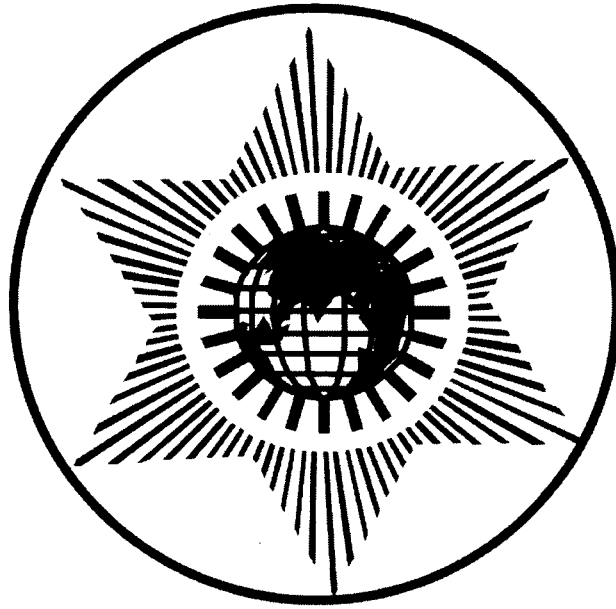


VIRGO POLYMERS (INDIA) LIMITED



TWENTY FIFTH ANNUAL REPORT

2009 - 2010

TWENTY FIFTH ANNUAL REPORT OF VIRGO POLYMERS (INDIA) LTD

REGISTERED OFFICE

New No.10,Old No. 34
Arunachalam Road
Saligramam
Chennai 600 093
Ph: 23766975

Factories:

A-1-A MMDA Industrial Complex
Maraimalai Nagar
Kancheepuram Dist
PH. 044-27454076/27452716

B-48, SIDCO Industrial Estate
Maraimalai Nagar
Kancheepuram. Dist.
Ph: 044-27452316

B33 & B34, SIDCO Industrial Estate
Maraimalai Nagar
Kancheepuram Dist.
Ph. 044-47400299

Bankers

1. State Bank of India
Commercial Branch
Rajaji Nagar
Bangalore
2. State Bank of India
Commercial Branch
Guindy, Chennai.

* **Non Executive Chairman**
Sri Chandraprakash Ramsisaria

* **Directors**
Sri. Ramawatar Ramsisaria
Sri. Vivek Ramsisaria
Sri. Sunil Saraf
Sri. Mahesh Bohra
Sri. Alok Sethia

* **Audit Committee**
Mr. Vivek Ramsisaria
Mr. Sunil Saraf
Mr. Alok Sethia

* **Auditor**
M/s.Venkat & Rangaa
12, Krishnapuri, Second Street
Raja Annamalai Puram, Chennai -28

* **General Manager - Production**
Mr. P.M. Thomas

Contents

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2. Report of the Directors &
Annexure I & II
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9. Management Discussion &
Analysis Report
10. Note on Corporate Governance
11. Balance sheet Abstract and General
Business Profile

NOTICE

Notice is hereby given that the 'Twenty Fifth' Annual General Meeting of the company will be held as specified below:

DAY : TUESDAY
DATE : 28.09.2010
TIME : 03.30 PM
VENUE : A-1-A, Mmda Industrial Complex
Maraimalai Nagar, Kancheepuram Dist
Tamilnadu- 603 209

To transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report, the audited Balance Sheet as at March 31, 2010, the Profit and Loss Account for the year ended March 31, 2010 and Auditor's Report thereon.
2. To appoint director in the place of retiring director.
3. To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution.

RESOLVED that pursuant to section 224 of the Companies Act 1956, M/s.Venkat And Rangaa, Chartered Accountants, Chennai the retiring auditors of the company be and are hereby re-appointed as Auditors of the company to hold office from the conclusions of this meeting until the conclusion of the next Annual General Meeting on a remuneration as may be fixed by the Board of Directors.

SPECIAL BUSINESS :

4. To consider and if though fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr.Alok Sethia, be and is hereby appointed as the Director of the Company, whose period of office shall be subject to retirement of Directors by rotation.

Registered Office:
New No.10, Old No.34
Arunachalam Road,
Saligramam
Chennai - 600 093.

By Order of the Board of Directors,
for VIRGO PERFORMERS (INDIA) LTD.


DIRECTOR

Dt.: 01-09-2010

NOTE :

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF BISELF. A PROXY NEED NOT BE A MEMBER. THE PROXY FOR DULY COMPLETED MUST BE RETURNED SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF AFORESAID MEETING.
- b) Members / Proxies are requested to bring their copy of the Annual Report and Accounts to the Meeting.
- c) Member / Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
- d) Members are requested to quote their Folio Number in all their correspondence. .
- e) Your Directors inform you that shares of **Rs.10.00** each (issued capital **Rs.34,000,000**) issued by your company, is admitted in to CDSL, and NSDL. Share holders who are desirous in electronic form are requested to contact their respective depository for dematerialization of their share holdings.
- f) The register of members and share transfer books shall remain closed from 22.09.2010 to 26.09.2010 (Both days inclusive) for the purpose of the 25th Annual General Meeting.
- g) Members seeking any information with regard to accounts are requested to write to the company at least seven days in advance of the meeting so as to enable the management to keep the information ready.
- h) Explanatory statement pursuant to section 173(2) of the companies act, 1956 for item No. 4 is attached herewith:
- i) Information pursuant to Clause 49 of the Listing Agreement for appointment/re-appointment of Directors:

Age : 40 Yrs
Qualification : B. Com
Experience & Expertise : Experience of 10 yrs in the field of Polymers & Plastics Fabrics.

For VIRGO POLYMERS (INDIA) LTD.



Director

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

Item No. 01

The company has received a notice from member pursuant to the provisions of section 257 of the companies Act, 1956, signifying their intention to propose the names of Mr.Alok Sethia, for the post of directors along with the deposit of Rs.500/-. Accordingly, the resolutions under item no 04 of the Notice is being placed before the shareholders for the approval.

None of the Directors of the company other than Mr.Alok Sethia are interested in their respective resolution.

Per VIRGO POLYMERS (INDIA) LTD.



Director

VIRGO POLYMERS (INDIA) LTD

DIRECTORS REPORT

The Directors hereby present their 25th Annual Report with the Audited Accounts of the company for the year ended 31st March 2010

PERFORMANCE AND DIVIDEND

	<u>(Rs. in lakhs)</u>
Total sales for the year	
Export	1785.10
Domestic	4216.71

Other income	6001.81
Increase in WIP & FG	640.11
	201.10

Total Income	6843.02
Expenses	6304.47

Profit Before Int., Depreciation & tax	538.55
Int & Financial Charges	342.38
Depreciation	78.35

Profit Before Tax	117.82

Directors are Pleased to inform that your company's Turnover increased by 8.00% when compared to last year. This year your company has planned to improve the volume to compensate the decline in margin. Your company in order to increase the capacity, is working on a project to increase the capacity at minimum operational cost towards capital investment anticipated for this purpose, your company is not proposing payment of any dividend this year.

