Close (Finished Goods)	10,022,280	8,283,280
Less: Stock at Commencement	8,283,280	6,819,783
	<u>1,739,000</u>	<u>1,463,407</u>
Schedule 11: Materials		
Raw Materials Consumed & Traded		
Stock at Commencement	9,323,039	27,859,981
Purchases	31,696,991	75,338,355
	<u>41,020,030</u>	<u>103,198,336</u>
Less: Stock at Close	17,492,442	9,323,039
	<u>23,527,588</u>	<u>93,875,297</u>
Purchase of Garments	23,40,000	
	<u>25867588</u>	
Schedule 12: Other Expenses		
Manufacturing Charges	13,259,671	29,894,783
Packing Material	1,021,228	1,554,062
Exchange Loss	9,296,577	-
Freight	10,29,725	3,547,756
Repairs	107,244	289,214
Transportation Expenses	150,324	209,419
	<u>24,864,769</u>	
Employees Emoluments		
Salary, Wages, Bonus	1,281,865	1,403,961
Contribution to Provident and other funds	108,553	87,143
Welfare Expenses	16,196	26,718
Managing Directors Remuneration	480,000	480,000
	<u>1,886,614</u>	<u>-</u>
Insurance of Key Personnel - Managing Director	156,490	219,412
Rent, Rates & Taxes	1,366,814	1,648,016
Insurance	92,114	192,816
Telephone Charges	68,275	157,748
Auditors Remuneration		
As Auditors	84,270	84,270
For VAT Audit	28,090	28,090
For Tax Audit	28,090	28,090
Other Matters	110,300	-
Advertisements	23,843	22,501
Travelling	43,100	-
Donations		
- to Political party	-	2,500
- to Others	25,000	17,500
Miscellaneous Expenses	1,467,052	1,434,643
Bank Charges	189,559	469,811
	<u>30,434,380</u>	<u>41,798,452</u>
Schedule 13: Interest Paid		
Bank Interest	19,931,923	19,090,331
Interest on unsecured loan	148,838	293,559
	<u>20,080,761</u>	<u>19,383,890</u>

Schedule 14:
NOTES FORMING PART OF THE ACCOUNTS

1. Accounting Policies:

a) Accounting Concepts:

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India and in accordance with relevant presentational requirements of the Companies Act, 1956

b) Fixed Assets:

Fixed Assets are stated at historical cost. Cost is inclusive of freight, installation, duties and other incidental expenses.

c) Investments:

Investments are classified as long term. They are valued at cost. Diminution in market value is not considered as permanent.

d) Inventories:

Raw Materials are valued at the lower of cost and net realisable value except waste/scrap which is valued at net realisable value.

Finished goods include cost of conversion and other manufacturing costs.

e) Revenue:

i) Export Sales represent invoiced value of goods sold.

ii) Incomes from shares and Mutual funds are recognised on receipt basis.

iii) Income from Bank FDR's is accounted on accrual basis, inclusive of related tax deducted at source.

iv) Profit on sale of Properties & Investments is net of Profit / Loss on sale of individual shares and fixed assets and mutual funds and also includes gains / (loss) on shares.

v) Incomes from Commercial Premises and flats rented are recognised on accrual basis, except on one commercial property where the matter is sub-judice.

vi) Other Interest Incomes are accounted on accrual basis, inclusive of related tax deducted at Source.

vii) Refund/ Dues from Government Authorities are accounted on receipt of order.

f) Depreciation:

Depreciation is charged on assets on written down value method applying the rates of Schedule XIV of the Companies Act, 1956.

g) Retirement Benefits:

The Company makes regular contribution of provident fund and these contributions are charged to Profit and Loss Account.

Gratuity is recognised on cash basis and charged to Profit & Loss Account.

h) Foreign Currency Translations:

Transactions in foreign currencies are recorded at exchange rates existing at the time of transactions and exchange differences arising from the foreign currency transaction are dealt with in Profit and Loss Account separately.

Current Assets at the year-end are being converted at closing rates and exchange differences are dealt with in the Profit and Loss Account.

i) Taxes on Income:

Provisions for Current Tax are made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions as per the Income Tax Act, 1961.

