

**19th Annual Report
2008-2009**

THAPAR EXPORTS LIMITED

**REGD. OFFICE : DHANDHARI KHURD, BEHIND E-638,
PHASE VII, FOCAL POINT, LUDHIANA**

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of the Company will be held on Thursday the 31st December, 2009 at 11.00 A.M. at the registered office of the Company at Dhandari Khurd, Behind-638, Phase VII, Focal Point, Ludhiana, at 11.30 A.M. to transact the following business.

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet for the year ended 30th June, 2009 and Profit and Loss Account for the year ended on that date and other statements of account together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rattan Chand who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

**BY ORDER OF THE BOARD
For THAPAR EXPORTS LIMITED**

PLACE : LUDHIANA
DATE : 03/12/2009

-Sd-
(MANJEET SINGH GILL) (CHATTAR SINGH)
DIRECTOR DIRECTOR

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For THAPAR EXPORTS LIMITED.

Chattar Singh

DIRECTORS' REPORT

Your Directors are glad to present the Nineteenth Annual Report on the Affairs of the company together with the Audited Accounts for the year Ended on 30th June, 2009.

FINANCIAL RESULTS	2008-2009	2007-2008
	(Rs.in Lacs)	(Rs.in Lacs)
Turnover & other Income	25.02	64.31
Profit/(Loss) before Depreciation	(8.41)	(33.58)
Depreciation	9.71	9.70
Net Profit/(Loss) after depreciation	(18.13)	(43.28)

PERFORMANCE REVIEW

Due to recessionary trends in the market the company was unable to earn any profits during the year. Other reasons contributing to low performance of the company include low sales realization and high cost of raw material.

DIVIDEND

Your directors propose not to declare any dividend on shares, there being no distributable profits available.

PUBLIC DEPOSITS

The Company has not accepted any fresh deposit pursuant to the provisions of section 58 A of the Companies Act, 1956 during the year under review.

STATUS OF REFERENCE TO THE BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION.

Your Company has made a reference to BIFR order Scheme 15(1) SICA based on account for the year 2000-01, 2001-02 to 2007-2008 since the net worth of the company was entirely eroded. However these reference have been turned down as non maintainable and appeal is pending before AAIFR.

EXPORTS

During the year Exports Sales of the company was NIL.

For the Board

C. Hetterson

CORPORATE GOVERNANCE

The Company has in place a system of Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from Auditors of the Company regarding compliance of condition of Corporate Governance as stipulated under Corporate Governance clause of the listing agreement is annexed to the report of Corporate Governance.

DIRECTORS

In accordance with the provisions of the Articles of Association of the Company and the Companies Act, 1956 Sh. Rattan Chand, Director retire by rotation and being eligible offers himself for reappointment. Further the Board of Directors has received confirmation from all the directors that none of the directors is disqualified from being appointed as Director pursuant to the provisions of Section 274(1)(g) of the Companies Act, 1956.

AUDITORS

M/s Vimal Dixit & Associates, Chartered Accountants holds office up to the conclusion of the forthcoming Annual General Meeting. M/s Vimal Dixit & Associates, Chartered Accountants are eligible for reappointment and the Board of Directors has recommended their appointment as statutory auditors for the year for the 2009-10.

PARTICULARS OF EMPLOYEES

Information pursuant to Section 217(2A) of the Companies act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended up to date is NIL.

PARTICULARS U/s 217(I)(e)

In term of Section 217(I)(e) of the Companies Act, 1956 (as amended) read with the Companies (Disclosure of particulars of in the Report of the Board of Directors) Rules, 1988, the directors furnish herein below the required additional information:

1. CONSERVATION OF ENERGY


a) Energy conservation measures taken:

The Company has an on-going study to identify and implement the energy saving system. In the existing plants various energy saving devices have been installed to achieve reduction of energy inputs.

b) Additional investments and proposal, if any, being implemented for reduction of consumption of energy. The Company has schemes in hand for investments in energy saving devices.

c) Impact of measures taken at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

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For THAPAR EXPORTS LTD.


Director

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM 'A' OF THE ANNEXURE IN RESPECT OF INDUSTRIES SPECIFIED IN THE SCHEDULE THERETO.

	2008-09 (12 Months)	2007-08 (12 Months)
A. POWER & FUEL CONSUMPTION		
I. Electricity		
a) Purchased units (KWH)	35859	36234
Total Amount (Rs.)	163157	164504
Rate/Per Units (Rs.)	4.55	4.54
b) Own Generation through D.G.Set		
Unit (KWH)	NIL	NIL
Total Amount (Rs.)	NIL	NIL
Rate Per Unit (Rs.)	NIL	NIL

II. TECHNOLOGY ABSORPTION

Effects made in Technology Absorption as per Form-B of the Annexure to the Rules.

1. Research & Development (R&D)

a) Specific area in which R&D carried out by the Company :

Research & Development has continuously been carried out in general for improvement in quality of existing products, development of new and improved products of production, processes for better productivity.

b) Benefits derived as a result of the ABOVE R&D:

c) Future Plan of Action:

Development of new and improved products for better productivity, efficiency in production and reduction in cost per tone are planned.

d) Expenditure on R & D:	(Rs.in Lacs)
Capital	Nil
Recurring	Nil
Total R&D Expenditure as a percentage of total turnover	Nil

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

a) Effects, in brief, made toward technology absorption None

b) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, production development, import substitution etc. None

c) In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished.

