



SERVING INDIA'S RURAL MARKET

India is on an undeniable growth trajectory, matched by few in the world, for scale and vigour. Fuelled by boundless aspirations and the infectious energy of a young populace, the country is fast progressing towards a definitive role in the global economic order. Not only is it leading to an increasing share of global commerce for India as a nation, but also catalyzing consumption, resulting in the creation of a groundswell of opportunity. Addressing the aspirations of the Indian populace, our businesses are intrinsically linked to India's growth trajectory. Given India's unique demographic advantage, our businesses remain relevant to the youth of today who will become the leaders of tomorrow. Innovation and enterprise form the essence of this surge of opportunities and find reflection in every facet of our operations.

We are making large investments in our key business categories, i.e. PVC Pipes & Fittings and Micro Irrigation System to reinforce the spirit of enterprise.

Across our businesses, we have demonstrated abilities to build world-scale capacities and infrastructure. We have enhanced our business footprint from the conventional energy chain to consumer businesses and delivered value.

Our businesses are deeply aligned with the ethos of innovation to save water. We have constantly endeavored to operate at the forefront of new technologies. We have invested in continuously developing new products and seeking new applications, which are suitable for Indian markets and conditions.

Over the years, we have tapped into the enormous opportunities presented by the Indian economy. The evolving economic landscape and the aspirations of the people have driven us to aim higher, execute our plans seamlessly and sustain the growth momentum. This has helped us touch the lives of our fellow citizens and lay the foundation for the long-term development of our nation.

We understand these aspirations and the opportunities that lie within. This drives us towards continuous efforts in enterprise and innovation which act as catalysts in realising these aspirations.



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LETTER TO SHAREHOLDERS

Dear Shareholders,

Your Directors take pleasure in presenting the Nineteenth Annual Report together with the Audited Accounts and Auditors' Report for the financial year ended on 31st March 2013

The global economic scenario in FY 2012-13 continued to be fraught with challenges. Major economies witnessed slower growth and the Euro zone was full of uncertainty. As the year progressed, business environment remained difficult and operating in such a testing environment proved challenging. As shareholders, you should be aware of what your Company has achieved and stands for.

Despite of the global challenges, there was always good demand for the PVC products as PVC piping is one of the world's most sustainable products, making it ideal for long-term term use in underground infrastructure. It requires less energy and fewer resources to manufacture than old-technology materials, and its production creates virtually no waste.

Tulsi has achieved a turnover of Rs 2014.58 millions and net profit of Rs. 229.50 millions. The growth in earnings was largely driven by strong and improved service of Tulsi during the year. We maintained high operating rates at all our manufacturing locations. This is a reflection of the quality of our assets and growing demand for our products and services across the world.

Today, I speak to you, once again, with a deep and steadfast commitment to preserving this tradition.

Our continuous commitment of value creation for you is the core of this tradition. Tulsi is firmly moving ahead on the same path with conviction and confidence. In fact, the opportunities that beckon us in the future are even greater and we are going to en-cash it by expanding our business, which is already in progress and in relation to Indian GDP growth rates, core businesses of Tulsi are growing at a higher pace, consistently and rapidly. This trend, I believe, will continue to gather speed. There are several eloquent indicators, with greater economic clout; India's profile in the international arena is rising. India and its business leaders are increasingly gaining respect and recognition on the global stage. This story is gathering unstoppable momentum and, it will translate into a large set of new opportunities, within India and across the globe. Tulsi is well positioned to take advantage of this rapidly expanding sphere of growing opportunities as we are present in the UAE and South Africa with our dedicated and committed team which constantly trying to make Tulsi as one of the India's largest private sector business enterprise.

I would like to take you through the Company's stupendous performance over the previous years. Here are some expressive indicators:

1. Tulsi got the award of Best Corporate house from Mr. B.G. Palwe, Joint Director of Industries (Nasik) and Mr. Kunal Kumar, District Collector (Jalgaon).
2. Best SME Award also came down in the Tulsi Hand from Mr. K Srinivas, Chairman in Plastic Sector in Dun & Bradstreet.
3. On Sales, Tulsi grew by 04.54% as compared to last year.
4. On EBIDT (Earning Before Interest, Depreciation and Tax) grew by 6.04%.
5. Tulsi has also grown in terms of Net Worth by 5.77%.

Now I would like to brief you on the Indian Economic Situation in 2012. The Indian economy started off in 2012 with a lot of promise continuing the high growth of the previous years. However, weaker currency, higher domestic inflation, high interest rates, weak external demand and risk adverse sentiments have prevented the emerging





and developing economies from returning back to a higher growth trajectory. Compared to 6.5 percent in 2011-12, the Indian economy growth was pitted at around 5 percent in 2012-13. The deficits of fiscal account and current account are the main causes for concern. From the Global perspective, the economic activity has somewhat picked up in America where as the Euro region is still weak. Therefore, in spite of the rupee depreciation, the Indian export market growth too has declined.

To conclude, I express our sincere thanks to the Government of India for their continued support. My thanks are also due to our customers, suppliers, bankers, financial institutions, and all our shareholders. My special thanks and appreciation go to the employees of the Company at all levels for their hard work, dedication and continued commitment.

Looking ahead, I am certain that team Tulsi will do justice to its legacy by creating new benchmarks with its dedicated projects on operational efficiencies, expansions opportunities and a range of new products. I look forward to making your company a global entity.

This is my commitment to you dear Shareholders.

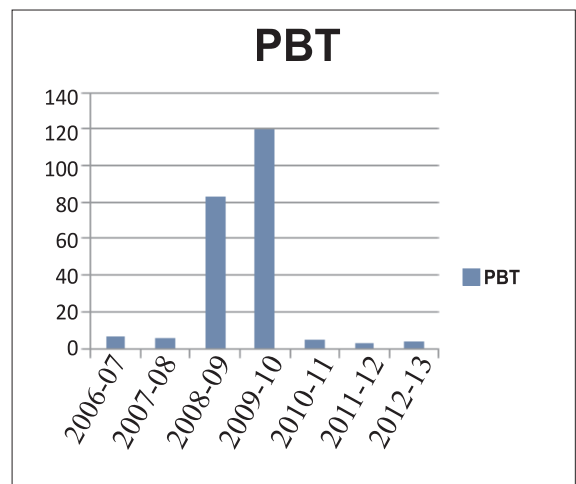
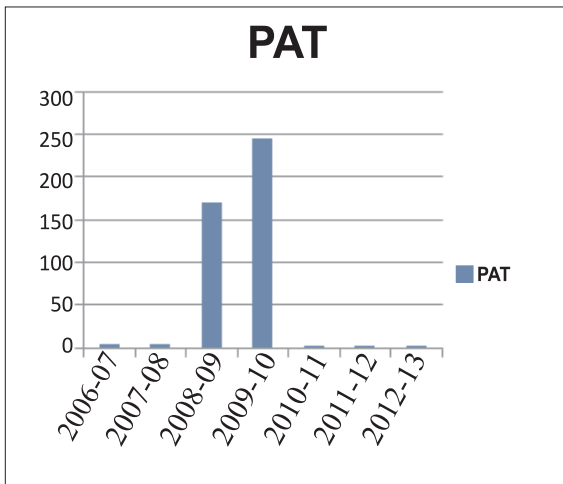
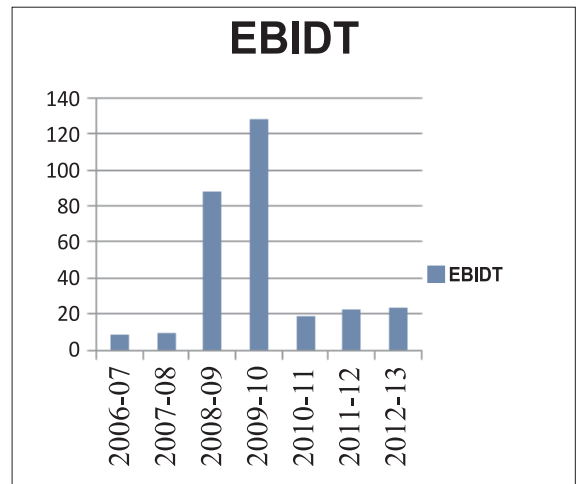
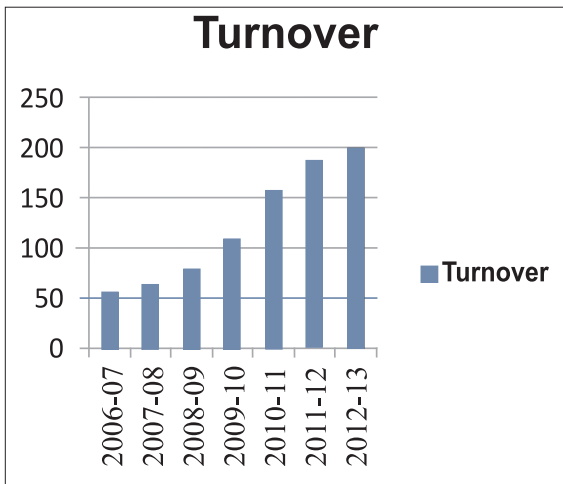
Thank you.

Pradip J. Mundhra
Managing Director



COMPARATIVE FINANCIAL PERFORMANCE

(Rupee in Crores)



The company has achieved modest growth in terms of sales and production in the year gone by. Indian Economy was able to show growth of about 7% during the year under challenging global and domestic environment. The government’s policy and focus on the agriculture and irrigation with greater allocation of Plan funds augurs well for your Company. Your Company’s products are sold across the length and breadth of India through the Company’s wide dealer network.

However, this year saw significant material cost inflation in the second half, driven primarily by spiraling crude oil prices. Prices of Resin and Granules, which constitute 75% of our Material Cost Base, were adversely impacted. However, your Company continues to strive for operating cost optimization through a series of initiatives in product mix rationalization, vendor development and factory technological up gradation. The Profit decrease was mainly due to higher interest rates, inflation, additional discounts to dealers for price competition and firm commodity prices and the cost of transportation has also increased due to increase in the fuel prices.



TULSI EXTRUSIONS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. OMPRAKASH S. JHAVAR
 MR. PRADIP J. MUNDHRA
 MR. SANJAY R. TAPARIA
 MR. GOPALDAS J. MAHESHWARI
 MR. VIVEK M. PINGLE
 MR. JAIPRAKASH B. KABRA

Chairman-Non Executive
 Managing Director
 Chief Executive Officer
 Non Executive Director
 Non Executive & Independent Director
 Non Executive & Independent Director

STATUTORY AUDITORS

M/s K. K. Kabra & Co.
 Chartered Accountants, Jalgaon

INTERNAL AUDITORS

M/s Badale Mahale Lanke & Co.
 Chartered Accountants, Jalgaon
 M/s Raj kumar Kothari & Co.
 Chartered Accountants, Kolkata
 M/s U. K. Rathi & Co.
 Chartered Accountants, Guwahati

REGISTERED OFFICE

N-99/100 MIDC Area
 Jalgaon – 425 003
 Maharashtra

FACTORIES

N-99/100/108/109, H-16/17, G-51/52
 MIDC Area, Jalgaon - 425 003
 Maharashtra

MUMBAI OFFICE

709, Janki Centre
 29, Shah Industrial Estate
 Off. Veera Desai Road
 Andheri (W)
 Mumbai – 400 053
 Maharashtra

BRANCHES

Jaipur, Raipur, Indore, Kolkata, Surat
 Lucknow, Tiruvannamali, Ludhiana
 Bijapur, Vadodra, Nagpur,
 Urlidevachi, Talegaon, Ahmednagar
 Nanded, Jaisinghpur,
 Sholapur.