INSURANCE

Your company's assets have been adequately covered under insurance for various normal risks.

VIRGO POLYMERS (INDIA) LTD

DIRECTORS

Mr. Ramwatar Ramsisaria and Mr. Chandra Prakash Ramsisaria are due for retirement by rotation and they opt themselves for reappointment. Mr Alok Sethia was appointed as Additional Director by the board on 01-11-2009. His term of office is going to end on the ensuing AGM to be held on 28-09-2009. The company has received a notice from member pursuant to the provisions of section 257 of the companies Act, 1956, signifying their intention to propose the names of Mr. Alok Sethia, for the post of directors. The same will be placed in the ensuing AGM for the approval of shareholders.

AUDITORS

M/s. Venkat and Rangaa Auditors of the Company retiring at this Annual General Meeting and are eligible for reappointment.

PERSONNEL

The relationship between the management and the employees continues to be cordial.

FIXED DEPOSITS

Your company has not accepted any Fixed Deposits during the year.

TECHNOLOGY UPGRADATION

Company is constantly taking efforts to improve the quality of their products and maintain international standards.

ENERGY TECHNOLOGY & FOREIGN EXCHANGE

Though the strengthening rupee was favorable for imports, export realization was affected. This year, your company is taking due measures to arrest the loss due to exchange fluctuation by taking proper cover.

CORPORATE GOVERNANCE

Your Company's philosophy is to achieve total Quality Standards in all its products by which it can improve its market share to increase its profitability and provide the Share Holders value for their investment. Your Company is taking all efforts to comply with the code of Corporate Governance as enumerated in clause 19 of the listing agreement.

VIRGO POLYMERS (INDIA) LTD

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217 (2AA) of the Companies Amendment Act 2000 with respect to Director Responsibility Statement, it is hereby confirmed

1. That in the presentation of the annual accounts for the financial year ended 31st March 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were responsible prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss's of the company for the year under review.
3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the directors had prepared the accounts for the financial year ended 31st March 2010 on a going concern basis.

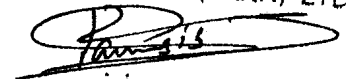
ACKNOWLEDGEMENTS:

The directors take this opportunity to express their grateful appreciation for the excellent assistance and cooperation received from Government Authorities, Financial Institutions Banker and other agencies.

Your directors wish to thank the Executives, Staffs and Workers of the Company for their devoted service in the success of the company.

For and on behalf of the Board of Directors.

For VIRGO POLYMERS (INDIA) LTD.



DIRECTOR

Date :01.09.2010

Place : Chennai

VIRGO POLYMERS (INDIA) LTD

ANNEXURE I

Information as required under Section 217(1) (e) read with Companies.

(Disclosures of particulars in the report of Board of Directors) Rules 1988:

1. **CONSERVATION OF ENERGY**

(a) Energy Conservation Measures taken

- (1) Installation of Power Saving Capacitors
- (2) Minimization of frictional and head losses.

(b) Additional investments and Proposals, if any, being implement for reduction of steam and energy: NIL

(c) Impact of the measures of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods - Above measures have helped the company in stabilizing consumption.

(d) Total energy consumption and energy per unit of production as per Form A is given in Annexure II.

2. **TECHNOLOGY ABSORPTION**

NIL

3. **TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION**

NIL

4. **FOREIGN EXCHANGE EARNINGS AND OUT GO**

Sl No	PARTICULARS	Current Year (2009-10)	Previous Year (2008-09)
1	Earnings (Export)	17,93,03,023	19,07,74,577
2	Out Go a) Foreign Travel	5,77,366	3,62,327
3	b) Import of Raw Material	20,89,87,236	16,81,83,511

By order of the Board
for VIRGO POLYMERS (INDIA) LTD.


Director

Date:01-09-2010

VIRGO POLYMERS (INDIA) LTD

ANNEXURE II

**FORM A
(Rule 2)**

Form of disclosure of particulars with respect to conservation of Energy :

(A) Power and Fuel Consumption:

SI No	PARTICULARS	Current Year (2009-10)	Previous Year (2008-09)
1	ELECTRICITY		
	(a) Purchased Unit (kwh)	2231415	2264835
	(b) Total Amount (Rs.)	1,10,12,832	1,04,38,763
	(c) Rate per Unit (Rs./kwh)	4.94	4.61
2	i) Own Generation (Generator)		
	a) Units Generated through Deisel	376385	414693
	b) Unit per Lt. of Diesel (kwh)	3.34	3.32
	c) Cost Per Unit (Rs/kwh)	12.01	11.24
	ii) Through Steam	Nil	Nil
3	Coal	Nil	Nil
4	Furnace Oil	Nil	Nil
5	Other / International generation	Nil	Nil

For VIRGO POLYMERS (INDIA) LTD.


Director

Chennai
Dated: 01.09.10



VENKAT & RANGAA

Chartered Accountants

AUDITORS' REPORT

To the Members of VIRGO POLYMERS (INDIA) LIMITED.

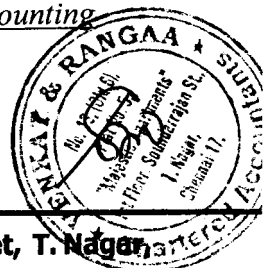
1. We have audited the attached Balance Sheet and Profit and Loss Account of VIRGO POLYMERS (INDIA) LIMITED, New No.10, Old No.34, Arunachalam Road, Saligramam, Chennai 600 093 as at 31st March, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, except in case of Accounting for Gratuity as required under AS 15 issued by ICAI (Refer Point No. (f) of Major Accounting Policies.

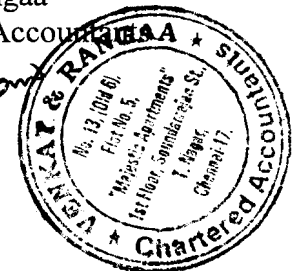


- e) On the basis of written representations received from the Directors, as on 31st March 2010, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2010, from being appointed as a Director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India *subject to accounting of gratuity on cash basis (Refer Point No. (d)).*
- i) In the case of Balance sheet, of the state of affairs of the Company as at 31st March 2010.
- ii) In the case of the Profit and loss account of the profit for the year ended on that date 31st March 2010 and
- iii) In the case of the cash flow statement of the state of affairs of the company as at 31st Mar 2010.