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For THE DIRECTOR GENERAL
Chatterjee
Director

- | | |
|--|----------------|
| i) Technology Imported | Not Applicable |
| ii) Years of Import | Not Applicable |
| iii) Has technology been absorbed | Not Applicable |
| iv) If not fully absorbed, area, where this has not taken place reasons thereof and future plan of action. | Not Applicable |

C. FOREIGN EXCHANGE EARNING AND OUT-GO

- i) Earnings : NIL
- ii) Outgo : NIL

INDUSTRIAL RELATIONS

Your directors are pleased to inform that during the period under review, Industrial relations remained peaceful and cordial at all levels.

COMMENTS ON AUDITORS QUALIFICATIONS

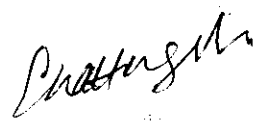
The company has arrived at a settlement with Punjab State Industrial Development Corporation wherein the company has already paid an initial amount of its outstanding dues to P.S.I.D.C and the rest is to be paid in 8 quarterly installments.

Directors Responsibility Statement

Pursuant to Section 217(AA) of Companies Act, 1956, The Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made for the same, applicable accounting standards have followed and that no material departures have been made for the same.
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true & fair view of the state of affairs of the company at the end of the financial year and of the profit & loss account of the company for the year.
- c) That they have taken proper & sufficient care for maintenance of adequate accounting records in accordance with the provisions of Company Act, 1956 for safe guarding the assets of the company and for preventing & detecting fraud & other irregularities.
- d) That they have prepared the annual accounts on going concern basis.

Director
For Term



MANAGEMENT DISCUSSION & ANALYSIS REPORT

ECONOMY AND BUSINESS ENVIRONMENT

The textile industry is one of the leading sectors in the Indian economy as it contributes nearly 14 percent to the total industrial production. The textile industry in India is claimed to be the biggest revenue earners in terms of foreign exchange among all other industrial sectors in India. This industry provides direct employment to around 35 million people, which has made it one of the most advantageous industrial sectors in the country.

OPPORTUNITIES AND THREATS

Opportunities : Improvements in infrastructure and regulations, research and product development, buyers' preference for India after China, and understanding buyers' need because of language advantage.

Threats : Trade blocks and partnerships and the exclusion of India, locational disadvantages like long transit time to key markets, pricing pressure following the opening up of quotas and enhanced competition from other countries similarly constrained by quotas, high labour cost etc.

RISKS AND MANAGEMENT PERCEPTION

If you want to earn profits, you have to accept risks as a part of it. Risks are directly proportionate to the profits in every type of business whether it is manufacturing, trading or retailing business. One cannot afford to earn profits without incurring sufficient risks. The only way out is to find out the ways and means to mitigate/lower the risk by following proper course of action.

OUTLOOK

In spite of the recessionary trends prevailing in the market, your management is looking forward with a positive attitude with a hope that in the coming years company will excel in its field. The management is making all efforts to explore new markets apart from the current markets and to grab each and every new opportunity, available in the industry.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

Company takes pride of its highly motivated and committed team of employees, some of them with the Company, since inception. The Company offers adequate remunerations to both, existing as well as new employees. On their part the employees performed to their full potential and contribute their maximum for growth and development of the Company. Company also ensures to maintain good industrial relations with all the business constituents.

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For THAPAR EXPORTS

Chatterjee
Director

CORPORATE GOVERNANCE REPORT

The company firmly believes and has consistently practiced good corporate governance. The company's policy is reflected by the very values of transparency, professionalism and accountability. The company constantly strives towards betterment of these aspects and thereby perpetuate it into generating long term economic value for its shareholders, customers, employees, other associated persons and the society as a whole.

1. BOARD OF DIRECTORS

(a) Board Meetings:

During the year ended on 30th June, 2009 ten Board meetings were held on 31.07.2008, 05.09.2008, 29.10.2008, 19.11.2008, 03.12.2008, 30.01.2009, 11.03.2009, 13.03.2009, 22.04.2009 and 15.06.2009.

(b) Composition & category of directors:

The Board of directors comprises of three directors as on 30th June, 2009.

Name	Designation	Category	No. of Board Meetings Attended.
Sh. Chattar Singh	Director	Non- Executive Director	10
Sh. Manjit Singh Gill	Director	Non Executive Director	10
Sh. Rattan Chand	Director	Non Executive Director	10

None of the directors on the Board holds office in more than 15 companies or memberships in committees of the Board in more than 10 Committees or Chairmanship of more than 5 such Committees.

2. COMMITTEES OF THE BOARD:

1. Audit Committee

(Constitution of committee as on 30.06.2009)

Members:

Sh. Chattar Singh	Chairman
Sh. Manjit Singh Gill	Member
Sh. Rattan Chand	Member

The "terms of reference" of the Audit Committee included the following:

Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

DER. CO.
For Director



Date: 30.06.2009

Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.

