

**SUCCESS IS A JOURNEY,
NOT A DESTINATION**



Grauer & Weil (India) Limited

52nd

Annual Report ~ 2009-2010

YOUR ONE STOP SHOP FOR SURFACE FINISHING

PRE TREATMENT

- Cleaning & Activation
- Phosphating

INTERMEDIATE & SPECIALITY CHEMICALS

ELECTRO PLATING

- Aluminium
- Copper & Brass Plating
- Nickel Plating
- Zinc & Zinc Alloys
- Tin & Tin Alloys
- Chrome Plating
- Plating on Plastics
- Plating on PCB's
- Cadmium Plating
- Precious Metal Plating

ELECTROLESS PLATING

- Electroless Nickel
- Electroless Copper

PASSIVATION & TOP COATS

- Hexavalent & Trivalent Chromates
- Sealants
- Top Coats

ZINC FLAKES COATINGS

- Geomet
- Dacromet

ELECTROPHORETIC LACQUERS

ENGINEERING EXCELLENCE

- Automatic Plating / Phosphating / Painting Plants
- Filtration Systems

INDUSTRIAL LUBRICANTS

- Rust Preventive Oils
- Cutting Oils
- Hydraulic Oils
- Heat Treatment Fluids
- Wire Drawing Fluids
- Glass Grinding Fluids
- Fine Blanking

INDUSTRIAL PAINTS

- Architectural Coatings
- Marine Coatings
- Heavy Duty Coatings
- Industrial Coatings

COIL COATINGS

EFFLUENT TREATMENT SYSTEMS

- Zero Discharge Systems
- Waste Water Treatment

ANODISING



Mumbai

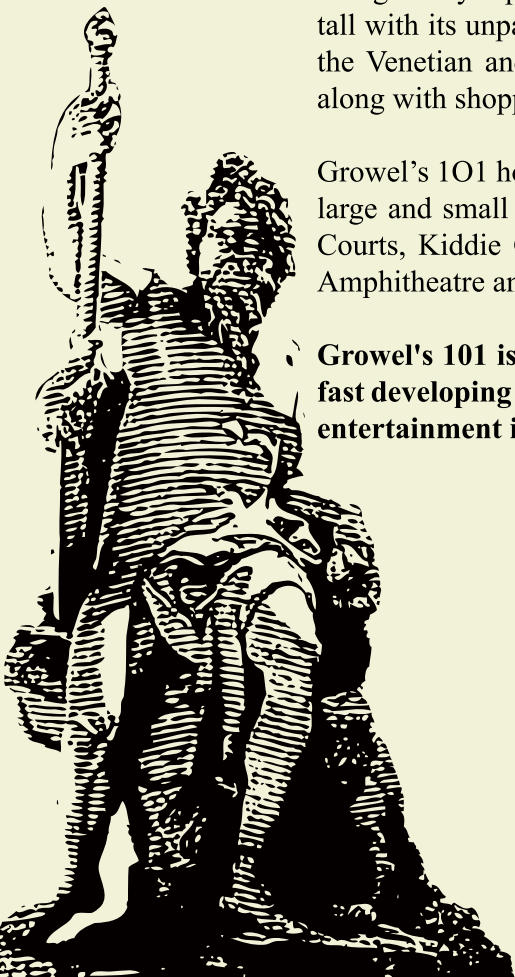
Grauer & Weil (India) Ltd has taken a giant leap forward in its real estate management with the launch of Phase II of its mega mall 'Growel's 101' in August 2010. This property development venture, which was started in 2005, was the natural extension of already existing business of mall development and other business verticals that the company was into viz. Chemicals, Engineering, Paints, IT, Sports & Hobbies and Environment Management.

Riding on its immense success from the Phase I operations, the opening of Phase II of Growel's 101 offering an additional 3,00,000 sq.ft of complete neoclassical roman architectural delight, has surely made every business enterprise's dream come true. Located at Kandivli (E), adjoining the WE Highway, this unique centre is designed to be the most sought-after paradise for the highly discerning shoppers spread across the city of Mumbai.

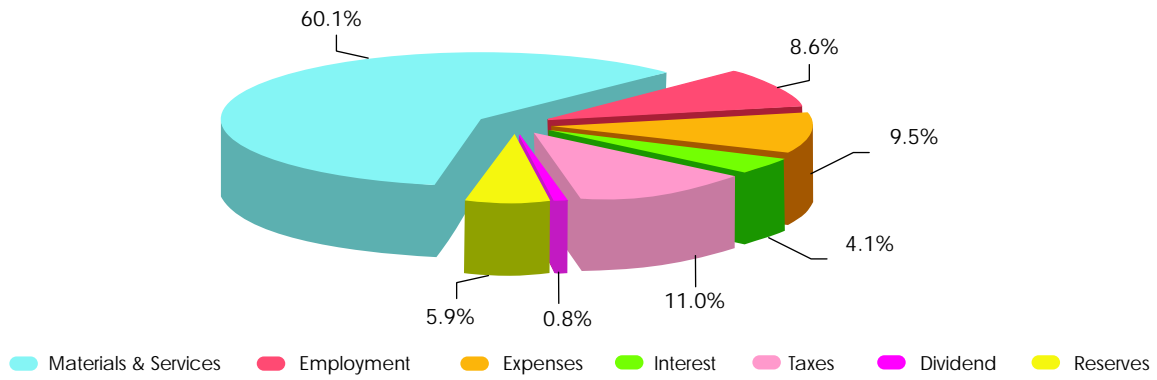
Designed by reputed American firms KMD and Form 4, this mega mall that stands tall with its unparalleled grandeur and magnitude, brings alive the nostalgic vista of the Venetian and the Manhattan Street's, aimed at fostering a community feeling along with shopping and entertainment at its royal best.

Growel's 101 houses both national and international brands in the lifestyle products, large and small retail outlets, Department Stores, Fine Dining Restaurants & Food Courts, Kiddie Corners, Beauty Salons, Health Care Centres, ATMs, Cyber Café, Amphitheatre and other specialty kiosks.

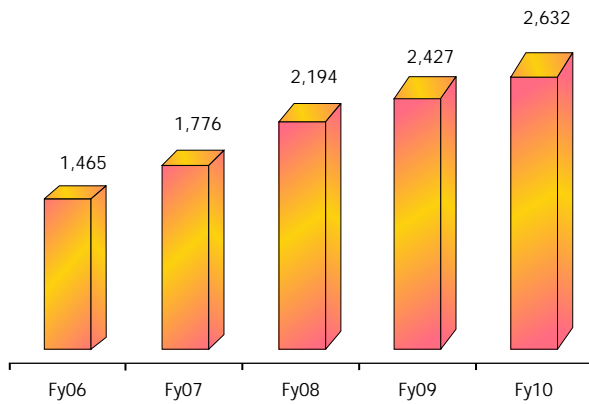
Growel's 101 is a true reflection of the evolving face of modern Mumbai and is fast developing to become one of the finest destinations for lifestyle shopping and entertainment in the city.



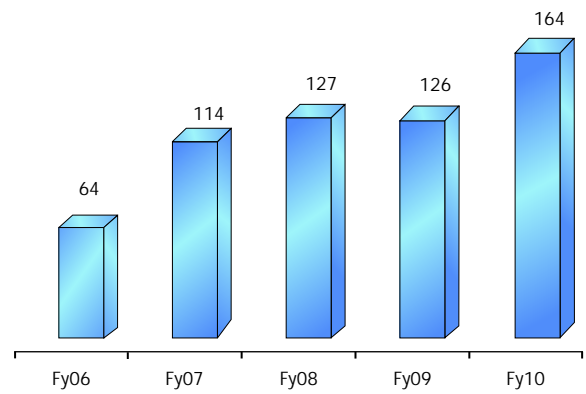
Income Distribution 2009-10



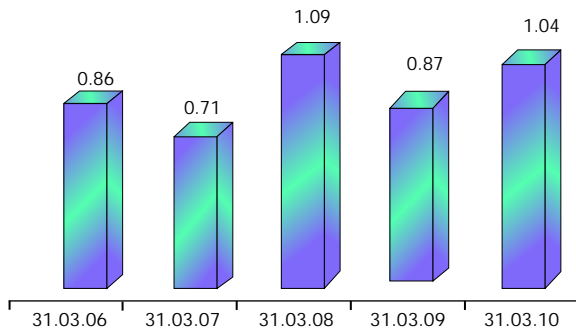
Gross Sale & Operating Income (Rs. Million)



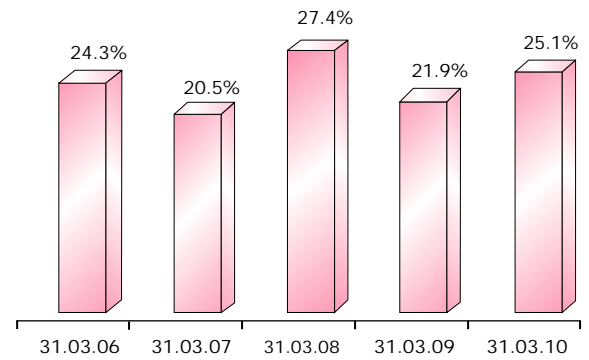
PAT (Rs. Million)



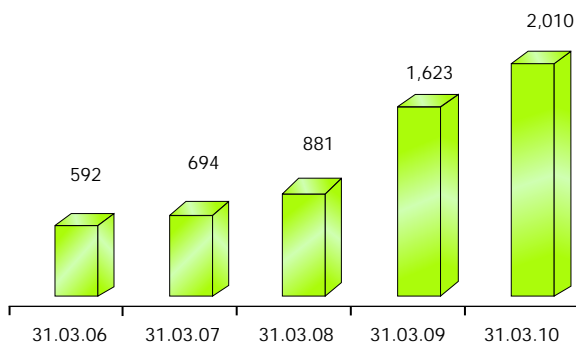
Debt: Equity Ratio



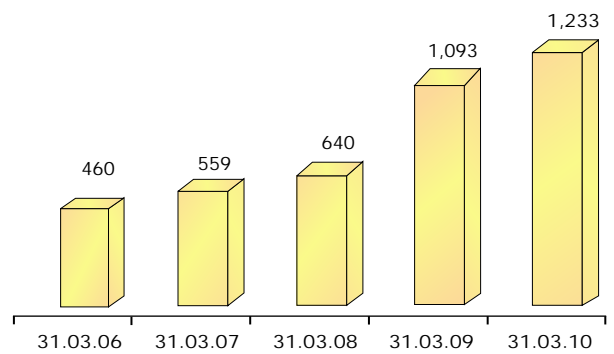
Ratio of Net Working Capital to Net Income (%)



Net Fixed Assets (Rs. Million)



Net Worth (Rs. Million)



BOARD OF DIRECTORS

Umeshkumar More	Chairman
Nirajkumar More	Managing Director
Rameshkumar More	Director
Rohitkumar More	Whole Time Director
Harnish D. Juthani	Whole Time Director (w.e.f. 28-10-2009)
Suresh Pareek	Director
K. C. Srivastava	Director
Madan Mohan Chaturvedi	Director
Rohan Shah	Director
Hosi Karanjia	Director (from 28-10-2009 to 04-08-2010)
Yogesh Samat	Director (w.e.f. 25-08-2010)

COMMITTEES
AUDIT COMMITTEE

Suresh Pareek	Chairman
Nirajkumar More	Member
Madan Mohan Chaturvedi	Member
K. C. Srivastava	Member

SHAREHOLDERS COMMITTEE

Nirajkumar More	Chairman
Rameshkumar More	Member
K. C. Srivastava	Member

SELECTION & REMUNERATION COMMITTEE

Umeshkumar More	Chairman
Suresh Pareek	Member
K. C. Srivastava	Member

SENIOR PRESIDENTS

Rajender Guleria	H. B. Charna	J. M. Kevlani
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PRESIDENTS

Vinay Gupta	Pallavi More
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SR. V.P. (CORP.) & CO. SECRETARY

Noel Jacob

SR. V.P. (EXPORTS)

Mala Singh

VICE PRESIDENTS

M. T. Rara	Rattan Sharma	M. S. Seetharam
A. V. Dabir	Anirudha Gore	D. K. Bhardwaj
Dipen Parikh	Krishna Bhandari	Kamlesh Karwa

AUDITORS

M. M. Nissim And Co.	Chartered Accountants
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BANKERS

Punjab National Bank	The Saraswat Co-op. Bank Ltd.
Axis Bank	Bank of Bahrain & Kuwait B.S.C.

REGISTERED OFFICE

Growel House, Akurli Road, Kandivli (East), Mumbai – 400101.

PLANTS

Dadra	Chemicals - Finished Products
Barotiwala (H.P.)	Chemicals - Finished Products
Vapi	Chemicals - Intermediates
Samba (Jammu)	Chemicals - Finished Products
Alandi (Pune)	Engineering
Chembur (Mumbai)	Paints
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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 52nd Annual General Meeting of the members of GRAUER & WEIL [INDIA] LIMITED will be held on Wednesday, 29th September, 2010 at 10.30 a.m. at Growel 101 Mall, Growel House, Akurli Road, Kandivli (East), Mumbai – 400101 to transact with or without modification[s], the following businesses:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date together with the Report of the Director's and the Auditor's thereon.
2. To declare a Dividend on Equity Shares for the year ended 31st March, 2010.
3. To appoint a Director in place of Shri Rameshkumar More, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Rohitkumar More, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Madan Mohan Chaturvedi, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:

To Consider and if thought fit, to pass, with or without modification(s), the following Resolutions:

7. AS AN ORDINARY RESOLUTION :

“RESOLVED THAT Shri Harnish D. Juthani, who was appointed by the Board of Directors as an Additional Director of the Company with effect from October 28, 2009, pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and being eligible, offers himself for appointment and in respect of whom, the Company has received a notice in writing from a member of the Company under Section 257 and other applicable provisions, if any, of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents and sanctions, the consent of the Members be and is hereby accorded pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, to the appointment of Shri Harnish D. Juthani as a Whole Time Director of the Company for a period of 5 (Five) Years with effect from October 28, 2009 on the terms and conditions including the remuneration payable to him, as a Whole Time Director and the minimum remuneration payable to him in the event of absence or inadequacy of profits in any year, as follows:

- a. **Salary:** Upto Rs. 3,50,000/- per month as may be decided by the Board from time to time.
- b. **Commission :** Upto Rs. 25,00,000/- p.a. as may be decided by the Board from time to time.
- c. **Perquisites :** In addition to the Salary and Commission, Shri Harnish D. Juthani shall be entitled to the perquisites and benefits like :
 - i. Medical Allowance including reimbursement, as per the rules of the Company, subject to a maximum of Rs.15,000/- p.a.
 - ii. Leave with full pay and all allowances as per the rules of the Company.
 - iii. Leave Travel Concession / Allowance for self and family including dependents as per the rules of the Company.
 - iv. Yearly encashment of leave as per the rules of the Company.
 - v. Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the rules of the Company.
 - vi. Provision of Car with Driver.
 - vii. Free Telephone Facility at Residence and use of Mobile phone for the business of the Company.
 - viii. all other payments in the nature of perquisites and benefits as agreed by the Board of Directors subject to such limits for the remuneration and perquisites as laid down by the Government in Schedule XIII to the Companies Act, 1956 and / or changes / variations / modifications made / that may be made therein from time to time.

FURTHER RESOLVED THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the appointment including Remuneration payable to him, provided however that the remuneration payable shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time.

Minimum Remuneration:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year, subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956, computed on the basis of the effective capital of the Company, as defined in the explanation under Section II of Part II of Schedule XIII of the Companies Act, 1956, as in force for the time being or as may be amended in the future.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution.”

8. AS AN ORDINARY RESOLUTION :

“RESOLVED THAT Shri Yogesh Samat, who was appointed by the Board of Directors as an Additional Director of the Company with effect from August, 25, 2010, pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and being eligible, offers himself for appointment and in respect of whom, the Company has received a notice in writing from a member of the Company under Section 257 and other applicable provisions, if any, of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

9. AS AN ORDINARY RESOLUTION:

“RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, the consent of the Members be and is hereby accorded pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 to the re-appointment of Shri Umeshkumar N. More as an Executive Chairman of the Company for a period of 5 (Five) Years from January 1, 2011, on the terms and conditions including the remuneration payable to him, as an Executive Chairman and the minimum remuneration payable to him in the event of absence or inadequacy of profits in any year, as follows:

A. **Salary:** Upto Rs. 1,00,000/- per month as may be decided by the Board from time to time.

B. **Perquisites:**

In addition to the salary, Shri Umeshkumar N. More shall be entitled to the perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance together with reimbursement of expenses and / or allowance for utilization of gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession for self and his family including dependents, club fees, premium for medical and personal accident insurance and all other payments in the nature of perquisites and allowances as agreed by the Board of Directors from time to time, subject to such limits for these remuneration and perquisites as is laid down by the Government in Schedule XIII and / or changes / variations / substitutions made / that may be made therein from time to time.

FURTHER RESOLVED THAT the Board be and is hereby authorized to alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time.

MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956 computed on the basis of the effective capital of the Company as defined in the explanation to Section II of Part II of Schedule XIII of the Companies Act 1956, as in force for the time being or as amended in the future.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution.”

10. AS AN ORDINARY RESOLUTION :

“RESOLVED THAT in partial modification of Resolution No. 7 passed at the Annual General Meeting of the Company held on 16th August, 2007 for the appointment and terms of remuneration of Shri Nirajkumar More as a Managing Director of the Company and in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the revision in the maximum amount of Consolidated Salary payable to Shri Nirajkumar More (including the salary to be paid in the event of loss or inadequacy of profits in any financial year), during the tenure of his appointment, with the authority to the Board of Directors to fix / revise his salary, to Rs. 1,50,000/- in the scale of Rs. 1,00,000 – 5,00,000 per month w.e.f. 01-10-2009 for the residual period of his term i.e. upto 31-10-2013.

FURTHER RESOLVED THAT except the revision in the Consolidated Salary, all other terms and conditions of his appointment as a Managing Director of the Company as decided by the Resolution passed in the Annual General Meeting of the Company held on 16th August, 2007 shall remain unchanged.”