Place : Chennai
Date : 01.09.2010

For Venkat & Rangaa
Chartered Accountants

S.Mohan Raajan
Partner



S. MOHAN RAAJAN
CHARTERED ACCOUNTANT
MEMBERSHIP No.206393



VENKAT & RANGAA

Chartered Accountants

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in Para 3 above, as required under Section 227(4A) of the Companies Act, 1956.

1.1. According to the information and explanations furnished to us the company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

1.2. According to the information and explanations furnished to us, all the assets have been physically verified by the management during the year, and in our opinion, it is reasonable, having regard to the size of the Company and the nature of the assets. No material discrepancies were noticed on such verification.

1.3. According to the information and explanations furnished to us the company has not disposed substantial part of the assets during the year to affect the going concern.

2.1. According to the information and explanations furnished to us the company has physically verified its inventories during the year. In our opinion the frequency of such verification is reasonable.

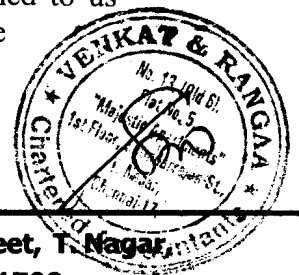
2.2 In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation the size of the company and nature of its business.

2.3. According to the information and explanations furnished to us the company is maintaining proper records of its inventory and discrepancies if any noticed on verification between the physical stock and the book records were not material and have been properly dealt with in the books of accounts.

3.1 According to the information and explanations furnished to us the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

3.2. In our opinion the rate of interest and other terms and conditions on which loans have been taken by the company from companies, firms or other parties covered by register maintained under section 301 of the Companies Act 1956 are not prima facie prejudicial to the interests of the Company.

4. In our opinion and according to the information and explanations furnished to us there are adequate internal control procedure commensurate with the size of the



Company and the nature of its business for the purchase of stores, raw materials, including components, plant and machinery, equipment and other assets and for the sale of goods.

5. Based on information and explanation given to us we are of the opinion that the transactions that are required to be entered in the register maintained under section 301 of the Companies Act 1956 have been so entered.

6. According to the information and explanations furnished to us, the Company has not accepted deposits from the public and the provisions of Section 58A of the Companies Act, 1956 and the rules framed there under are not applicable to the Company for the year.

7. In our opinion, the Company does not have an Internal Audit System commensurate with the size and nature of its business.

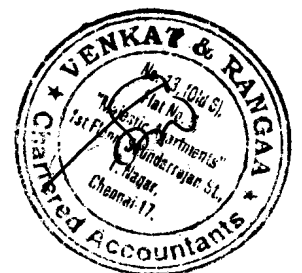
8. The maintenance of Cost records are not applicable to this Company.

9.1. The Company has been regular in remitting of Employee Provident Fund Act regularly during the year. There has been no delay in remittance of undisputed tax deduction at source and service tax collections to the credit of Central Government.

9.2. According to the information and explanations furnished to us there is disputed amounts payable in respect of Income Tax and Sales Tax.

INCOME TAX

Sl. No.	Asst. Year	Amt. Demanded by Asst. Com. of I.TAX(ACIT) Rs.	Amt. paid by the Company Rs.	Appeal Pending With	Due Rs.
01	1996-97	4500059	1900000	CIT(Tribunal)	2600059
02	2006-07	7766270	800000	CIT (Appeal)	6966270



9.3 Sales Tax

Sl. No.	Asst. Year	Amt. Demanded S.T. Dept	Amt. paid by the Company	Forum where Appeal is Pending	Due
i.	2000-01	76582	46776	Sales Tax Tribunal	29806
ii.	2001-02	767149	576390	Sales Tax Tribunal	19075 (Bank Guarantee given)
iii.	2002-03	4547242	1689640	Sales Tax Tribunal	2857602 (Bank Guarantee given)
iv	2003-04	495059	247530	Sales Tax Appeal	247529 (Bank Guarantee given)

10. In our opinion, and according to the information and explanation furnished to us by the company there were no defaults in repayment of dues to financial institution, banks or debenture holders at the date of Balance Sheet.

11. According to the information and explanations furnished to us the Company has not granted any loans and advances against pledge of shares, debentures and other securities.

12. As the Company is in the business of manufacture of PP woven sacks and poly bags the Clauses 4(xiii) and 4(xiv) are not applicable.

13. According to the information and explanations furnished to us the Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions where of are prejudicial to the interests of the company.

14. In our opinion and according to the information and explanation furnished to us, the does not have any Term loans and hence this clause is not applicable to the company.

15. In our opinion, and according to the information and explanation furnished to us and on an overall examination of Balance Sheet of the company we report that funds raised on short term basis have not been used for long term investment, and no long term funds have been used to finance short term assets.



16. The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Act during the year and the price at which shares have been issued are prima facie not prejudicial to the interests of the Company.

17. According to the information and explanations furnished to us the company has not issued any debentures during the year under report.

18. No further Public issue of shares have been issued by the Company so far.

19. According to the information and explanations furnished to us and based on the audit procedures generally adopted by us we report that during the year no fraud on or by the Company has been noticed or reported that is either significant or could have caused a material misstatement in the financial statement.

Place : Chennai
Date :01.09.2010

For Venkat & Rangaa
Chartered Accountants

S.Mohan RaaJan
Partner

S. MOHAN RAAJAN
CHARTERED ACCOUNTANT
MEMBERSHIP No.206393



VIRGO POLYMERS (INDIA) LTD
10,(OLD NO 34), ARUNACHALAM STREET , SALIGRAIMAM CHENNAI 93
BALANCE SHEET AS AT 31ST MARCH 2010

	SCHE- DULE	Rs.	As at 31.03.2010	Rs.	As at 31.03.2009
			Rs.	Rs.	Rs.
I. SOURCES OF FUNDS:					
1. Shareholder's Funds					
a) Capital	A	33,361,000		33,361,000	
b) Reserves and Surplus	B	89,446,148	122,807,148	81,842,775	115,203,775
2. Loan Funds					
a) Secured Loans	C	38,368,216		32,256,030	
b) Unsecured Loans	D	90,024,914	128,393,130	90,340,528	122,596,558
3. Provision for Deferred Tax Liability					
			21,252,707		18,006,035
Total			272,452,986		255,806,368
II. APPLICATIONS OF FUNDS:					
1. Fixed Assets					
Gross Block					
	E	157,203,526		176,481,023	
Less: Depreciation		77,947,268		85,359,807	
Net Block			79,256,258		91,121,216
2. Current Assets, Loans and Advances					
Inventories	F	134,659,763		82,216,636	
Sundry Debtors	G	52,375,848		59,197,055	
Cash and Bank Balances	H	3,921,869		961,604	
Loans and Advances	I	108,479,887		111,657,419	
		299,437,367		254,032,714	
Less:					
3. Current Liabilities and Provisions	J	106,240,640		89,347,562	
Net Current Assets			193,196,727		164,685,152
Total			272,452,986		255,806,368

NOTE: Schedules A to J are part of this Balance Sheet

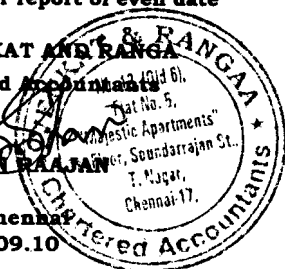
Notes to account forming part of Balance Sheet and Profit and Loss account as per Schedule Q

As per our report of even date
attached
for VENKAT AND RANGA

Chartered Accountants

S. MOHAN RAAJAN
Partner

Place : chennai
Date: 01.09.10



For VIRGO POLYMERS (INDIA) LTD.