Approval of payment to Statutory Auditors for any other services rendered by them.

Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to

- a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
- b) Change, if any, in accounting policies and practices and reasons for the same.
- c) Major accounting entries involving estimates based on the exercise of judgment by management.
- d) Significant adjustments made in the financial statements arising out of audit findings.
- e) Compliance with listing and other legal requirements relating to financial statements.
- f) Disclosure of any related party transactions.
- g) Qualifications, if any, in the draft audit report.

Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

Discussing with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

Compliance with Stock Exchange and legal requirements concerning financial statements.

Reviewing the Company's financial and risk management policies.

During the year ended on 30th June 2009, five meetings of Audit Committee were held on 31.07.2008, 29.10.2008, 03.12.2008, 30.01.2009 and 22.04.2009. The attendance record of members of the Audit Committee is as under:

Name of Director	No. of Audit Committee meetings attended
Sh. Chattar Singh	5
Sh. Manjit Singh Gill	5
Sh. Rattan Chand	5

2. Shareholders Grievance Committee

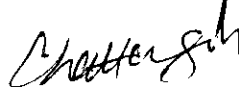
Sh. Chattar Singh (Chairman)
Sh. Manjit Singh Gill (Member)
Sh. Rattan Chand (Member)

Some of the specific tasks of Shareholders Grievance Committee include redressal of the grievances of Shareholders and Investors pertaining to:

- a) shares sent for transfer
- b) non receipt of dividends
- c) dematerialization
- d) and other allied matters.

During the financial year no meeting of this committee was held, there being no investor complaint.

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For THAPAR EXPORTS LTD.


Director

3. Remuneration Committee

Sh. Chattar Singh	(Chairman)
Sh. Manjit Singh Gill	(Member)
Sh. Rattan Chand	(Member)

As per the guidelines set out in the Listing Agreement, a Remuneration Committee has been set up to review and recommend the payment of annual salaries, commission, execution of service agreements and other employment conditions for Director(s). During this financial year, no meeting of the committee was held.

No remuneration had been paid to the directors during the financial year ended on 30th June, 2009.

3. GENERAL BODY MEETINGS:

1) Annual General Meetings

The details of last three Annual General Meetings are given as follows :

30.12.2006	16 TH	Dhandari Khurd, Behind-638, Phase VII, Focal Point, Ludhiana
31.12.2007	17 TH	Dhandari Khurd, Behind-638, Phase VII, Focal Point, Ludhiana
31.12.2008	18 TH	Dhandari Khurd, Behind-638, Phase VII, Focal Point, Ludhiana

The company has not passed any resolution through postal ballot during the financial year 2008-2009.

b) Extra Ordinary General Meeting

No Extra Ordinary General Meeting was held during the year ended on 30th June, 2009.

4. DISCLOSURES

1. There was no material significant transaction with the director(s) or the Management, their subsidiaries or relatives, etc. that have any potential conflict with the interest of the company at large. Since the company is a sick company as defined under the provisions of SICA the company was unable to pay listing fee of stock exchanges for the year ended on 30th June, 2009.
2. (i) Mandatory Requirements
The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock exchanges.
(ii) The Company has set up a Remuneration Committee of the Board of Directors, details of which have been provided in Item 2(3).

In compliance with the SEBI regulation on prevention of insider trading, the Company has prescribed a Code of Internal Procedures & Conduct for Prevention of Insider Trading. The code, inter alia, prohibits purchase/sale of shares of the Company by Directors/employees while in possession of unpublished price sensitive information in relation to the Company.

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For THAPAR EXPORTS LTD.



Director

5. MEANS OF COMMUNICATION

The company sends its quarterly results to the Stock Exchanges immediately after being taken on record by the Board of Directors within the time limit prescribed by the Securities and Exchange Board of India.

6. GENERAL SHAREHOLDER INFORMATION :

- i) 19th Annual General Meeting for the year ended on 30th June, 2009
 Date : 31st Dec. 2009
 Time : 11.30 A.M.
 Venue : Regd. Office :Dhandari Khurd, Behind-638, Phase VII, Focal Point, Ludhiana
- ii) Financial Calender (2009-2010) : 30th June, 2009- 31st July,2010
 First Quarter Results : September, 2009
 Second Quarter Results : December, 2009
 Third Quarter Results : March, 2010
 Annual Results : June, 2010
- iii) Dates of Book closure : Monday 28th Dec'09 to Thursday 31st Dec'09
- iv) Listing : a) The Delhi Stock Exchange Association Ltd.
 b) Bombay Stock Exchange Limited
 c) The LDH. Stock Exchange Association Ltd.
- v) Distribution of Shareholders: As on 30th June 2009 the company has 15106 shareholders having a total number of 4800000 equity shares. The following is the distribution of shareholdings:

No of Share held	No. of Share holders	% of Shareholders	Aggregate No. of shares held	% of Share holding
Upto 5000	14990	99.23	3481440	72.53
5001-10000	75	0.50	59520	1.24
10001-20000	22	0.15	40320	0.84
20001-30000	2	0.01	4800	0.10
30001-40000	---	--	---	---
40001-50000	5	0.03	22080	0.46
50001-100000	1	0.01	10080	0.21
100001 & above	11	0.07	1181760	24.62
Total	15106	100	4800000	100

CERTIFICATE
 FOR...