11. AS AN ORDINARY RESOLUTION :

“RESOLVED THAT in partial modification of Resolution No. 9 passed at the Annual General Meeting of the Company held on 21st August, 2008 for the reappointment and terms of remuneration of Shri Rohitkumar More as a Whole Time Director of the Company for a period of 5 (five) years w.e.f. 1st August, 2008 and in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the revision in the maximum amount of Consolidated Salary payable to Shri Rohitkumar More (including the salary to be paid in the event of loss or inadequacy of profits in any financial year), during the tenure of his appointment, with the authority to the Board of Directors to fix / revise his salary, to Rs. 60,000/- in the scale of Rs. 50,000 - 1,50,000 per month w.e.f. 1st August, 2010 for the residual period of his term i.e. upto 31st July, 2013.

FURTHER RESOLVED THAT except the revision in the Consolidated Salary, all other terms and conditions of his appointment as a Whole Time Director of the Company as decided by passing the Resolution in the Annual General Meeting of the Company held on 21st August, 2008 shall remain unchanged.”

12. AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, Consent of the Company be and is hereby accorded to the partial modification of Special Resolution passed by the members of the Company at the Annual General Meeting held on August 6, 2005 and August 16, 2007 for re-designating Smt. Pallavi N. More, relative of Directors of the Company, to President (Corporate Communication) and revision in Remuneration w.e.f. April 1, 2010, as follows:

A. **Consolidated Salary:** upto maximum of Rs. 2,50,000/- p.m. inclusive of Allowances and Commission.

B. **Perquisites:**

In addition to the consolidated Salary, she will be entitled to the following perquisites:

1. Medical Allowance including reimbursement as per the rules of the Company subject to the maximum of Rs. 15,000/- p.a.
2. Leave with full pay and all Allowances as per the rules of the Company.
3. Leave Travel Concession / Allowance for self and family including dependents as per the rules of the Company.
4. Yearly encashment of leave as per the rules of the Company.
5. Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the rules of the Company.
6. Provision of Car with Driver.
7. Free Telephone Facility at residence and use of Mobile phone for the business of the Company.

FURTHER RESOLVED THAT the Board be and is hereby authorized to alter and vary the terms and conditions of the appointment provided, however, that the remuneration does not exceed the above mentioned limits.”

Registered Office:
Growel House,
Akurli Road, Kandivli [East],
Mumbai - 400 101

For & on behalf of the Board of
Grauer & Weil [India] Limited

Nirajkumar U. More
Managing Director

25th August, 2010

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd September, 2010 to 29th September, 2010 (both days inclusive).
3. The Dividend on Equity Shares as recommended by the Board of Directors of the Company, when sanctioned at the Annual General Meeting of the Company, will be paid on or after 3rd October, 2010.
4. Pursuant to the provisions of Section 205A of the Companies Act, 1956, Unclaimed Dividend up to the year ended March 31, 2003 has been transferred to the Investors Education & Protection Fund (IEPF). Members are hereby informed that Dividends which remain unclaimed / unpaid for a period of 7 years from the respective dates of declaration have to be transferred to The Investors Education & Protection Fund (IEPF), on the dates given in the table below

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due Date for transfer to IEPF
2003-04	31.07.2004	30.07.2011	29.08.2011
2004-05	06.08.2005	05.08.2012	04.09.2012
2005-06	19.08.2006	18.08.2013	17.09.2013
2006-07	16.08.2007	15.08.2014	14.09.2014
2007-08	21.08.2008	20.08.2015	19.09.2015
2008-09	17.11.2009	16.11.2016	15.10.2016

Members who have not yet encashed their dividend warrant(s) for the Financial Year ended 31st March, 2004 and onwards are requested to claim the amount forthwith from the Company.

5. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company, at least seven days before the date of the meeting, so that the requested information can be made available at the time of the meeting.
6. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting, since copies of the Annual Report will not be distributed at the Meeting.
7. The Company has listed its shares on The Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 under Security Code No. 505710. The Company is regular in payment of the Listing Fees to the Exchange.
8. (a) In view of the Circular issued by the SEBI for appointing a common agency for both modes of transfer of shares i.e. Physical as well as Dematerialized, the Company has appointed **M/s. LINKINTIME INDIA PRIVATE LIMITED** as Registrar & Transfer Agent of the Company. Members are therefore requested to send their grievances to them for early disposal at the address given below.
(b). Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below and in case their shares are held in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/s. LINKINTIME INDIA PRIVATE LIMITED

[Unit: Grauer & Weil (India) Limited]

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (West), Mumbai - 400 078.

Phones: (022) 2596 3838. Fax: (022) 2596 2691.

Email: helpline@linkintime.co.in; URL : www.linkintime.co.in

9. (a) Members are informed that in order to avoid fraudulent encashment of dividend warrants, they should send to the Registrar and Transfer Agent of the Company, at the address given above, under the signature of the Sole / First Joint holder, the information relating to the Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
(b) Members desirous of availing the facility of Electronic Credit of Dividend are requested to send NECS Form to the Registrar and Transfer Agent of the Company at the address given above.
(c) Members holding shares in dematerialized form and desirous to change or correct the Bank Account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
10. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days except public holidays between 10.00 a.m. and 12.00 noon, up to the date of the Annual General Meeting i.e. 29th September, 2010.
11. Members / Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
12. Members who are holding shares in Dematerialised form are requested to bring their Client ID and DP ID Numbers for easy identification at the meeting.
13. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in Dematerialised form, they must quote their DP ID and client ID Numbers.

LISTING REQUIREMENTS

As required under Clause 49(IV)(G) of the Listing Agreement, given below are the details of the Directors, who retire by rotation and are eligible for re-appointment. (Resolutions at Item Nos. 3, 4 & 5):

DIRECTORS RETIRING BY ROTATION:**A. Name: SHRI RAMESHKUMAR MORE**

Age: 60 Years [Date of Birth: 30/06/1950]

Qualifications: B.Com

Shri Rameshkumar R. More is associated with the Company Since March 24, 1982.

Other Directorships:

- | | |
|--------------------------------------|------------------------------------|
| ➤ Poona Bottling Company Pvt. Ltd. | ➤ Growel Softech Ltd. |
| ➤ Waluj Beverages Pvt. Ltd. | ➤ Digikore Design Ltd. |
| ➤ Growel Financial Services Pvt. Ltd | ➤ Growel Corporate Management Ltd. |
| ➤ Avanti Cables Pvt. Ltd | ➤ Growel Energy Co. Ltd. |
| ➤ Indoswe Engineering Ltd. | |

Committee Memberships :

Shareholders Committee : Grauer & Weil [India] Limited.

Shareholding in the Company : 2160 Equity Shares

B. Name: SHRI ROHITKUMAR MORE

Age: 37 Years [Date of Birth: 07/01/1973]

Qualifications: B.E.-Mechanical.

Shri Rohitkumar More is associated with the Company since March 14, 2003 and is a Whole Time Director of the Company based at Pune, looking after the day to day operations of the Engineering Division of the Company and other group Companies.

Other Directorships:

- | | |
|------------------------------------|-----------------------------|
| ➤ Poona Bottling Company Pvt. Ltd. | ➤ Growel Goema (India) Ltd. |
| ➤ Waluj Beverages Pvt. Ltd. | ➤ Digikore Studios Ltd. |
| ➤ Growel Softech Ltd. | ➤ Digikore Design Ltd. |

Committee Memberships: NIL.

Shareholding in the Company : NIL (Holding Shares Jointly)

C. Name: SHRI MADAN MOHAN CHATURVEDI

Age: 55 Years [Date of Birth: 11/07/1955]

Qualifications: B.Com. FCA.

Shri Madan Mohan Chaturvedi is associated with the Company since 30th March, 2004. He is a Chartered Accountant having an experience of about 32 Years in Management consultancy, Taxation, Finance and Accounts.

Other Directorships:

- MMC Financial Services Pvt. Ltd.
- Varah Securities Ltd.

Committee Memberships :

Audit Committee: Grauer & Weil [India] Limited.

Shareholding in the Company : 312 Equity Shares

Registered Office:

**Growel House,
Akurli Road, Kandivli [East],
Mumbai - 400 101**

25th August, 2010

**For & on behalf of the Board of
Grauer & Weil [India] Limited**

**Nirajkumar U. More
Managing Director**

Summary of Key Financial Data and Ratios for Last 5 Years

Rs. Million

Financial Year ended / As on	31.05.06	31.03.07	31.05.08	31.03.09	31.03.10
Gross Sale	1,429.97	1,715.23	2,118.76	2,332.26	2,559.99
Other Operating Income	34.86	60.73	75.55	95.21	71.66
Gross Operating Income	1,464.83	1,775.97	2,194.31	2,427.47	2,631.66
Other Misc. Income	3.13	15.78	7.06	18.12	5.02
Gross Total Income	1,467.96	1,791.75	2,201.37	2,445.59	2,636.67
Trade Discounts	156.95	170.21	196.82	196.74	225.37
Excise Duty	116.35	183.77	226.44	201.29	148.68
Net Income	1,194.67	1,437.78	1,778.11	2,047.56	2,262.62
Cost of Material	648.99	766.17	956.63	1,145.69	1,256.58
Salaries, Wages & Benenfits	108.05	122.65	154.94	199.30	206.87
Other Expenses	287.20	312.95	387.41	440.78	426.81
Total Expenditure	1,044.24	1,201.77	1,498.98	1,785.77	1,890.26
EBIDTA	150.43	236.01	279.13	261.79	372.36
% to Net Income	0.13	0.16	0.16	0.13	0.16
Interest	41.02	55.62	68.79	86.46	99.07
Depreciation	26.85	35.19	37.30	40.42	43.92
Profit Before Tax (PBT)	82.55	145.20	173.04	134.91	229.37
Tax (Current, Deferred, and FBT)	18.91	31.54	46.10	9.21	65.14
Net Profit After Tax (PAT)	63.64	113.66	126.94	125.71	164.23
Rs. Million	31.05.06	31.03.07	31.05.08	31.03.09	31.03.10
Equity Share Capital	127.88	127.88	127.88	226.71	226.71
Reserves & Surplus	332.01	431.09	511.68	866.12	1,006.22
Networth	459.89	558.97	639.56	1,092.83	1,232.93
Total Debt	394.78	395.00	698.06	947.25	1,283.37
Deferred Tax Liabilities	37.50	43.84	47.94	48.36	78.80
Total Sources of Funds	892.16	997.80	1,385.56	2,088.43	2,595.10
Net Fixed Assets	591.88	693.68	881.44	1,622.83	2,009.95
Investments	8.88	8.67	16.76	16.44	16.41
Current Assets	556.63	635.75	949.99	984.72	1,057.90
Less: Current Liabilities	266.60	340.30	462.63	535.55	489.16
Net Current Assets	290.03	295.45	487.36	449.17	568.74
Misc. Expenditure	1.36	-	-	-	-
Total Uses of Funds	892.16	997.80	1,385.56	2,088.43	2,595.10
Ratios					
EPS (Rs.)*	5.02	8.89	9.93	5.54 ***	7.24
Book Value per Share (Rs.)*	35.96	43.71	50.01	48.20	54.38
Return on Capital Employed (ROCE)	16.9%	23.7%	20.1%	12.5%	14.3%
Return on Networth (RONW)	13.8%	20.3%	19.8%	11.5%	13.3%
Debt: Equity Ratio	0.86	0.71	1.09	0.87	1.04
Ratio of Net working Capital to Net Income	24.3%	20.5%	27.4%	21.9%	25.1%

* on face value of Rs 10/- per share

** EPS on expanded capital, post merger

EXPLANATORY STATEMENT PURSUANT TO SEC. 173 OF THE COMPANIES ACT, 1956:**ITEM NO. 7 :**

The Board of Directors at their Meeting held on 28th October, 2009, appointed Shri Harnish D. Juthani as an Additional Director of the Company w.e.f. 28th October, 2009.

Pursuant to the provisions of Sec. 260 of the Companies Act, 1956, he would hold the office upto the date of ensuing Annual General Meeting. The Company has, in terms of provisions of Sec. 257 of the Companies Act, 1956 received a Notice in writing from a member, proposing his candidature for the office of a Director of the Company.

Shri Harnish D. Juthani was a Director – Operations of Erstwhile Bombay Paints Ltd. (Group Company) which was merged into the Company by orders of the Hon'ble Board for Industrial and Financial Reconstruction (BIFR), looked after the day to day operations of the Company.

He is also a Director of Praga Consultancy Pvt. Ltd.

Further the Board also, subject to the approval of the Members, appointed Shri Harnish D. Juthani as a Whole Time Director of the Company for a period of 5 (Five) Years w.e.f. 28th October, 2009. He is mainly responsible for the Paints Division of the Company especially growth and expansion of the Business of Paints Division.

Brief terms and conditions of his appointment including the remuneration payable to him as a Whole Time Director are set out in the Resolution.

The Board of Directors considers it desirable that the Company should continue to avail itself of the services of Shri Harnish D. Juthani as a Whole Time Director of the Company and accordingly commends the Resolution at Item No. 7 for the approval by the Members.

None of the Directors except Shri Harnish D. Juthani is interested in the Resolution at Item No. 7 as the same is pertaining to his Appointment.

ITEM NO. 8 :

The Board of Directors at their Meeting held on August 25, 2010, appointed Shri Yogesh Samat as an Additional Director of the Company w.e.f. August 25, 2010.

Pursuant to the provisions of Sec. 260 of the Companies Act, 1956, he would hold the office upto the date of ensuing Annual General Meeting. The Company has, in terms of provisions of Sec. 257 of the Companies Act, 1956, received a Notice in writing from a member proposing his candidature for the office of a Director of the Company.

He is MBA from IIM (Bangalore) & CFA having a wide exposure in Management Consultancy. He has worked for Hindustan Lever Ltd. and many other well known Companies and also as CEO of Inorbit Mall.

He is also a Director of Foresight Vision Care Company Pvt. Ltd. and as on date, does not hold any Shares of the Company.

The Board of Directors considers it desirable that the Company should continue to avail itself of the services of Shri Yogesh Samat as a Director of the Company and accordingly commends the Resolution at Item No. 8 for the approval by the Members.

None of the Directors except Shri Yogesh Samat is interested in the Resolution at Item No. 8 as the same is pertaining to his Appointment.

ITEM NO. 9 :

Shri Umeshkumar N. More was redesignated as an Executive Chairman of the Company w.e.f. 1st November, 2008 by passing a Resolution in the Board Meeting held on 30th October, 2008. His period of Appointment is expiring on 31st December, 2010 and it is proposed to reappoint him for a further period of 5 (Five) years as an Executive Chairman of the Company w.e.f. 1st January, 2011.

Shri Umeshkumar N. More is associated with Grauer & Weil (India) Ltd. for the last 40 years and has a Diploma in Auto Engineering. He is mainly responsible for the growth and expansion of the business of the Company to its current status of being a market leader in the Electroplating Industry.

Directorship in other Companies :

- | | |
|---|----------------------------------|
| ➤ Growel Corporate Management Ltd. | ➤ Poona Bottling Co. Pvt. Ltd. |
| ➤ Radhakishan Nandlal Pvt. Ltd. | ➤ Bubna More & Co. Pvt. Ltd. |
| ➤ Waluj Beverages Pvt. Ltd. | ➤ Gorav Investment Pvt. Ltd. |
| ➤ Growel Softech Ltd. | ➤ Digikore Studios Ltd. |
| ➤ Bombay Paints (India) Pvt. Ltd. | ➤ Growel Goema (India) Pvt. Ltd. |
| ➤ Shree M. P. J. Cement Works Pvt. Ltd. | |

Brief terms and conditions of his reappointment including the remuneration payable to him as an Executive Chairman are set out in the Resolution.

The Board of Directors considers it desirable that the Company should continue to avail itself of the services of Shri Umeshkumar N. More as an Executive Chairman of the Company and accordingly commends the Resolution at Item No. 9 for the approval by the Members.

Shri Umeshkumar N. More is concerned or interested in this Resolution as it relates to his own appointment. Shri Nirajkumar U. More being related to Shri Umeshkumar N. More may be deemed to be concerned or interested in the Resolution. None of the other Directors of the Company are concerned or interested in the Resolution.

This may be treated as an abstract/memorandum u/s 302 of the Companies Act, 1956.

ITEM NO. 10 :

The Board of Directors, pursuant to the Resolution passed in the 49th Annual General Meeting held on 16th August, 2007 appointed Shri Nirajkumar More as a Managing Director of the Company w.e.f. 1st November, 2008 for a period of 5 (Five) years, by passing Resolution in the Board Meeting held on 30th October, 2008.

Subsequently, due to Merger of Bombay Paints Ltd. with the Company and increase in the duties and responsibilities of Shri Nirajkumar More, the Board, by passing Resolution in the Board Meeting held on 28th January, 2010, increased his total monthly consolidated salary to Rs. 1,50,000/- in the scale of Rs. 1,00,000 – 5,00,000 per month w.e.f. 01-10-2009 for the residual period of his term i.e. upto 31-10-2013, subject to the consent and approvals of the shareholders of the Company and other regulatory approvals, if required. All other terms and conditions of his appointment remain unchanged.

Abstract pursuant to Section 302 of the Companies Act, 1956, regarding revision in salary is already forwarded to all the Members of the Company.

In the interest of the Company, the Board recommends the Resolution as set out at Item No. 10 of the Notice for the approvals of the Members.

Shri Nirajkumar U. More is concerned or interested in this Resolution as it relates to his own revision of salary. Shri Umeshkumar N. More being related to Shri Nirajkumar U. More may be deemed to be concerned or interested in the Resolution. None of the other Directors of the Company are concerned or interested in the Resolution.

ITEM NO. 11 :

Shri Rohitkumar More was reappointed by the Members of the Company by passing Resolution in the 50th Annual General Meeting held on 21st August, 2008 as a Whole Time Director of the Company for a further period of 5 (Five) Years w.e.f. 1st August, 2008, on a Consolidated Salary of Rs. 25,000/- per month to the scale of Rs. 25,000/- to Rs. 50,000/- per month.

Now it is proposed to increase his Remuneration to Rs. 60,000/- in the scale of 50,000/- to Rs. 1,50,000/- w.e.f. 1st August, 2010 for the residual period of his term i.e. upto 31st July, 2013, subject to the consent and approvals of the shareholders of the Company and other regulatory approvals, if required. All other terms and conditions of his appointment remain unchanged.

Shri Rohit Kumar More is based at Pune and looks after the day to day operations of the engineering section of the Company at Pune and is responsible for the growth and development of the Engineering businesses of the Company.