BANKERS

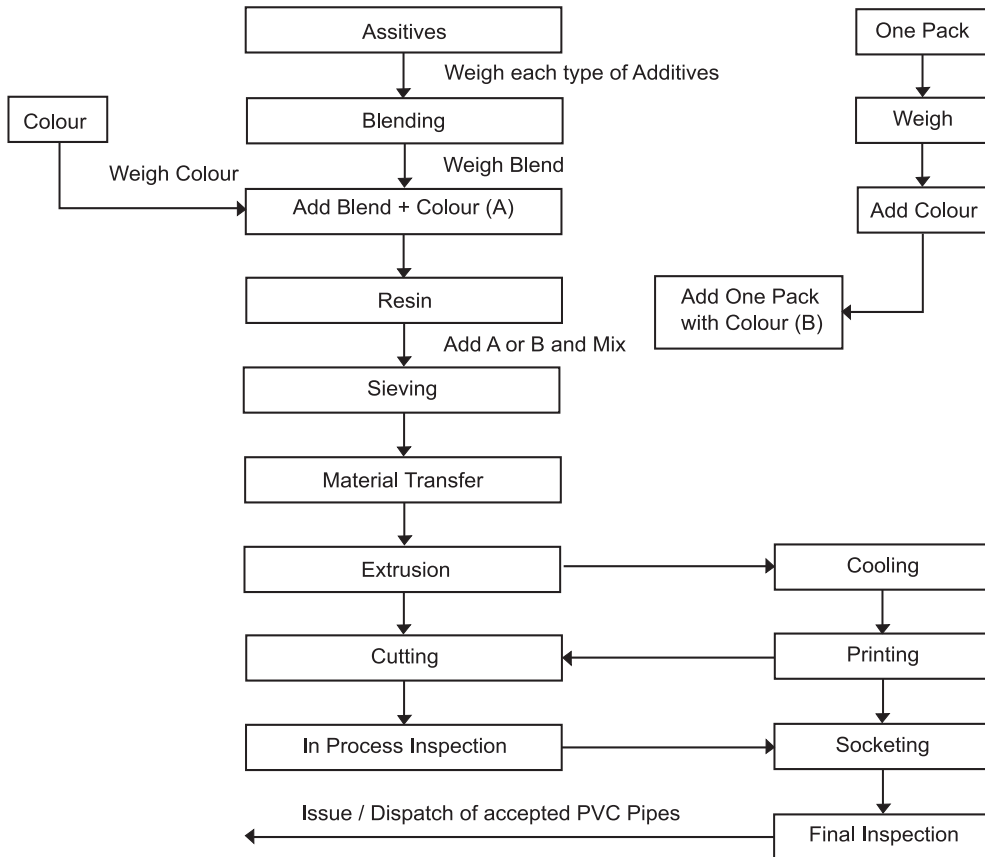
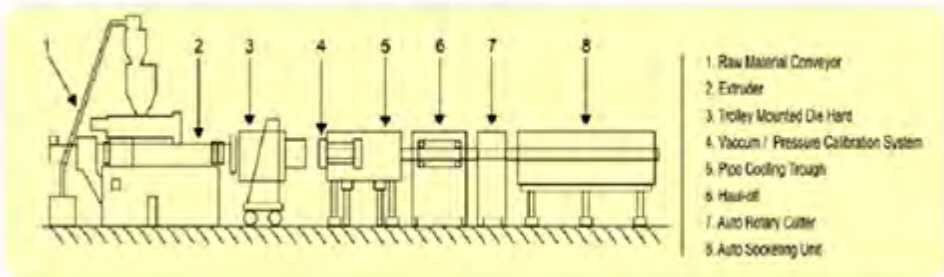
Punjab National Bank, Jalgaon
 Allahabad Bank, Jalgaon
 UCO Bank, Jalgaon
 State Bank of India, Jalgaon
 HDFC Bank, Mumbai
 AXIS Bank, Jalgaon

SHARE TRANSFER AGENTS

Link Intime India Private Limited
 C-13 Pannalal Silk Mills Compound
 LBS Marg, Bhandup (W)
 Mumbai- 400 078



MANUFACTURING PROCESS





NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 19th Annual General Meeting of the shareholders of Tulsi Extrusions Limited will be held as under:

DAY : Monday

VENUE : N-99, MIDC Area, Jalgaon – 425 003

DATE : September 30, 2013

TIME : 11.00 A.M.

To transact the following business:

ORDINARY BUSINESS:

1. *To consider and if thought fit, pass, with or without modification (s) the following*
 “**RESOLVED THAT** to receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.”
2. *To consider and if thought fit, pass, with or without modification (s) the following*
 “**RESOLVED THAT** Mr. Gopal Das Maheshwari, a Non Executive Director liable to retire by rotation, who does not offer himself for reappointment, be not re-appointed as Independent Director of the Company
RESOLVED FURTHER THAT not to fill, for the time being, the vacancy caused by the retirement of Mr. Gopal Das Maheshwari who retires by rotation and does not seek re-appointment.”
3. *To consider and if thought fit, pass, with or without modification (s) the following*
 “**RESOLVED THAT** Mr. J B Kabra, a Non Executive Director liable to retire by rotation, who being eligible for reappointment offer himself for reappointment, be here by re-appointed as Independent Director of the Company”.
4. *To consider and if deemed fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:*
 “**RESOLVED THAT** M/s. K K Kabra & Co, Chartered Accountants the retiring Auditors, be and are hereby re-appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of and out-of-pocket expenses to be decided mutually.

SPECIAL BUSINESS:

5. **To Regularise Mr. Vivek Madhukar Pingle as Additional Director of the company.**
To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
 “**RESOLVED THAT**, Mr. Vivek Madhukar Pingle who was appointed as an Additional Director and who holds office until the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act 1956 proposing his candidature for the office of a Director be and is hereby appointed as a Director to retire by rotation.
6. **Partial modification in terms of remuneration to be paid to Mr. Pradip Mundhra, who has been re-appointed as a Managing Director of the Company for a period of 5 years w.e.f. 1st February, 2012 upto 31st January, 2017.**
To consider and if thought fit, to pass with or without modification(s), the following resolution as an SPECIAL RESOLUTION:



RESOLVED THAT PURSUANT to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (Act) (including any statutory modifications or re-enactment thereof), and subject to such approvals as may be required, the payment of revised remuneration, as set out in the Explanatory statement annexed to this notice, to Mr. Pradip J Mundhra, Managing Director of the Company with effect from 1 October, 2013 for the remaining period of his tenure i.e. upto 31 January, 2017 be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT save and except as aforesaid, the special resolution passed in AGM of 2011-12 dated 29 September, 2012 shall remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution.

7. **Partial modification in terms of remuneration to be paid to Mr. Sanjay R Taparia, who has been re-appointed as a Chief Executive Officer of the Company for a period of 5 years w.e.f. 1st February, 2012 upto 31st January, 2017.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an SPECIAL RESOLUTION:

RESOLVED THAT PURSUANT to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (Act) (including any statutory modifications or re-enactment thereof), and subject to such approvals as may be required, the payment of revised remuneration, as set out in the Explanatory statement annexed to this notice, to Mr. Sanjay R Taparia, Chief Executive Officer of the Company with effect from 1 October, 2013 for the remaining period of his tenure i.e. upto 31 January, 2017 be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT save and except as aforesaid, the special resolution passed in AGM of 2011-12 dated 29 September, 2012 shall remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution.

By Order of the Board

Registered Office:

N-99, MIDC Area,
Jalgaon-425 003

Pradip J. Mundhra
Managing Director

Sanjay R. Taparia
Executive Director

Dated: September 05, 2013

NOTES:

1. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect business set out at Item Nos.5 to 7 above and the relevant details pursuant to the provisions of Clause 49 of the Listing Agreement executed with Stock Exchanges are annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE AT N-99, MIDC AREA, JALGAON - 425 003 NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, September 22, 2013 to Thursday, September 26, 2013 (both days inclusive)



3. In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002 read with circular No. D&CC/FITTC/CIR-18/2003 dated February 12, 2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has already appointed M/s. Link Intime India Private Limited as the Registrar & Share Transfer Agents, having their office at C-13 Pannalal Silks Mills Compound, LBS Marg, Bhandup (West), Mumbai-400 078.
4. Members are requested to notify immediately any change in their address to the share transfer agent M/s. Link Intime India Private Limited office at C-13 Pannalal Silks Mills Compound, LBS Marg, Bhandup (West), Mumbai-400 078 quoting their folio number/DP Client ID number.
5. The Securities and Exchange Board of India has notified compulsory trading of equity shares in the dematerialized form for institutional investors from June 26, 2000 and for other investors from August 20, 2000.
Shareholders may avail facility of the trading in the demat form and may contact the company in this regard.
6. The company has paid the listing fees for the year 2013-2014 to the Stock Exchange, Bombay and the National Stock Exchange of India Ltd. where the securities of the company are being listed and traded.
7. Members must update the new bank account number allotted after implementation of Core Banking Solutions (CBS) to the company in case of shares held in physical form and to DP in case of shares held in demat form.
8. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited office at C-13 Pannalal Silks Mills Compound, LBS Marg, Bhandup (West), Mumbai-400 078 quoting their folio number/DP Client ID number.
9. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company, at the Company's Registered Office. Members are requested to note that dividends not en cashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205 of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
- 10. The Securities and Exchange Board of India has notified that the shareholders/ transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders/ transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN Card to the company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.**
11. The company has designated an exclusive email ID called grievances@tulsigroup.com for redressal of shareholder's complaints / grievances. In case you have any queries / complaints or unresolved grievances, then please write to us on the said email id.
12. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall.
13. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Board of Directors of the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
14. Members are requested to bring the copy of the Annual Report sent to them.
15. Information required to be furnished under the Listing Agreement.

As required under the listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be reappointed is given below:

**Mr. V M Pingle**

Mr. V M Pingle joined our Company's board in January 2013. He is a Bachelor of Commerce, holds a degree of Law and a fellow member of ICAI. He has 29 years of experience in Finance, Audit & Direct Taxes, Business process outsourcing. He held a position of Expert Director in The Urban Co - op. Bank Ltd. Dharangaon from 2003 -05. He is a consultant to Khamgaon Urban co-op Bank Ltd. for project appraisal. He has experience of Data Processing for Duetsche Bank Services like Cheque processing, bulk cheque deposit and also mutual fund application processing for 3i InfoTech.

Mr. Jaiprakash Kabra

Mr. Jaiprakash Kabra joined our Company's board in 2006. He is a Bachelor of Science, Master of Labour Studies and a Diploma holder in Training and Development. He has 29 years of experience in all facets of man management including manpower planning, selection and recruitment; design & implementation of performance appraisal system, and handling employee grievances. He incorporated his own human resource consultancy organisation in 1997 in the name of Mind Movers Management Consultants Private Limited.

Name of the director	Mr Jaiprakash B Kabra	Mr V M Pingle
Age	57	56
Qualification	BSC, M.L.S., Dip. (Training & Dev.)	B. Com, L. L. B, FCA
Date of Appointment	November 20, 2006	January 01, 2013
Expertise	Human Resource Mgmt.	Finance, Audit & Direct Taxes, Business process outsourcing
Details of Directorship	Mind Movers Consultant Pvt. Ltd	Not Any Such Directorship.
Chairman / Members of Committee	Member of Audit Committee, Member of Remuneration Committee and Member of Shareholder's/ Investor's Grievance Committee	Chairman of Audit Committee, Member of Remuneration Committee and Member of Shareholder's/ Investor's Grievance Committee

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**ITEM NO. 5**

Mr. V M Pingle who was appointed as Additional Director of the Company by the Board of Directors on 1st January, 2013 under Article 185 of the Articles of Association of the Company. Mr. V M Pingle holds office upto the date of the forthcoming Annual General Meeting of the Company. The Board of Directors considered that it is desirable that the Company should avail of his service and guidance. A Notice under Section 257 of the Companies Act, 1956 has been received from a member proposing Mr. V M Pingle as a candidate forth office of Director.