[Handwritten Signature]

Director

For VIRGO POLYMERS (INDIA) LTD.

[Handwritten Signature]

Director


S. MOHAN RAAJAN
CHARTERED ACCOUNTANT
MEMBERSHIP No. 206393

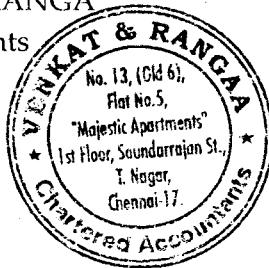
VIRGO POLYMERS (INDIA) LIMITED
(OLD NO 34), ARUNACHALAM STREET, SALIGRAMAM CHENNAI 93
PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH 2010

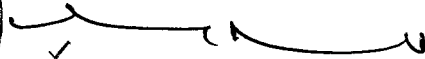
INCOME	SCH-	31.03.2010	31.03.2009
	DULE	Rs.	Rs.
Sales		600,181,328	555,725,049
Other Income	K	64,011,622	36,789,059
Increase\Decrease in WIP and Finished Goods		20,109,974	1,415,293
		684,302,925	593,929,401
EXPENDITURE			
Raw material consumed	L	550,785,965	482,122,695
Manufacturing Expenses	M	54,026,327	42,640,919
Administrative Expenses	N	9,354,006	7,406,126
Selling and Distribution Expenses	O	16,280,637	19,390,375
Depreciation	E	7,835,479	8,285,582
Financial Charges	P	34,238,689	25,292,855
		672,521,103	585,138,552
Profit before tax		11,781,822	8,790,848
Fringe Benefit Tax		-	(77,643)
Provision for Deferred Tax Assets		(3,246,673)	926,668
Provision for Income Tax		(2,152,710)	(1,672,861)
MAT Credit Entitlement		1,220,934	
Profit after tax		7,603,373	7,967,012
Balance brought forward from last year		42,826,892	34,859,880
Balance carried to Balance Sheet		50,430,265	42,826,892

Notes to account forming part of Balance Sheet and Profit and Loss account as per Schedule Q

for VENKAT AND RANGA
Chartered Accountants


S. MOHAN RAAJAN
Partner
Place: Chennai
Date : 01.09.2010




Director

For VIRGO POLYMERS (INDIA) Limited


Director

Director

VIRGO POLYMERS (INDIA) LIMITED
 10,(Old No 34), Arunachalam Street Saligramam Chennai - 93
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

	As at 31.03.2010	As at 31.03.2009 Rs.
CAPITAL		
Authorised		
6000000 Equity Shares of Rs.10/- each	<u>60,000,000</u>	<u>60,000,000</u>
Issued, Subscribe and Paid up Capital		
34,00,000 Equity Shares of Rs.10/- each	34,000,000	34,000,000
Less: Calls-in-arrears	639,000	639,000
	<u>33,361,000</u>	<u>33,361,000</u>
SCHEDULE - B		
RESERVES AND SURPLUS		
God A/C		
Capital Reserve	779,733	779,733
Investment Allowance Reserve	358,700	358,700
Investment Subsidy	1,645,650	1,645,650
General Reserves & Surplus	55,180,265	47,576,892
Share Premium	29,791,500	29,791,500
Capital Subsidy	1,690,300	1,690,300
	<u>89,446,148</u>	<u>81,842,775</u>
SCHEDULE - C		
SECURED LOANS		
HDFC- Car Loan	29,451	197,037
Axis bank Ltd (Car Loan A/c)	766,294	
Packing Credit	29,793,120	15,069,700
EPC Loan from SBI	-	30,590
Working Capital Loan from SBI	7,779,351	16,958,703
	<u>38,368,216</u>	<u>32,256,030</u>
SCHEDULE - D		
UNSECURED LOANS		
From Body Corporate	<u>90,024,914</u>	<u>90,340,528</u>
SCHEDULE - F		
INVENTORIES (As certified by the Director)		
Stock of Raw Materials	28,020,193	10,940,058
Stock of Work - in - Progress	20,401,090	19,095,075
Stock of Finished Goods	19,820,959	1,017,000
Stock In Transit	64,353,288	48,029,259
Stock of Spares	2,064,233	3,135,245
	<u>134,659,763</u>	<u>82,216,636</u>
SCHEDULE - G		
SUNDRY DEBTORS		
(Unsecured - Considered good)		
(a) Outstanding for more than 6 months	20,192,347	1,438,097
(b) Other debts	32,183,501	57,758,958
	<u>52,375,848</u>	<u>59,197,055</u>



For VIRGO POLYMERS (INDIA) LTD.

[Signature]
 Director

SCHEDULE - H**CASH AND BANK BALANCES**

Cash in Hand	1,763,263	419,302
Cash at Scheduled Banks	2,158,606	542,302
	3,921,869	961,604

SCHEDULE - I**LOANS AND ADVANCES**

Advances recoverable in cash or in kind or for face value to be received	32,140,182	19,579,599
Balance with customs, Excise and Port Trust etc.,	57,134,609	52,823,060
Deposit with Govt. authorities	4,727,376	5,570,144
Deposit with others and Bank	12,615,111	32,003,369
Tax Deducted at Source	641,674	1,681,247
MAT Credit Entitlement	1,220,934	-
	108,479,887	111,657,419

SCHEDULE - J**CURRENT LIABILITIES AND PROVISIONS**

Sundry creditors for purchases	96,598,903	82,492,864
Sundry creditors for expenses and others	9,641,737	6,854,698
	106,240,639	89,347,562

SCHEDULE - K**OTHER INCOME**

Interest Received	1,778,715	4,301,224
Processing Charges	20,547,236	-
Commission & Discount Received	3,321,225	204,452
Export & Premium received on License	27,639,206	29,932,867
Rent Received	967,125	1,370,000
Profit on Sale of Fixed Assets	9,758,115	-
Sundry balances Written Off	-	980,516
	64,011,622	36,789,059