Shri Rohit Kumar More is a Mechanical Engineer and considering his Management experience of over 16 years, the Board recommends revision in the Salary as a Whole Time Director of the Company.

Shri Rohit Kumar More is interested in the Resolution as it relates to his own revision of salary. Shri Ramesh Kumar More may be deemed to be concerned or interested in the Resolution, being related to Shri Rohit Kumar More.

In the interest of the Company, the Board recommends the Resolution as set out at Item No. 11 of the Notice for the approval of the Members.

None of the other Directors of the Company is/are in any way concerned or interested in the Resolution.

This may be treated as an abstract/memorandum u/s 302 of the Companies Act, 1956.

ITEM NO. 12 :

Smt. Pallavi N. More was appointed as a General Manager (Corporate Communication) and then promoted to V.P. (Marketing) of Growel's 101 and then V.P. – Marketing (Real Estate).

Smt. Pallavi N. More is a B.Sc [Maths, Physics & Computer Science] and having an experience of over 15 years. She is based at Mumbai and looks after day to day Marketing Affairs of the Company's Shoppertainment project at Mumbai and Corporate Communications of the Company.

Now, subject to the approval of the Shareholders and Central Government, it is proposed to promote her to President (Corporate Communication) on a revised Salary upto maximum of Rs. 2,50,000/- p.m. inclusive of allowances and Commissions w.e.f. 1st April, 2010, with the powers to the Board of Directors to decide the remuneration from time to time.

Brief terms and conditions of her appointment including the remuneration payable to her as a President (Corporate Communication) are set out in the Resolution.

The Board of Directors considers it desirable that the Company should continue to avail itself of the services of Smt. Pallavi N. More as a President (Corporate Communication) of the Company and accordingly commends the Resolution at Item No. 12 for the approval by the Members.

None of the Directors except Shri Umeshkumar More and Shri Nirajkumar More are interested in the Resolution at Item No. 12, as they are related to her.

Registered Office:
Growel House,
Akurli Road, Kandivli [East],
Mumbai - 400 101

25th August, 2010

For & on behalf of the Board of
Grauer & Weil [India] Limited

Nirajkumar U. More
Managing Director

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their 52nd Annual Report together with the Audited Annual Accounts of the Company for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

	2009-10	2008-09
	Rs. Million	Rs. Million
Gross Operating Revenue	2631.65	2427.47
Net Revenue	2262.62	2047.56
Earning before Interest, Depreciation, Tax & Amortizations (EBIDTA)	372.36	261.79
Profit Before Tax	229.37	134.91
Provision for Tax (FBT, Current & Deferred Tax)	65.14	9.20
Net Profit after Tax	164.23	125.71
Add: Profit brought forward from previous years	109.42	6.82
Profit available for disposal	273.65	132.53
Proposed Dividend and Tax thereon	21.15	10.61
Transfer to General Reserve	16.00	12.50
Profit carried forward	236.50	109.42

MERGER OF GROUP COMPANY BOMBAY PAINTS LTD. (BPL)

Your Directors are pleased to inform you that all the procedural formalities of the Merger of Bombay Paints Ltd. with the Company were completed and Shares of the Company were allotted to the erstwhile Shareholders of Bombay Paints Ltd. as directed by the Hon'ble BIFR. All shares are listed with BSE and freely tradable.

DIVIDEND

Your Board has recommended payment of Dividend for the year ended 31st March, 2010 at 8% (Proposed) i.e. Rs. 0.80 on Equity Shares of Rs. 10 each and seek your approval for the same.

OPERATIONS

After a challenging 2008-09, the year under review saw a reasonable growth in revenues and a healthy increase in the profitability. The gross Sales of the Company grew by 9.76% over the last year and Profit before Tax grew by 70%.

A full analysis and discussion on the business outlook is included in this Annual Report under the heading 'Management Discussion and Analysis' as Annexure A to this Report.

STATUS OF ON-GOING PROJECTS

A) Jammu Project

The Company's plant at Jammu was completed and commercial production started in June, 2009. Volumes are expected to improve in future, once the demand picks up. This low cost manufacturing base along with the fiscal benefits is expected to further improve your Company's competitive edge.

B) Growel's 101: The Shopping Mall

Second Phase of the Shopping Mall has commenced Operations and is expected to achieve full occupancy as per existing F.S.I. by December, 2010. The theme and classical style of decor has ushered in a unique concept in the city of Mumbai and has been well appreciated by many.

RESEARCH & DEVELOPMENT

R&D is the bedrock of the Company's technical excellence. The Company continues to regularly invest in R&D and, has built a state-of-art new central R&D facility, at its existing premises to support a composite program for development of its surface finishing and other metal treatment activities amalgamated through its recent acquisitions. The Company remains steadfastly focused on developing and offering products / systems that are biodegradable and energy efficient.

FUTURE PROSPECTS

- The Surface Treatment Division of the Company has registered a significant growth in the current year, both in respect of Chemicals and the Engineering activities.
- The Industrial Paints Division is expected to grow by over 40% compared to the previous year. The Company is planning to reorganize the Production facilities of the Division to cope up with the rising Demand.

- c. The sale of Industrial Lubricants (thru Growel Sidasa) is set to increase by approximately 6 times over the last year.
- d. The Shoppertainment Business is expected to stabilize by the year end.
- e. The Company proposes to diversify into other potential areas like non – conventional power generation and also production techniques / processes in allied fields.

FIXED DEPOSITS

The Company's balance of Deposits as on March 31, 2010 was Rs. 6.66 Million (Previous year : Rs. 5.61 Million). Unclaimed matured Fixed Deposits of Rs. 15,000/- which were not claimed as on 31st March, 2010 (Previous year: Rs.15,000) have been reflected in the books as payable to Investor Education & Protection Fund. The said amount shall be transferred to the Investor Education & Protection Fund on due date.

BOARD OF DIRECTORS

Your Additional Director Shri Hosi N. Karanjia passed away on 4th August, 2010. The late Shri Hosi N. Karanjia was associated with the Paints Division for almost Five Decades and has contributed immensely to the growth of Paints Division. The Board will miss his guidance greatly and has placed on record its appreciation for the invaluable contribution made by him during his tenure as a Director.

Shri Harnish D. Juthani was appointed as an Additional Director of the Company effective from 28th October, 2009. He was also appointed as a Whole Time Director for a period of Five Years. In terms of Sec. 260 of the Companies Act, 1956, he shall hold the office only up to the date of ensuing Annual General Meeting. The Company has received a requisite Notice in writing from a Member of the Company, proposing his candidature for the office of Director liable to retire by rotation.

With a view to comply with the requirements of Clause 49 of the Listing Agreement in respect of the requirements of minimum number of Independent Directors, the Board has appointed Shri Yogesh Samat as an Additional Director of the Company w.e.f. 25th August, 2010. In terms of Sec. 260 of the Companies Act, 1956, he shall hold the office only up to the date of ensuing Annual General Meeting. The Company has received a requisite Notice in writing from a Member of the Company proposing his candidature for the office of a Director liable to retire by rotation.

As per the provisions of the Companies Act, 1956, and in terms of the Articles of Association of the Company, Shri Rameshkumar More, Shri Rohitkumar More and Shri M. M. Chaturvedi, Directors of your Company, retires by rotation and being eligible, have offered themselves for re-appointment.

AUDIT COMMITTEE

In accordance with the provisions of the Listing Agreement and Corporate Governance, the Company has constituted an Audit Committee. The Committee currently comprises of the following Directors viz., Shri Suresh Pareek, Shri Nirajkumar More, Shri Madan Mohan Chaturvedi and Shri K. C. Srivastava as members. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirement set out by SEBI. The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Report.

The requisite Certificate from the Auditors of the Company, confirming Compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed.
- b) Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010.
- c) Proper and sufficient care has been taken 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.
- d) The Annual Accounts have been prepared on a going concern basis.

SUBSIDIARY COMPANIES

As required under Section 212(1) of the Companies Act, 1956, the audited Statement of Accounts of Poona Bottling Company Private Limited and Grauer & Weil (Shanghai) Limited, subsidiaries of your Company, are attached herewith along with Auditor's Reports. A statement under section 212 of the Companies Act, 1956, is also attached herewith.

CONSOLIDATED FINANCIAL STATEMENTS

As stipulated by Clause 32 of the Listing Agreement with the Stock Exchange, the Consolidated Financial Statements have been prepared by your Company in accordance with the requirements of Accounting Standard 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements together with Auditor's Report thereon forms part of the Annual Report.

AUDITORS

M/s. M. M. Nissim And Co., Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a letter from them to the effect that their reappointment, if made, would be within the limits specified under section 224(1B) of the Companies Act, 1956. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2011, as set out in the Notice convening the Meeting.

AUDITORS' OBSERVATIONS

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts given in Schedule 'O', which are self explanatory and therefore, do not call for any further comments.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information pursuant to section 217(l)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in 'Annexure C' to this Report.

PARTICULARS OF EMPLOYEES

The information required u/s. 217(2A) of the Companies Act, 1956, read with the rules framed hereunder forms part of this report. However, as per provisions of Section 219(1)(b)(iv) of the Act, the report and accounts are being sent to all the shareholders excluding the statement of particulars of employees under section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Company's Registered Office Address.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION

The Company has taken all the necessary steps for safety and environmental control and protection at all its plants.

LISTING

The Equity Shares of the Company are, at present listed with The Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Company is regular in payment of listing fee.

APPRECIATION

The Directors wish to put on record their appreciation for the support of all our Bankers and the dedication and support of all our members and associates. Their efforts continue to be integral to our Company's ongoing success.

Registered Office:
Growel House,
Akurli Road, Kandivli [East],
Mumbai - 400 101

25th August, 2010

For & on behalf of the Board of
Grauer & Weil [India] Limited

Umeshkumar More
Chairman

ANNEXURE – 'A': TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

I. AN OVERVIEW OF BUSINESS PERFORMANCE

During the year 2009-10, the net revenue of the Company grew by 10.50% to Rs. 2262.62 Million (from Rs. 2047.56 Million in previous year 2008-09). An overview of the performance of different business segments of the Company is as under:

- a) **Chemical Segment:** Your Company is the industry leader in this segment and manufactures and sells chemicals required for metal finishing, their intermediates and other speciality chemicals as well as pretreatment processes and industrial oils. The Company's chemical plants at Vapi and Dadra have been certified under ISO 9000:2000 and the plant at Barotiwala under ISO 14000. The Company has commissioned its new plant at Jammu. The net revenue of chemical segments grew to Rs. 1824.60 Million (from Rs. 1571.90 Million).
- b) **Engineering Segment:** Your Company is a leading manufacturer and provider of turnkey solutions for electroplating plants and their components, effluent treatment plants and other engineering products, from its plant located at Alandi, Pune. The engineering business was worst affected with its net revenue dropping by 35.42% to Rs. 141.70 Million (from Rs. 219.40 Million).
- c) **Shoppertainment Segment:** Your Company has undertaken development of a large shopping mall cum entertainment complex area 'Growel 101' at Kandivli, Mumbai comprising of 750,000 sq. ft. in phases. The phase-I comprising 100,000 sq. ft. area is already operational with full occupancy since 2005-06. The net revenue from phase-I improved by 3.23% to Rs. 56.20 Million (from Rs. 54.44 Million). The Phase-II with additional 300,000 sq. ft. has commenced and is expected to achieve full occupancy as per existing F.S.I. by December, 2010.
- d) **Paints Segment:** Your Company has made a synergic acquisition of industrial paint business with merger of Bombay Paints Limited (BPL) with itself w.e.f. 1st April, 2008. Its ISO 9000:2000 certified plant at Chembur, Mumbai is capable of manufacturing a wide range of paints for a variety of applications for a host of industries. Paints contributed net revenue of Rs. 464.90 Million (Previous year : Rs. 396.30 Million) during the year.

2. EXPORTS DEVELOPMENT

Exports continue to be the major thrust of the Company's sales efforts. Such initiatives have helped the Company to grow its exports by 16.41% to Rs. 327.74 Million (from Rs. 281.52 Million) despite the global recession prevailing in the international market. The Company is striving to develop more new markets in hitherto unexplored regions to further boost its export growth prospects.

3. FINANCIAL PERFORMANCE

The highlights of financial performance of the Company for the year under review are as under:

- a. The Net Profit after Tax for the year increased by 30.64% to Rs. 164.23 Million (from Rs. 125.71 Million)
- b. The Company incurred total Capital Expenditure of Rs. 439.66 Million, largely for the Shoppertainment project and Jammu factory.
- c. The Borrowings increased by Rs. 195.19 Million mainly on account of Loans to fund the Shoppertainment project and Jammu factory.
- d. The Working Capital (Net Current Assets) increased by Rs. 119.56 Million.
- e. The Debt Equity Ratio of the Company improved to 0.74 (from 0.87).

4. OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

Due to recessionary scenario, there has been a mixed pattern in the sales and production of the Company's customer segments. However, since the Company's sales are fairly wide spread, these should see a healthy rebound in near future. Though the competition from national as well as international players is getting intense by the day, your Company expects to maintain its lead with superior R&D and a strong marketing network in India and Overseas. The Company continues to associate with international manufacturers to offer the widest and latest options to its customers.

The Company has recently diversified into synergic and allied fields of surface treatment/finishes e.g. pre-treatment processes, oils & lubricants and industrial paints. With the expected revival of industrial growth in the engineering sector emerging on the horizon, the demand for such products presents excellent prospects. It is felt that such market synergies provide a good opportunity for additional growth to our businesses in these fields in coming years.

The Company has commenced commercial production at new 4000 MT manufacturing facility at Jammu, which is not only a low cost manufacturing base, but also enjoys important fiscal benefits which will help the Company to increase its competitive edge. Despite slow down in commercial real estate market, the Company has booked sizeable area for leasing to leading retail brands in phase-II of the shoppertainment mall, which is nearing completion and your Company is hopeful of commercially launching the mall with full occupancy by December, 2010

5. FUTURE PROSPECTS

With the signs of revival of economic activities seen globally, various initiatives being pursued by your management for business development, new product offerings, cost reduction and productivity gains and fructification of recent investments would provide substantial impetus to the future prospects in the long run and your Company expects to further consolidate and strengthen its leadership position in the surface finishing industry, grow business and improve profitability.

6. HUMAN RESOURCES

Your Company considers Human Resources as an invaluable asset of your Company. A comprehensive training and development plan is in place for upgradation of the quality and skills of its Human Resources. The plan aims to provide thrust to enhance and update the skills and knowledge of its human resources at all locations through many in house training programs and deputing selected employees to suitable national and international forums to keep them abreast of the latest developments in the industry and economy. A HRM module of SAP is functioning effectively and improves the internal efficiency.

With a view to motivate excellence, the Company continues to link rewards with performance and success. The employees who have completed 25 years of service with the Company are felicitated on the Annual Day celebrations. Purposeful career paths are chalked out for employees in different job bands depending on their performance and competence level. The Company has under its employment a pool of 696 talented officers and workmen.

7. INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT FRAME WORK

The Company has appropriate internal control systems and risk management frame work and these are designed to ensure the reliability of financial and other records and accountability of executive actions to the management's authorisation as well as to identify and initiate actions to mitigate risks. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that responsibilities are executed effectively. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business. To improve the efficiency and effectiveness of the internal control systems, the Company has already implemented at all its locations SAP, an ERP system which provides for checks and balances and improvements in controls. This system is expected to streamline many of the internal processes in the day-to-day operations of the Company. The internal control systems/frameworks are reviewed by the top Management and by the Audit Committee of the Board and proper follow up actions are ensured wherever required.

8. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis, of any subsequent developments, events or information.

ANNEXURE – ‘B’: TO DIRECTORS’ REPORT

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

Corporate Governance is based on the principal of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance Practices stem from the culture and mindset of the organization.

A detailed report on implementation by the Company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with The Bombay Stock Exchange Ltd. is set out below:

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

GROWEL is committed to good Corporate Governance Practices that create long term sustainable shareholders value in the true spirit, at all times. Our governance practices are a product of self desire and reflected in our strategic thought process.

The Company is fully compliant with the recommendations of the prevailing and applicable Corporate Governance Code. Our Company’s compliance with requirements is presented in the subsequent sections of the report.

BOARD OF DIRECTORS:

The Company’s Board as of date consists of 10 Directors, the Chairman being an Executive Director. As per the Listing Agreement the Company should have 5 [Five] Independent Directors.

Your Company is in compliance with the provisions of the Listing Agreement of the Stock Exchange and the Companies Act, 1956. The Board has 5 Independent Directors and has an optimum combination of Executive and Non-Executive Directors.

Shri Hosi Karanjia, your Independent Director ascended to his heavenly abode on 4th August, 2010 and the Company has appointed Mr. Yogesh Samat as an Independent Director w.e.f. 25th August, 2010.

The Board of your Company has 5 [Five] Executive Directors and 5 [Five] Non-Executive Directors.

During the financial year ended March 31, 2010, 8 [Eight] Board meetings were held on 18/05/2009, 30/06/2009, 31/07/2009, 25/09/2009, 29/09/2009, 28/10/2009, 17/11/2009 and 28/01/2010.

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and at the last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of Directors	Category	No. of Board Meetings attended	Attendance at Last AGM	No of Other Directorships held	Outside Committee Positions held
Shri Umeshkumar More	Chairman	7	YES	11	None
Shri Nirajkumar More	MD	7	YES	14	None
Shri Rameshkumar More	ED	4	YES	9	None
Shri Rohitkumar More	WTD	2	NO	6	None
Shri Suresh Pareek	NED	7	YES	4	None
Shri M. M. Chaturvedi	NED	1	NO	2	None
Shri Rohan Shah	NED	0	NO	1	None
Shri K. C. Srivastava	NED	8	YES	4	None
Shri Harnish D. Juthani	WTD	1	NO	2	None
Shri Hosi N. Karanjia (upto 04-08-2010)	NED	2	YES	3	None

MD stands for Managing Director.

NED stands for Non-Executive Director

WTD stands for Whole-Time Director

ED stands for Executive Director

INFORMATION SUPPLIED TO THE BOARD:

Among others, this includes:

- Review of Annual operating plans of business, capital budgets and updates.
- Quarterly results of the Company and its operating divisions.
- Minutes of meeting of Audit Committee and other Committees.
- Information on recruitment and remuneration of senior officers just below the Board level.