Except Mr. V M Pingle none of the Directors are interested in the resolution.

The directors recommend the forgoing resolution for your approval.

ITEM NO. 6

At the Annual General Meeting of the Company held on September 29, 2012, the Members had approved the reappointment of Mr. Pradip Jasraj Mundhra, Managing Director of the company, with the salary of 3,50,000 p.m. Taking into consideration the increased business activities of the Company and the responsibilities cast on Mr. Pradip Jasraj Mundhra, the Board has revised the maximum limit of salary of Pradip Jasraj Mundhra from 2,50,000 p.m. to 3,50,000 p.m., with effect from October 1, 2013, for the remainder of the tenure of his appointment i.e. up to January 31, 2017, with proportionate increase in the benefits related to his salary. The Board of Directors or a Committee thereof would fix the salary of within the above maximum amount.



The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 198, 309, 310 and all other applicable provisions, if any, of the Act, read with Schedule XIII of the Act as amended from time to time.

All other terms and conditions relating to the appointment of Mr. Pradip Jasraj Mundhra as approved by the Members of the Company will remain unchanged.

In compliance with the provisions of Sections 198, 309, 310 and all other applicable provisions, if any, of the Act, read with Schedule XIII of the Act, the revised terms of remuneration of Mr. Pradip Jasraj Mundhra as specified above are now being placed before the Members for their approval.

ITEM NO. 7

At the Annual General Meeting of the Company held on September 29, 2012, the Members had approved the reappointment of Mr. Sanjay Kumar Taparia, Chief Executive Officer of the company, with the salary of 2,50,000 p.m. Taking into consideration the increased business activities of the Company and the responsibilities cast on Mr. Sanjay Kumar Taparia, the Board has revised the maximum limit of salary of Sanjay Kumar Taparia from 1,50,000 p.m. to 2,50,000 p.m., with effect from October 1, 2013, for the remainder of the tenure of his appointment i.e. up to January 31, 2017, with proportionate increase in the benefits related to his salary. The Board of Directors or a Committee thereof would fix the salary of within the above maximum amount.

The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 198, 309, 310 and all other applicable provisions, if any, of the Act, read with Schedule XIII of the Act as amended from time to time.

All other terms and conditions relating to the appointment of Mr. Sanjay Kumar Taparia as approved by the Members of the Company will remain unchanged.

In compliance with the provisions of Sections 198, 309, 310 and all other applicable provisions, if any, of the Act, read with Schedule XIII of the Act, the revised terms of remuneration of Mr. Sanjay Kumar Taparia as specified above are now being placed before the Members for their approval

By Order of the Board

Registered Office:

N-99, MIDC Area,
Jalgaon-425 003

Dated: September 05, 2013

Pradip J. Mundhra
Managing Director

Sanjay R. Taparia
Executive Director

**DIRECTORS' REPORT**

To

The Shareholders

Your directors have pleasure in presenting the 19th Annual Report on the business and operations of your Company together with the Audited Statement of Financial Statements for the year ended March 31, 2013:

FINANCIAL RESULTS

PARTICULARS	Year ended March 31 2013 Rs. in Crores	Year ended March 31 2012 Rs. in Crores
Gross Turnover Including other income	197.93	187.78
Profit before Interest, Depreciation and Tax	23.88	22.52
Less: Interest and financial charges	15.94	15.13
Depreciation	4.47	4.30
Profit Before Tax	3.48	3.09
Less: Exceptional Items	-	-
Less:		
Provision for Current & Old Tax	0.67	0.29
Provision for Deferred Tax	0.51	0.60
Net Profit available for appropriation	2.30	2.21
Add: Profit Transfer From Last Year	11.70	9.49
Appropriations:		
Dividend on equity shares	-	-
Dividend Distribution Tax	-	-
Balance Carried Forward to Balance Sheet	14.00	11.70

PERFORMANCE AND BUSINESS OPERATIONS

The global economy in the Financial Year (FY) 2012-13 improved slowly, but was short on expectations. Several European economies experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. The U.S. economy improved marginally, driven mainly by housing and the consumer sectors; however, capital investments remained sluggish. Among the Asian economies, China going through a political transition experienced considerably slow growth. Deceleration in industrial output and exports weakened India's economic growth significantly.

FY 2012-13 proved to be a challenging year amidst global economic uncertainties and disturbances in many parts of the world. Despite these constraints and challenging environment, the Company performed reasonably well and the highlights of the performance is as under;

1. The revenue from operations of the company witnessed growth of 4.54%. The figures were 197.93 Crores in comparison to 187.78 Crores.
2. The EBIDT (Earning before Interest, Depreciation and Tax) of the company has increased from Rs 22.52 Crores to Rs 23.88 Crores, which shows a increase of 6.04%.



3. Profit before tax during 2012-13 was Rs.3.48 Crores as compared to Rs.3.09 Crores during 2011-12, which shows a increase of 12.62%.

Despite of the global challenges, there was always good demand for the PVC products as PVC piping is one of the world's most sustainable products, making it ideal for long-term term use in underground infrastructure.

However, this year saw significant material cost inflation in the second half, driven primarily by spiraling crude oil prices and depreciation of rupees in comparison to dollar. Prices of Resin and Granules, which constitute 75% of our Material Cost Base, were adversely impacted. However, your Company continues to strive for operating cost optimization through a series of initiatives in product mix rationalization, vendor development and factory technological up gradation. Resultantly, there was a slight improvement in the operations and PBT was increased.

BUSINESS EXPANSION

Seeing towards the wide market in Pipe Industry, company is planning to expand its business by relocating its factories, accompanying with machines of latest technology and exploring itself with new varieties of goods like chairs, Furniture and brass fitting.

Present Status of the Project

- Till date the company has already purchased land measuring approximately 67.71 Acers at Pahur, Nashirabad and Jalgaon
- The company is planning to acquire plant & Machinery of Latest Technology from various giants of technology and it has already placed order of it. Various machines has been received by the company and it is shown in the face of Balance sheet under the head of Fixed Assets held for Mega Project.
- Construction and related civil work is at its completion level.

DIVIDEND

The Board does not recommend any dividend for the year ended March 31, 2013.

FIXED DEPOSITS

The Company during the year under review has not accepted any deposits from Public under the Companies (Acceptance of Deposits) Rules 1975. The Company had no unclaimed (overdue) deposits as on March 31, 2013.

INSURANCE

The Fixed Assets and Stocks of the Company are adequately insured.

RISK MANAGEMENT FRAMEWORK REVIEW

Your Company has put in place a well designed Risk Management Policy. The policy has adequately systematized risks identification, assessment, monitoring and controlling processes and the same are working fine.

Notwithstanding above, the Management desires to further strengthen the framework by improving present practices of risk assessment, monitoring and controlling by implementing latest techniques in monitoring and governance. With this end in mind, the Company has appointed a professional firm, to evaluate current risk management practices of the Company and suggest overall changes and improvements to achieve structured risk governance.

DIRECTORS

Mr. Rajesh Jhunjhunwala stepped down from the Board with effect from 15th February, 2013. The Board records its deep appreciation of the valuable services rendered by Mr. Jhunjhunwala during his long association with the company.

Mr. Vivek M. Pingle was inducted as an additional director with effect from 1st January, 2013 and holds office upto ensuing annual general meeting of the Company. The Company has received notice from a member pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Mr. Vivek M. Pingle for the office of director.

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

It has always been the Company's Endeavour to excel through better Corporate Governance and fair and transparent practices, many of which have already been in place even before they were mandated by the law of the land. The Company complies with the revised clause 49 of the Listing Agreement, although the same has been deferred for implementation by SEBI till 31st December, 2005. The Board of Directors of the Company had also evolved and adopted a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally. The Compliance Report on Corporate Governance forms part of the Annual Report. The Auditors certificate on the compliance of Corporate Governance Code embodied in Clause 49 of the Listing Agreement is attached as Annexure 1 and forms part of this Report.

PERSONNEL

Information as required under the Companies (Particulars of Employees) Rules, 1975 read along with section 217(2A) of the Companies Act, 1956, as amended rules are not applicable to the company and hence not provided.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm:

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii) That they had selected such accounting policies, applied them consistently, made judgement's and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) That they 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;
- iv) That they had prepared the annual accounts on a going concern basis.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, your Company is constantly extending its support in areas of education, health, environment, sports and community welfare directly as well as through various independent agencies, engaged in charitable activities with special attention on the villages around company's manufacturing plant at Jalgaon. The company has always lived by its philosophy of "Samridh kisan desh ki shaan" and "Let's nurture the green era..." and believes in living every moment of life in harmony with nature to create value for ourselves, our stakeholders and the society.

Unlike rushing for new and leaving old, company has maintained kiosk for supply of drinking water (Panpoi), in the city and in MIDC area of Jalgaon. To promote the concept of water conservation, the Company had participated in a project for roof water harvesting in collaboration with the Rotary Club of Jalgaon. A water harvesting system was also installed at Jalgaon at the S.P. Office as a part of the water conservation initiatives taken by the Company.

In addition of organizing blood donation camp in the factory premises, your Company has also organized Medical health Check-up and Safety program for its employees to strive the idea of Health is wealth.

In continuation with previous year, company made farmers aware about the novel and improved farming techniques which help them in better yield giving farming, through magazine published by the company, "Tulsi Patra" and also circulate the method which has benefited a farmer among the others. It also gives details about the monsoon crops and solved farmer's queries on varied topics. Company's CEO, Mr. Sanjay Kumar Taparia preached moral values and rich culture of our country through his blog in the aforesaid magazine "Tulsi Patra"



In the wake of conservation of drinkable and potable water, the company has assisted various water supply schemes in rural areas in association with local Zilla Parishads and has taken initiative to encourage locals about the importance of water and various tools like roof water harvesting to preserve water resources.

Your Company, in association with "Sudharma", a welfare society trust, has arranged for school bags, note books, clothes etc. for around 125 children whose families are unable to bear the cost of same. Also, it has arranged for foot wears and clothes for people located in the vicinity of the Company's manufacturing plant at Jalgaon.

The management has also continued with training programmes to the farmers and plumbers. Also, your Company continues to participate in tree plantation programme and is actively taking participation by associating itself with various local NGO's and Government bodies.

Your Company continued to assist community in its social, spiritual, cultural and religious pursuits by rendering necessary help in monetary and other terms irrespective of caste, creed or religion for holding festivals, exhibitions, repairing religious shrines etc.

INDUSTRIAL RELATIONS:

Industrial relations at the Company's plants continue to be cordial.

INTERNAL CONTROL SYSTEM

The Company's internal control system comprises audit and compliance by in-house Internal Audit Division supplemented by internal audit checks from by M/s Badale Mahale Lanke & Co., M/s Raj Kumar Kothari & Co. and M/s U. K. Rathi & Co, the Internal Auditors. The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by the direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

AUDITORS

M/s K.K. Kabra & Co., Chartered Accountants, Statutory Auditors of the Company retires at the conclusion of the ensuing Annual General Meeting. The Company has received a certificate from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Accordingly, they are proposed to be re-appointed as Statutory Auditors of the Company for the year 2012-13.

SUBSIDIARIES

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies. Details of major subsidiaries of the Company and their business operations during the year under review are covered in the Management's Discussion and Analysis Report.

COST AUDITOR

Company has appointed Sushil Kumar Mantri & Associates, Cost Accountants for conducting cost audit for the financial year 2012-13.

PARTICULARS OF EMPLOYEES U/S 217 (2A)

There are no employees who come under the purview of section 217 (2A).