Chattar Singh

vi) . The shareholding pattern as on 30th June, 2009 is given hereunder:

Category	As on 30 th June 2009		As on 30 th June 2008	
	No. of Shares	%	No. of Shares	%
Promoters/ Directors/Promoter Group	873600	18.20	873600	18.20
Mutual Funds	-----	-----	-----	-----
Banks/ Financial Institutions	-----	-----	-----	-----
Foreign Holding (Fills, NRI's , OCB's)	99840	2.08	99840	2.08
Bodies Corporate	3638400	75.80	3638400	75.80
Indian Public	188160	3.92	188160	3.92
Total	4800000	100	4800000	100

vii) Stock Market Data

: Stock market data is not available, there being no trading of shares during the year ended on 30th June 2009.

viii) Registrar & Transfer Agent:

: The company has appointed M/s Skyline Financial Services Limited, New Delhi as Registrar & Transfer Agents.

BY ORDER OF THE BOARD
For THAPAR EXPORTS LIMITED

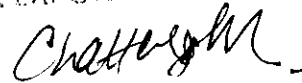
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(MANJEET SINGH GILL) (CHATTAR SINGH)
DIRECTOR DIRECTOR

-Sd-

PLACE : LUDHIANA
DATED : 03/12/2009

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For THAPAR EXPORTS LTD.



Director

C E R T I F I C A T E

To,
The Members of
Thapar Exports Limited

We have examined the compliance of the conditions of Corporate Governance by Thapar Exports Limited for the financial year ended on 30th June, 2009 as stipulated in clause 49 of Listing Agreement of the said Company with the Stock Exchanges.

The Compliances of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuing compliance with the conditions of Corporate Governance as stipulated in the said clause. 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, and the representation made by the Board of Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the reports given by the Director(s) of the Company there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

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

**For VIMAL DIXIT & ASSOCIATES
CHARTERED ACCOUNTANTS**

**Place: Ludhiana.
Date: 3rd December, 2009**

**-Sd-
Partner**

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For THAPAR EXPORTS LTD.


Director

AUDITOR'S REPORT

To,
The Members,
M/s THAPAR EXPORTS LIMITED
Ludhiana

We have audited the attached Balance Sheet of M/s THAPAR EXPORTS LIMITED as at 30th June, 2009 and also the Profit & Loss Account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

01. We conducted our audit in accordance with the Auditing Standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.
02. As required by the Companies (Auditor's Report) Order, 2003 and Companies (Auditors Reports) (Amendment) order 2004 issued by the Central Government of India in terms of sub-section (4A) 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.
03. Further to our comments in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
 - (c) The Balance Sheet and Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet and Profit & Loss Account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the directors as on 30th June, 2009, and taken on record by the Board of Directors, we report that none of the Directors are prima facie as on 30th June, 2009 disqualified from being appointed as a Director in terms of clause (q) 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 financial statements read together with the Significant Accounting policies and other notes thereon give the information required by the Companies Act 1956, and in the manner so required and give a true & 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 30th June, 2009 and:

(ii) In the case of the Profit & Loss Account, of the profit / loss 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 VIMAL DIXIT & ASSOCIATES
CHARTERED ACCOUNTANTS

-Sd-
PARTNER

Place : Ludhiana
Date : 03/12/2009

Chartered Accountant
Firm Name: Vimal Dixit & Associates
Date: 03/12/2009



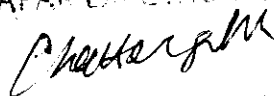
Chartered Accountant

ANNEXURE TO AUDITORS REPORT

(REFERRED TO IN PARAGRAPH (2) OF OUR REPORT OF EVEN DATE ON THE STATEMENT OF ACCOUNTS FOR M/s THAPAR EXPORTS LIMITED AS AT AND FOR THE YEAR ENDED 30th JUNE, 2009)

1. a) The Company has maintained proper records showing full particulars including quantities details and situation of its fixed assets.
b) All Fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
c) The Company did not dispose off a substantial part of fixed assets during the year.
2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and were properly dealt with in the books of accounts.
3. a) The company has not granted loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956. As the Company has not granted and loan secured or unsecured, to the parties listed in the registry maintained under section 301 of the Companies Act 1956, paragraphs (iii) (a),(b),(c) & (d) of order are not applicable.
b) The company has not taken loans secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956, as such paragraphs (iii) (e) (f) & (g) of the order are not applicable.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act, have been entered in the register required to be maintained under that section.
b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees

CERTIFIED TRUE AND CORRECT
For THAPAR EXPORTS LTD.



Director

five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public, to which the provisions of section, 58A,58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 are applicable. As per explanation given to us 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 this respect.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
9. a) According to information and explanations given to us, the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
 b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty, cess were in arrears, as at 30th June, 2008 for a period of more than six months from the date they became payable.
 c) According to the information and explanations given to us, the following are the particulars of dues on account of sale tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.