SCHEDULE - L**RAW MATERIALS CONSUMED**

Opening Stock of Raw Materials	58,969,316	11,285,447
Add: Purchases	584,190,130	529,806,564
	643,159,446	541,092,011
Less: Closing Stock of Raw Materials	92,373,481	58,969,316
	550,785,965	482,122,695

SCHEDULE - M**MANUFACTURING EXPENSES**

Salaries and Wages	8,468,945	7,986,162
Freight and Cartage	4,464,610	665,064
Repairs and Maintenance	928,679	699,703
Power and Fuel	15,529,128	16,042,259
Excise/Customs Duty / Service Tax	882,344	412,470
Staff Welfare Expenses	1,572,505	1,664,890
Production Charges	2,591,372	2,821,559
Processing Charges	5,993,137	145,150
Testing Fees (Laboratory)	175,670	284,810
Engineering, electrical, stitching & consumable stores	12,454,508	11,205,479
Security Charges	965,429	713,373
	54,026,327	42,640,919

For VIRGO POLYMERS (INDIA) LTD.



Director



SCHEDULE N**ADMINISTRATIVE EXPENSES**

Payment to Directors	300,000	-
Vehicle Maintenance	1,003,769	903,159
Printing and Stationery	835,437	713,016
Postage and Telephones	1,579,991	1,283,679
Rent	1,652,832	784,606
Rates and Taxes	106,967	1,118,879
Professional Charges	723,745	348,554
Insurance	1,040,521	978,896
Subscription & Advertisement	135,137	29,500
Audit Fees	49,635	49,635
Books and Periodicals	42,612	19,180
Donation	28,740	74,801
Local Conveyance	143,873	249,747
Loss on Sale of Fixed Assets	388,676	-
Miscellaneous Expenses	204,447	323,571
Inspection Charges	91,241	25,000
Filing Fees	-	2,500
Service Charges	90,637	20,587
Repairs and Maintenance (General)	935,746	480,817
	9,354,006	7,406,126

SCHEDULE O**SELLING AND DISTRIBUTION EXPENSES**

Sales Promotion Expenses	138,460	71,121
Advertisement	5,360	17,534
Fees and Taxes	1,022,617	1,452,844
Discount and Commission	1,418,706	648,712
Travelling Expenses	1,275,229	962,252
Export Expenses	10,277,798	14,228,918
Freight outward	2,142,466	2,008,995
	16,280,637	19,390,376

SCHEDULE P**FINANCIAL CHARGES**

Bank Charges	26,396,828	20,961,471
Interest on bank borrowings	1,170,912	2,512,298
Interest on other borrowings	6,670,949	1,819,086
	34,238,689	25,292,855

As per our report of even date
attached

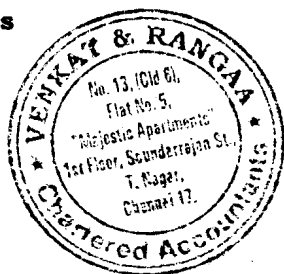
for **VENKAT AND RANGA**
Chartered Accountants

S. MOHAN RAAJAN

Partner

Place: Chennai

Date :01.09.10



For **VIRGO POLYMERS (INDIA) LTD.**

Director

S. MOHAN RAAJAN
CHARTERED ACCOUNTANT
MEMBERSHIP No.206393

VIRGO POLYMERS (INDIA) LTD.,

Schedule Q: Significant of Accounting Policies and Notes on Accounts.

I) Significant Accounting Policies (Rs. In Lakhs) at Year ended 31-3-2010

1 Accounting policies / compliance of Accounting Standards issued by the Institute of Chartered Accountants of India

(1) AS 1 : Disclosure on accounting policies

The accounts are maintained on accrual basis as a going concern.

(2) AS 2 : Valuation of Inventories

S.No	INVENTORY	BASIS OF ACCOUNTING
1	Raw Material	Lower of Cost or Selling Price
2	Stores, Spares, Consumables & Packing Material	Weighted Average cost
3	Work in Process	At cost or Net realizable value whichever is lower
4	Finished Goods	Valued at cost (Inclusive of ED) Lower of cost or net realizable value.

(3) AS 3: Cash Flow Statements

Cash Flow Statement has been attached to the Balance Sheet and Profit and Loss Account.

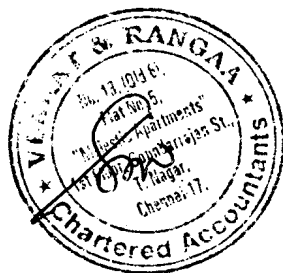
(4) AS 4: Events occurring after balance sheet date:

There are no events occurring after the Balance Sheet date that require adjustment or disclosures.

(5) AS 5: Net Profit or Loss for the period, prior period items and changes in Accounting

Policies:

There are no events occurring after the Balance Sheet date that require adjustment or disclosures.



VIRGO POLYMERS (INDIA) LTD.,

(6) AS 6: Depreciation Accounting

Depreciation has been provided at rates and in accordance with the provisions of Schedule XIV of the Companies Act 1956 under Straight Line method for the period under use.

(7) AS 7: Accounting for construction contracts

The above standard is not applicable to the Company as it is not engaged in the business of construction.

(8) AS 8 : Accounting for Research Development

This standard has been withdrawn from 1-4-2003 consequent to the introduction of Accounting Standard AS 26 on Accounting for intangible Assets becoming mandatory.

(9) AS 9: Revenue recognition

Revenue is recognized and expenditure is accounted for on their accrual. Interest and other costs in connection with borrowing of funds to the extent Related / attributed to the acquisition/ construction of qualifying fixed assets are Capitalized up to the date when such assets are ready for its intended use and Other borrowings costs are charged to Profit and Loss Accounts.

(10) AS 10: Accounting for Fixed Assets.

- a) Fixed Assets are stated at the values at which they are acquired, less accumulated depreciation. The value at which fixed are acquired includes all related expenses up to the date of putting them to use
- b) Modvat Credit availed on acquisition of Fixed Assets is reduced from the cost of the concerned assets.
- c) The Fixed Assets of the company are insured against fire risks for the acquisition Value / market value whichever applicable.

(11) AS 11: Accounting for effects in foreign exchange rates.

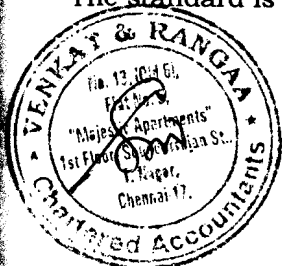
Foreign exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Current Assets and current Liabilities in Foreign Currencies are translated at values prevailing as at the year end Gains/ Losses if any, arising there from are recognized in the Profit and loss Account.