**CODE OF CONDUCT COMPLIANCE**

A declaration signed by the Chairman and Managing Director affirming compliance for the Financial Year 2012-13 with the Company's Code of Conduct by the Directors and Senior Management as required under Clause 49 of the Listing Agreement with Stock Exchanges, is annexed and forms part of the Directors' Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in Annexure-I to this Report.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company. For and on behalf of the Board of Directors

Om Prakash Jhavar
(Chairman)



Annexure I

1. CONSERVATION OF ENERGY:-

a) Energy Conservation measures taken:

Energy conservation continues to be the key focus area of our company. Continuous monitoring and awareness amongst employees has helped in to avoid wastage of energy. Effective measures are being taken to monitor consumption of energy during the process of manufacturing. Further study is undertaken to evaluate various alternative sources of energy or alternative fuels for electricity generation.

b) Additional investments and proposals for reduction of consumption of energy:

Company is now going for modernization of existing machines along with acquisition of improved technology machines which will save the energy cost of the Company.

c) Impact of above measures:

The impact of measures has been positive and has helped to reduce overall electricity bill.

Total energy consumption and energy.

d) Total consumption per unit of production: As per details below

A.	Power and fuel consumption :	March 31, 2013	March 31, 2012
	(i) Electricity Consumed		
	Amount (Rs in Crores)	7.05	6.48
	Units (Kwh in Crores)	0.93	0.89
	Average rate per Unit	7.58	7.28
	(ii) Coal Consumed (M.T.)		
	Amount (Rs)		
	Quantity (M.T.)		
	Average rate per M.T.	NA	NA

2. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION :-

Research & Development

a. Specific areas in which R & D work was carried out

- Ongoing study is continuing so as to reduce cost of conversion and improve the quality
- Evaluation of alternative materials or additives to reduce the cost of raw material.
- Improving the output/input ratio to gain on maximum finished products from per kg. Raw material.
- Modify and alter the dies and moulds to get enhanced production using same resources.
- To modify the process parameters to improve the quality.
- Reduction in cycle time for injection moulding process.

b. Benefits derived as a result of above R & D

- Integration of Air Knife with Haul off to prevent costly air wastage.
- Implementation of true weight system for prevention of extra or lower use of material in the products.
- Development of Irrigation control system for timely watering of fields.
- Fraction welding system which reduces cycle time & have high repeatability.
- Introduction of 5 S's (Japanese concept) for better housekeeping.



- Integration of camera with machine to reduce the defects.
 - Automation of water storage tanks reduces wastage of water.
 - Up gradation of Maillefer machine which increased the output by 60mm/min at very low cost.
 - Modernization of old machine by attaching the servo performer which resulted enhanced output of 30mm/min.
 - Gravity level control for aquarium, result into no breakage in pipes due to change in water pressure.
 - Introduction of raw material conveying and blending system.
- c. Future plan of action to exercise utmost care in maintaining the quality of its products and endeavor to upgrade the products and its ranges. In house development of testing quality and tool room so as to improve efficiency of products along with moulds particularly flat drip line so as to cater wider customer segment.
- d. Expenditure on R & D is not significant.

Technology Absorption, adaptation and innovation

Your company is using the latest technology of extrusion machine from DRTS Enterprises, USA, R. R. Plast Extrusions Ltd. and Kabra Extrusion technik Ltd. and for injection moulding Company is using machines of Ningbo Haitai Machines Ltd., L&T Machines Ltd., Windsor Machines Ltd, Toshiba Machines Ltd. and Ferromatik Milacron India Ltd.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO :-

Foreign exchange earnings	Rs. 0.00 Crores
Foreign exchange outgo	Rs. 1.67 Crores

For and on behalf of Board

Chairman
September 30, 2013
Jalgaon.



CORPORATE GOVERNANCE REPORT

Corporate Governance refers to the systematic process by which businesses are operated, regulated and controlled to enhance their wealth generating capacity and fulfill social obligation. Good corporate governance practices provides a structure that meet the aspirations of all stakeholders including societal expectations by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws. Governance practices may vary but the principles are generic and universal, viz- constant improvement and sustainable value creation for all stakeholders. Stakeholders include everyone ranging from the board of directors, executive management, and shareholders to customers, employees, suppliers, financiers and society at large. With the increasing complexities in business of organizations, the demand for sound governance practices have become indispensable. Tulsi has a strong focus on adherence of corporate governance standards globally benchmarked. Besides complying with the prescribed corporate practices as per Clause 49 of the Listing Agreement, it voluntarily governs itself as per highest ethical and responsible standard of business. Tulsi's compliance with Clause 49 of Listing Agreement highlighting the additional initiatives taken in line with international best practices.

1. PHILOSOPHY ON CORPORATE GOVERNANCE

Tulsi's philosophy is to constantly endeavour to achieve business excellence and optimize long term value for future growth and ensure that the ambitious plans are achieved in sustainable perspective through ethical business conduct. Strong Governance practices by the Company have boosted the level of stakeholder's confidence testified by improved market capitalization, high credit ratings and various awards bagged by the Company for its brands, stocks, environmental impact, etc. In recognition of excellence in Corporate Governance, Tulsi Extrusions Limited have established systems and procedures to ensure that its board of directors is well informed and well equipped to fulfill its overall responsibilities and to provide the management with the strategic direction catering to exigency of long term shareholders value. It's initiatives towards adhering to highest standards of governance include: self governance; professionalization of the Board; fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance code requirements of SEBI. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on.

2. BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2013, Tulsi's Board consists of 5 members. Besides the Chairman, who is a Non-Executive Director, the Board comprises of two Executive Directors, three Non-Executive Directors. The composition of the Board as on March 31, 2013 is in conformity with Clause 49 of the Listing Agreement, laying down an optimum combination of Executive and Non-Executive Directors, with not less than 50 per cent of the Board comprising of Non-Executive Directors, and at least one-half comprising of Independent Directors for a Board chaired by Non-Executive Director, as shown in the table below:

Category	No. of Directors	Percentage total number of Directors
Executive Directors	2	40%
Non Executive Independent Directors	3	60%
Other Non Executive Directors	Nil	Nil
Total	5	100%

Role of Board Members

Tulsi Extrusions Limited has laid down a clear policy defining the structure and role of Board members. The policy of the Company is to have a Non-Executive Chairman – presently Mr. Omprakash Jhavar, a Chief Executive Officer (CEO) – presently Mr. Sanjay Kumar Taparia, and an optimum combination of executive, non executive and independent Directors. There is clear demarcation of responsibility and authority amongst them.

• **The Chairman:** His primary role is to provide leadership to the Board in achieving goals of the Company in accordance with the charter approved by the Board. He is responsible for transforming the Company into a world-class organization that is dedicated to the well-being of each and every household, not only within India



but across the globe, apart from leaving a fortunate legacy to posterity. Also, as the Chairman of the Board he is responsible for all the Board matters. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors.

- **The CEO and Executive Directors** are responsible for implementation of corporate strategy, brand equity planning, external contacts and other management matters which are approved by the Board. They are also responsible for achieving the annual and long term business plan.

- **Non-Executive Directors**, including Independent Directors, play a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board meetings, like formulation of business strategies, monitoring of performances, etc. Fees and compensation, if any, paid to any Non-Executive Director, including Independent Director, is fixed by the Board of Directors and is previously approved by the shareholders at the General Body Meeting.

Board Meetings

The meetings of the Board of Directors are scheduled well in advance. The notice convening the meeting and the detailed agenda is sent at least seven days in advance to all the Directors. The Board meets at least once a quarter to review the quarterly performance and financial results.

Number of Board Meetings

The Board of Directors met 11 times during the year on **April 2, 2012, May 30, 2012, June 20, 2012, August 14, 2012, September 3, 2012, November 12, 2012, December 30, 2012, January 20, 2013, and February 12, 2013, March 19, 2013, March 31, 2013.**

3. DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS HELD

As mandated by Clause 49, none of the Directors is a member of more than 10 Board level committees, or Chairman of more than 5 committees in which he is a member.

The following table gives the details of designation, category of Directors, number of Board Meetings attended, attendance at last Annual General Meeting (AGM) and the number of other Directorships and Committee Memberships as at March 31, 2013:

Name of the Director	Category of Directorship	No. of Board Meetings during the year 2012-13		Last AGM	No. of other Directorship & Committee Membership / Chairmanship held		
		Held	Attended		Other Directorship	Other Committee Membership	Other Committee Chairmanship
Mr. Omprakash S. Jhavar	Non Executive Director & Chairman	11	11	Yes	Nil	Nil	Nil
Mr. Pradip J. Mundhra	Executive & Managing Director	11	11	Yes	2	Nil	Nil
Mr. Sanjay R. Taparia	Executive Director & Chief Executive officer	11	11	Yes	1	Nil	Nil
Mr. Gopaldas J. Maheshwari (Retired)	Non Executive & Non Independent Director	11	6	Yes	Nil	Nil	Nil
Mr. Jaiprakash B. Kabra	Non Executive & Independent Director	11	4	Yes	1	Nil	Nil
Mr. Rajesh B. Jhunjhunwala (Resigned)	Non Executive & Independent Director	11	4	No	Nil	Nil	Nil
Mr. V.M Pingle	Non Executive & Independent Director	4	4	NA	Nil	Nil	Nil



4. CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee, including Board members and senior management of TulsI. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. All Board members and senior Management personnel affirm compliance with the Code of Conduct annually. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

5. COMMITTEES OF THE BOARD

TulsI has three Board level committees:

- Audit Committee,
- Remuneration Committee,
- Stakeholders Relationship Committee,

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

(a) Audit Committee

Composition

As on March 31, 2013, the Audit Committee comprises of three Independent Directors as follows.

Name of Directors	Status	Nature of Directorship
Mr. J.B Kabra	Chairman	Non-executive & Independent
Mr. Vivek Pingle	Member	Non-executive & Independent
Mr. Gopal Das Maheshwari	Member	Non-executive & Non Independent

Meetings

The Audit Committee held five meetings during 2012-13 on: May 30, 2012; August 14, 2012; November 12, 2012; December 31, 2012; and February 12, 2013. The time gap between any two meetings was less than four months.

The Director responsible for the finance function, the head of internal audit and the representative of the statutory auditors, internal auditors and cost auditors are permanent invitees to the Audit Committee. Mr. J B Kabra, General Manager (Human Resource) & Company Secretary, is the Secretary to the Committee. All members of the Audit Committee have accounting and financial management expertise. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on September 30, 2013 to answer shareholders' queries.

The functions of the Audit Committee include the following:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 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 the statutory auditors.
- Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of sub section (2AA) of section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.



- Major accounting entries involving estimates based on the exercise of judgment by the Management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements of the company and consolidated for the group, before submission to the Board for approval

Reviewing with the Management, the financial statements of subsidiaries and in particular the investments made by each of them.

- Reviewing with the Management the statement of contingent liabilities.
 - Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
 - Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussion with internal auditors any significant findings and follow-ups there on.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Discussion 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.
 - To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - To review the functioning of the Whistle-Blower mechanism, in case the same is existing.
 - Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
 - Approval of appointment of cost auditors and discussion with them about the scope of audit.
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The Audit Committee is empowered, pursuant to its terms of reference, to:
- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
 - Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, wherever considered necessary.
- Tulsi has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:
- Management Discussion and Analysis of financial conditions and results of operations.
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management.
 - Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - Internal audit reports relating to internal control weaknesses.



- Appointment, removal and terms of remuneration of the Chief Internal Auditor.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc.) as part of the quarterly declaration of financial results (whenever applicable).
- On an annual basis, statement certified by the statutory auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice (whenever applicable).