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	As at		As at	
	31.03.2010		31.03.2009	
(2) Value of Imports on C.I.F. basis				
Purchase of Tailoring Material		1,694,722		1,513,333
(3) Expenditure in Foreign Currencies				
FOB Value of Export		30,451,971		67,337,324
(4) Managerial Remuneration				
The Profit & Loss Account Includes Payment made to Managing Director as Salary		480,000		480,000
(5) Details of Raw Material Consumption Qty. (Metres) Rupees				
(a) Raw Material Consumed	535,465	23,527,588	1,186,557	56,018,408
(b) Imported & Indigeneous				
Raw Material Consumption-Fabric				
Imported	---	NIL	---	NIL
Indigeneous	100.00%	23,527,588	100.00%	56,018,408

Note: Packing material and Tailoring material do not exceed 10 % of Turnover

(6) Details of Licenced & Installed Capacity, Production Stocks & Turnover

Class of Goods

(1) Garments (Knited & Woven)

(i) Licensed Capacity	N.A.		N.A.	
(ii) Installed Capacity	N.A.		N.A.	
(iii) Production/ Purchase	212,882	---	353,798	---
(iv) Stock at Commencement	104,528	8,283,280	149,788	6,819,873
(v) Stock at Closure	113,028	10,022,280	104,528	8,283,280
(vi) Turnover	204,382	38,172,159	399,058	73,637,039
(2) Trading - Fabrics	302,777	11,731,339	312,667	24,564,378

(7) Related Party Disclosure

Name of the Party	September Fashion	Ceenik Fashions	Narain Hingorani	Kavita Hingorani	Niktin Properties & Estates Pvt. Ltd.	Viking Advance Tech. Pvt. Ltd.	Ceenik Holding Pvt.Ltd.	International Export Corporation
Relationship	Proprietor is Employee, Promoter Shareholder wife of Managing Director	Proprietor is Managing Director	Promoter Shareholder, Managing Director	Promoter Shareholder	Company under same Management	Company under same Management	Company under same Management	Proprietor is Shareholder/Promoter of the Company.
Nature	a) Loan Taken	Loan Taken	Remuneration	Salary Paid	Loan Taken	Share Application Given	Loan Taken	Loan Taken
	b) Loan Repaid	Loan Repaid			Loan Repaid	Shares Alloted	Loan Repaid	Loan Repaid
	c) Interest Paid	Interest Paid			Interest Paid	Labour charges Deposit for premises	Interest Paid	Interest Paid
Amount (Volume)	a) 10,260,000	800,000	480,000	90,120	11,107	10,300,000	1,000,000	1,800,000
	b) 10,618,184	1,357,152			11,107	11,900,000	NIL	2,179,422
	c) 49,638	45,564			694	6,350,708	12,164	40,778
						5,000,000		
Outstanding (Loan Amount)	28,979	42,597	NA	NA	555	86,916	1,009,731	29,176
Maximum Outstanding	a) 6,218,364	858,741	NA	NA	11,107	NA	1,009,731	1,371,899
	b) NA	NA	NA	NA	NA	NA	NA	NA
	c) NA	NA	NA	NA	NA	NA	NA	NA
Amount written off	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Note: Only current year transactions are disclosed.

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(8) Deferred Tax

Deferred tax is recognised subject to the condition prudence in respect of deferred tax assets on timing differences being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period. The classification of Deferred Tax Asset

- a. Under the head Business Income : Rs 18,293/-
 b. Under the head Capital Gain : Rs. 674,087/-

 Rs. 692,380/-
 =====

(9) Segment Information for the year ended 31.03.2010

The Company is in the business of exports of Garments and Renting of Properties.

Segment Disclosure

		(Rs. In lacs)	
		Garment/Textile	Realty & Investments
Sales Revenue	-	Current Year	440.06
	-	Previous Year	246.40
Assets	-	Current Year	1402.03
	-	Previous Year	214.86
Liabilities	-	Current Year	1046.48
	-	Previous Year	2171.14
Results	-	Current Year	1540.27
	-	Previous Year	2218.41
	-	Current Year	455.64
	-	Previous Year	1118.18
	-	Current Year	966.49
	-	Previous Year	1156.22
	-	Current Year	7.41
	-	Previous Year	85.35
	-	Current Year	115.29
	-	Previous Year	66.58