(12) AS 12: Accounting for Government grants.

The company has not received any grant from the Government during the year

(13) AS 13: Accounting of Investments.

The standard is not applicable since the company has not invested its funds



VIRGO POLYMERS (INDIA) LTD.,

(14) AS 14: Accounting for amalgamations.

The above standard is not applicable as there was no amalgamation during the year

(15) AS 15: Accounting for retirement benefit.

Retirement Benefits are not provided by charge to revenue including the provision for gratuity determined by the company. Leave encashment is at the discretion of the management and is charged off to revenue in the year of payment

(16) AS 16: Borrowing cost.

Interests on borrowings to finance fixed assts are capitalized only if the borrowing costs are attributable to the acquisition of fixed assets that take a substantial period of time to get ready for its intended use. Expenditure incurred on alteration/temporary constructions is charged off as expenditure under appropriate heads of expenditure in Profit and Loss account in the year in which it is incurred.

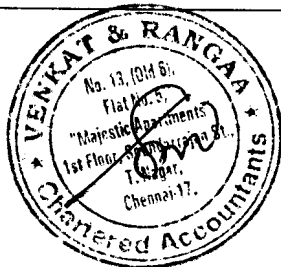
(17) AS 17: Segment reporting

The Standard is not applicable since the company is only in the line of manufacturing bags.

(18) AS 18: Related party disclosure:

The following are the related party transactions during the year.

Company	Activity	Amount
Tarajyot Polymers Ltd	Sale of DEPB/DFIA Licence	1,44,85,637
	Purchases	8,79,450
	Sales	1,53,84,158
P P Products Pvt Ltd	Sale of DEPB/DFIA Licence	2,42,76,204
	Purchases	6,16,243
	Sales	90,00,725
Kamdhenu Polymers Pvt Ltd	Sale of DEPB/DFIA Licence	1,40,36,847
	Sales	5,57,97,975



VIRGO POLYMERS (INDIA) LTD.,

(19) AS 19: Leases.

There is no lease agreement between the company and others, Hence this standard is not applicable.

(20) AS 20: Earnings Per Share

Basic and Diluted Earning Per share for the year ending 31.03.2010 is Rs.2.24.

(21) AS 21: Consolidated financial statements.

The standard is not applicable since the company does not have Subsidiary company

(22) AS 22: Accounting for taxes on income.

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Income Tax Act 1961.

In accordance with the Accounting Standard – 22, Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India (ICAI), and effective from 1st April 2001 and in accordance with the listing Agreements with the respective stock exchanges, the Company has recognized the deferred tax liability in the accounts whereby:

1. The Net deferred tax liability arising on account of timing differences at 31- 03- 2010 is Rs. 2,12,52,707/-
2. Deferred Tax resulting from timing Differences between book and tax profits is accounted for under the liability method, at the current rate of tax.
3. Deferred tax assets/liabilities arising on account of brought forward losses and unabsorbed depreciation are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized. Deferred tax assets/liabilities arising on other temporary timing differences are recognized only if there is a reasonable certainty of realization.

(23) AS 23: Accounting for investments in associates

The above standard is not applicable to this Company as there are no associates.

(24) AS 24: Discontinuing Operations.

The company has not discontinued any operations during the year.

(25) AS 25: Interim Financial Reporting

Since the company is a Public Ltd Company quarterly financial results are sent to all Stock Exchanges.



VIRGO POLYMERS (INDIA) LTD.,

(26) AS 26: Intangible Assets.

The company has not acquired any intangible assets during the year and hence the standard is not applicable.

(27) AS 27: Financial Reporting of interests in joint ventures.

This standard is not applicable to this company.

(28) AS 28: Provisions / Contingent Liabilities & Contingent Assets.

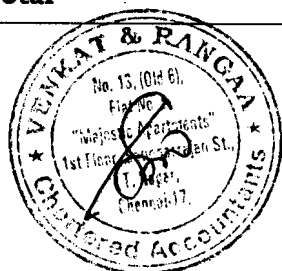
Sl No	Contingent Liabilities: (Rs in Lacs)	31-03-2010	31-03-2009
a. i	Bills discounted with SBI	88.62	129.05
a. ii	BG issued by SBI	33.59	33.59
b)	Sales Tax Liability	58.86	58.86

- Secured loan from State Bank of India is secured by way of hypothecation of Plant and Machinery, Inventories and book debts of the company. Some of the Directors have also executed personal guarantees to the bank. HDFC Bank and Axis Bank is secured by way of hypothecation of respective Assets (Car)
- In compliance with the Accounting Standard relating to 'Accounting for Taxes on Income - AS 22' issued by the Institute of Chartered Accountants of India (ICAI) effective from 1st April, 2001 the company has provided net deferred tax arising on account of timing differences as on 31st March 2010 in its Profit and Loss Account.
- Directors' Remuneration:**

PARTICULARS	FY 2009-10 (Current Year)	2008-09 (Previous Year)
Directors (Towards salary & perquisites) Mr Vivek Kumar Ramsisaria.	3,00,000/-	Nil

5. AUDITORS REMUNERATION:

Auditors Remuneration	As at 31-03-2010 (Rs)	As at 31-03-2009 (Rs)
Towards Certification	25,000	25,000
Towards Audit Fees	20,000	20,000
Service tax	4,635	4,635
Total	49,635	49,635



VIRGO POLYMERS (INDIA) LTD.,

6 Age of Debtors:

Debtors Age wise	As on 31-03-10	As on 31-03-09
More than 6 months	2,01,92,347	14,38,097
Less than 6 months	3,21,83,501	5,77,58,958
Total	5,23,75,848	5,91,97,055

7 All Loans, Deposits and Advances are unsecured but considered as good.

8 Expenditure / Earnings in Foreign Currency:

Sl	PARTICULARS	2009-10	2008-09
a)	Foreign Travel Expenses	5,77,366	3,62,327
b)	Value of Raw material (Imported)	20,89,87,236	16,81,83,511
C)	Export Sales (FOB)	17,93,03,023	19,07,74,577

9 TURNOVER DETAILS:

PARTICULARS	CURRENT YEAR 2009-10		PREVIOUS YEAR 2008-09	
	Qty in Kgs	Rs.	Qty in Kgs	Rs.
a) Plastic Granules	37,12,150	20,32,01,637	28,35,500	14,84,10,689
b) Fabrics	70,725	66,56,766	64,052	49,72,348
c) Bags	5,87,428	6,06,37,988	49,1937	56,50,4117
d) Wastes & others	2,01,356	70,19,423	34,23,043	4,84,97,332
e) DEPB/DFIA License sale		14,41,55,246		10,65,65,986
f) Export Sales	19,10,522	17,85,10,268	17,37,831	19,07,74,577
Total	64,82,181	60,01,81,328	85,52,363	55,57,25,049

i. Value of Raw Materials consumed:

Particulars	Qty in Kgs	Value Rs	%
Imported	35,08,314.500	18,54,98,870	33.68
Indigenous	30,69,785.289	36,52,87,095	66.32
Total	65,78,099.789	55,07,85,965	100



VIRGO POLYMERS (INDIA) LTD.,

ii. Licensed Capacity (As certified by the Managing Director and accepted by the auditors).