Name of the statutory	Nature of dues	Amount (Rs.in Crore)	Period to which amount relating	Forum where dispute pending
Indian Custom. Act	Custom Duty Interest & Penalty	6.03 (Cr.)	1999-2000	

However liability in this regard has been provided.

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 For THAPAR EXPORTS LTD.

Chatterjee
 Director

10. The accumulated loss of the Company as at 30th June, 2009 are not less than Fifty percent of its net worth. The Company has incurred cash losses for the year ended 30th June, 2009 and also in the immediately proceeding year.

11. According to information and explanations given to us and on the basis on examination of books of accounts the company has defaulted in repayment of dues of all the banks and financial institution. The information is as under:

Name of Banks/Institutions	Amount in Default	Period of Default
P.S.I.D.C	1.71 (Cr.)	1999-2000

12. According to the information and explanations given to us the company has not granted any loans and advances on the basis of security by way of pledge of shares and other securities. Accordingly clause 4 (XII) of the order is not applicable.

13. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) order, 2003 are not applicable to the company.

14. According to the information and explanations given to us the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order,2003 are not applicable to the company.

15. In our opinion, and according to information and explanations given to us the company has not given guarantees for loans taken by others from banks or financial institutions.

16. In our opinion, and according to information and explanations given to us the term loans have been applied for the purpose for which they were raised.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long term investment except permanent working capital.

18. According to the information and explanations given to us, 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.

19. According to the information and explanations given to us, during the year covered by our audit report, the company has not issued any debentures.

20. There has not been any public issue during the year.

21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

CEA
For Note

Chatterjee

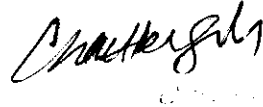
22. The company is a sick Industrial Company within the meaning of clause (o) of section (3) of the Sick Industrial Companies (Special Provisions) Act, 1985. The Company has reported that it has filed references based on account for the year 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, and 2006-07 which have been rejected by BIFR and appeal with AAIFR is pending.

For VIMAL DIXIT & ASSOCIATES
CHARTERED ACCOUNTANTS

-
-Sd-
PARTNER

Place : Ludhiana
Date : 03/12/2009

For
For



THAPAR EXPORTS LIMITED

PARTICULARS	BALANCE SHEET AS AT 30th JUNE'2009		AS AT 30.06.2009	AS AT 30.06.2008
	SCHEDULE		AMOUNT (RS.)	AMOUNT (RS.)
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	I	47927000		47927000
Reserves & Surplus	II	1494700		1494700
		-----	49421700	-----
				49421700
LOAN FUNDS				
Secured Loans	III	17098985		19642510
Unsecured Loans		746000		746000
		-----	17844985	-----
				20388510
Deferred Tax Liability		-		863168
		-----		-----
			67266685	70673378
			~~~~~	~~~~~
<b>APPLICATION OF FUNDS</b>				
<b>FIXED ASSETS</b>				
Gross Block	IV	25468663		25427963
Less : Depreciation up to date		12683587		11712290
		-----		-----
Net Block			12785076	13715673
INVESTMENTS	V		3360	3360
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
Sundry Debtors	VI	32570188		36533724
Cash & Bank Balances	VII	1041404		1036463
Loans and Advances	VIII	1725403		1636531
		-----		-----
			35336995	39206718
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>				
Current Liabilities	IX	73134519		73577881
		-----		-----
Net Current Assets			(37797524)	(34371163)
Profit & Loss Account			91882058	91325508
Deferred Tax Assets			393715	-
		-----		-----
			67266685	70673378
			~~~~~	~~~~~

NOTES TO ACCOUNTS XIV
The Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date
For Vimal Dixit & Associates
Chartered Accountants

On behalf of the Board
For THAPAR EXPORTS LIMITED

-Sd-
Partner

-Sd-
(MANJEET SINGH GILL) (CHATTAR SINGH)
Director Director

Place : Ludhiana
Dated : 03/12/2009

CERTIFIED COPY
THAPAR EXPORTS LIMITED

Chattar Singh

THAPAR EXPORTS LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30th JUNE, 2009