The Audit Committee is also presented with the following information on related party transactions (whenever applicable):

- A statement, in summary form, of transactions with related parties in the ordinary course of business.
- Details of material individual transactions with related parties, which are not in the normal course of business.
- Details of material individual transactions with related parties or others, which are not on an arm's length basis, along with the Management's justification for the same.

(b) Remuneration cum Compensation Committee

Composition

As on March 31, 2013, the Remuneration cum Compensation Committee comprises as follows:

Name of Directors	Status	Nature of Directorship
Mr. J.B Kabra	Chairman	Non-executive & Independent
Mr. V M Pingle	Member	Non-executive & Independent
Mr. Gopal Das Maheshwari	Member	Non-executive & Non Independent

Meetings

The Remuneration cum Compensation Committee held five meetings during 2012-13 on: May 30, 2012; August 14, 2012; November 12, 2012; December 31, 2012; and February 12, 2013

The Remuneration cum Compensation Committee of the Company, inter-alia, evaluates, recommends to the Board and approves the Executive Directors compensation plans, policies and programmes of the Company. This Committee also has the responsibility for administering Employee Stock Option Scheme of the Company. The responsibilities of the Committee include:

- Framing and implementing, on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of Executive Directors, including ESOP, pension rights and any compensation payment.
- Considering, approving and recommending to the Board changes in designation and increase in salary of the Executive Directors.
- Ensuring that the remuneration policy is good enough to attract, retain and motivate the Directors.
- Bringing about objectivity in determining the remuneration package, while striking a balance between the interests of the Company and the shareholders.

Remuneration Policy

- The remuneration payable to Managing Director and Chief Executive Officer is governed by the agreement executed between them and the company. The same has been approved by the remuneration committee and the Board and is within the limits approved by the shareholders in terms of relevant provisions of the Companies Act, 1956.
- Sitting Fees of Rs. 10,000/- is being paid to the non-executive directors for every meeting of the board/committee attended by them, which is within the limits prescribed under the Companies Act, 1956.
- The Non executive director has power to waive off its sitting fees.
- No commission is being paid to any of the directors.
- The details of the remuneration and sitting fees paid for the financial year 2012-13 is as follows:

**(c) Shareholders/Investor's Grievances Committee**

The broad terms of reference of the shareholders/investors Grievance committee is to supervise and ensure the following:

The Committee performs the following functions:

- Transfer/Transmission of shares.
- Split-up/Sub-division and Consolidation of shares.
- Dematerialization/ Rematerialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, Probate, Letters of Transmission or similar other documents.
- To open/close bank account(s) of the Company for depositing share/debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
- To look into redressal of shareholders' and investors' complaints, like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

The Shareholders' / Investors' Grievances Committee comprises of the following members:

Name of Directors	Status	Nature of Directorship
Mr. Omprakash S. Jhavar	Chairman	Non Executive & Independent
Mr. Gopaldas J. Maheshwari	Member	Non Executive
Mr. Jaiprakash B. Kabra	Member	Non Executive & Independent

The Shareholders' / Investors' Grievances Committee held five meetings during 2012-13 on: May 30, 2012; August 14, 2012; November 12, 2012; December 31, 2012; and February 12, 2013

6. NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:

Mr. Chandika Dutta Mishra.

Details of queries and grievances received and attended by the Company during year 2012-13 are given as follows:

Particulars	No. of Complaints
No. of Complaints Received During the year	0
No. of Complaints Resolved during the year	0
No. of Complaints Pending during the year	Nil

All requests for dematerialization of shares were carried out within the stipulated time period and no share certificate was pending for dematerialization as on March 31, 2013.

A qualified practicing company secretary carried out a secretarial audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital and placed the report for perusal of the Board. The report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

7. GENERAL BODY MEETINGS

Year	Date	Venue & Time
2008-2009	September 18, 2009	N-99, MIDC Area Jalgaon -425003 at 11.00 AM
2009-2010	September 20, 2010	N-99, MIDC Area Jalgaon -425003 at 11.00 AM
2010-2011	September 30, 2011	N-99, MIDC Area Jalgaon -425003 at 11.00 AM
2011-2012	September 29, 2012	N-99, MIDC Area Jalgaon -425003 at 11.00 AM

**8. POSTAL BALLOT**

No special resolutions were put through postal ballot in last three years and nor is any resolution proposed for this year through postal ballot.

9. DISCLOSURES**Disclosure on materially significant related party transactions**

None of the materially significant transactions with related parties were in conflict with the interest of the Company. All transaction had been entered on arms length basis.

Disclosures of transactions with related parties prepared as per the requirements of "Accounting Standard 18 – Related Party disclosures" issued by Institute of Chartered Accountants of India are set out in Notes 29 to Audited Financial Statements, forming part of the Annual Report.

Details of non-compliance by the Company

No instance of non-compliance by the Company on any matter related to capital markets during the last three years has been reported and therefore no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

Code for prevention of insider trading practices

The Company has instituted a code of conduct for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of Tulsi Extrusions Limited, and cautioning them of the consequences of violations.

Details of Code of Conduct

A code of conduct for all Board Members and senior management of the Company has been laid and adopted by the Board. All Board Members and senior management personnel have affirmed compliance with Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

Risk Management

The Company has established risk assessment and minimization procedures, which are reviewed by the Board periodically. Business risk evaluation and management is an ongoing process with the company.

CEO/CFO Certification

The CEO/CFO and Managing Director's certification of the financial statements and the cash flow statement for the year under review is enclosed at the end of this report.

Non-mandatory requirements

The company has complied with all the mandatory requirements of Clause 49 of the listing agreements. Regarding non-mandatory requirements:

- a. The non-executive chairman is not claiming reimbursement of any expenses to maintain his office.
- b. The remuneration policy as followed has been mentioned earlier in this corporate governance report and the same is being reviewed by remuneration committee.
- c. The company is publishing unqualified financial statements.
- d. The Board members are having adequate experience and expertise to deal with the business matters.
- e. The Company has not established whistle blower policy.

10. MEANS OF COMMUNICATION

Tulsi Extrusions Limited has its own website www.tulsigroup.com and all important information relating to the Company, including quarterly results, shareholding pattern; press releases etc. are posted on website. The results of the Company are published in leading newspapers like Business Standard, Navasakti and Tarun Bharat.



11. SHAREHOLDERS

Reappointment/Appointment of Directors

According to the Articles of Association of the Company and applicable provisions of Companies Act 1956, one-third of its Directors shall retire every year, and if eligible, offer themselves for re-election at the Annual General Meeting.

Mr. Gopal Das Maheshwari would retire this year at the forthcoming Annual General Meeting and did not offer himself for re-appointment and his place to be kept vacant as decided by Board and Mr. Vivek M. Pingle to be appointed as Non Executive & Independent Director.

General Shareholders' Information:

a) Annual General Meeting

Date and time : September 30, 2013, 11.00 AM.
Venue : N-99, MIDC Area, Jalgaon – 425 003

b) Financial Calendar : 1st April to 31st March

For the financial year 2013-2014 (April 01, 2013 to March 31, 2014)

First Quarter: End of June, 2013.
Second Quarter: End of September, 2013.
Third Quarter: End of December, 2013.
Fourth Quarter/Annual: End of March, 2014.

c) Dates of Book Closure : September 22, 2013 to September 26, 2013 (both days inclusive)

d) Investor Grievances:

The Company has constituted a Shareholders/Investors Grievances Committee for redressing shareholders' complaints, as mentioned earlier in this report. Grievance redressal division/compliance officer's e-mail ID as per clause 47(f) of Listing Agreement, exclusively for purpose of registering complaints by investors: grievances@tulsigroup.com

e) Compliance:

Certificate from Mr. Milan Mehta, Practicing Company Secretary confirming the compliance with the conditions of corporate governance, as stipulated under Clause 49 of Listing Agreement, is annexed to this Report forming part of the Annual Report.

g) Stock Exchange where listed:

1) Bombay Stock Exchange Ltd. (Scrip Code: 532948)

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 023

2) National Stock Exchange of India Ltd. (Scrip Symbol: Tulsi)

Exchange Plaza
Plot No. C/1, G Block
BKC, Bandra (East)
Mumbai – 400 051

h) ISIN No. : INE474I01012

i) Share Transfer Agent:

Link Intime India Private Limited
C-13, Pannalal Silk Mill Compound,



LBS Marg, Bhandup,
Mumbai - 400 078.
Phone: 022- 25963838 Fax: 022- 25946969
Email: helpline@linkintime.co.in

j) Share Transfer System:

The company's shares are traded in stock exchanges compulsorily in demat form. The share transfer committee approves the transfer of shares in physical form and share transfers are registered and returned within the stipulated time, if the documents are clear in all respects.

k) Your Company has issued 12,50,000 Global Depository Receipts representing 1,25,00,000 equity shares of Rs.10/- each. These GDR's are listed at the Luxembourg Stock Exchange. No ADRs/Share Warrants or any other convertible instruments other than the mentioned GDR's have been issued.

l) Office Location

Registered Office Address

Tulsi Extrusions Ltd., N-99 MIDC Area, Jalgaon – 425 003, Maharashtra

Phone: 0257-2212276, 2272732, Fax: 0257-2210052

Email: contact@tulsigroup.com

Investor Service Cell

Grievances Cell, Tulsi Extrusions Ltd., N-99 MIDC Area, Jalgaon– 425 003, Maharashtra

Phone: 0257-2212276, 2272732, Fax: 0257-2210052

Email: grievances@tulsigroup.com

m) Plant Locations:

Unit-I : N-99/100/108/109 MIDC Area, Jalgaon – 425 003, Maharashtra

Unit-II : H-16/17 MIDC Area, Jalgaon – 425 003, Maharashtra

Unit-III : G-51/52 MIDC Area, Jalgaon – 425 003, Maharashtra

n) Dematerialization of Shares and Liquidity

99.99% of the Company's shares are in dematerialized form and rest of the shares is held in physical form as on March 31, 2013. The equity shares of the company are frequently traded at Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE).

o) Shares in Suspense Account

As per newly inserted clause 5A of the listing agreement regarding unclaimed shares, the said shares are lying in a separately escrow account maintained by the Registrar and voting rights on these shares remain frozen till the rightful owner of such shares claims the shares.