- General notices of interests.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- Details of any joint venture or collaboration agreement.
- Sale of materials, nature of investments, subsidiaries, assets which are not in the normal course of business.
- Foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movements.
- Any materially significant effluent or pollution problems.
- Any issue which involves possible public or product liability claims of a substantial nature.
- Significant developments in the human resource and industrial relations fronts.

The Board is routinely presented with all information under the above heads, whenever applicable and materially significant. These are submitted either as part of the agenda of Board meetings or are placed during the course of the meeting.

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

There are no material transactions with related parties that require a separate disclosure. A comprehensive list of related party transactions as required by the Accounting Standard [AS] 18 issued by the Institute of Chartered Accountants of India, is given in 'Schedule O' to the Accounts in the Annual Report.

COMMITTEES OF THE BOARD:

The Board has constituted Committees of Directors, which confirm to the requirements of clause 49 of the Listing Agreement with the Stock Exchange and the Companies Act, 1956, to take informed decisions in the best interests of the Company. These Committees monitor the activities falling within their terms of reference.

AUDIT COMMITTEE:

The Company has constituted an Audit Committee at the Board level. The scope of the activities of the Audit Committee are in compliance with Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292A of the Companies Act, 1956.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors and oversees the financial reporting process of the Company.

During the financial year 2009-2010, 5 [Five] Audit Committee Meetings were held.

The names of members of Committee and their attendance are as follows:

Name of the Members	Status	No. of Meetings Held	No. of Meetings Attended
Shri Suresh Pareek	Chairman	5	5
Shri Nirajkumar More	Member	5	4
Shri M. M. Chaturvedi	Member	5	1
Shri K. C. Srivastava	Member	5	5

All the members of the Audit Committee have Financial and Accounting Management expertise.

The meetings of the Audit Committee are also attended by Head of Accounts department and representatives of the statutory auditors.

Shri Noel Jacob, Company Secretary acts as a Secretary of the Committee.

The Chairman of the Committee was present at the Annual General Meeting held on November 17, 2009 to attend to the shareholders queries.

REMUNERATION & SELECTION COMMITTEE :

The Company has constituted a Remuneration & Selection Committee (being a non-mandatory requirement) which meet, as and when required. All matters relating to review and approval of compensation / remuneration payable to Senior Personnel, Relatives of Directors, Executive and Non-Executive Directors are examined by the Committee and recommended to the Board for their approval.

The Company pays remuneration to its Chairman, Managing Director and Whole Time Directors by way of salary, commissions, perquisites and allowances.

The remuneration has been paid as approved by the Board, in accordance with the approval of the Shareholders and within the overall ceiling prescribed by Section 198 and 309 of the Companies Act 1956.

Given below are the details of remuneration paid to Directors during the financial year 2009-2010 and shareholding as on 31-03-2010:

(Amt. in Rs.)

Directors	Sitting Fees	Salary & Allowances	Perquisites	Share Holding as on 31-03-2010 (In Nos.)
Shri Umeshkumar More	1,000/-	13,03,200/-	16,37,297/-	23,16,857
Shri Rameshkumar More	25,000/-	---	---	2,160
Shri Nirajkumar More	---	20,65,200/-	39,594/-	17,52,153
Shri Rohitkumar More	---	3,55,464/-	---	---
Shri Rohan Shah	---	---	---	312
Shri M. M. Chaturvedi	5,000/-	---	---	312
Shri K. C. Srivastava	50,000/-	---	---	---
Shri Suresh Pareek	45,000/-	---	---	1,88,756
Shri Harnish D. Juthani	---	16,35,618/-	---	16,370
Shri Hosi N. Karanjia	21,500/-	---	---	280

SHAREHOLDERS COMMITTEE:

The Company has constituted a Shareholders Committee at Board level to strengthen the investor relations and to inter-alia look into issues relating to Shareholder Grievances pertaining to transfer / transmission of shares, non receipt of declared dividends, non receipt of Annual Report, issues concerning de-materialization, re-materialization etc.

The Shareholders Committee met 4 [Four] times during the year ended March 31, 2010.

The composition of the Shareholders Committee and details of the meetings attended by the Directors during the year 2009-2010 are given below:

Name of the Members	Status	No. of Meetings Held	No. of Meetings Attended
Shri Nirajkumar More	Chairman	4	4
Shri Rameshkumar More	Member	4	4
Shri K. C. Srivastava	Member	4	4

Shri Noel Jacob, Company Secretary is the Compliance Officer.

DETAILS OF INVESTORS COMPLAINTS RECEIVED DURING THE YEAR:

Sr. No.	Nature of Complaints	Received	Disposed	Pending
1	Non-receipt of Dividend Warrants	14	14	---
2	Non-receipt of Bonus Shares	4	3	1
3	Non-receipt of Share Certificate after Transfer	6	6	---
4	Non-receipt of Annual Report	12	12	---
5	Non-receipt of Demat Credit / Remat Certificate	---	---	---
6	Non-receipt of Rejected DRFs	---	---	---
Total		36	35	1

Four complaints received from the shareholders relating to non-receipt of dividend/bonus shares are under investigation by authorities as there are claims to the title of the same shares from multiple shareholders.

GENERAL BODY MEETINGS:

(a) The last three Annual General Meetings were held as under:

Particulars	Extra Ordinary General Meeting	31/03/2009	31/03/2008	31/03/2007
Date and Time	26/06/2009 at 10.30 a.m.	17/11/2009 at 10.30 a.m.	21/08/2008 at 2.30 p.m.	16/08/2007 at 10.00 am
Venue	Gold Screen Hall, 2nd Floor, Growel House Akurli Road, Kandivli (East), Mumbai - 400101.	Gold Screen Hall, 2nd Floor, Growel House Akurli Road, Kandivli (East), Mumbai - 400101.	Gold Screen Hall, 2nd Floor, Growel House Akurli Road, Kandivli (East), Mumbai - 400101.	Gold Screen Hall, 2nd Floor, Growel House Akurli Road, Kandivli (East), Mumbai - 400101.
Any Special Resolution passed	Yes	No	No	Yes

DISCLOSURES:

1. There were no transactions of material nature other than reported under Related Party Disclosures that have been entered into by the Company with the Promoters, Directors, their Relatives and the Management and in any Company in which they are interested, that may have potential conflict with the interest of the Company.
2. Details on the use of proceeds from public issues, right issues, and preferential issues etc.
No funds have been raised through issue of equity or debt in the form of public or rights or preferential issues during the year under review.
3. Details of information on appointment of new / re-appointment of Directors
A brief resume, nature of expertise in specific functional areas, names of Companies in which the person already holds Directorships and Memberships of the Committees of the Board and his shareholding in the Company forms part of the Notice of the Annual General Meeting and is annexed to this Annual Report.
4. Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other Statutory Authority on any matter related to Capital Market, during the last Three Years:
The Company has complied with the requirements of the Stock Exchange, SEBI, and other Statutory Authorities on all matters relating to Capital Markets during the last Three Years. Redressal of 4 (Four) Complaints pending with SEBI have since been attended.

MEANS OF COMMUNICATION:

1. Quarterly Results are published in prominent daily newspapers viz., Free Press Journal and Navshakti.
2. All items required to be covered in the Management Discussion and Analysis Report have been included in the Annexure 'A' to the Director's Report.
3. The Company has its own website and all the vital information relating to the Company and its products are displayed on the web site.
Address of the website is www.growel.com

GENERAL SHAREHOLDERS INFORMATION :

1. **ANNUAL GENERAL MEETING** : 52nd Annual General Meeting.
DAY & DATE : 29th September, 2010
TIME : 10.30 a.m.
VENUE : Growel 101 Mall, Growel House, Akurli Road, Kandivli (East), Mumbai – 400101.
2. **FINANCIAL CALENDAR** :
* Financial reporting for the Quarter ended June 30, 2010: By the end of August 14, 2010.
* Financial reporting for the Quarter ended Sept.30, 2010: By the end of November 14, 2010.
* Financial reporting for the Quarter ended Dec. 31, 2010: By the end of February 14, 2011.
* Financial reporting for the Year ended March 31, 2011: By the end of Sept. 30, 2011.
3. **DATES OF BOOK CLOSURE** : 23rd September, 2010 to 29th September, 2010
[Both days inclusive].
4. **RECORD DATE OF PAYMENT OF DIVIDEND** : 22nd September, 2010.
5. **SHARE TRANSFER SYSTEM:**

The Company's Shares being in compulsory dematerialized (Demat) list are transferable through the depository system.

Shares in physical mode are processed by the Registrar and Share Transfer Agent [RTA]. The RTA has been authorized to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals.

6. REGISTRAR AND TRANSFER AGENT:

The Company has appointed the below mentioned agency as Registrars and Share Transfer Agent (RTA) for both physical and demat segment of Equity Shares of the Company:

M/s. LINKINTIME INDIA PRIVATE LIMITED

[Unit: Grauer & Weil (India) Limited]

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (West), Mumbai - 400 078.

Phones: (022) 2596 3838. Fax: (022) 2596 2691.

Email: helpline@linkintime.co.in; URL : www.linkintime.co.in

7. COMPANY SECRETARY & COMPLIANCE OFFICER:

Shri Noel Jacob

8. ADDRESS FOR CORRESPONDENCE:

Share Department:

GRAUER & WEIL [INDIA] LIMITED

'Growel House', Akurli Road, Kandivli [East], Mumbai - 400 101.

Tel: 022-6699 3000. Fax : 022-6699 3010.

 E-mail: hq@growel.com / secretarial@growel.com
9. LISTING :

The Bombay Stock Exchange Ltd.,

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400 001.

Tel: 022-2272 1234. Fax: 022-2272 1919.

10. STOCK CODE OF THE COMPANY:

The Bombay Stock Exchange Ltd.,

Scrip Name : GRAUER & WEIL [INDIA] LIMITED

Scrip Code : 505710.

Electronic Mode: INE266D01013.

11. DEPOSITORY CONNECTIVITY : NSDL and CDSL
12. ISIN NO. FOR THE COMPANY'S SECURITY : INE266D01013
13. DEMATERIALISATION OF SHARES:

As on March 31, 2010, a total of 65,20,165 Shares representing 28.76% of the paid up capital of the Company were held in dematerialised form with NSDL and CDSL. Member can hold shares in electronic forms and trade the same in Depository System. However, they may hold the same in physical form also.

14. STOCK PRICE DATA: [AS PROVIDED BY THE REGISTRAR]

Stock Market price data for the year of Company's Share:

Months	High (Rs.)	Low (Rs.)	Monthly Volume (in Shares)
April 2009	43.40	31.60	2,09,521
May 2009	73.50	38.10	3,15,870
June 2009	73.90	51.00	2,58,899
July 2009	62.00	44.15	1,81,056
August 2009	72.00	51.00	4,30,103
September 2009	73.45	60.00	4,48,756
October 2009	70.50	56.50	2,89,094
November 2009	76.40	54.00	6,29,268
December 2009	77.90	65.35	5,62,724
January 2010	85.85	65.10	9,58,536
February 2010	71.00	64.00	2,43,675
March 2010	71.95	64.25	6,13,194

15. SHAREHOLDING PATTERN AS ON MARCH 31, 2010:

Category	No. of shares held	% of shareholding
Promoters & Associates	15485221	68.31
Mutual Funds & UTI	2312	0.01
Banks & Financial Institutions	2950	0.01
Private Body Corporates	1285399	5.67
Indian Public/Others	5011325	22.10
NRI/OCBs	883368	3.90
Total	22670575	100.00

16. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2010:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	7499	1141503	5.04
501-1000	909	702975	3.10
1001-2000	594	844817	3.73
2001-3000	215	522225	2.30
3001-4000	78	275580	1.22
4001-5000	51	235185	1.04
5001-10000	87	625031	2.76
10001 & above	90	18323259	80.82
Total	9523	22670575	100.00

17. PLANT LOCATIONS :

- 215/1, Plot No. 10, Dadra Industrial Estate, Dadra - 396 191. [Dadra & Nagar Haveli.-U.T.]
- 407, GIDC Industrial Estate, Vapi - 396 195. [Gujarat]
- Plot No. 31 & 32, Industrial Estate, Barotiwala - 174 103. [H. P.].
- Survey No. 66, Village-Dhanore, Taluka-Khed, District - Pune, [Maharashtra].
- SIDCO Industrial Complex, Phase II, Samba [J & K].
- B. D. Patil Marg, Chembur, Mumbai – 400074.

18. COMPLIANCE:

A certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this report.

Registered Office:

**Growel House,
Akurli Road, Kandivli [East],
Mumbai - 400 101**

25th August, 2010

**For & on behalf of the Board of
Grauer & Weil [India] Limited**

**Umeshkumar More
Chairman**

DECLARATION

In accordance with Clause 49(l)(D) of the Listing Agreement with the Stock Exchange, I hereby confirm that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the year ended March 31, 2010.

Registered Office:
Growel House,
Akurli Road, Kandivli [East],
Mumbai - 400 101

For & on behalf of the Board of
Grauer & Weil [India] Limited

Nirajkumar U. More
Managing Director

25th August, 2010

AUDITOR'S CERTIFICATE

To,

The Members,

GRAUER & WEIL (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by GRAUER & WEIL [INDIA] LIMITED, (the Company) for the year ended March 31, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the 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 Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company based on the report given by the registrars to the Shareholders Committee and certified by the Compliance Officer of the Company.

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 M. M. Nissim And Co.
Chartered Accountants

N.KASHINATH
Partner
M. No: 36490

Mumbai
25th August, 2010

ANNEXURE – ‘C’ TO DIRECTOR’S REPORT

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY:

(1) ENERGY CONSERVATION MEASURES TAKEN:

- i) Introduced natural inverter for lighting purposes whenever electrical power is off.
- ii) Instead of using the incinerators for drying the liquid and semi-solid sludge, natural energy such as ponds is constructed to evaporate the liquid and sludge are dried under sun-light.
- iii) Pneumatic systems are introduced and mixing blenders are used to prevent the excess running of machineries.
- iv) Production per unit is measured on a regular basis thereby creating awareness of energy conservation.
- v) Plants are designed in such a way so that there is maximum circulation of air resulting in lower running of fans and exhausts.
- vi) People are trained on conservation of energy.

(2) ADDITIONAL INVESTMENTS AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY:

It is proposed to take further steps for the conservation of energy during the Current year.

(3) IMPACT OF THE ABOVE MEASURES:

Energy saving with resultant reduction in cost.

(4) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION

AS PER FORM ‘A’

B. TECHNOLOGY ABSORPTION: Efforts made in technology absorption as per Form ‘B’

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(1) Activities relating to exports, initiatives taken to develop export markets:

The Company has been taking various initiatives for export developments e.g. identification of new markets, new products introduction and expansion of distribution network overseas. As a result, the exports in 2009-2010 were grew by 16.41% to Rs. 327.74 Million, as compared to Rs. 281.52 Million in 2008-2009.

(2) Total foreign exchange used and earned:

(Rs. in Millions)

(i) Total foreign exchange used	
(a) On import of raw materials, components, spare parts and capital goods	349.28
(b) Expenditure in foreign currencies for Business Travel, Seminars, Dividend and Royalties etc.	13.33
(ii) Total foreign exchange earned	297.73

Registered Office:
Growel House,
Akurli Road, Kandivli [East],
Mumbai - 400 101

25th August, 2010

For & on behalf of the Board of
Grauer & Weil [India] Limited

Umeshkumar More
Chairman

FORM - 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY 2009-2010

PARTICULARS	2009-2010	2008-2009
A. POWER AND FUEL CONSUMPTION		
I. ELECTRICITY		
a) Purchased Units	24,27,554	24,04,724
Total amount (Rs.)	1,28,62,301	1,57,88,501
Average Rate/Unit (Rs.)	12.88	6.57
b) Own generation	Limited electric power was generated through D.G. Sets installed exclusively for the purpose of emergency supply whenever there was power shortage to keep the system working.	
2. FURNACE/OTHER OIL		
Quantity (Litres)	360615	88,094
Total Cost (Rs.)	57,06,820	26,90,901
Average Rate (Rs. per litre)	15.82	30.55

B. CONSUMPTION PER UNIT OF PRODUCTION:

As the Company manufactures different types of custom - built plants and chemicals for various applications, it is impracticable to work out the cost of usage of energy on a per unit basis.

FORM – 'B'
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION 2009-2010
A. RESEARCH & DEVELOPMENT:
1) Specific areas in which R & D is carried out by the Company:

- i) Trivalent chrome black twin additive passivate for zinc and zinc alloys.
- ii) White bronze for nickel free application.
- iii) Newly developed cost effective cyanide zinc plating system.
- iv) Newly developed copper brightner system.
- v) Trivalent chrome yellow passivation for zinc plating.

2) Benefits derived as a result of the above R & D:

- i) Lead cadmium free electroless nickel plating process with brighter finish.
- ii) Removal of hexavalent chrome/chrome salts in the plating processes which are highly carcinogenic and hazardous.
- iii) Nickel free white bronze plating process.
- iv) With the collaboration of multi-nationals like M/s. Hawkings etc., the overall standards of plating information is broadened.
- v) Introduction of trivalent chrome passivation not only provides higher corrosion resistance but is also environment friendly.
- vi) With new electroless nickel process higher metal turnover with brighter finish is developed.

3) Future Plan of Action:

- i) R&D division is working towards zero dumping concept in the pre-treatment process.
- ii) Due to implementation of ISO 9001:2000 Quality Management System, R&D activities are strictly monitored by regular internal and external audits.
- iii) Care is taken to comply with the federal environment standards to meet specific requirement ELV directive of European Union in respect of toxic and carcinogenic chemicals.
- iv) Compliance with Restriction of Hazardous Substances (ROHS) will be taken into account while preparation of new chemicals.
- v) Produce new intermediates for plating chemicals thereby leading to reduction of import costs.

4) Expenditure on R & D:

	2009-2010 (Rs. in '000)	2008-2009 (Rs. in '000)
a) Capital	83,745	2572
b) Recurring	21,822	24072
c) Total	1,05,567	26644
d) Total R & D expenditure as a percentage of total Turnover	4.82%	1.37%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:
1) Efforts, in brief made towards technology absorption, adaptation and innovation:

The agreement with M/s. Hawkings. U.K. covers high quality electrophoretic lacquer coating and specialised matt electrophoretic technology, a new invention. Various types of dyes can be incorporated to produce infinite Range of colours such as Gold, Copper, Jet Black, and Brass Finish at most economical cost.