CAPACITY	MT Per annum (2009-10)	MT Per annum (2008-09)
Installed Capacity	4200 Tons/Annum	4960 Tons/Annum
Utilized Capacity	3005 Tons/Annum	4625 Tons/Annum

iii) The company has been suspended from MUMBAI, CHENNAI, AHMEDABAD, HYDERABAD AND COIMBATORE Stock Exchanges.

iv) Related Party Transactions:

Company	Activity	Amount
Tarajyot Polymers Ltd	Sale of DEPB/DFIA Licence	1,44,85,637
	Purchases	8,79,450
	Sales	1,53,84,158
P P Products Pvt Ltd	Sale of DEPB/DFIA Licence	2,42,76,204
	Purchases	6,16,243
	Sales	90,00,725
Kamdhenu Polymers Pvt Ltd	Sale of DEPB/DFIA Licence	1,40,36,847
	Sales	5,57,97,975


v) Balance Sheet abstract and Company's general profile is given in Appendix I.

vi) Previous year figures have been re-grouped wherever necessary.

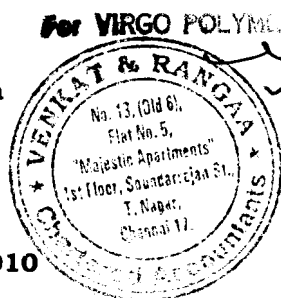
As per our Report of even date annexed

For VENKAT AND RANGAA

Chartered Accountants


S.Mohan Raajan
Partner

Place: Chennai
Dated: 01.09.2010



S. MOHAN RAAJAN
CHARTERED ACCOUNTANT
MEMBERSHIP No.206393

For VIRGO POLYMERS (INDIA) LTD.

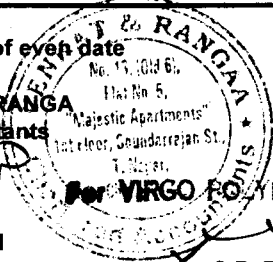
Director

VIRGO POLYMERS (INDIA) LTD.
10,(Old No.34), Arunachalam Street, Saligramam, Chennai - 93
BALANCE SHEET AS AT 31ST MARCH 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

	31.03.2010
	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:	
NET PROFIT BEFORE TAX	10,850,040
Adjustments for:	
Add: Depreciation	7,835,479
Interest and finance charges	34,238,689
Profit on Sale of Fixed Assets	(9,758,115)
Loss on Sale of Fixed Assets	388,676
	32,704,729
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	43,554,769
WORKING CAPITAL CHANGES	
Inventories	(52,443,127)
Sundry Debtors	6,821,208
Loans and Advances	3,177,532
Sundry Creditors for Purchases	14,106,039
Sundry Creditors for Expenses	2,787,038
	(25,551,310)
CASH GENERATED FROM OPERATIONS	18,003,459
Direct taxes paid (Net)	-
NET CASH FROM OPERATING ACTIVITIES	18,003,459
B. CASH FLOW FROM INVESTING ACTIVITIES:	
Purchase of fixed assets	(7,393,407)
Sale of investments	-
Sale of fixed assets	20,792,330
Interest received/ share of profit	-
Investment in other companies	-
NET CASH USED IN INVESTING ACTIVITIES	13,398,923
C. CASH FLOW FROM FINANCING ACTIVITIES	
Increase in Loan Funds	5,796,572
Interest and finance charges paid	(34,238,689)
NET CASH USED IN FINANCING ACTIVITIES	(28,442,117)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	2,960,265
Cash and cash equivalents at the beginning of the year	961,604
Cash and cash equivalents at the end of the year	3,921,869
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,960,265

As per our report of even date
 attached
 for VENKAT AND RANGA
 Chartered Accountants



S. MOHAN RAAJAN
 Partner
 Place: Chennai
 Date : 01.09.10

C.P. RAMSISARIA
 Director

For **VIRGO POLYMERS (INDIA) LTD.**

VIVEK RAMSISARIA
 Director

S. MOHAN RAAJAN
 CHARTERED ACCOUNTANT
 MEMBERSHIP No.206393

VIRGO POLYMERS (INDIA) LTD.,

ANNEXURE

MANAGEMENT DISCUSSION AND ANALYSIS

(a) M/s. Virgo Polymers (India) Ltd, which was started in a small way in 1985, with a production capacity of 20 MT per month for P.P. Woven Sacks, has today grown to have a production capacity of more than 350 MT per month. From P.P. Woven Sacks it has enlarged its products base to FIBCs, Jumbo bags and Small bags. Today our Company is catering to packing requirement of major Chemical, Garnet and Refractory Industries. It's export has grown consistently and in 2010, Company has an export turnover of Rs.17.85 crores. Which is 29.74% of Total Turnover of the Company.

(b) Opportunities and Threats

With sustained marketing efforts, Virgo has earned for itself good reputation and is recognized as a major player in the field of packing Industry mainly FIBCs. 'Sulzer' technology introduced by itself for the first time in India in PP Woven Sack Industry provided better quality advantage for the company.

While slow down in Indian Economy and Industrial stagnation, is a threat for the Company in domestic market, Anti dumping duty proposed by the European council will affect the exports of the Company forcing the Company to reduce the margin to be competitive.

Company is concentrating on better volumes to overcome this threat.

(c)

Sales	Amount	% of Total
Domestic	421,671,060	70.26
Exports	178,510,268	29.74
Total	600,181,328	100.00

Note : Exports contribute to 29.74% of manufacturing sales.

Particulars	Amount	% of Total
Export Incentive	27,639,206	43.18
Processing Charges	20,547,236	32.10
Other Income	15,825,180	24.72
Total	64,011,622	100.00

VIRGO POLYMERS (INDIA) LTD.,

Expenditure

Raw materials and stock consumption	5507.86	4821.23
Manufacturing expenses (inclusive of employer costing)	540.26	426.41
Selling and administrative expenses	256.35	267.97
Interest and financial charges	342.39	252.92
Depreciation	78.35	82.86
TOTAL	6725.21	5851.39

(d) Outlook

The Indian economy is projected to register GDP growth. Industrial sector is showing all signs of growth. Demand for Company's product is expected to improve with the growth of Industrial sector. Exports are expected to be maintained at consistent growth level by remaining competitive in International Market.