PARTICULARS	SCHEDULE FOR THE YEAR	
	FOR THE YEAR ENDED 30.06.2009	FOR THE YEAR ENDED 30.06.2008
	AMOUNT (Rs.)	
INCOME		
Sales	2116992	6254815
Other Income	385119	176378
	-----	-----
	2502111	6431193
	=====	=====
EXPENDITURE		
Purchases	1998980	6001748
Manufacturing Expenses	X 188807	198914
Personnel Expenses	XI 940003	757732
Administrative & Selling Expenses	XII 205850	155573
Financial Expenses	XIII 9937	2675013
Depreciation	971297	970354
	-----	-----
	4314874	10759334
	~~~~~	~~~~~
Profit &(Loss) for the year	(1812763)	(4328141)
Provision for FBT	670	800
Bal.of Profit/(Loss) b/f from Prev.year	(91325508)	(87397408)
Deferred Tax Assets	1256883	400841
Profit/(loss) Carried over to Balance Sheet	(91882058)	(91325508)

NOTES TO ACCOUNTS

XIV

The Schedules referred to above form an integral part of the Profit & Loss Account

As per our report of even date  
For Vimal Dixit & Associates  
Chartered Accountants

On behalf of the Board  
For THAPAR EXPORTS LIMITED

-Sd-  
Partner

-Sd- (MANJEET SINGH GILL) (CHATTAR SINGH)  
Director Director

Place : Ludhiana  
Dated : 03/12/2009

CERTIFIED TO BE TRUE COPY  
For THAPAR EXPORTS LTD.

*Chattar Singh*  
Director

THAPAR EXPORTS LIMITED

	AS AT 30.06.2009 (Rs.)	AS AT 30.06.2008 (Rs.)
SCHEDULE -I		
SHARE CAPITAL		
AUTHORISED		
5000000 Equity Shares of Rs. 10/- each	50000000	50000000
	~~~~~	~~~~~
ISSUED, SUBSCRIBED AND PAID UP 4800000 (Previous Year 4800000) Equity Shares of Rs. 10/- each	48000000	48000000
	73000	73000
Less: Calls in Arrears (Other than Directors)	----- 47927000	----- 47927000
	~~~~~	~~~~~
SCHEDULE -II		
RESERVES & SURPLUS		
CAPITAL INVESTMENT SUBSIDY	1494700	1494700
	----- 1494700	----- 1494700
	~~~~~	=====
SCHEDULE -III		
SECURED LOANS		
From Financial Institutions P.S.I.D.C.	3765000	5340000
Interest accrued and due	13333985	14302510
	----- 17098985	----- 19642510
	=====	=====

CERTIFIED BY
For Thapar Exports Limited

Chatterjee

THAPAR EXPORT LIMITED

SCHEDULE-IV
FIXED ASSETS

(Amount in Lacs)

PARTICULARS	GROSS BLOCK		DEPRECIATION BLOCK		NET BLOCK	
	AS AT 01.07.2008	ADDITION DURING YEAR	ADJUST. DURING THE YEAR	PROVIDED DURING THE YEAR	AS AT 30.06.2009	AS AT 30.06.2008
Land & Site	1024250	-	-	-	1024250	1024250
Development Building	12996243	-	-	434074	6001051	7429266
Plant & Machinery	11199025	-	-	531954	6509361	4689664
Furniture & Fixture	117363	-	-	-	110145	7218
Office Equipments	91082	-	-	4326	62087	28995
Scooter	-	40700	-	943	943	39757
	25427963	40700	-	971297	12683587	13715673
Previous Year	25427963	-	-	970354	11712290	13715673
						14686027

CERTIFIED TO BE TRUE
For THAPAR EXPORTS LTD.

Chaitanya

Director

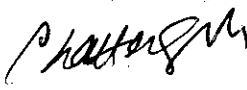
THAPAR EXPORTS LIMITED

SCHEDULE - V

INVESTMENTS (AT COST)		
QUOTED		
CREDIT CAPITAL VENTURE FUND INDIA LTD. 100 (Previous year 10) Equity Shares of Rs.10/- each fully paid up	1360	1360
INDL.CREDIT & INVESTMENTS CORP.INDIA LTD. 10 (Previous year 10) Equity Shares of Rs.100/- each fully paid up	2000	2000
	----	----
	3360	3360
	=====	=====

SCHEDULE - VI

SUNDRY DEBTORS (Unsecured considered good)		
More than six months	29951653	31594774
Considered good	1585821	1434349
Considered doubtful	1032714	3504601
Others	-----	-----
	32570188	36533724
	=====	=====

THAPAR EXPORTS LIMITED
 9, CHANDRANAGAR
 LUDHIANA - 141 001
 PUNJAB
 (INDIA)

 Director

THAPAR EXPORTS LIMITED

AS AT 30.06.2009 AS AT 30.06.2008
Amt. (Rs.) Amt. (Rs.)

SCHEDULE - VII

CASH AND BANK BALANCES

Cash in Hand	123854	122739
Balances with Scheduled Banks	130940	127114
Bank Guarantee Margin	786610	786610
	-----	-----
	1041404	1036463
	=====	=====

SCHEDULE - VIII

LOANS AND ADVANCES

(Unsecured considered good)		
Loans & Advances recoverable in cash or in kind or for value to be received	1314004	1228700
Security Deposits	159800	159800
Balances with Excise Departments	78397	78397
Income Tax	173202	169634
	-----	-----
	1725403	1636531
	=====	=====

SCHEDULE - IX

CURRENT LIABILITIES PROVISIONS

Sundry Creditors	5305704	4891207
Payable to customs dept.	60261149	60261149
Other Liabilities	7566996	8424725
Provision for FBT	670	800
	-----	-----
	73134519	73577881
	=====	=====