- 10) Basic & diluted earning per share has been calculated by dividing net profit available for appropriations for the year by 33,50,000 Equity Shares of Nominal Value of Rs. 10/- each.
- 11) Unpaid overdue amount due on 31.03.2010 to small scale and/or ancillary Industrial supplies on account of principal amount is NIL (Previous Year Rs. Nil). This disclosure is based on the information available with the Company regarding status of the suppliers as defined under the "Interest on delayed payments to Small Scale and Ancillary Industrial Undertakings Act, 1993."
- 12) **Contingent Liabilities as on 31.03.2010**
- a) Liabilities in respect of bills discounted with Bank Rs. 78,52,709/ (Previous Year Rs. 2,49,70,000/-)
- b) Claims against the Company not acknowledge as debt : Rs. Nil (Previous Year Rs. Nil)
- c) Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs Nil (Previous Year Rs. Nil)
- d) Guarantees and Counter guarantees issued by the company Rs. Nil (Previous Year Rs. Nil)
- 13) Computation of profit u/s 349 of the Companies Act, 1956 is not done since no commission is paid to the Managing Director.
- 14) Previous year figures have been regrouped wherever necessary.
 As per our attached Report of even date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants
 (FRN : 119401W)

For and on behalf of the Board

Narain N. Hingorani
 Chairman & Managing Director

Dhanesh Kumar Udayavar
 Proprietor
 Membership No. 102031

Prem L. Vachhani
 Director

Place: Mumbai
 Date: 30th August, 2010

Place: Mumbai
 Date: 30th August, 2010

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Cash flow statement for the financial year 2009-2010	2009-2010 <i>Rupees</i>	2008-2009 <i>Rupees</i>
I . Cash from Operations		
(a) Profit before Taxation	2,650,401	7,090,717
(b) Add / (Less): Adjustment		
Depreciation	648,614	1,007,249
Foreign Exchange (Gain)Loss	9,296,577	(21,388,588)
Interest Income	(141,110)	(124,001)
Dividend Income	(24,725)	(57,150)
(Profit)Loss on Sale of Investments & Properties	(3,564,288)	2,399,861
Deferred Tax Income	385,835	-
Provision for Fringe Benefit Tax	-	(50,000)
Prior Period Expenses	(233,154)	-
Short Provision for Income Tax Written Back	-	(636,615)
Sundry Balances Written Back	(758,152)	-
	<u>5,609,596</u>	<u>(11,758,527)</u>
Less :Deferred Tax Expense		76,429
Less :Taxes paid	175,000	1,050,000
	<u>8,259,997</u>	<u>(12,884,956)</u>
(c) Increase/ (Decrease) in Current Assets		
(i) Inventories	9,767,481	(17,111,851)
(ii) Sundry Debtors	(61,715,817)	44,483,167
(iii) Other Current Assets, Loans and Advances	(4,215,028)	(5,914,648)
(iv) Deferred Tax Assets	385,835	(76,429)
	<u>(55,777,529)</u>	<u>21,380,239</u>
(Increase) / Decrease in Current Liabilities		
(i) Liabilities	25,397,249	-
(d) Increase in Miscellaneous Expenditure	-	12,432,649
	<u>(30,380,279)</u>	<u>(12,432,649)</u>
Net Cash from Operations	<u>38,465,277</u>	<u>(25,317,604)</u>
II . Investment Activities		
(i) (Purchase) / Sale of Investment	(1,994,423)	3,293,353
(ii) Interest & Dividend recd.	165,835	181,151
(iii) Profit (Loss) on Sale of Properties & Investment	3,564,288	(2,399,861)
(iv) Purchase/Sale of Fixed Assets	4,586,231	(137,288)
	<u>6,321,932</u>	<u>937,355</u>
Net Cash from Investment Activities	<u>6,321,932</u>	<u>937,355</u>
Carried Forward	<u>44,787,209</u>	<u>(24,380,248)</u>
III. Financing Activities		
(i) Increase/ (Decrease) in Loans	(30,191,819)	(1,638,159)
Net Cash from Financing Activities	<u>(30,191,819)</u>	<u>(1,638,159)</u>
IV. Effects of Exchange Differences on		
Foreign Exchange translation on cash & cash equivalent	9,296,577	(21,388,588)
Net Change in Cash & Cash Equivalents	5,298,813	4,629,819
NET CASH AND CASH EQUIVALENTS AS ON 01.04.2009	(3,199,727)	1,430,092
NET CASH AND CASH EQUIVALENTS AS ON 31.03.2010	2,099,086	(3,199,727)
	(5,298,813)	4,629,819

Previous year's figures have been regrouped to confirm to the current year's presentation.