(e) Internal Controls

Audit committee of the Board has been constituted to periodically review financial performance and proper accounting standards of the Company. Company has formed a quality control cell to maintain high quality standards. Company is proposing to have expert's guidance on TQM.

(f) Human Resources Development/Industrial Relations

To meet the demands of the Industry Company has remitted quality professionals both in production, maintenance and administrative areas. Present employees are trained to improve their technical standards. Industrial relations in the Company remained cordial throughout the year.

For VIRGO POLYMERS (INDIA) LTD.



Director

VIRGO POLYMERS (INDIA) LTD.,

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Virgo Polymers (India) Limited

We have examined the compliance of corporate Governance by Virgo Polymers (I) Limited, for the year ended on 31st March 2010 as stipulated in clause 49 of listing Agreement of the said company with the stock exchange.


The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures & implementations thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management and we certify that the Company has complied with the conditions of corporate Governance as stipulated in clause 49 of the above mentioned listing agreement.

We further state 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.

Date: 01.09.2010
Place: Chennai

For Venkat & Rangaa,
Chartered Accountants


S. Mohan Raajan
Partner

M No. 206393



VIRGO POLYMERS (INDIA) LTD.,

Report on corporate governance:

1. Company's philosophy on code of governance:

By good corporate Governance, Company aims at inculcating a culture of transparency, accountability and integrity across the company and ensures effective monitoring of management by the strategic guidance of the Board. Company is in process of complying with all the requirements of the corporate Governance code as laid down by regulatory Authorities.

2. Board of Directors & Committees:

The Board consists of eminent persons who have proven experience in the field of PP Woven sacks particularly FIBC's (Flexible Intermediate Bulk Container). Mr. Ramawatar Ram Sissaria and Mr. Chandra Prakash Ramsissaria are graduates with vast corporate exposures. They have wide experience in this Industry and are associated with textile industry and real estate also.

Director Name	Category	Number of Membership in Other Committes.	Attendance at	
			Board Meeting	AGM
Mr Vivek Ramsisaria	Promoter Executive	2	13	Yes
Mr Chandra Prakash Ramsisaria	Promoter Executive	-	10	Yes
Mr Ram Awtar Ramsisaria	Promoter Non Executive	-	07	No
Mr Sunil Saraf	Independent	1	08	Yes
Mr Mahesh Bohra	Independent	1	07	No
Mr Alok Sethia	Independent	1	10	Yes

3. Audit Committee

Mr. Vivek Ramsisaria, Mr Sunil Saraf & Mr Alok Sethia they met once in a quarter and their findings are immediately attended by Finance and Accounts Department.

4. Remuneration Committee

At present the company has not constituted any remuneration committee.

5. Share Holders investors grievance committee

Share holders investors grievance committee is constituted with Mr.Vivek Ramsisaria, Mr Alok Sethia & Mr Mahesh Bohra as Member of the committee. There is no investors' grievance that has not been attended during the year. One of the cases is pending for some verification.

6. Disclosures and Means of Communication

We have our own website and display periodic unaudited and audited financial results on the same.

VIRGO POLYMERS (INDIA) LTD.,

TWENTY FIFTH ANNUAL REPORT

Balance Sheet Abstract and Company's General Profile

Information as required under Part IV to the companies Act, 1956

I. REGISTRATION DETAILS

Registration No. : 18.11622 State Code : 18
Balance Sheet Date : 31.03.2010

II. CAPITAL RAISED DURING THE YEAR (AMOUNT Rs. IN THOUSANDS)

Public Issued : NIL Right Issue NIL
Bonus Issue : -NIL Private Placement NIL

III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (AMOUNT RS. IN THOUSANDS)

Total Liabilities	: 272453	Total Assets	272453
<u>Source of Funds</u>		<u>Uses of Funds</u>	
Paid -up Capital	: 33361	Fixed Assets	79256
Reserves and Surplus	: 89446	Net Current Assets	193197
Secured Loans	: 38368		
Unsecured Loans	: 90025		
Provision for Deferred tax liability	: 21253		
Total	272453		272453

IV. PERFORMANCE OF THE COMPANY (AMOUNT RS. IN THOSANDS)

Turnover	: 684302	Total Expenditure	672521
Profit before tax & Provisions	: 11781	Profit after tax & Provision	7603
Earnings per share in Rs. 2.24 Dividend Rate - Nil			

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY

Item Code No. (ITC Code No.) 3923920
Product Description : HDPE / PP WOVEN SACKS

As per our report of even date annexed

For VENKAT AND RANGAA

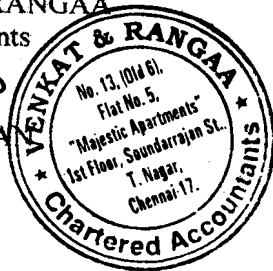
Chartered Accountants

S. MOHAN RAAJA

Partner

Place: Chennai

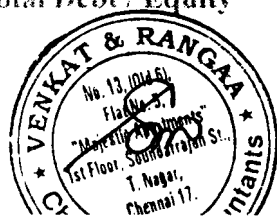
Date: 01.09.2010

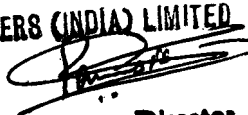


FINANCIAL HIGHLIGHTS

Rs.
In Lakhs

Particulars	<u>31.03.2010</u>	<u>31.03.2009</u>	<u>31.03.2008</u>	<u>31.03.2007</u>	<u>31.03.2006</u>	<u>31.03.2005</u>
Share Capital	333.61	333.61	333.61	333.61	333.61	333.61
Reserves & Surplus	894.46	818.43	738.76	0.00	655.12	614.76
Net Worth	1,228.07	1,152.04	1072.37	333.61	988.73	948.37
Fixed Assets (Net)	792.56	911.21	978.28	0.00	1071.23	1083.74
Gross Income	6843.03	5939.29	5,148.58	4253.86	4126.28	3392.74
Gross Profit	538.56	423.69	177.86	234.20	231.44	295.39
Depreciation	78.35	82.86	81.37	79.83	79.37	50.20
Interest	342.39	252.93	73.01	108.64	90.63	122.42
Profit before Tax	117.82	87.91	23.48	45.73	61.44	122.74
Profit after Tax	76.03	79.67	9.27	26.67	36.10	102.21
Earning per share	2.24	2.34	0.27	0.78	1.06	3.01
Book value/share	36.12	33.88	31.54	9.81	29.08	27.89
Total Debt / Equity	1.05:1	1.13:1	0.61:1	0.69:1	0.84:1	0.81:1



For VIRGO POLYMERS (INDIA) LIMITED

Director