2) Benefits derived as a result of the above efforts:

- a) Variety of decorative finishes to meet the changing needs of useRs.
- b) Highly corrosion resistant and environmentally friendly substitute for many other finishing processes.

3) Particulars of technologies imported:
a) Technology imported:

- i) New Generation Filtration and agitation by M/s Serfilco Inc., U.S.A.
- ii) New generation electrophoretic lacquers by M/s Hawking International, England
- iii) Highly corrosion resistant chrome process from Kabushiki Kaisha Nippon Dacro Shamrock, Japan.
- iv) Hexavalent chrome free passivation, post passivation and plating processes form M/s Sidasa, Spain.

b) Year imported:

- i) 2001-02
- ii) 2001-02
- iii) 2004-05
- iv) 2004-05

c) Has technology been fully absorbed: Partially absorbed

AUDITORS' REPORT

TO THE SHAREHOLDERS OF GRAUER & WEIL (INDIA) LIMITED

We have audited the attached Balance Sheet of GRAUER & WEIL (INDIA) LIMITED, as at 31st March, 2010 and also the attached 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 the auditing standards generally accepted in India. Our audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates and judgements made by the management in the preparation of financial statements and evaluating the overall financial statement presentation.

We planned and performed our audit, so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements and to provide a reasonable basis for our opinion and report that:

- 1) As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 2) Without qualifying our report, we draw attention to Note no- 17 of schedule O to the accounts on non provision for diminution in the value of investments relating to investments in equity shares of a subsidiary, associates. The management considers these investments as strategic investments and based upon projected future earnings expect the diminution in value to be temporary, upon which, we have placed our reliance.

In view of the above, the aggregate impact of the same is not quantifiable.

- 3) Further to our comments referred to in paragraph 1 above.
 - 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 account as required by law have been kept by the Company, so far as appears from our examination of the books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement, under Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors as on March 31, 2010 and taken on record by the Board of Directors, we report and certify that none of the Directors is disqualified from being appointed as Director under Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 on the said date.
- 4) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with para 2 above and together with the notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and also 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 March, 2010.
 - ii) in the case of the Profit and Loss Account, of the Profit 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 M. M. Nissim And Co.
Chartered Accountants
(Firm Reg No: 107122W)

N. KASHINATH
Partner
Mem. No. 36490

Mumbai, 25th August, 2010

ANNEXURE REFERRED TO IN PARAGAPH I OF THE AUDITORS' REPORT OF EVEN DATE

- i. In respect of its fixed assets:
 - (a) The Company has compiled itemwise lists of only Plant & Machinery. In respect of other assets, we are informed that the Company is still in the process of compiling proper records .
 - (b) As explained to us, the assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion, is reasonable, considering the size and nature of its business. We are informed that there are no major discrepancies, as regards Plant and Machinery and in respect of other assets, discrepancies, if any, will then be dealt with in the accounts once the process of compilation is complete.
 - (c) The Company has not disposed off any substantial part of its Fixed Assets so as to affect its going concern.
- ii. In respect of its inventories:
 - (a) The Inventory, excluding goods in transit has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As regards goods lying with third parties, confirmations have been obtained.
 - (b) The procedures of physical verification of Inventories followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records of the Company, we are of the opinion that the Company is maintaining proper records of its inventory. The discrepancies noticed on verification between the physical stocks and book records have been properly dealt with in the books of account.
- iii. (a) The Company has during the year granted unsecured loans to 2 Companies listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 157.40 Lacs (156 Lacs) and the year end balance of Loans granted to such parties was Rs. 66.43 Lacs (156 Lacs).
- (b) In our opinion, the rate of interest where applicable and other terms and conditions on which unsecured loans have been granted to Companies listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (c) The Companies have repaid the principal amounts as stipulated and have been regular in the payment of interest where applicable.
- (d) There is no overdue amount of loans granted to Companies listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The company has taken unsecured loans from 4 Companies and a Director, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 255 Lacs (215 Lacs) and the year end balance of such loans taken was Rs. 255 Lacs(210 Lacs).
- (f) The rate of interest, where applicable and other 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 repaid the principal amounts as stipulated and has been regular in the payment of interest, where applicable.
- iv. (a) In our opinion, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. (a) Based on the audit procedure applied by us and according to the information, explanations and representation given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register maintained under that section have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of rupees five lacs in respect of each party during the year have been made at prices which are prima-facie, reasonable having regard to prevailing market prices at that time except that in respect of certain specialized services availed no comparison of prices could be made as we were informed that there are no prevailing market prices.
- vi. The Company has complied with the provisions of Section 58A, 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule, 1975 with regards to deposits accepted from the public. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of aforesaid deposits.
- vii. The Company does not have a formal internal audit system. However, in our opinion, there are adequate internal control procedures commensurate with the size and nature of its business.
- viii. We are informed that the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, except for its paints Division. We have broadly reviewed the Books of Accounts maintained by its Paints Division and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- ix. (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other Statutory dues

with the appropriate authorities, where applicable. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March 2010 for a period of more than six months from the date they become payable.

- (b) According to the records of the company Excise Duty, Sales Tax and Income tax which have not been deposited on account of any disputes, are as detailed below;

Particulars	Period to which the amount related	Forum where the dispute is pending	Amount (Rs. in Lacs)
Excise Duty	1984-85, 1985-86, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, 1994-95, 1995-96.	Central Excise Gold Appellate Tribunal	27.39
	1989-90, 1990-91, 1993-94, 1996-97, 1997-98, 1999-2000, 2000-2001.	Deputy/Assistant Commissioner	16.77
Sales Tax	1998-99, 1999-2000, 2000-2001 And 2002-2003	Commissioner (Appeal)/Financial Commissioner.	45.34
Income Tax	2003-2004, 2004-2005 And 2005-2006	Commissioner (Appeal)	58.50

- x. The Company has no accumulated losses at the end of the financial year and has not incurred cash losses, in the current financial year and in the immediately preceding financial year.
- xi. The Company has not defaulted in repayment of its dues to banks. The company has not borrowed by way of debentures and from Financial Institutions.
- xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- xiii. The Company is not a chit fund or nidhi or mutual benefit fund or society and hence the provisions of Clauses 4(xiii) (a) to (d) of the Order, are not applicable to the Company.
- xiv. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiv) of the Order, are not applicable to the Company.
- xv. Based on our examination of the records and according to the information and explanations given to us, the company has not given any corporate guarantee for loans taken by others from any bank or financial institution.
- xvi. On the basis of the records examined by us and relying on the information compiled by the Company for co-relating the funds raised to the end use of the terms loans, we have to state that, the Company has, prima-facie, applied the term loans for the purpose for which they were raised.
- xvii. According to the information and explanations, given to us and on an overall examination, of the Financial Statements of the Company, we are of the opinion that, prima-facie, no funds raised on short term basis have been used for long term investments.
- xviii. 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.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any money through a public issue, during the year.
- xxi. According to the information and explanations given to us and to the best of our knowledge and belief no fraud on or by the Company, has been noticed or reported by the Company during the year.

For M. M. Nissim And Co.
Chartered Accountants
(Firm Reg No: 107122W)

N. KASHINATH
Partner
Mem. No. 36490

Mumbai, 25th August, 2010



Grauer & Weil (India) Limited



Dadra Plant



Jammu Plant



Barotiwala Plant



Bombay Paints Plant



Vapi Plant



Pune Plant

BALANCE SHEET AS AT 31st MARCH, 2010

	Schedule	Rupees	As At 31st March , 2010 Rupees	As At 31st March, 2009 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS FUNDS				
Share Capital	A	226,705,750		127,877,250
Share Capital Suspense		-		98,828,500
Reserves and Surplus	B	1,006,221,680	1,232,927,430	866,121,282
				1,092,827,032
LOAN FUNDS				
Secured Loans	C	1,215,253,316		886,810,443
Unsecured Loans	D	68,119,049	1,283,372,365	60,437,457
				947,247,900
DEFERRED TAX				
Deferred Tax Liabilities		103,446,006		63,008,078
Deferred Tax Assets		(24,647,984)		(14,650,193)
			78,798,022	48,357,885
			2,595,097,817	2,088,432,817
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	E	1,355,986,935		1,135,348,697
Less: Depreciation		308,170,009		262,755,493
Net Block		1,047,816,926		872,593,204
Capital Work in Progress & Capital Advances		962,134,398	2,009,951,324	750,231,003
			16,408,488	1,622,824,207
INVESTMENTS	F			16,436,488
CURRENT ASSETS, LOANS AND ADVANCES	G			
Inventories		347,428,504		253,177,184
Sundry Debtors		446,793,352		386,821,768
Cash and Bank Balances		69,337,107		38,537,226
Other Current Assets		3,708,496		2,548,445
Loans and Advances		190,628,007		182,089,498
		1,057,895,466		863,174,121
Less: CURRENT LIABILITIES AND PROVISIONS	H			
Current Liabilities		409,392,766		348,725,329
Provisions		79,764,695		65,276,670
		489,157,461		414,001,999
NET CURRENT ASSETS			568,738,005	449,172,122
			2,595,097,817	2,088,432,817
Notes to Accounts	O			

Schedules A to H and O referred to above form an integral part of the Balance Sheet
This is the Balance Sheet referred to in our report of even date

FOR M. M. NISSIM AND CO.
Chartered Accountants
(Firm Reg No: 107122W)

N.KASHINATH
Partner
Membership No.36490

Mumbai, 25th August, 2010

For and on behalf of the Board of Directors

UMESHKUMAR MORE

Chairman

NIRAJKUMAR MORE

Managing Director

NOEL JACOB

Sr. V. P. (Corp.) & Co. Secretary

Mumbai, 25th August, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

	Schedule	Rupees	2009-2010 Rupees	2008-2009 Rupees
INCOME				
Income from Operations				
Gross sales			2,559,991,356	2,332,262,914
Less : Trade discount			225,371,278	196,739,757
Less : Excise Duty			148,684,460	201,287,135
			2,185,935,618	1,934,236,022
Business Conducting Fees			56,227,784	54,348,811
(Tax deducted at source Rs.8407042/- (Previous Year Rs.12971620/-))				
			2,242,163,402	1,988,584,833
Other Income	I		20,455,681	58,980,335
			2,262,619,083	2,047,565,168
EXPENDITURE				
Materials	J		1,256,582,473	1,145,692,028
Salaries, Wages and other benefits	K		206,866,441	199,298,558
Other Expenses	L		426,811,929	440,783,846
Interest & Finance charges	M		99,069,954	86,461,225
Depreciation	N		43,921,040	40,417,618
			2,033,251,837	1,912,653,275
PROFIT BEFORE TAX			229,367,246	134,911,893
PROVISION FOR TAXATION				
Current Tax		39,000,000		14,800,000
Less:MAT Credit Entitlement		(4,300,000)		(10,900,000)
Current Tax			34,700,000	3,900,000
Deferred Tax			30,440,137	415,554
Fringe Benefit Tax			-	4,889,757
PROFIT AFTER TAX			164,227,109	125,706,582
Add: Balance Brought Forward			109,417,064	6,819,858
PROFIT AVAILABLE FOR APPROPRIATION			273,644,173	132,526,440
APPROPRIATIONS				
Dividend				
-Final Dividend			18,136,460	9,068,230
Tax on Proposed Dividend			3,012,239	1,541,146
Transfer to General Reserve			16,000,000	12,500,000
			37,148,699	23,109,376
Balance Carried to Balance Sheet			236,495,474	109,417,064
BASIC AND DILUTED EARNINGS PER SHARE			7.24	5.54
Notes to Accounts	O			

Schedules I to N and O referred to above form an integral part of the Profit and Loss Account
This is the Profit and Loss Account referred to in our report of even date

FOR M. M. NISSIM AND CO.
Chartered Accountants
(Firm Reg No: 107122W)

N.KASHINATH
Partner
Membership No.36490
Mumbai, 25th August, 2010

For and on behalf of the Board of Directors

UMESHKUMAR MORE
NIRAJKUMAR MORE
NOEL JACOB

Chairman
Managing Director
Sr. V. P. (Corp.) & Co. Secretary

Mumbai, 25th August, 2010

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Rupees	2009-2010 Rupees	2008-2009 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES :			
NET PROFIT BEFORE TAX		229,367,246	134,911,893
Adjustments for :			
Depreciation	43,921,040		40,417,618
(Profit)/Loss on sale of Investments	925,000		-
Write back of Diminution in value of Investments	(943,500)		(802,620)
(Profit)/Loss on sale of Fixed Assets	1,089,705		(6,459,719)
Unrealised foreign exchange (gains)/losses	5,020,940		(510,635)
Interest & Finance Charges	99,069,954		86,461,225
Interest Income	(4,058,172)		(6,218,829)
Dividend Income	(18,050)		(14,055)
Wealth Tax	217,106		157,250
Bad Debts written off	3,649,177		304,834
		148,873,200	113,335,069
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		378,240,446	248,246,962
Adjustments for :			
(Increase)/Decrease in Trade and other receivables	(75,560,974)		136,858,355
(Increase)/Decrease in Inventories	(94,251,320)		46,724,989
(Increase)/Decrease in Trade and other payables	66,292,615		(157,516,496)
		(103,519,679)	26,066,848
CASH GENERATED FROM OPERATIONS		274,720,767	274,313,810
Direct Taxes Paid		(31,515,402)	(33,348,688)
NET CASH FROM OPERATING ACTIVITIES		243,205,365	240,965,122
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Capital Expenditure		(439,657,148)	(454,246,008)
Sale of Fixed Assets		2,374,702	16,608,950
Purchase of Investments		(9,000)	-
Sale of Investments		55,500	-
Interest received		2,898,121	4,881,348
Dividend Income		18,050	14,055
NET CASH USED IN INVESTING ACTIVITIES		(434,319,775)	(432,741,655)
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from Borrowings (Net of Repayments)		336,124,465	286,231,303
Interest Paid		(99,208,758)	(88,012,613)
Dividend Paid		(9,980,476)	(38,206,210)
NET CASH FROM FINANCING ACTIVITIES		226,935,231	160,012,480
		35,820,821	(31,764,053)
Opening cash and cash equivalents		39,537,115	71,301,168
Closing cash and cash equivalents		75,357,936	39,537,115
Notes to the Cash Flow Statement			
Components of cash and cash equivalents:			
Cash and bank balances		69,337,107	38,537,226
Unrealised foreign exchange gains/ loss - net		6,020,829	999,889
		75,357,936	39,537,115

This is the Cash Flow Statement referred to in our report of even date

FOR M. M. NISSIM AND CO.
 Chartered Accountants
 (Firm Reg No: 107122W)

N.KASHINATH
 Partner
 Membership No.36490
 Mumbai, 25th August, 2010

For and on behalf of the Board of Directors
UMESHKUMAR MORE Chairman
NIRAJKUMAR MORE Managing Director
NOEL JACOB Sr. V. P. (Corp.) & Co. Secretary

Mumbai, 25th August, 2010

SCHEDULE ANNEXED TO THE BALANCE SHEET

	Rupees	As At 31st March, 2010 Rupees	As At 31st March, 2009 Rupees
SCHEDULE A: SHARE CAPITAL			
AUTHORISED			
25,000,000 Equity Shares of Rs. 10 each		250,000,000	250,000,000
ISSUED, SUBSCRIBED AND PAID-UP			
2,26,70,575 (12,787,725) Equity Shares of Rs. 10 each fully paid-up		226,705,750	127,877,250
NOTE : Of the above,			
(1) 154,500 Equity shares were allotted as fully paid-up pursuant to a contract without payment being received in cash.			
(2) 11,593,495 Equity shares were allotted as fully paid-up Bonus shares by capitalisation of Capital Reserve, Capital Redemption Reserve, General reserve & Securities Premium account			
SHARE CAPITAL SUSPENSE			
9882850 Equity shares of Rs.10/- each fully paid -up, to be issued pursuant to the Scheme of Merger of Bombay Paints Ltd with the Company. (Since Alloted)		-	98,828,500
SCHEDULE B: RESERVES AND SURPLUS			
AMALGAMATION RESERVE			
Surplus arising on acquisition of assets at Fair Market Value		-	333,051,859
Less : Cancellation & Extinguishment of Investment		-	(1,148,213)
Amalgamation expenses		-	(13,270,292)
Transfer to Profit & Loss Account		-	(74,099,983)
		-	244,533,371
Less : Transfer to General Reserve - II		-	(244,533,371)
		-	-
GENERAL RESERVE			
As per Last Balance Sheet	517,360,327		504,860,327
Add : Transfer from Profit and Loss Account	16,000,000		12,500,000
		533,360,327	517,360,327
GENERAL RESERVE-II			
As per Last Balance Sheet	239,343,891		-
Transfer from Amalgamation Reserve	-		244,533,371
Add : Excess Provision of expenses on Amalgamation written Back transfer from Profit & Loss Account	2,166,572		-
Less : Amount transfer to Profit & Loss account being difference of Depreciation on Orginal Cost & fair value.	5,144,584		5,189,480
		236,365,879	239,343,891
PROFIT AND LOSS ACCOUNT		236,495,474	109,417,064
		1,006,221,680	866,121,282

	As At 31st March, 2010 Rupees	As At 31st March, 2009 Rupees
SCHEDULE C: SECURED LOANS		
CREDIT FACILITIES FROM BANKS		
Term Loans	964,281,343	336,320,776
(Repayable within one year Rs. 124.00 million, Previous year Rs. 82.90 million)		
TERM LOANS FROM A FINANCIAL INSTITUTION		
Housing Development Finance Corporation Ltd	-	432,769,289
Working Capital Facilities	247,615,175	110,897,892
HIRE PURCHASE CREDITS	3,356,798	6,822,486
	<u>1,215,253,316</u>	<u>886,810,443</u>
NOTES :		
1 Term loans for shopping mall at Kandivli, Mumbai availed from Punjab National Bank and The Saraswat Co-op Bank are secured by pari-passu first charge by joint mortgage by way of deposit of title deeds of immovable properties of the Company at Kandivli. Term loan from The Saraswat Co-operative Bank Ltd is secured by legal mortgage of fixed assets including land and building of the Paints Division at Chembur. Term loan from Punjab National Bank for Sambha unit at Jammu is secured by first charge on the block of assets of Sambha unit		
2 Working capital facilities sanctioned by Axis Bank to Paints division of the Company is secured by hypothecation of all current assets comprising of finished, semi-finished goods, raw materials, stores-spares, book debts and second charge on moveable and immovable fixed assets of Paints division, save and except specified fixed assets exclusively charged under hire purchase agreement.. Working capital facilities sanctioned by Punjab National Bank and Dena Bank are secured by hypothecation of all current assets comprising of finished, semi-finished goods, raw materials, stores-spares and book debts except that of Paints division on pari passu basis and movable fixed assets of Barotiwala, Dadra, Vapi and Alandi (Pune) units. These facilities are further secured by a pari passu charge by joint mortgage by way of deposit of title deeds of the immovable fixed assets of Barotiwala unit and second pari-passu charge on the movable assets of Sambha unit.		
3 Hire purchase credits are secured by hypothecation of specific assets purchased under the Scheme		
SCHEDULE D: UNSECURED LOANS		
Fixed Deposits:	6,644,000	5,613,000
(Repayable within one year Rs. 1.94 million, Previous year Rs. 2.57 million)		
Dealer Deposits	35,975,049	29,827,886
Inter Corporate Deposits	16,100,000	19,496,571
Loan from Directors	9,400,000	5,500,000
	<u>68,119,049</u>	<u>60,437,457</u>