CERTIFIED TO BE TRUE COPY
For THAPAR EXPORTS LIMITED.
Chatterjee
Director

THAPAR EXPORTS LIMITED

	FOR THE YEAR ENDED 30.06.2009 AMT. (Rs.)	FOR THE YEAR ENDED 30.06.2008 AMT. (Rs.)
SCHEDULE - X		
MANUFACTURING EXPENSES		
Consumed Stores	25650	34410
Electricity Consumed	163157	164504
	-----	-----
	188807	198914
	=====	=====
SCHEDULE - XI		
PERSONAL EXPENSES		
Salary, Bonus & other allowances	834086	658544
Contribution towards P.F. & Other Funds	104397	93935
Staff & Labour Welfare	1520	5253
	-----	-----
	940003	757732
	=====	=====
SCHEDULE - XII		
ADMINISTRATIVE & SELLING EXPENSES		
Auditors Remuneration		
-Audit Fee	3500	3500
-Tax Audit Fee	1500	1500
-Audit Fee (BIFR)	25000	-
Conveyance Expenses	1785	10330
Directors Remuneration	48150	44500
Fees & Taxes	78236	34478
Legal & Professional Charges	42330	47872
Misc. Expenses	800	5895
Printing & Stationary	2604	5991
Postage Charges	1945	1507
	-----	-----
	205850	155573
	=====	=====
SCHEDULE - XIII		
FINANCIAL EXPENSES		
Bank Charges	9937	5013
Interest on Term Loan	-	2670000
	-----	-----
	9937	2675013
	=====	=====

CERTIFIED TO BE TRUE COPY
For THAPAR EXPORTS LTD.

Shakti Singh
Director

THAPAR EXPORTS LIMITED

SCHEDULE - XIV

NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES
 - A. ACCOUNTING CONVENTIONS
The financial statements have been prepared under the Historical Cost Convention in accordance with applicable Accounting Standards and relevant disclosure of the Companies Act, 1956.
 - B. FIXED ASSETS
Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition/construction is inclusive of freight, duties, taxes & other incidental expenses.
 - C. DEPRECIATION
The Company has followed the straight line method of depreciation. The depreciation for the year has been provided in accordance with the rates and in manner as specified in Schedule XIV of the Companies Act, 1956.
 - D. INVENTORIES
The basis of valuation for different categories of inventory are as follows :
Raw Materials & Stores & Spares : At Cost
Finished Goods : At cost or market price whichever is less
2. CONTINGENT LIABILITY NOT PROVIDED FOR
 - (a) In respect of non fulfillment of export obligations on advances licenses is unascertainable.
 - (b) The Income Tax Liability for the Assessment Year 1992-93 has been assessed at Rs.141978/- against which the Company has filed an appeal with the Tribunal, which is still pending. However, the Company has already deposited the full amount of Income Tax.
 - (c) Claim from the Toepfer International Asia Pvt.Ltd.Singapore for rate difference not acknowledged as debt US\$ 6526 and UK Pounds 2290.
 - (d) Property tax (house tax) Rs.100000/-by Municipal Corporation, Ludhiana.
3. Balances of certain receivable and payables are subjects to confirmation and reconciliation, However in the opinion of management, difference on reconciliation, if any, Will not be material.
4. Previous year figures have been regrouped / recasted wherever necessary.
5. Figures have been rounded of to the nearest rupee.

CERTIFIED TO BE TRUE COPY
For THAPAR EXPORTS LTD.

Shakti Singh

Director

6.	Deferred Tax Liability	2008-09	2007-08
	Timing difference between income Tax &		
	Book depreciation	2566267	2734961
	Deferred Tax Assets on carry forward loss	2959982	1871793
		-----	-----
		(393715)	863168
		=====	=====

7. Interest on dues of the PSIDC has not been provided as negotiated settlement has been arrived at.

8. ADDITIONAL INFORMATION REQUIRED UNDER PARA 3 & 4 OF THE PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

A. CAPACITIES & PRODUCTION

ITEM	ANNUAL CAPACITY		PRODUCTION (Including Job Work)	
	AS AT	AS AT	For the year	For the year
	30.06.2009	30.06.2008	Ended 30.06.2009	Ended 30.06.2008
Worsted, Synthetic & Acrylic Yarn	30000 MTs.	30000 MTs.	-	-
Carded Wool	15000 MTs.	15000 MTs.	-	-
Readymade Garments	175000 Pcs.	175000 Pcs.	-	-
Textile Cloths (Painting) (Unstitched)			-	14349.930 (Kg)
Patching Formers			11.381	-

B. PURCHASES

ITEM	UNIT	FOR THE YEAR ENDED 30.06.2009		FOR THE YEAR ENDED 30.06.2008	
		Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
Drawn Wire	MTs.	45.550	1668418	103.995	2801317
Round Bars	MTs.	-	-	57.750	1654942
Textile Cloths (Unstitched)	KGs.	-	-	14349.930	1545489
C.R.Sheets	MTs.	11.590	330562	-	-

C. SALES

ITEM	UNIT	FOR THE YEAR ENDED 30.06.2009		FOR THE YEAR ENDED 30.06.2008	
		Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
Drawn Wire	MTs.	45.550	1701881	103.995	2889899
Round Bars	MTs.	-	-	57.750	1661576
Textile Cloths (Unstitched) Painted	KGs.	-	-	14349.930	1703340
Patching Formers	MTs.	11.381	415111	-	-