The details of same are mentioned hereunder:

Sr. No.	Description	No. of Shareholders	No. of Shares
1.	Opening Shares not yet allotted/transferred	8	1237
2.	Transferred during current year	Nil	Nil
3.	Closing Shares not yet allotted/transferred	8	1237

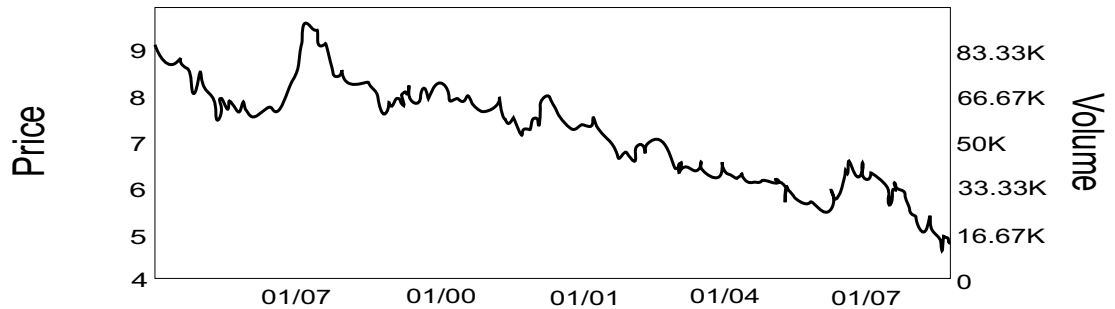


p) Share Price Data

High, Low during each month in the last financial year:

Month	High		Low	
	NSE	BSE	NSE	BSE
April, 2012	09.60	09.29	07.50	07.85
May, 2012	08.60	08.75	07.20	07.10
June, 2012	08.55	08.50	07.00	07.31
July, 2012	09.90	10.35	08.10	08.06
August, 2012	08.80	08.85	07.35	06.95
September, 2012	08.50	08.50	06.50	07.40
October, 2012	08.70	08.69	07.35	07.30
November, 2012	08.50	08.45	06.65	06.90
December, 2012	08.75	08.25	07.05	06.76
January, 2013	08.10	08.15	06.50	06.50
February, 2013	07.15	07.09	06.30	06.25
March, 2013	06.70	06.99	05.95	06.00

Stock Graph – One Year in BSE



q) Shareholding Pattern as on March 31, 2013

Category	No. of Shares Held	% of Shareholding
Promoters (including persons acting in concert)	7065508	25.70
Non-resident Indians	207402	0.76
Resident Indians	20119587	74.17
Custodians	102113	0.37
GRAND TOTAL	27494610	100.00



r) Shareholding distribution pattern as on March 31, 2013

Shares From	To	No. of Shareholders	% to Total	Total Shares	% Total
1	5000	21552	76.91	3221973	11.72
5001	10000	3150	11.24	2193138	7.98
10001	20000	1812	6.47	2424191	8.82
20001	30000	581	2.07	1396549	5.08
30001	40000	250	0.89	864850	3.15
40001	50000	158	0.56	723831	2.62
50001	100000	277	0.99	1932842	7.03
100001	AND ABOVE	242	0.87	14737236	53.60
	Total	28022	100.00	27494610	100.00

**MANAGEMENT DISCUSSION AND ANALYSIS (MDA)****GLOBAL ECONOMY**

The global economy continues to be sluggish with a moderation in growth in China adding to the continuation of the crisis in the European Union and the United States being unable to show clear signs of economic recovery. The global economy seems fragile with revival of economic activity not yet discernible. Within the domestic economy, growth slowed much more than anticipated, with the GDP growth for fiscal year 2012-13 being pegged at 5.0%, the lowest in a decade. Inflation, which remained high through most part of the year, eroded domestic consumer savings and curtailed consumption reflecting in slowing market growth. The slowdown was particularly stark in discretionary categories which were further accentuated by slowdown in modern trade on the back of stores rationalization by certain retailers.

Your Company's performance for the year 2012-13 has to be viewed in the context of the aforesaid economic and market environment

INTRODUCTION

The year under review has seen your Company registering significant growth on all fronts.

FINANCIAL REVIEW

The Company mainly operates in two categories, i.e., Poly Vinyl Chloride [PVC] Pipes & Fittings and Micro Irrigation System (MIS). The operating profit for both the divisions has been sharply higher as compared to the previous year which is given in the Directors report as company as a whole.

INDUSTRY OUTLOOK**PVC RESIN BUSINESS**

The Indian Plastic industry witnessed strong growth, with strong off-take from industries like packaging, automotive and infrastructure sector during the financial year of 2012-13. However, the consumption of Plastics in India increased by only 6% in the year 2011-12, which shows significant slowdown in the consumption of Plastics in our country in the last year.

The Indian plastic processing sector comprises three segments namely injection molding, blow molding and extrusion, catering to the requirements of a wide array of applications like packaging, automobile, consumer durables, healthcare, among others.

According to the All India Plastics Manufacturers' Association (AIPMA), domestic consumption of plastic has been growing at 10-12% CAGR over the last decade.

Plastic consumption in India is estimated to reach the 12.5 million tones mark making India the 3rd largest consumer of plastics in 2012 after US and China. The size of the plastic processing industry, which currently stands at Rs. 850 billion (9 million tones), is expected to touch Rs 1 trillion (12.5 million tones) in 2013 and Rs 1.3 trillion (18.9 million tones) by 2015. Employment increased close to 4 million in 2012 and is estimated to be 7 million by 2015 from the current 3.5 million-plus people.

PVC PIPES BUSINESS

The demand for PVC Pipes has been very strong during the year under review. The bulk of your Company's PVC Pipes production is sold in the rural markets for Agriculture and Irrigation. Given your Company's vast network spread across the length and breadth of the country, your Company has been able to reach even the remotest villages where the demand for PVC Pipes exists. The full capacity will be available during 2013-14. Considering the strong demand for its products, your Company is now contemplating further increase in PVC Pipes capacity at a new location.



COMPANY STRENGTHS & ITS DRIVERS

Your Company's primary focus is to play a catalyst in providing value added long lasting solutions through its product and services to problems of water security, food security and energy security. In pursuance of company's goal, 'Samridh kisan desh ki shaan' and 'Let's nurture the green era', the company's management is planning to train and educate the farmers and locals through its well established network of dealers about importance of water resources and its best management along with optimum utilization.

Besides the major grown drivers are:

QUALITY OF THE COMPANY

Your Company received an ISO 9001:2008 certificate in respect of its quality management systems. Your Company maintains quality at all stages of manufacturing process starting from raw material procurement to manufacture of the finished product. All of the Company's finished products are tested in its well equipped quality control laboratory to ensure that they adhere to the laid down quality standards. Your Company also facilitates third party inspection upon the request of its customers.

MARKETING AND DISTRIBUTION NETWORK

Sales are made through direct marketing through the Company's network of dealers and distributors and by the Company's sales personnel. Presently, your Company has more than 1100 dealers covering nine states viz. Maharashtra, West Bengal, Madhya Pradesh, Rajasthan, Chattisgarh, Gujarat, Tamilnadu, Punjab, Uttar Pradesh and Karnataka. The Company also has branches at Mumbai, Pune, Nagpur (Maharashtra), Kolkata (West Bengal), Indore (Madhya Pradesh), Jaipur (Rajasthan), Raipur (Chattisgarh), Surat, Vadodara (Gujarat), Tiruvannamali

DIVERSIFIED PRODUCT MIX

Your Company has a product mix to cater to the increasing requirements of its customers. Its product offerings include PVC Pipes, PVC fabricated fittings, PVC casing and screen pipes, ASTM plumbing pipes and fittings, LLDPE pipes and fittings, HDPE pipes and fittings, SWR Pipes and Fittings, Moulded Fittings, Crates, Column Pipes and elastomeric sealing pipes. The products are primarily used in irrigation sector, industrial sector, infrastructure and housing sector. Your Company believes that this range of products would allow its existing customers to source most of their product requirements from a single vendor and also enable it to expand its business from existing customers, as well as address a larger base of potential new customers.

EXPERIENCED MANAGEMENT TEAM

Your Company has a management team with experience in different areas of PVC pipes and fittings industry including production, quality control, sales, marketing and finance. The management team is supported by workforce who has deep experience in the industries in which it operates.

Your Company's management team includes Managing Director, Mr. Pradip J. Mundhra who has over 24 years of experience in the plastic industry and Mr. Sanjay R. Taparia, who has 23 years of experience in trading and marketing of PVC pipes and fittings. The management team also has long-standing relationships with many of the major customers, distributors/dealers and suppliers. Further, the Company has a strong local sales force, which together with the management team gives the Company an excellent understanding of the needs of the domestic customers.

FUTURE OUTLOOK (OPPORTUNITIES)

UNION BUDGET HIGHLIGHTS 2013-14

- Plan outlay for Ministry of Agriculture increased by 22% to Rs 27,049 crore for FY14.
- FY13 total food grain production seen at over 250 million tones.
- FY14 target of agriculture credit is Rs.700,000 crore.
- Rs. 3,415 crore provided for agriculture research.



- Continuation of lower farm interest rate (at 7%) and interest rate subvention of 3% for prompt paying farmer, extended for crop loans borrowed from private sector scheduled commercial banks.
- Rs. 5,000 crore allocated to NABARD to finance construction for warehousing and godowns.

CHALLENGES

Tulsi faces normal markets competition in its businesses from Indian as well as international companies. Tulsi globally competitive cost positions and sound business strategies have enabled it to retain its leading market positions. Tulsi has maintained its operating margins and consistently improved its financial performance through the cycles of PVC business. Tulsi has consistently delivered superior value to its customers. Tulsi has a portfolio of about 26,000 sq. mtrs. Tulsi has been working with the leading international technology and service providers for the development in its product range. Tulsi has wide network of marketing over 1100 dealers across the country. Tulsi will leverage its project execution skills and organizational strength in setting up the marketing network. Tulsi will create state-of-the-art dealers, offering a wide variety of consumer choices and services, in the hitherto controlled marketing segment. However, Tulsi will compete through its operational excellence, technical superiority, extensive marketing and distribution network, and deep customer relationship to maintain its unique position in the domestic marketplace. Tulsi endeavors to enhance its competitive advantage, through a process of continuous improvements, and by implementing appropriate business strategies. Tulsi coherent business strategy and disciplined financial framework have provided stability and platform for growth in a volatile global environment.

HUMAN RESOURCES

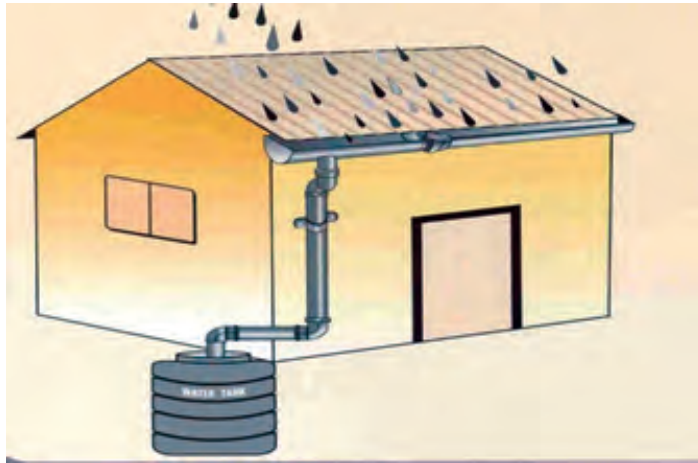
Your Company values the human resources, their contribution and potential, as one of the foundational pillars for achieving the organizational vision. Your Company sustained harmonious and healthy industrial relations in all manufacturing plants. Tulsi takes pride in the fact that our people, organizational culture and values enable us to be decentralized and entrepreneurial. Tulsi is committed to creating a transparent organisation and a highly conducive environment that is focused on people and their capability, enabling them to deliver superior performance. At Tulsi, we have constantly focused on getting the top talent for our businesses. Human resource development happens through structured approaches for employee engagement, resourcing, performance and compensation management, competency based development, career and succession planning and organisation building. We follow a Balanced Scorecard based performance management system that forms the backbone of this process. Tulsi provides growth opportunities for its employees through job rotation, cross geography/ function movements etc..

ROOF WATER HARVESTING

In the present scenario management and distribution of water has become centralized. People depend on government system, which has resulted in disruption of community participation in water management and collapse of traditional water harvesting system.

As the water crisis continues to become severe, there is a dire need of reform in water management system and revival of traditional systems. Scientific and technological studies need to be carried out to assess present status so as to suggest suitable mitigate measures for the revival to traditional system/wisdom. Revival process should necessarily be backed by people's initiative and active public participation.

Living creatures of the universe are made of five basic elements, viz., Earth, Water, Fire, Air and Sky, Obviously, water is one of the most important elements and no creature can survive without it. Despite having a great regard for water, we seem to have failed to address this sector seriously. Human being could not save and conserve water and its sources, probably because of its availability in abundance. But this irresponsible attitude resulted in deterioration of water bodies with respect to quantity and quality both. Now, situation has arrived when even a single drop of water matters. However, "Better late than never", we have not realized the seriousness of this issue and initiated efforts to overcome those problems.