SCHEDULE E: FIXED ASSETS

Sr. No.	Description	GROSS BLOCK (AT COST/FAIR VALUE)				DEPRECIATION				NET BLOCK	
		As at 01-04-2009	Additions during the year	Sales/ adjustments during the year	As at 31-03-2010	Upto 01-04-2009	Deduction for Sale/ Adjustments	For the Year	Upto 31-03-2010	As at 31-03-2010	As at 31-03-2009
1.	Land										
	a) Freehold	111,907,099	-	-	111,907,099	-	-	-	-	111,907,099	111,907,099
	b) Leasehold	188,761,100	-	-	188,761,100	3,938,427	-	3,114,964	7,053,391	181,707,709	184,822,673
2.	Buildings	374,452,875	116,362,428	-	490,815,303	57,192,024	-	13,123,487	70,315,511	420,499,792	317,260,851
3.	Plant and Machinery	266,018,777	92,703,052	1,793,700	356,928,129	122,598,202	940,018	19,341,921	141,000,105	215,928,024	143,420,575
4.	Laboratory Equipment	27,242,683	1,888,034	-	29,130,717	11,736,495	-	1,344,640	13,081,135	16,049,582	15,506,188
5.	R&D Equipment	43,895,461	2,912,314	599,581	46,208,194	17,046,395	576,312	2,294,224	18,764,307	27,443,887	26,849,066
6.	Furniture Fittings and Fixtures	33,905,130	3,869,290	-	37,774,420	19,513,450	-	2,272,858	21,786,308	15,988,112	14,391,680
7.	Office Equipments	30,682,056	3,011,984	311,432	33,382,608	14,030,367	259,742	1,458,418	15,229,043	18,153,565	16,651,689
8.	Vehicles	55,536,516	3,356,615	4,556,329	54,336,802	16,110,733	2,020,563	5,235,552	19,325,722	35,011,080	39,425,783
9	Intangible Assets (Computer Software)	2,947,000	3,795,563	-	6,742,563	589,400	-	1,025,087	1,614,487	5,128,076	2,357,600
	Total	1,135,348,697	227,899,280	7,261,042	1,355,986,935	262,755,493	3,796,635	49,211,151	308,170,009	1,047,816,927	872,593,204
	Previous Year	773,404,031	377,955,382	16,010,716	1,135,348,697	222,822,865	5,861,485	45,794,113	262,755,493	872,593,204	

Note: 1. Buildings includes Residential premises at Vapi amounting to Rs. 521,866/- for which conveyance is yet to be executed by the company and includes premises in Co-operative societies and the cost of shares allotted by the societies.
2. Vehicles include Rs.19155665/- being cost of vehicles not registered in the name of the company.

	As at 31 st March, 2010		As at 31 st March, 2009	
	Nos.	Rupees	Nos.	Rupees
SCHEDULE F: INVESTMENTS (NON TRADE, LONG TERM)				
(at cost less permanent diminution in value)				
SHARES				
Quoted				
In fully paid-up Equity Shares of Rs. 10 each				
Arihant Threads Limited	2,100	6,300	2,100	6,300
Crystal Software Solutions Limited	8,600	43,100	8,600	43,100
Sunflag Iron & Steel Co. Limited	2,000	1	2,000	1
Ginni Filaments Limited	900	14,400	900	14,400
Indo-French Bio-tech Enterprises Limited	89,800	89,800	89,800	89,800
Punjab National Bank	235	91,650	235	91,650
Unquoted				
In Subsidiaries				
Poona Bottling Co. Pvt Ltd (Fully paid-up Equity shares of Rs. 100/- each)	95,970	407,085	95,970	407,085
Growel Energy Company Ltd (Fully paid-up Equity shares of Rs. 10/- each) *	-	-	49,400	494,000
*(On ceasation of Parent & Subsidiary relationship, the Investment in Growel Energy has been considered as an Investment in Associate)				
Grauer & Weil (Shanghai) Limited	-	7,890,000	-	7,890,000
In Associates				
Growel Goema (I) Pvt Limited (Fully paid up Equity shares of Rs. 10/- each)	149,980	1,499,800	149,980	1,499,800
Growel Sidasa Industries Pvt Limited (Fully paid up Equity shares of Rs. 10/- each)	444,900	4,449,000	444,900	4,449,000
Growel Energy Company Ltd (Fully paid-up Equity shares of Rs. 10/- each)	49,400	494,000	-	-
Grauer & Weil (Thailand) Limited (Fully paid up Equity shares of THB 100 each)	9,800	1,098,050	9,800	1,098,050
Others				
In fully paid-up Equity Shares of Rs. 10 each				
Shree Vaishnavi Dyeing & Printing Limited	1,500	6,000	1,500	6,000
Growel Softech Pvt. Limited (sold during the year)	-	-	37,000	37,000
Saraswat Cooperative Bank Ltd	5,000	50,000	5,000	50,000
Rasik Plast Limited	13,500	1	13,500	1
Surlux Health Centres Limited	1,000	1	1,000	1
Shivalik Solid Waste Management Ltd.	20,000	200,000	20,000	200,000
National Savings Certificates		69,300		60,300
		16,408,488		16,436,488
		As at 31 st March, 2010	As at 31 st March, 2009	
	Cost Rs.	Market value Rs.	Cost Rs.	Market value Rs.
Aggregate value of Quoted Investments	245,251	333,461	245,251	148,034
Aggregate value of Unquoted Investments	16,163,237		16,191,237	
	16,408,488		16,436,488	

	Rupees	As At 31st March, 2010 Rupees	As At 31st March, 2009 Rupees
SCHEDULE G: CURRENT ASSETS, LOANS AND ADVANCES			
I. CURRENT ASSETS			
(i) Inventories (As taken, valued and certified by the management)			
Stores, Spares and Packing Materials	16,548,948		15,409,592
Raw Materials	176,902,943		100,668,536
Work-in-Progress	31,632,280		37,372,880
Finished Goods	95,920,947		73,894,142
Goods in Transit	26,423,386		25,832,034
		347,428,504	253,177,184
(ii) Sundry Debtors (Refer Note no.6)			
Exceeding six months			
- Secured	9,002,078		1,894,875
- Unsecured-Considered good	88,876,577		63,921,253
- Unsecured-Considered Doubtful	17,452,612		17,997,024
	115,331,267		83,813,152
Other Debts			
- Secured	9,043,508		11,215,588
- Unsecured-Considered good	339,871,189		309,790,052
	348,914,697		321,005,640
- Provision for Doubtful Debts	17,452,612		17,997,024
		446,793,352	386,821,768
(iii) Cash and Bank balances			
Cash on hand	1,676,129		2,613,139
With Scheduled Banks :			
In Current Accounts	54,160,796		24,170,651
In Fixed Deposits	4,383,230		3,208,441
In Margin accounts	9,116,952		8,544,995
		69,337,107	38,537,226
(iv) Other Current Assets			
Interest Receivable	3,704,400		2,513,650
Interest Accrued but not due	4,096		34,795
		3,708,496	2,548,445
II. LOANS AND ADVANCES			
(Unsecured considered good)			
Inter Corporate Loans (Refer Note no. 7(a & b))	6,642,840		15,645,724
Balances with Excise Department	53,677,771		37,753,991
Income Tax (less Provision)	11,608,828		19,107,124
MAT Credit Entitlement	15,200,000		10,900,000
Deposits (Refer Note no.7 (a))	29,372,826		17,010,167
Advance to Suppliers	40,920,893		46,414,071
Loans to Staff	1,837,024		2,359,705
Prepaid Expenses	4,213,028		2,926,130
Advances recoverable in cash or in kind or for value to be received (Refer Note no.7(c))	27,154,797		29,972,586
		190,628,007	182,089,498
		1,057,895,466	863,174,121

	Rupees	Rupees	As At 31st March, 2010 Rupees	As At 31st March, 2009 Rupees
SCHEDULE H: CURRENT LIABILITIES & PROVISIONS				
(a) CURRENT LIABILITIES				
Sundry Creditors				
- Due to Micro, Small & Medium Enterprises		1,658,730		4,142,837
- Others		267,230,069		246,770,752
Advance from customers		19,404,710		30,154,202
Investor Education and Protection Fund shall be credited by*				
Unclaimed dividends	1,420,516			794,616
Unclaimed Fixed Deposits	18,000			15,000
		1,438,516		809,616
Interest accrued but not due		742,475		881,279
Other Liabilities		118,918,266		65,966,643
			409,392,766	348,725,329
(b) PROVISIONS				
Proposed Dividend		18,136,460		9,068,230
Tax on Proposed dividend		3,012,239		1,541,146
Provision for Retirement Benefits		58,615,996		54,667,294
			79,764,695	65,276,670
			489,157,461	414,001,999

* The figures reflect the position as at 31st March, 2010. The Actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due dates.

SCHEDULE ANNEXED TO THE PROFIT AND LOSS ACCOUNT

		Rupees	2009-10 Rupees	2008-09 Rupees
SCHEDULE I: OTHER INCOME				
Plating and Service charges (Gross)*			8,918,799	11,205,921
License Fees			400,000	1,400,000
Interest Received(Gross)*			4,058,172	6,218,829
Profit on sale of assets (Net)			-	11,086,606
Dimunition in value of Investments written back			943,500	802,620
Dividend on investments (other than Trade Investments)			18,050	14,055
Miscellaneous Receipts(Gross)*			6,117,160	8,612,524
Excess Provision of amalgamation expenses Written Back		2,166,572		-
Less : Transfer to General Reserve II		2,166,572	-	-
Exchange fluctuations			-	19,639,780
			20,455,681	58,980,335
			3,394,085	2,957,755
* Tax Deducted at source				
SCHEDULE J: MATERIAL				
RAW MATERIAL CONSUMED				
Opening Stock		100,668,536		109,872,570
Add:Opening stock on Amalgamation		-		27,013,399
Purchases Add : Purchases		1,317,243,612		1,067,027,759
		1,417,912,148		1,203,913,728
Less: Closing Stock		176,902,943		100,668,536
			1,241,009,205	1,103,245,192
Purchase for Resale			28,406,668	35,312,756
			1,269,415,873	1,138,557,948
(INCREASE) / DECREASE IN STOCKS				
Opening Stock				
Work-in-Progress		37,372,880		36,419,118
Finished Goods		73,894,142		41,754,739
		111,267,022		78,173,857
Opening Stock on Amalgamation				
Work-in-Progress		-		4,830,400
Finished Goods		-		40,926,759
		-		45,757,159
		111,267,022		123,931,016
Less: Closing Stock				
Work-in-Progress		31,632,280		37,372,880
Finished Goods		95,920,947		73,894,142
		127,553,227		111,267,022
			(16,286,205)	12,663,994
Variation in Excise duty on Opening & Closing Stock of finished Goods			3,452,805	(5,529,914)
			1,256,582,473	1,145,692,028

		Rupees	2009-10 Rupees	2008-09 Rupees
SCHEDULE K: SALARIES, WAGES AND OTHER BENEFITS				
Salaries, Wages, Bonus etc.			171,995,622	163,543,546
Contribution to Provident and Other Funds			11,562,432	12,039,490
Welfare Expenses			23,308,387	23,715,522
			206,866,441	199,298,558
SCHEDULE L: OTHER EXPENSES				
Stores, Spares and Loose Tools Consumed			13,377,557	23,528,944
Packing Expenses			81,715,468	71,815,656
Job Charges/Labour charges			29,662,511	36,382,305
Power and Fuel			21,586,540	27,989,595
Drawings, Designs and Layout Expenses			343,809	1,967,419
Rent			8,171,599	8,084,272
Rates and Taxes			12,809,542	12,237,609
Repairs & Maintenance:				
Buildings	6,396,742			8,877,384
Plant and Machinery	7,100,340			8,195,801
Others	8,727,723			12,103,642
			22,224,805	29,176,826
Insurance			3,850,068	3,462,249
Freight and Forwarding			42,023,459	40,023,761
Printing and Stationery			5,977,687	6,377,819
Postage and Telephones			11,546,669	12,510,319
Vehicle Expenses			9,611,959	9,662,410
Travelling Expenses			24,033,731	26,331,647
Conveyance Expenses			7,313,435	5,236,387
Legal and Professional Fees			16,834,164	19,718,428
Sales Tax			48,803,196	47,219,853
Advertisement & Sales Promotion			5,615,102	5,343,937
Auditors' Remuneration:				
Audit Fees	185,000			125,000
Tax Audit /Taxation Matters	160,000			175,000
Cost Audit Fees	40,000			40,000
Other Matters	70,000			107,500
Reimbursement of Expenses	40,674			78,294
			495,674	525,794
Directors' Sitting Fees			147,500	34,500
Bad Debts written off			3,649,177	304,834
Wealth Tax			217,106	157,250
Loss on Sale/Discard of Assets (Net)			1,089,705	4,626,887
Loss on Sale of Investments (Net)			925,000	-
Donations			113,703	185,004
Exchange Fluctuations			3,678,283	-
Miscellaneous Expenses			50,994,480	47,880,139
			426,811,929	440,783,846

	Rupees	2009-10 Rupees	2008-09 Rupees
SCHEDULE M: INTEREST & FINANCE CHARGES			
Interest			
- On Fixed Loans		35,582,708	37,752,787
- Others		43,121,135	31,318,092
Cash Discount		20,366,111	17,390,346
		99,069,954	86,461,225
SCHEDULE N: DEPRECIATION			
Depreciation for the year		49,211,151	45,794,113
Less: Capitalised during the year		145,527	187,015
Less: Withdrawn from General Reserve -II		5,144,584	5,189,480
		43,921,040	40,417,618

SCHEDULE O: NOTES FORMING PARTS OF THE ACCOUNTS
I. Significant Accounting Policies
a. Basis of Accounting:

The accounts have been prepared on the accrual basis of accounting, under the historical cost convention and fair valuation of certain assets on merger under a Scheme approved by The Hon'ble Board for Industrial & Financial Reconstruction (BIFR), in accordance with the Companies Act, 1956 and the applicable Accounting Standards notified by the Companies (Accounting Standard) Rules, 2006.

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect, the reported amount of assets and liabilities on the date of the financial statement and a reported amount of revenues and expenses during the reporting period. Difference between the actual expenses and estimates are recognised in the period in which the results are known / materialized.

c. Revenue Recognition:

Revenue from the sale of goods are recognised upon passage of title to the customer which generally coincides with their delivery. Claims, if any, in respect of sales are accounted for as and when settled.

Equipment manufactured by the Engineering Division for use by other divisions are included in the Sales at transfer price and are capitalised by other division.

Benefit on account of entitlement to import duty free materials under the "Duty Entitlement Exemption Certificate" (DEEC) is accounted in the year of import.

Income arising out of Business Conducting Fees are accounted at contracted rates.

Income from operations in Paints division includes Job Contract receipts, net of payments made to Sub Contractors. The Company follows the "Percentage of Completion Method" of accounting for all contracts. The revenue from the execution of contracts is recognised proportionately with the degree of completion achieved under each contract, matching revenue with expenses incurred.

d. Fixed Assets and Depreciation:

I. Fixed assets are stated at cost of acquisition/fair value including expenditure incurred during construction / erection less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributed cost of bringing the asset to working condition for its intended use.

II. Expenditure incurred during the developmental and preliminary stages of Company's new projects are carried forward under the head capital work in Progress.

III. Depreciation is provided in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956:

- On Written Down Value basis in respect of all assets acquired before 01/04/91 at Kandivli and assets acquired upto 31/12/1986 at its Paints Division.
- On straight line basis in respect of all other assets.

IV. Premium on leasehold land is amortised over its lease period; unless it is a perpetual lease.

V. Computer software is being amortised on straight line method over a period of five years.

VI. Additional depreciation arising on fair value of the assets at its Paints division is adjusted against General Reserve II

e. Impairment:

Impairment loss is recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognised as an expense in the statement of profit and loss and the carrying amount of the asset is reduced to its recoverable amount. Previously recognised impairment loss is further provided or revised depending on changes in circumstances.

f. Investments:

Long Term Investments are stated at cost of acquisition or book value. Book value being arrived at after adjusting provision for diminution in value, provided such diminution is other than temporary. Current investments are stated at lower of cost and fair value.

g. Inventories:

i. Inventories are valued as follows:

Stores, Spares, Raw Materials, Packing Materials, Finished Goods and Work – In – Progress : At lower of cost and Net Realisable Value.

ii. Cost of Raw Materials, Stores, Spares and Packing Materials is determined on Weighted Average Basis. Cost of Finished Goods and Work – In – Progress is determined by considering materials, labour and other related direct expenses.

h. Research and Development:

Research and Development expenditure of revenue nature is written off in the year in which it is incurred and expenditure of capital nature is included in fixed assets and depreciation is provided on such assets as applicable.

i. Employee Benefits:

Short term employee benefit is accounted in the period during which the services have been rendered.

The Company's contribution to the Provident Fund is remitted to "Employees Provident Fund Organisation" based on fixed percentage of the eligible employee's salary and charged to Profit & Loss Account.

Superannuation benefits to certain employees, a defined contribution plan, as per Company's scheme, have been funded with Life Insurance Corporation of India and contribution is charged to Profit & Loss Account, when the contribution to the fund is due.