CERTIFIED TO BE TRUE
For THAPAR EXPORTS LTD

Chaitanya
Director

OPENING & CLOSING STOCK OF GOODS PRODUCED & TRADED IN					
ITEM	UNIT	FOR THE YEAR ENDED 30.06.2009		FOR THE YEAR ENDED 30.06.2008	
		Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
			-NIL-		-NIL-

OTHER ADDITIONAL INFORMATION

	For the year Ended 30.06.2009 Amount (Rs.)		For the year Ended 30.06.2008 Amount (Rs.)	
1. Earning in Foreign Exchange on export on FOB Basis (On Invoices raised up to 30.06.2008	NIL		NIL	
2. Value of Imported/Indigenous Raw Material Components and Stores Consumed				
Stores & Spare Parts & Components	Amount	%	Amount	%
- Indigenous	25650	100	34410	100
- Imported				

As per our report of even date
For Vimal Dixit & Associates
Chartered Accountants

On behalf of the Board
For THAPAR EXPORTS LIMITED

-Sd-
Partner

-Sd-
(MANJEET SINGH GILL)
Director

-Sd-
(CHATTAR SINGH)
Director

Place : Ludhiana
Dated : 03/12/2009

CERTIFIED TO BE TRUE
For THAPAR EXPORTS LTD


Director

THAPAR EXPORTS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I	Registration Details																
	Registration No.	1	0	5	9	0				State Code	1	6					
	Balance Sheet			3	0			0	6		2	0	0	9			
										Date		Month		Year			
II	Capital Raised During The Year (Amount in Rs. Thousand)																
	Public Issue	Right Issue	Bonus Issue	Private Placement	Allotment Money Recd												
	N	I	L	N	I	L	N	I	L	N	I	L					
III	Position of Mobilisation & Development of Funds (Amount in Rs. Thousand)																
	Total Liability						Total Assets										
	6	7	2	6	7		6	7	2	6	7						
	Sources of Fund																
	Paid-up Capital			Reserve & Surplus			Secured Loans			Unsecured Loans							
	4	7	9	2	7	1	4	9	5	1	7	0	9	9	7	4	6
	Application of Fund																
	Net of Fixed Assets			Capital Work in Progress			Adv Agst Capital Goods			Investments							
	1	2	7	8	5	N	I	L		N	I	L		3			
	Net Current Assets			Misc Expenditure			Accumulated Losses			Deferred Tax Assets							
	(3	7	7	9	7)	N	I	L	9	1	8	8	2		3	9	4
	Deferred Tax Assets																
	3	9	4														
IV	Performance of Company (Amount in Rs.Thousand)																
	Turnover	Total Expenditure	+-Profit/Loss Before Tax			+-Profit/Loss After Tax											
	2	5	0	2	4	3	1	5	(1	8	1	3)				

CERTIFIED TO BE TRUE & CORRECT
For THAPAR EXPORTS LTD.

Chakraborty
Director

THAPAR EXPORTS LIMITED

CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

	FOR THE YEAR ENDING 30.06.2009 (Amt.in Rs.)	FOR THE YEAR ENDING 30.06.2008 (Amt.in Rs.)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and extraordinary items	(1812763)	(4328141)
Adjustment for:-		
Depreciation	971297	970354
Interest Income/Other Income	(100119)	(176378)
Custom duty/Penalty	-	-
Interest Paid	-	2670000
Operating Profit/(Loss) before working capital changes	(941585)	(864165)
Adjustment for:-		
Increase/(Decrease) in Inventories	-	-
Increase/(Decrease) in Trade and other Receivable	3874664	514446
(Increase)/Decrease in Trade & other Payable	(3028257)	(662038)
Cash generated from operating activities	(95178)	(147592)
Interest/other Income	100119	176378
Net cash from operating activities	4941	28786
B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets (Including capital work in progress)	-	-
Net cash from Investing activities	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	-
Proceeds from long term Borrowings	-	-
Net cash used from financing activities	-	-
Net Increase/(Decrease) in Cash or Cash Equivalents(A+B+C)	4941	28786
Opening Balance of Cash & Bank Equivalents	1036463	1007677
Closing Balance of Cash & Bank Equivalents	1041404	1036463

On behalf of the Board
For THAPAR EXPORTS LIMITED

-Sd- -Sd-
(MANJEET SINGH GILL) (CHATTAR SINGH)
Director Director

Place : Ludhiana
Dated : 03/12/2009

AUDITORS REPORT
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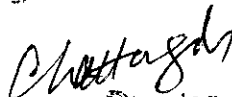
We have verified the above cash flow statement of THAPAR EXPORTS LIMITED derived from audited financial statements and the books and records maintained by the Company for the year ended on 30.06.2009 and found the same in agreement therewith.

For Vimal Dixit & Associates  
Chartered Accountants

Place : Ludhiana  
Date : 03/12/2009

-Sd-  
Partner

CERTIFIED TRUE COPY  
For THAPAR EXPORTS LIMITED

  
Director