Place : Mumbai
Date : 30.08.10

For and on behalf of the Board
Narain N. Hingorani,
Chairman & Managing Director

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow statement with the books and records maintained by **CEENIK EXPORTS (INDIA) LTD.** The Statement has been prepared in accordance with the requirements of Clause 32 of the listing agreement with the Mumbai Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and the Balance Sheet of the Company covered by our Report of 30th August, 2010 to the Members of the Company.

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants
Dhanesh Kumar Udayavar
Proprietor
Membership No.102031

Place : Mumbai
Date : 30th August, 2010

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Balance Sheet Abstract and Company's General Business Profile (Part IV)

I. Registration Details

Registration No.	85,007
State Code.	11
Balance Sheet Date	31.03.2010

II. Capital Raised during the year ended 31st March, 2009

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
Others	Nil

III. Position of Mobilisation and Deployment of funds as at 31st March, 2009

Rupees

Total Liabilities	302,313,316
Total Assets	302,313,316

Sources of funds

Paid up Capital	33,500,000
Reserves & Surplus	132,272,644
Secured Loans	135,429,635
Unsecured Loans	1,111,038
	<u>302,313,316</u>

Application of Funds

Net Fixed Assets	3,411,682
Investments	211,049,706
Net Current Assets	87,851,928
	<u>302,313,316</u>

IV. Performance of the Company for year Ended 31st March, 2007

(i) Turnover (Sale of products and other income)	79,681,744
(ii) Total Expenditure	77,031,343
(iii) Profit before Tax	2,650,401
(iv) Profit after Tax and Extraordinary Item	1,869,930
(v) Earning per Share	0.56
(vi) Dividend Rate%	---

V. Products of the Company

Item Code No.(ITC Code)	071
Product Description	Readymade Garments & Reality Business

Notes :

- (1) The above particulars should be read alongwith the Balance Sheet as at 31st March, 2010 the Profit & Loss Account for the year on that date and the Schedules forming part thereof.

As per our attached Report of even date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants (FRN : 119401W)

Dhanesh Kumar Udayavar
Proprietor

Place : Mumbai
Date : 30.08.2010

For and on behalf of the Board

Narain N. Hingorani
Chairman & Managing Director

Prem L Vachhani
Director

Place : Mumbai
Date : 30.08.2010

CEENIK EXPORTS (INDIA) LIMITED

Registered Office : 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Road, Bandra(W), Mumbai-50

PROXY FORM

I/We _____
of _____
in the district of _____ being a member / members
of the above named Company, hereby appoint _____
of _____ in the
district of _____ or failing him / her
_____ of _____
_____ in the district of _____

as my/our Proxy to vote for me/us on my/our behalf at the Sixteenth Annual General Meeting of the Company to be held on Thursday 30th September, 2010 at 11 a.m. 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

Signed this _____ day of _____ 2010

Membership Folio No. _____

No. of Shares held _____

Witness _____

1.00 Rupee
Revenue
Stamp

Note :

- Revenue stamp of 1.00 rupee is to be affixed on this form.
- The form should be signed across the stamp as per specimen signature registered with the Company.
- The Companies Act, 1956 lays down that an instrument appointing a Proxy shall be deposited at the Registered Office of the Company not less than Forty-Eight Hours before the time fixed for the meeting.
- A Proxy need not be the member.

CEENIK EXPORTS (INDIA) LIMITED

Registered Office : 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

ATTENDANCE SLIP

To be handled over at the entrance of meeting Hall

SIXTEENTH ANNUAL GENERAL MEETING of the Shareholders held on Thursday 30th September, 2010 at 11.00 a.m. at 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

Name of the Shareholder _____

(in Block Letter)

Membership Folio No. _____

No. of Equity Shares held _____

(in Block Letter)

Name of the Proxy (if you are attending as a proxy) _____

Signature of the shareholder / Proxy _____

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Unit : CEENIK EXPORTS (INDIA) LIMITED

21, SHAKIL NIWAS, MAHAKALI CAVES ROAD,
ANDHERI (E), MUMBAI - 400 093.