The Company's Liability towards Gratuity being defined benefit plan is accounted for based on Actuarial valuation done at the year end using the Projected Unit Credit Method. Actuarial gains & losses are charged to Profit & Loss Account. The Gratuity liability is partly funded through a trust with the Life Insurance Corporation of India for employees of Paints Division.

Compensated leave encashment being other long term employee benefit is accounted for based on Actuarial valuation done at the year end using projected unit credit method. Actuarial gains & losses are charged to Profit & loss Account.

j. Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are recorded at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items are converted into Rupee equivalent at the exchange rates prevailing as on Balance Sheet date. Non-monetary items are carried at historical cost denominated in a foreign currency and are reported using the exchange rate at the date of transaction. Exchange Difference arising on settlement / restatement of monetary items are recognised as income or as expenses in the year in which they arise. Premium or discount on Forward Contracts is amortised over the life of such contracts and is recognised as income or expenses. Any Profit or Loss arising in cancellation or renewal of Forward Contract is recognised as income or as expense for the year.

k. Customs Duty and Excise Duty:

Customs Duty and Excise Duty have been accounted on the basis of both payments made in respect of goods cleared as well as on provision made for goods lying in bonded warehouse.

l. Borrowing Costs:

Interest and other borrowing costs attributable to the acquisition of or construction of qualifying assets till the date of commercial use of the assets are capitalised. All other borrowing costs are charged to revenue.

m. Income Taxes:

Tax expense comprises both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods are recognised using the tax rates and tax laws that have been enacted or substantively enacted. Provision for Wealth Tax liability is estimated and provided for. Deferred tax assets pertaining to unaborsorbed business loss & depreciation is recognized only to the extent of virtual certainty of its realization.

n. Segment Reporting:
i. Identification of Segments:

The Company has disclosed Business Segment as the Primary Segment. The Company's operating business are organized and managed separately according to the nature of the products and services provided, with each segment representing strategic business unit that offers different products and serves different markets.

ii. Segment Revenue & Results:

The Income and Expenses which are not directly attributable to business segment are shown as unallocated income and expenses.

iii. Segment Assets & Liabilities:

Segment Assets include all operating assets used by the business segment and consists principally all Fixed Assets, Debtors, Inventories and Advances. Segment Liabilities primarily include Creditors, Other Liabilities / Provisions. Common assets and liabilities that cannot be allocated to any segment are shown as a part of unallocated corporate assets and liabilities.

o. Leases:

Operating Lease payments are recognised on a straight line basis over the lease term.

p. Provision & Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosures is made.

2. Contingent Liabilities not provided for:

	2009-2010 (Rs. in '000)	2008-2009 (Rs. in '000)
Disputed matters in appeal / contested in respect of		
- Income Tax	5850	8652
- Excise Duty	4416	4805
- Sales Tax	4534	4595
- Other matters	-	15406
- Bank Guarantees	44009	15940

3. Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)

	24,579	684420
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4. Tax deducted at sources on Job Contract sales

	1309	1718
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5. Managerial Remuneration

	2009-2010 (Rs. in '000)	2008-2009 (Rs. in '000)
i) Salary and allowances	5066	3203
ii) Contribution to Provident Fund and other funds*	328	308
iii) Perquisites	1677	2817
iv) Directors Sitting Fees	148	35

Total

	*7219	*6363
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*Excluding Contribution / Provision for Gratuity and Leave Encashment

6. Sundry Debtors includes:

	2009-2010 (Rs. in '000)	2008-2009 (Rs. in '000)
Debts due from Companies under same Management		
i) Grauer & Weil (Thailand) Limited	15980	9426
ii) Growel Sidasa Industries Pvt. Limited	4618	704
iii) Growel Goema India Pvt. Limited	14679	18621
iv) Grauer & Weil (Shanghai) Limited	32686	23103

7. Loans and Advances includes:

	2009-2010 (Rs. in '000)	2008-2009 (Rs. in '000)
a) Amount due from a subsidiary Company		
i) Poona Bottling Co. Pvt. Limited		
- On account of Loan (including interest of Rs. 16.33 lacs)	3274	11398
- On account of Deposit	7050	7050
b) Loan to Associates /Companies Under the same Management		
i) Grauer & Weil (Thailand) Limited		
- On account of Loan (including interest of Rs. 15.22 lacs)	6522	6122
c) Amount due from Associates /Companies under the same Management- On account of expenses		
i) Growel Sidasa Industries Pvt. Ltd.	116	9
ii) Growel Softech Limited	119	119
iii) Growel Corporate Management Ltd.	16	115
iv) Digikore Design Ltd.	39	39

8. Disclosure required by clause 32 of the listing agreement

Amount due from following parties

(Rs. In '000)

Shares held by the Loanee company

	Amount Outstanding	Maximum Balance during the year	No. of shares held at the year end	Maximum No. of shares held during the year
i) Subsidiaries				
1) Poona Bottling Co. Pvt. Limited	3274 (11398)	3274 (11398)	4097500 (Nil)	4097500 (Nil)
(ii) Associates				
2) Grauer & Weil (Thailand) Ltd.	6522 (6122)	6522 (6122)	Nil (Nil)	Nil (Nil)

Notes:

- All the above loans and advance are interest bearing.
- Loans to employees as per Companies policies are not considered
- Previous year figures are in brackets.

9. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of the business.

10. The Company has taken various premises under operating leases. These are generally not non-cancellable and range between 11 months to 3 years and above and are renewable by mutual consent on mutually agreeable terms. Lease payments are recognised in the Profit and Loss Account under the head "rent".

Minimum Lease payments;

Particular	2009-2010 (Rs. In '000)	2008-2009 (Rs. In '000)
-Not later than one year	6326	6431
-Later than one year, but not less than five year	8108	14232
-More than five year	1800	-

11. Capital Work in Progress includes

Pre operative expenses pending allocation

	2009-2010 (Rs. In '000)	2008-2009 (Rs. In '000)
1) Rates and Taxes	2504	120372
2) Insurance	94	131
3) Professional Fees	9557	5536
4) Borrowing Cost	77016	62221
5) Salary and Wages	331	2341
6) Miscellaneous	10004	8590
	99506	199191
Add: Brought forward from previous year	293686	94495
	393192	293686
Less-Capitalised during the year	36456	-
Total	356736	293686

12. As certified by the Management, the company has incurred the following revenue expenditure on Research & Development activities during the year at its R&D Centre at Kandivli

	2009-2010 (Rs. in '000)	2008-2009 (Rs. in '000)
i) Salaries, Wages & Benefits	12847	13521
ii) Chemicals consumed	4694	3970
iii) Travelling & Conveyance	1187	728
iv) Repairs & Maintenance	159	190
v) Other expenses	1179	5492
Total	20066	23901
Less : Testing & analysis charges	(603)	(234)
Total	19463	23667

Depreciation includes Rs 2094 thousand (P.Y. 2352 thousand) in respect of Fixed Assets used for Research & Development.

Capital Expenditure on Research & Development during the year is Rs 80928 thousand (P.Y. 2261 thousand).

This information also complies with the terms of approval of In-house Research & Development facility at R&D centre, Kandivli, Mumbai granted by Government of India, Ministry of Science & Technology, Department of Scientific & Industrial Research for the period 1st April, 2009 to 31st March, 2012 vide their letter No. T.U.IV-15 (305)/2009 dated 16th June, 2009.

The Research & Development expenditure incurred during the year at other locations of the company not included in above is as follows;

	2009-2010 (Rs. In '000)	2008-2009 (Rs. In '000)
Revenue Expenditure	2359	405
Capital Expenditure	2817	311
Total	5176	716

13. Employee Benefits:

As Per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in accounting Standard are given below:

- (i) Defined contribution plans:

	2009-10 (Rs. In '000)	2008-2009 (Rs. In '000)
Employer's Contribution to Provident Fund*	5261	5967
Employer's Contribution to Superannuation Fund*	1862	1671

*included in "contribution to Provident & Other funds" (Refer schedule K)

- ii. (a) Defined benefit plans:

	Gratuity *2009-2010 (Rs. In '000) <u>Partly Funded</u>	Gratuity *2009-2010 (Rs. In '000) <u>Unfunded</u>	Gratuity * 2008-2009 (Rs. In '000) <u>Partly Funded</u>	Gratuity * 2008-2009 (Rs. In '000) <u>Unfunded</u>
Current Service Cost	853	2934	6652	2428
Interest Cost	681	2548	595	2367
Expected return on Plan assets	(132)	-	(91)	-
Actuarial (Gain)/Loss	(358)	3371	(5623)	711
Net Cost	1044	8853	1533	5506

b. Reconciliation of benefit obligations and plan assets for the year

	Gratuity *2009-2010 (Rs. In '000) <u>Partly Funded</u>	Gratuity *2009-2010 (Rs. In '000) <u>Unfunded</u>	Gratuity * 2008-2009 (Rs. In '000) <u>Partly Funded</u>	Gratuity * 2008-2009 (Rs. In '000) <u>Unfunded</u>
Present value of defined benefit obligation.	10099	39500	9276	36397
Fair value of plan assets	2112	-	1157	-
Net asset/ (liability) as at 31 st March, 2010	(7987)	(39500)	(8119)	(36397)
Recognised in the Balance Sheet				

Experience adjustments on plan liabilities Not available *

Experience adjustments on plan assets Not available *

The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available hence not disclosed.

C. Change in defined benefit obligation

	Gratuity * 2009-2010 (Rs. In '000) Partly Funded	Gratuity * 2009-2010 (Rs. In '000) Unfunded	Gratuity * 2008-2009 (Rs. In '000) Partly Funded	Gratuity * 2008-2009 (Rs. In '000) Unfunded
Present value of obligation as at 1 st April, 2009	9276	36397	-	33821
Liability on Amalgamation	-	-	8214	-
Current Service Cost	853	2934	6652	2428
Interest Cost	681	2548	595	2367
Actuarial (Gain) / Loss	(336)	3371	(5623)	711
Benefits paid	(375)	(5750)	(562)	(2930)
Present value of obligation as at 31 st March, 2010	<u>10099</u>	<u>39500</u>	<u>9276</u>	<u>36397</u>

d. Change in Plan Assets

	Gratuity * 2009-2010 (Rs. In '000) Partly funded	Gratuity * 2008-2009 (Rs. In '000) Partly funded
Opening fair value of plan assets on 1 st April, 2009	1157	-
On Amalgamation	-	1066
Expected return on plan Assets	132	91
Contribution by Employer	1176	562
Benefits Paid	(375)	(562)
Actuarial Gains/(loss)	22	-
Closing fair value of plan assets as on 31 st March, 2010	<u>2112</u>	<u>1157</u>

e. Reconciliation of expected return and actual return on plan assets.

	Gratuity * 2009-2010 (Rs. In '000) Partly funded	Gratuity * 2008-2009 (Rs. In '000) Partly funded
Expected return on plan assets	132	91
Actuarial Gains/(loss)	22	-
Actual return on plan assets	<u>154</u>	<u>91</u>

f. Reconciliation of opening and closing net liability /(asset) recognized in the Balance Sheet

	Gratuity * 2009-2010 (Rs. In '000) Partly funded	Gratuity * 2009-2010 (Rs. In '000) Unfunded	Gratuity * 2008- 2009 (Rs. In '000) Partly funded	Gratuity* 2008-2009 (Rs. In '000) Unfunded
Opening net liability as on 1 st April, 2009	8119	36397	-	33821
Liability on Amalgamation	-	-	7148	-
Expenses as recognized in Profit & Loss account	1044	8853	1533	5506
Contribution by the employer	(1176)	(5750)	(562)	(2930)
Net Liability/ (Assets)	<u>7987</u>	<u>39500</u>	<u>8119</u>	<u>36397</u>

g. Investments under plan assets as on 31st March, 2010:

LIC Group Gratuity (Cash Accumulation) Policy -100%

h. The principal actuarial assumptions

	Gratuity* 2009-2010 (Rs. In '000) Partly funded	Gratuity* 2009-2010 (Rs. In '000) Unfunded	Gratuity * 2008- 2009 (Rs. In '000) Partly funded	20 Gratuity* 2008-2009 (Rs. In '000) Unfunded
Discount rate	7.5% p.a	8% p.a	7.5% p.a	7% p.a
Salary escalation rate:	4% p.a	5% p.a	4% p.a	4% p.a
Expected rate of return on plan assets	8.5% p.a	-	8.5% p.a	-

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

* included in "Salaries, Wages, Bonus Etc." (Refer schedule K)

14. The Company enters into forward exchange contracts being derivatives instruments, which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the date of settlement.

- (i) The company does not have any outstanding position in respect of forward exchange contracts as at 31st March, 2010.
- (ii) Un-hedged foreign currency exposure is as under:

Particular	USD	EURO	GBP	HKD	Total (INR) (Rs. In '000)
Receivable	2729250	98213	8934	5500	134066
	(1357928)	(187645)	-	-	(76709)
Payable	102105	25400	17910	5500	7462
	(50527)	(42069)	(180)	(5500)	(5443)

15. Micro, Small and Medium Enterprise Development Act ,2006

The information given below and that given in Schedule H "Current Liabilities and provisions "regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	2009-2010 (Rs. In '000)	2008-2009 (Rs. In '000)
(i) Principal amount due to suppliers under MSMED	1659	4143
(ii) Interest accrued and due to suppliers under MSMED on above amount, unpaid	6	15
(iii) Payments made to suppliers (other than interest) beyond the appointed date during the year	6366	8270
(iv) Interest paid to suppliers under the MSMED	-	-
(v) Interest due and payable towards suppliers under MSMED Act towards payments already made	32	68
(vi) Amount of cumulative interest accrued and unpaid as at the year end	38	83

16. Details Of Contracts in Progress as on 31st March 2010.

	2009-2010 (Rs. In '000)	2008-2009 (Rs. In '000)
(i) Contract Receipt for work done	62002	69108
(ii) Contract Costs for work done	27616	33637
(iii) Amount of advances received	-	-
(iv) Amount of retention	5095	3545
(v) Amount due from Customers for Contract Billing	15112	20268
(vi) Amount due from Sub Contractors for Contract Billing	9912	12185
(vii) Contingencies for Contract	-	-

17. The company has investment of Rs. 78.90 lacs in equity shares of Grauer & Weil (Shanghai) Ltd , a wholly owned subsidiary company and investments in equity shares of Growel Goema (I) Pvt. Ltd, Growel Sidasa Industries Pvt. Ltd and Grauer & Weil (Thailand) Limited being investments in associates amounting to Rs. 70.47 lacs. The net worth of these companies have eroded. The management considers these as strategic investments and based upon projected future earnings, expects that the diminution in value of investments is temporary and that no provision is required , upon which , the auditors being unable to make an informed judgement, have placed their reliance.

18. Scheme of Merger :

Pursuant to the scheme of merger under section 18 (1)(c) and other applicable provisions of "Sick Industrial Companies (Special Provisions) Act, 1985" (SICA) sanctioned by the Hon'ble BIFR vide orders dated 24th July, 2009 and 11th September, 2009 Bombay Paints Ltd engaged in the manufacture of Paints, has been merged into the company with effect from the appointed date 1st April, 2008. The scheme has become effective W.E.F. 1st October 2009, upon the company filing the order of the BIFR sanctioning the scheme with registrar of companies.

19 Segment reporting

The following tables present revenue and profit/(loss) information regarding business/ geographical segments for the year ended 31st March, 2010 and certain assets and liabilities information regarding business and geographical segments as at 31st March, 2010

(a) Primary Segment Reporting by business segments
Rs. In '000

	Chemical	Engineering	Shoppertainment	Paints	Total
Segment revenue					
Income from operations	1,593,976 (1339513)	132,728 (203091)	56228 (54348)	463,791 (395602)	2,246,723 (1992554)
Add; Inter segment Revenue				(4,559) (-3970)	(4,559) (-3970)
Add : Other Income	7,100 (26101)	8,825 (15758)	20 (93)	1,459 (1979)	17404 (43931)
Add ; Unallocable					3052 (15050)
Total	1601076 (1365614)	141553 (218849)	56248 (54441)	460690 (393611)	2262619 (2047565)
Segment Results	362,579 (276456)	(14,235) (-27179)	29,218 (27769)	34,652 (23502)	412,214 (300548)
Less : Interest					99070 (86461)
Less : Other Unallocable Expenditure net of unallocable Income					83777 (79175)
Profit Before Tax					229367 (134912)
Less : Provision for Current and Deferred tax					65140 (9205)
Profit After Tax					164227 (125707)
Segment Assets	965267 (888963)	156,648 (191593)	1187049 (856189)	588,612 (475642)	2897576 (2412387)
Unallocated corporate Assets					186679 (211593)
Total Assets					3084255 (2623980)
Segment Liabilities	194,134 (154448)	67,097 (98951)	75890 (33499)	107,653 (81089)	444773 (367987)
Unallocated corporate Liabilities					2639482 (2255993)
Total Liabilities					3084255 (2623980)
Capital Expenditure	114619 (106887)	1393 (6029)	320959 (335088)	2558 (4621)	
Depreciation	24,175 (20008)	1,635 (1896)	10326 (10267)	1,797 (1553)	

(b) Secondary segment reporting by Geographical segment

	Domestic	Exports	Total
Revenue	1934870 (1766047)	327,750 (281518)	2262619 (2047565)
Total Assets	2932610 (2546687)	151645 (77293)	3084255 (2623980)

Note : Previous year's figures are in brackets

20 Related party disclosures**(i) List of Related Parties****Subsidiaries**

Poona Bottling Company Pvt Limited

Growel Energy Company Limited

Grauer & Weil (Shanghai) Ltd

Associates

Growel Goema (I) Pvt Limited

Growel Sidasa Industries Pvt Ltd

Grauer & Weil (Thailand) Limited

Key Management Personnel, their relatives and enterprises where significant influence exists, with whom the company had transactions

Mr. Umeshkumar N. More

Mr. Rameshkumar R More

Mr. Nirajkumar U More

Mr. Rohitkumar R More

Mr. Rohan Shah

Mr. M M Chaturvedi

Mr. Harnish Juthani

Mr. K C Srivastava

Mr. Suresh Pareek

Growel Softech Limited

Digikore Designs Limited

Growel Projects Limited

Ridhi Sidhi Limited

Bubna More & Co Pvt Limited

Radhakishan Nandlal Pvt Limited

Growel Corporate Management Limited

Waluj Beverages Pvt Ltd

Relatives of Key Management Personnel

Mrs. Premrata U More

Mrs. Pallavi N More

Mrs. Draupadidevi N More

Mr. Abhishek R More

(ii) Transactions with Related Parties

(Rs in '000)

Transactions	Subsidiaries	Associates	Key Management Personnel (KMP)	Enterprises of KMP	Relatives of KMP	Total 2009-10	Total 2008-09
Sales	22295	35708				58003	81259
Purchases		68				68	10280
Interest received	970	400				1370	1909
Interest Paid	3997	230	866	1592		6685	2167
Royalty Income		12				12	847
Rent Received				103	1	104	24
Rent Paid	662		858	180	774	2474	2393
Professional Fees			150	915		1065	1400
Salaries					868	868	892
Sale of Investments				55		55	-
Director's Fees			148			148	35
Managerial Remuneration			7071			7071	6328
Loans Accepted			5150	850		6000	5500
Repayment of Loans accepted			1250	250		1500	2000
Reimbursement Of Expenses	691	756				1447	1187
Loans advanced	100					100	9481
Repayment of Loans advanced	5100					5100	400
Project Expenses				128800		128800	98666
Services Paid				3723		3723	3585
Outstanding Balance as on 31st March 2010							
- Unsecured Loans		2000	9400	14100		25500	21987
- Creditors & Other Liabilities		111		14171		14282	5775
- Debtors	32686	35277				67963	51858
- Loans & Advances	10324	6638		174		17136	105826

No amount has been provided as doubtful debts or advances written off or written back in the year in respect of debts due from / to above related parties.