System of collection rainwater and conserving for future needs has traditionally been practiced in India. The traditional systems were time-tested wisdom of not only appropriate technology of rainwater harvesting, but also water management systems, where conservation of water was the prime concern. Traditional water harvesting systems were Bawaries, step wells, jhiries, lakes, tanks etc. These were the water storage bodies to domestic and irrigation demands. People were themselves responsible for maintenance to water sources and optimal use of water that could fulfill their needs.

TRANSPARENCY IN SHARING INFORMATION

Transparency refers to sharing information and acting in an open manner. Processes, instructions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Your Company believes in total transparency in sharing information about its business operations with all its stakeholders. Your Company strives to provide maximum possible information in The Management Discussion and Analysis Report in the Annual Report and also through other means to keep the stakeholders informed about the business performance.

CAUTIONARY STATEMENT

Estimates and expectations stated in this Management Discussion and Analysis may be “forward-looking statement” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expected or implied. Important factors that could make a difference to your Company’s operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

**DECLARATION**

To

The Shareholders and the Board of Directors
Tulsi Extrusions Limited

I, Pradip J. Mundhra, Managing Director, do hereby declare that all the Board members and senior management of the Company have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2013.

For **Tulsi Extrusions Limited**

Pradip J. Mundhra
Managing Director

Place : **Jalgaon**

Date : **September 05, 2013**

CORPORATE GOVERNANCE CERTIFICATE

To

The Members
Tulsi Extrusions Limited

We have reviewed the implementation of Corporate Governance procedures by Tulsi Extrusions Limited during the year ended 31st March, 2013, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

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

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

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreements with the Stock Exchanges have been complied with in all material respects by the company & that no investors grievance is pending against the Company as per the records maintained by the Investors Grievance, Relations & Share Transfer Committee.

Mumbai, September 05, 2013

Milan Mehta
Membership No. FCS 6401
CP. No. 4826



AUDITORS REPORT

To

The Members

TULSI EXTRUSIONS LIMITED

N-99 M.I.D.C. Area,

Jalgaon – 425 003.

1. We have audited the annexed Consolidated Balance Sheet of M/s TULSI EXTRUSIONS LIMITED as at 31st March, 2013 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order 2003, issued by the Central Government of India in terms of sub-section (4 A) of section 227 of the Companies Act, 1956, and on the basis of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. 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 purpose of our audit;
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Consolidated Balance Sheet, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement dealt by this report are in agreement with the books of account;
 - d. In our opinion, the Consolidated Balance Sheet, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement dealt 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 31st March, 2013 and taken on record by the Board of Directors, we report that none of the-Directors is disqualified as on 31st March, 2013 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 explanations given to us, the said accounts read with Significant Accounting Policies and other notes to account thereon 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:
 - l. in case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2013;



- II. in case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date;
- III. in case of the Consolidated Cash Flow Statement, of the cash flows for the year ended as on that date.

Note: This Audit report contains 43 (Forty Three) pages only.

For **K.K.Kabra and Co.**
Chartered Accountants

Kailash K. Kabra
Proprietor
F. No. 104493W

Place: Jalgaon

Date: May 30, 2013



Annexure referred to in paragraph 3 of the Auditors' Report of even date to the members of Tulsu Extrusions Limited on the financial statements for the year ended March 31, 2013:

1.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. According to the information and explanations given to us, the company has followed a program of physical verification of major fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. We have been informed that no material discrepancies were noticed on such verification.
 - c. The company has not disposed off any substantial fixed assets during the year.
2.
 - a. As informed to us, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate having regard to the nature and size of the company.
 - c. In our opinion and according to information and explanation given to us, the company has maintained proper records of inventory in terms of pieces. These are then converted in Kgs. as certified by the management. There is no material discrepancy in physical and as per records in terms of pieces.
3. As per information and explanations given to us and the records produced to us for verification the company has not taken any loans secured or unsecured from Companies, Firms and other parties as in the register maintained under section 301 of the Companies Act, 1956. The company has not granted any loan, secured or unsecured to Companies, Firms and other parties in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for purchase of inventory and fixed assets and also for the sale of goods. Further on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedure.
5.
 - a. In our opinion and according to the information and explanations given to us, the transactions that need to be entered into a register in pursuance of section 301 of the Act, have been so entered;
 - b. In our opinion and according to the information and explanations given to us, these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public during the year, within the meaning of sections 58A, 58AA or any other relevant provision of the act and the rules framed there under. We have been informed that no order has been passed in this regard by Company Law Board, National Company Law Tribunal, R.B.I., any Court or any other tribunal.
7. In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
8. We are informed that the company has not maintained cost records as prescribed by the Central Government under Section 209(l) (d) of the Companies Act, 1956. However the requirement of cost auditor is complied and cost audit is in process.
9. According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing in undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Excise duty, Sales tax, Service tax, Custom Duty, Cess and other material.



- a. Statutory dues applicable to it during the year. There were no arrears as at March 31, 2013 for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us, details of dues in respect of income tax/excise duty/sales tax/service tax/custom duty/cess which have not been deposited as on 31st March 2013 on account of any dispute are given below:

Particulars	Financial Year to which it pertains	Forum where matter is pending	Amount (Rs. in Crores)
Excise Duty	1998-99	Supreme Court	0.02
Income tax	2009-10	CIT Appeals II, Nasik	5.09
		Total	6.11

10. The company does not have accumulated losses as at the end of year and the company has not incurred cash losses during the current year and immediately preceding financial year.
11. According to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders. Hence the amount of default and period not given.
12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statutes applicable to chit fund/ Nidhi / mutual benefit fund/ societies are not applicable to the company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the company has given guarantee for loans taken by others from banks or financial institutions during the year for Rs 0.30 Crores.
16. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans availed by the Company have been, prima facie, applied by the company for the purpose for which the loans were obtained.
17. According to cash flow statement and records examined by us and according to the information and explanations given to us, the funds raised on short-term basis have, prima facie not been used for long term investment during the year.
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 Companies Act, 1956, during the year.
19. The company has not issued any debentures during the year.
20. The company has not raised money by way of public issue during the year under consideration.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **K.K.Kabra and Co.**
Chartered Accountants

Kailash K. Kabra
Proprietor
F. No. 104493W

Place: Jalgaon
Date: May 30, 2013



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

	NOTES	AS AT 31/03/13 Rs.	AS AT 31/03/12 Rs.
EQUITY AND LIABILITIES			
1 SHAREHOLDERS FUNDS			
Share Capital	2	274946100	274946100
Reserves and Surplus	3	1252043824	1168701707
Total of Shareholders Fund		<u>1526989924</u>	<u>1443647807</u>
2 NON CURRENT LIABILITIES			
Long Term Borrowings	4	510156686	486991071
Deferred Tax Liability (Net)	5	48430274	43301166
Long Term Provisions	6	6191765	4406747
Total of Non Current Liabilities		<u>564778725</u>	<u>534698984</u>
3 CURRENT LIABILITIES AND PROVISIONS			
Short Term Borrowings	7	1086975751	966400754
Trade Payables	8	473391318	274990482
Other Current Liabilities	9	42167053	106703266
Short Term Provisions	10	36770968	27200593
Total of Current Liabilities		<u>1639305089</u>	<u>1375295095</u>
Total of Equity and Liabilities		<u>3731073739</u>	<u>3353641886</u>
ASSETS			
1 NON CURRENT ASSETS			
Fixed Assets	11		
Tangible Assets			
Of Mega project		207546879	79682427
Of Existing Units		431122644	638669523
Intangible Assets			
Of Mega project		0	0
Of Existing Units		5610502	5610502
Capital Work in Progress (including advances)			
Of Mega project		359506900	361414122
Of Existing Units		189846172	549353072
Non Current Investments	12	36448597	205264659
Long Term loans and advances	13	42144217	566678781
Other Non Current Assets	14	124551785	302670699
Total of Non Current Assets		<u>1396777696</u>	<u>1472418123</u>
2 CURRENT ASSETS			
Inventories	15	1035315251	851812964.6
Trade Receivables	16	782405818	769596643
Cash and Cash Equivalents	17	75253466	139669413
Other Current Assets	18	441321508	120144743
Total of Current Assets		<u>2334296043</u>	<u>1881223764</u>
Total of Assets		<u>3731073739</u>	<u>3353641887</u>

Notes 1: Significant Accounting Policies & Notes to Account

As per our Report of even date
For K.K.Kabra and Co.
Chartered Accountants

For and on behalf of Board

Kailash K. Kabra
Proprietor

Pradip J Mundhra
Managing Director

Sanjay R. Taparua
Chief Executive Officer

F. No. 104493W
Place:- Jalgaon



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MAR 31, 2013

		AS AT 31/03/13 Rs.	AS AT 31/03/12 Rs.
INCOME			
Revenue from Operations	19	1948169883	1857294501
Other Income	20	31092274	20532915
Total Revenue		<u>1979262157</u>	<u>1877827416</u>
EXPENDITURE			
Cost of Material Consumed	21	928257644	1023191040
Purchase of stock in trade	22	380116192	302035586
Changes in Inventories of Finished Goods,		-35089634	-92990491
Stock in Process and Stock in Trade	23		
Employee Benefit Expenses	24	104415776	87953556
Financial Costs	25	159368797	151293966
Depreciation	11	44679478	42998334
Other Expenses	26	362723763	332403197
Total Expenses		<u>1944472015</u>	<u>1846885188</u>
Profit Before Tax		34790142	30942227
Tax Expenses			
Current Tax (As per Minimum Alternate Tax)	6711000		1989853
Deferred Tax	5129108		<u>6003293</u>
		<u>11840108</u>	<u>7993146</u>
Profit After Tax		<u>22950034</u>	<u>22949081</u>
Less: Short/(Excess) Provision of Income Tax in earlier year		-	859357
Net Profit for the year		<u>22950034</u>	<u>22089724</u>
Balance of Profit brought forward		<u>117028443</u>	<u>94938719</u>
Amount available for appropriation		139978477	117028443
Basic and Diluted EPS(Before extraordinary items)		0.83	0.79
Basic and Diluted EPS(After extraordinary items)		0.83	0.79
Cash EPS		2.46	2.37

Notes to Account

As per our Report of even date
For K.K.Kabra and Co.
Chartered Accountants

For and on Behalf of Board

Kailash K. Kabra
Proprietor
F. No. 104493W

Pradip J Mundhra Sanjay R. Taparia
Managing Director Chief Executive Officer

Place:- Jalgaon
Dated :- May 30, 2013



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	AS AT 31/03/13 Rs.	AS AT 31/03/12 Rs.
(A) Cash Flow from Operating Activities :		
Net Profit before tax and extraordinary items	34790142	30942227
Adjustments for :		
Depreciation	44679478	42998334
Pre-operative expenses written off	3611380	3611380
Interest Income	-6798999	-5985281
Prior Period Expense	317382	92415
Interest Expense	159368797	151293966
Operating Profit before Working Capital Changes	235968180	222953041
Capital Change Adjustments for :		
Trade and Other Receivables	-333985940	-23495693
Inventories	-183502286	-158026944
Trade Payables and Other Liabilities	146862425	-24948828
Cash generated from Operations	-134657622	16481577
Add/(Less):		
Prior Period Expense	-317382	-92415
Taxes Paid	-10138428	-8852503
Net Cash generated from Operating Activities	-145113432	7536659
Cash Flow from Investing Activities :		
Purchase of Fixed Assets (Net)	-141992336	-439574003
Interest Received	6798999	5985281
Proceed from investment (Net)	263700102	-5422721
Net Cash used in Investing Activities	128506765	-439011443
Cash flow from Financing Activities :		
Interest Paid	-159368797	-151293966
Proceeds from Long Term Borrowings (Net)	24950633	440899550
Proceeds from Short Term Borrowings (Net)	120574997	252262278
Liability for Deferred Tax	0	6003293
Foreign Exchange fluctuation on Internal Transaction on consolidation	60392083	0
Dividend Paid(including arrear/old dividend and tax)	0	0
Preliminary Expenses	-94358197	-22900665
Net Cash generated from Financing Activities	-47809280	524970490
Net increase in Cash and Cash Equivalents (A+B+C)	-64415947	93495706
Opening balance of Cash and Cash Equivalents	139669413	46173707
Closing balance of Cash and Cash Equivalents	75253466	139669413

Note:

1. The above cash flow statement has been prepared by using the Indirect Method as per Accounting Standard (AS)- 3 issued by ICAI.
2. Cash and Cash equivalents represent cash, bank and fixed deposit balances.