21 EARNINGS PER SHARE

Calculation of Earnings per share for the year ended 31.03.2010

		31.03.2010	31.03.2009
Profit for the year	Rs.	164,227,109	125,706,582
Weighted average number of equity shares (Face Value Rs. 10 per share)	Nos.	22,670,575	22,670,575*
Basic Earnings per share	Rs.	7.24	5.54

* Includes 988250 equity shares to be issued (since issued) to erstwhile Bombay Paints Ltd shareholders to be issued against share capital suspense to the share holders of erstwhile Bombay paints Limited under the scheme of merger.

22 Deferred Tax

The break up of Net Deferred Tax liability as on 31.3.2010 is as under

	2009-10 Rs. In '000		2008-09 Rs. In '000	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Depreciation	-	103445	-	63008
Provision for Leave Encashment And Gratuity	18850	-	14590	-
Other items giving rise to timing differences	5797	-	61	-
Total	24647	103445	14651	63008
Net deferred Tax Liability		78798		48357
Net Difference In Deferred Tax liability		-		415
Amount Debited to Profit & Loss Account		-		415

23 Additional Information Pursuant to the Provisions of Paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act, 1956

A) PARTICULARS OF INSTALLED CAPACITY AND PRODUCTION : (As certified by the Management)

Sr. No.	Items	Unit	Installed Capacity	Production* Quantity
1	Electroplating Chemicals	Tons	23,428 (17612)	11,395 (9,631)
2	Basic Chemicals	Tons	2050 (1300)	531 (338)
3	Intermediary Chemicals	Tons	1200 (1200)	2090 (1667)
4	Electroplating Equipments	**	**	**
5	Paints, Enamels And Varnishes	KL	7329 (7329)	3028 (2466)
6	Oil Bound Distempers	MT	1380 (1380)	

* Includes Production for Inter Manufacturing Unit, Captive Consumption & Free Samples

** The Company is manufacturing different types of Plants and equipments on made to order basis, quantitywise information is not feasible.

B) TRADED ITEMS:

	Units	Qty	Purchase Value Rs. In 000
Basic Chemicals			-
	Tons	(20.00)	(13986)
Other items			28407 (21327)

C) PARTICULARS OF STOCKS AND TURNOVER :

		Units	Opening Stock		Closing Stock		Turnover	
			Quantity Tons	Value Rs. In Million	Quantity Tons	Value Rs. In Million	Quantity Tons	Value Rs. In Million
	Manufacturing							
1	Electroplating Chemicals	Tons	281.52 (355.12)	25.21 (33.84)	390.17 (281.52)	40.20 (25.21)	11,298.80 (9,251.61)	1,634.82 (1,437.21)
2	Basic Chemicals	Tons	2.64 (3.01)	0.40 (0.92)	6.08 (2.64)	0.92 (0.40)	475.83 (337.83)	133.26 (101.94)
3	Intermeditory Chemicals	Tons	93.19 (36.41)	11.33 (6.99)	88.55 (93.16)	9.88 (11.33)	710.56 (588.89)	113.47 (110.53)
4	Electroplating Equipments @					6.87		142.53 (225.56)
5	Free Sample							0.45 (0.35)
6	Paints, Enamels vanishes and oil Bound distempers	Kl.	312.00 (396.00)	36.93 (40.93)	298.00 (312.00)	35.67 (36.93)	3,322.00 (2,475.00)	496.31 (437.64)
7	Others			- (-)		2.38 (-)		39.13 (0.27)
								2,559.97 (2,313.50)
	Trading							
	Chemicals	Tons	0.10	0.02	-	-	0.10	0.02
	Others		-	-	(0.10)	(0.02)	(20.07)	(14.68)
								- (4.08)
				73.89		95.92		2,559.99
				(82.68)		(73.89)		(2,332.26)

As the Company is manufacturing different types of Plants and Equipments on made to order basis, quantitywise information is not feasible. Others include sale of chemicals for which Quantity-wise bifurcation have not been ascertained by the company

D) RAW MATERIALS & BOUGHT OUT COMPONENTS CONSUMED

	Units	2009-2010		2008-2009	
		Quantity	Value	Quantity	Value
Inorganic Compounds	Tons	6970.66	413.83	6020.59	391.46
Organic Compounds	Tons	3127.29	358.00	1909.51	291.10
Metals	Tons	70.26	76.73	46.97	56.42
Mild Steel & Angles, Beams Channels, Sheets, Rods and Flats	Tons	97.09	16.31	54.54	38.43
Stainless Steel, Rods, Sheets & Flats	Tons	5.20	14.98	9.66	16.66
Electric Motors	Nos.	219.00	0.61	177.00	3.20
Rectifiers	Nos.	1480.75	4.82	17.00	1.42
Pigments	Mt	455.00	54.43	460.00	51.30
Resins	Mt	1037.00	89.39	721.00	76.80
Solvents	Mt	1432.00	71.36	1168.00	62.33
Others	Mt	0.00	140.53	732.00	114.13
Total			1241.01		1103.25

	%	Rs.in Million	%	Rs.in Million
Imported	34	428.09	39	430.43
Indigenous	66	812.92	61	672.82
	100	1241.01	100	1103.25

	Nos	2009-10 Rs. In Million	2008-09 Rs. In Million
E) C.I.F. VALUE OF IMPORTS			
(a) Raw Materials		347.67	344.09
(b) Components & Spare Parts		0.92	0.07
(c) Capital Goods		0.81	18.18
F) REMITTANCES IN FOREIGN CURRENCY			
Dividend (Net of Taxes)		0.31	1.93
Number of Non-Resident Shareholders		2	2
Number of Shares held by Non-Residents on which dividend was remitted		772738	772738
Year for which dividend was remitted		2008-09	2007-08
G) EXPENDITURE IN FOREIGN CURRENCY (On Payment basis)			
(a) Travelling		8.92	5.37
(b) Seminar & exhibition		–	1.23
(c) Membership & subscription		0.04	0.04
(d) Professional Fees		0.90	–
(e) Bank charges		0.85	1.18
(f) Commission		0.91	1.36
(h) Free Samples		0.01	–
(i) Licence Fees		1.39	–
H) EARNINGS IN FOREIGN CURRENCY			
F.O.B. Value of Exports		297.73	273.94
(Including Deemed Exports)			

24 Previous years figures have been regrouped and reclassified wherever required.

SIGNATURES TO SCHEDULES A TO O which form an integral part of the Financial Statements

FOR M. M. NISSIM AND CO.
Chartered Accountants
(Firm Reg. No. 107122W)

For and on behalf of the Board of Directors
UMESHKUMAR MORE Chairman
NIRAJKUMAR MORE Managing Director
NOEL JACOB Sr. V. P. (Corp.) & Co. Secretary

N.KASHINATH
Partner
Membership No.36490
Mumbai, 25th August, 2010

Mumbai, 25th August, 2010

Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
I. Registration Details

Registration No.

1	0	9	7	5
---	---	---	---	---

 State Code

1	1
---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	1	0
---	---	---	---

Date Month Year

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

Public Issue

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

 Rights Issue

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

Bonus Issue

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

 Private Placement

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

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

Total Liabilities

3	0	8	4	2	5	5
---	---	---	---	---	---	---

 Total Assets

3	0	8	4	2	5	5
---	---	---	---	---	---	---

Sources of Funds

Paid-up Capital

2	2	6	7	0	5
---	---	---	---	---	---

 Reserve & Surplus

1	0	0	6	2	2	2
---	---	---	---	---	---	---

Secured Loan

1	2	1	5	2	5	3
---	---	---	---	---	---	---

 Unsecured Loans

6	8	1	1	9
---	---	---	---	---

Dfferred Tax Liabilities

7	8	7	9	8
---	---	---	---	---

Application of Funds

Net Fixed Assets

2	0	0	9	9	5	1
---	---	---	---	---	---	---

 Investments

1	6	4	0	8
---	---	---	---	---

Net Current Assets

5	6	8	7	3	8
---	---	---	---	---	---

 Misc. Expenditure

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

Accumulated Losses

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

IV. Performance of Company (Amounts in Rs. Thousands)

Turnover

2	2	4	2	1	6	3
---	---	---	---	---	---	---

 Total Expenditure

2	0	3	3	2	5	1
---	---	---	---	---	---	---

Profit /Loss before Tax

+	-					
✓	2	2	9	3	6	7

 Profit /Loss after Tax

+	-					
✓	1	6	4	2	2	7

Earning Per Share in Rs.

7	.	2	4
---	---	---	---

 Final Dividend Rate %

8

V. Generic Names of Three Principal Products/Services of the Company

(As per monetary terms)

Item Code No (ITC Code)

3	8	2	4	9	0	2	I	
---	---	---	---	---	---	---	---	--

Product Description

E	L	E	C	T	R	O	P	L	A	T	I	N	G		S	A	L	T

Item Code No (ITC Code)

8	5	4	3	3	0	0	0	
---	---	---	---	---	---	---	---	--

Product Description

E	L	E	C	T	R	O	P	L	A	T	I	N	G	
M	A	C	H	I	N	E	R	Y		A	N	D		
P	A	R	T	S										

Item Code No (ITC Code)

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

Service Description

P	A	I	N	T	S		E	N	A	M	E	L	S		A	N	D
V	A	R	N	I	S	H	E	S									

FOR M. M. NISSIM AND CO.
Chartered Accountants
(Firm Reg No: 107122W)

N.KASHINATH
Partner
Membership No.36490

Mumbai, 25th August, 2010

For and on behalf of the Board of Directors

UMESHKUMAR MORE

Chairman

NIRAJKUMAR MORE

Managing Director

NOEL JACOB

Sr. V. P. (Corp.) & Co. Secretary

Mumbai, 25th August, 2010

STATEMENT ATTACHED TO THE BALANCE SHEET AS AT MARCH 31, 2010
Pursuant to section 212 of the Companies Act, 1956.

	Name of the Subsidiary Company	:	POONA BOTTLING COMPANY LIMITED	GRAUER & WEIL (SHANGHAI) LIMITED
1	Financial year ending	:	31-Mar-10	31-Dec-09
2	Date from which it became subsidiary	:	15-Nov-70	15-Nov-07
3	Extent of the holding Company's interest at the financial year end of the subsidiary	:	95,970 Equity Shares of Rs.100/- each (50.78%)	Rs. 78,90,000/- (100%)
4	The Net aggregate amount of the Subsidiary's profits less losses, so far as it concerns the members of the Holding Company and is not dealt within the Holding Company's account:			
	a) For the financial year mentioned against item 1 above.	:	Rs. 1,42,22,667 (PROFIT)	Rs. 65,87,943 (LOSS)
	b) For the previous financial years of the subsidiary since it became the holding Company's Subsidiary	:	Rs. 9,96,61,385 (LOSS)	Rs. 12295787 (LOSS)
5	A. The net aggregate amount of the subsidiary's profit less losses for the financial year, mentioned against item 1 above, so far as those profits are dealt within the Holding Company's account.	:	NIL	NIL
	B. The Net aggregate amount of the subsidiary's profits less losses for the previous financial year of the subsidiary, since it became the holding Company's subsidiary, so far as those profits are dealt within the Holding Company's account.	:	Rs. 1,638,850	NIL

FOR M. M. NISSIM AND CO.
Chartered Accountants
(Firm Reg No: 107122W)

N.KASHINATH
Partner
Membership No.36490

Mumbai, 25th August, 2010

For and on behalf of the Board of Directors

UMESHKUMAR MORE

Chairman

NIRAJKUMAR MORE

Managing Director

NOEL JACOB

Sr. V. P. (Corp.) & Co. Secretary

Mumbai, 25th August, 2010

ATTENDANCE SLIP

Regd. Office: 'Growel House', Akurli Road, Kandivli (East), Mumbai - 400 101.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders may obtain additional Attendance Slips on request.

NAME & ADDRESS OF THE SHAREHOLDER:

DPID No. / L.F.NO.	
No. of Shares held:	

I hereby record my presence at the 52nd Annual General Meeting of the Company to be held on Wednesday, September 29, 2010 at 10.30 a. m. at Growel's IOI Mall, Growel House, Akurli Road, Kandivli (East), Mumbai 400101.

SIGNATURE OF THE SHAREHOLDERS OR PROXY

PROXY

Regd. Office: 'Growel House', Akurli Road, Kandivli (East), Mumbai - 400 101.

L. F. No. / DPID No.

I / We _____

of _____ being a member / members of GRAUER & WEIL (INDIA) LIMITED hereby

appoint _____ of _____

as my/our proxy to vote for me/us and on my/our behalf at the 52nd Annual General Meeting of the Company to be held on Wednesday September 29, 2010 at 10.30 a.m. Growel's IOI Mall, Growel House, Akurli Road, Kandivli (East), Mumbai 400101.

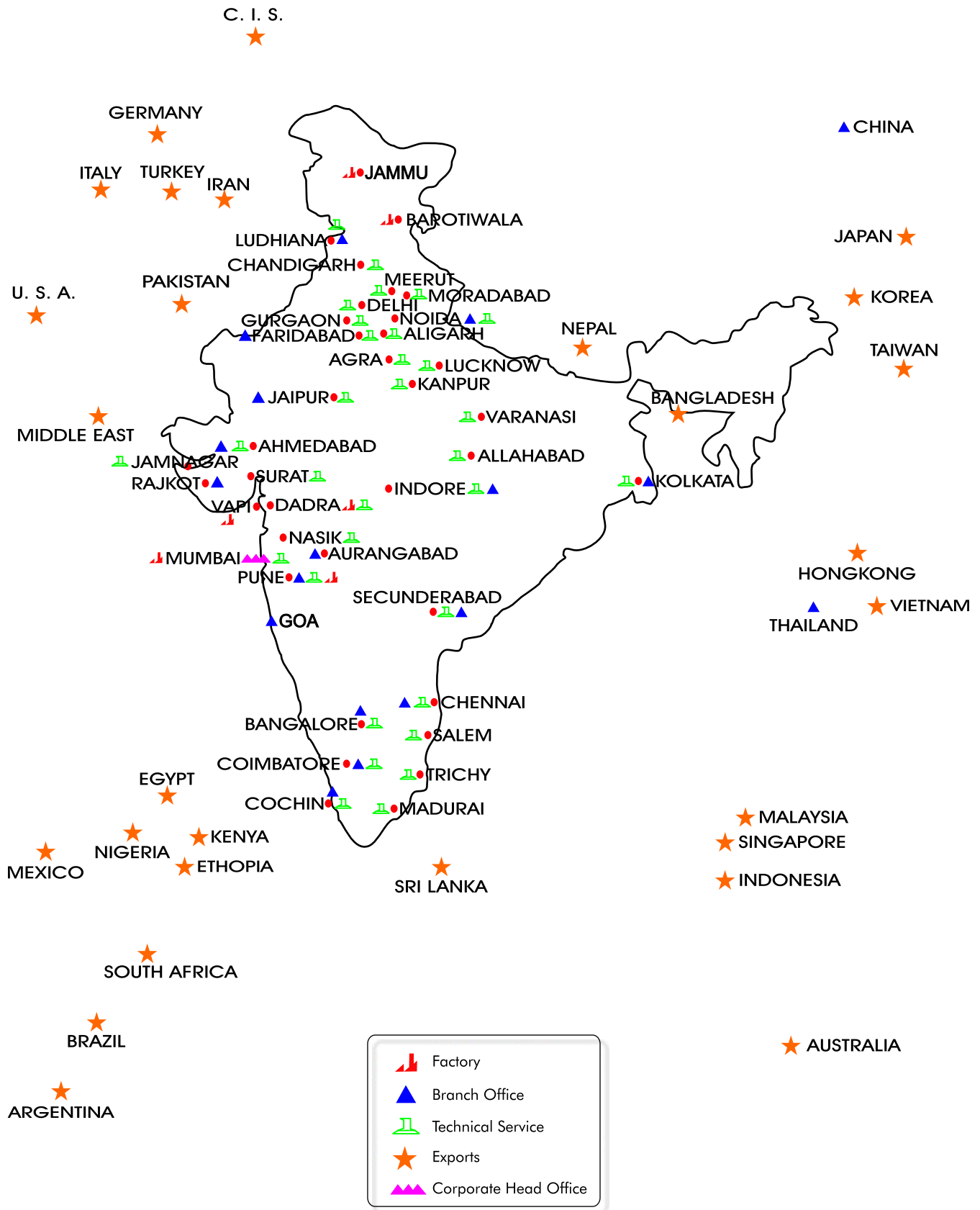
As witness my/our hand(s) this _____ day of, 2010.

Affix a
Revenue
Stamp

Signed by the said _____

Note: 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.

GROWEL NETWORK



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'Growel House', Akurli Road, Kandivli (East), Mumbai 400 101.

Tel.: 91 22 66993000 | Fax: 91 22 66993010 | Email: hq@growel.com