As per our Report of even date
For K.K.Kabra and Co.
Chartered Accountants

Kailash K. Kabra
Proprietor
F. No. 104493W

Place:- Jalgaon
Dated :- May 30, 2013

For and on behalf of the Board

Pradip J. Mundhra
Managing Director

Sanjay R. Taparia
Chief Executive Officer

**NOTES : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNT ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT****a) Basis of preparation of financial statements:**

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and are in consonance with the mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956. Accounting policies not specifically Referred to otherwise are consistent with generally accepted accounting principles.

b) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in which the results are known/ materialized.

c) Fixed Assets:

Fixed assets are stated at historical cost including directly attributable costs of bringing the assets to their working condition and are net of credit under the CENVAT/VAT scheme, less accumulated depreciation and impairment loss, & deduction of capital subsidy received.

Preoperative expenditure including borrowing cost (net of revenue) and foreign exchange fluctuation incurred during the construction/trial run of new project is allocated on an appropriate basis to fixed assets on commissioning.

Capital work in progress includes advances paid to acquire capital assets before the Balance Sheet date. These advances include Rs. 12.36/- Crores for which no agreement has been executed by company.

d) Depreciation:

Depreciation on Fixed Assets has been provided using the Straight Line Method in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956 except Land and goodwill.

e) Inventories:

Inventories are valued at cost or net realizable value whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses. The cost is determined on the basis of First in First out Method and includes expenditure in acquiring the inventories and bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of labour and manufacturing overheads depending on the stage of completion.

f) Investments:

Investments are stated at cost. Provision for diminution, if any, is made to recognize a decline, other than temporary, in the fair value of investments.

g) Revenue Recognition:

Sales of products are recognized when the products are dispatched and are stated exclusive of excise duty, sales tax, VAT, other taxes & duties but inclusive of trade discounts as approved by the management.

Excise duty represents finished goods dispatched through Personal ledger Account (PLA) and out of Cenvat on Capital Goods (RG23C-Part II) but net of unutilized amount in raw material Cenvat Account (RG23A-Part II). However, the excise duty includes duty incurred during branch stock transfers, but has been appropriately adjusted from mark up price to show net sales.

The Company generally follows mercantile system of accounting and all income and expenditure items having a material bearing on the financial statements are recognized on accrual basis. However, in respect of differential excise duty, municipal dues, unsettled rebate and discount and claims receivable and payable, cash system has been consistently adopted. However, it does not affect the profit materially.

**h) Foreign Currency Transactions:**

- i. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items denominated in foreign currencies, if any at the year end are restated at year end rates.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account.

i) Retirement Benefits:

Liability with regard to the Gratuity Plan is determined by actuarial valuation at each Balance sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Tulsi Group Gratuity Scheme (the Trust). Trustees administer contributions made to the trust and contributions are invested in specific investments as permitted by the law. The company recognizes the net obligation of the gratuity plan in the balance sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, "Employee Benefits". The Company's overall expected long-term rate –of-return on assets has been determined based on consideration of available market information, current provisions of Indian law specifying the instruments in which investments can be made, and historical returns. The discount rate is based on the government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise.

j) Miscellaneous Expenditure:

Issue expenses with relation to Initial Public Offering (IPO) to the extent of allowable u/s 35D are being written off in five equal annual installments.

k) Taxes on Income:

Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of Income Tax Act, 1961. Minimum Alternate Tax (MAT) provided in accordance with tax laws, which give rise to economic benefits in the form of tax credit against future tax liability, is recognized as assets in the balance sheet.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax provision has been made due to difference in depreciation debited to profit & loss account and eligible under Income Tax Act 1961.

l) Earnings Per Share:

The company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on "Earnings per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

m) Impairment of Assets:

An assets is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impaired loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impaired loss in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

n) Provision, Contingent Liabilities and Contingent Assets:

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to account. Contingent assets are neither recognized nor disclosed in the financial statements.

o) Accounting for leases:

Assets taken on lease where significant portion of risks and rewards incidental to the ownership are retained are classified as "Finance Lease". Such assets are capitalized at fair value of assets.

**p) Consolidation of Accounts:**

Company has consolidated the accounts of its subsidiary incorporated in the Free economic zone of Dubai, United Arab Emirates as per the applicable accounting standards. The Profit of subsidiary is Rs. 34,40,179/- converted at average exchange rate for month of march 2013 has been included in the current year profit..

NOTES ANNEXED TO AND FORMING PART OF THE PROVISIONAL BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

	AS AT 31/03/13 Rs.	AS AT 31/03/12 Rs.
Notes 2		
SHARE CAPITAL		
Authorised		
50000000 Equity Shares of Rs. 10/- each (P.Y.- 50000000 Equity Shares of Rs. 10/- each)	500000000	500000000
Issued, Subscribed and Paid up		
27494610 Equity Shares of Rs.10/- each fully paid up (P.Y.- 27494610 Equity Shares Of Rs.10/- each fully paid up)	274946100	274946100
TOTAL	<u>274946100</u>	<u>274946100</u>

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/each.

Each holder of equity shares is entitled to one vote per share.

1. Of the above, 12500000 Equity Shares (FY 2010-11) of RS. 10/- each are issued pursuant to Global Depository receipts issued at a premium of Rs. 44/- per equity shares.

2. Of the above, 2499510 Equity Shares (FY 2010-11) of Rs. 10/- each are issued as bonus shares out of Profit and Loss Appropriation Account.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2013 and March 31, 2012 is set below:

Particulars	As at March 31, 2013		As at March 31, 2012	
	N0 of Shares	Amount	N0 of Shares	Amount
Number of Shares at the Beginning of the year	27494610	274946100	27494610	274946100
Add: Shares Issued during the year	0	0	0	0
Number of Shares at the End of the year	27494610	274946100	27494610	274946100

The details of shareholder holding more than 5% of shares as at March 31, 2013 and March 31, 2013 is set below:

Name of Shareholder	As at March 31, 2013		31st March, 2012	
	N0 of Shares	% of Holding	N0 of Shares	% of Holding
Gopal Extrusions Pvt. Ltd.	2498100	9.09	2498100	9.09
Pradip Jasraj Mundhra	2203409	8.01	2203409	8.01

Aggregate number of bonus shares issued, Shares issued for consideration other than cash during the period of five years immediately



Aggregate number of bonus shares issued, Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	March, 2013	March, 2012	March, 2011	March, 2010	March, 2009
Shares issued for consideration other than cash	-	-	-	-	-
Issued as fully paid-up Bonus Shares	-	-	2499510	-	-
Shares bought back	-	-	-	-	-

Notes 3**RESERVES AND SURPLUS****AS AT****AS AT****31/03/13****31/03/12****Securities Premium Account**

Balance as per last Balance Sheet	998673265	998673265		
Add: Foreign Currency Fluctuation Reserve	60392083	0		
Receipts on issue of equity shares by way of GDR	<u>0</u>	<u>0</u>		
	1059065348	998673265		
Less:				
Currency Fluctuation (Capital Account)	0	0		
GDR Issue Expense	0	1059065348	0	998673265

Capital Reserve Account

3000000

3000000

General Reserve Account

As per last Balance Sheet	50000000	50000000		
Add: Transferred from Profit and Loss Account	<u>50000000</u>	<u>50000000</u>		

Surplus/ (Deficit) of Profit and Loss Account

Balance as per last Balance Sheet	117028442	94938718		
Less:				
Issue of Bonus Shares	0	0		
Provision for Dividend (Old)	0	0		
Provision for Dividend Tax (Old)	0	0		
	117028442	94938718		
Add:				
Surplus/ (Deficit) of Profit and Loss Account	<u>22950034</u>	<u>22089724</u>		
		139978476		117028442
TOTAL		<u>1252043824</u>		<u>1168701707</u>

a. The above capital reserve is towards the Subsidy Received from DIC.



Notes 4	AS AT		AS AT	
NON CURRENT LIABILITIES	31/03/13		31/03/12	
Long Term Borrowings	Rs.		Rs.	
Term Loan Secured				
From Banks				
- Indian Rupee Loan	405823765		409123882	
- Foreign Currency Loan	<u>38071444</u>	443895209	<u>0</u>	409123882
Others Loans and Advances (Secured)				
- Other Financial Institutions	6008125		31028785	
- Long term maturities of Financing Lease Obligation	<u>46808108</u>		<u>68838648</u>	
	52816233		99867433	
Less: Amount disclosed under the head "Other Current Liabilities" named short term maturities of finance lease obligation	<u>26512837</u>	26303396	<u>22000244</u>	77867189
Loan Unsecured				
- Inter Corporate Deposit	<u>39958081</u>	<u>39958081</u>	<u>0</u>	<u>0</u>
Total of Long term Borrowing		<u>510156686</u>		<u>486991071</u>

(a) Term Loans**Purpose:**

Term Loan is taken from consortium of Allahabad bank and Punjab National bank to undertake expansion by adding the capacity of existing plant by adding new machinery of existing machineries for manufacture of PVC injection, moulded fittings,

HDPE Sprinkler System, inline drip irrigation System, LLDPE fittings for micro irrigation pellet including fruits and vegetables crates.

Tenure and repayment schedule:

Term loans shall be repaid in 24 structured quarterly installments after moratorium period of 8 quarters from the date of first Disbursement with door to door tenure of 32 quarters, starting in the last quarter of 2013-

Year	Allahabad Bank	PNB
2013-14	5450000	8175000
2014-15	28800000	43200000
2015-16	52950000	79375000
2016-17	65500000	98075000
2017-18	77900000	116750000
2018-19	91400000	137125000
2019-20	78000000	117300000
Total	400000000	600000000

Interest in the term loan will be served as and when charged at the rate of Bank rate plus 4%

Security:

- (i) First Pari-passu mortgage charge over the land and building, immovable plant & machinery and hypothecation charge over movable fixed assets of expansion project of the company amongst the consortium members.



- (ii) Extension of First Pari-passu Charge on block assets both present & Future of the company by way of Hypothecation of Machinery & other fixed assets and EM of land and building.
- (iii) Second pari-passu hypothecation charge on the entire current assets of the company other than project assets (Both present & future)
- (iv) First charge on all Borrower's bank account in relation to the project including, without limitation, the Project Capex account and each of the other accounts required to be created by the company under any project document or contract.

Project Documents' includes all fresh raw material agreements to be entered into for the projects, all purchase agreements, product sales agreement, EPC Contract and any Operations & Maintenance agreement, among others.

- (v) Assignment of Project Documents including Contractor guarantees, liquidated damages, letter of credit, guarantee or performance bond that may be provided by any counter party under any project document or contract in favour of borrower and insurance policies.
- (vi) Corporate guarantee of M/s Gopal Extrusions Pvt. Ltd.
- (vii) Personal guarantee of Promoters of the company.

(b) Finance lease obligation.

Security

Hypothecation of Purchased machinery and personal guarantee of directors

Term of Repayment

The lease rentals charged during the period is 0.42 crores.

(Rs in Crores)

Lease obligation payable	As at March 31,	
	2013	2012
With in one year of the Balance sheet date	2.65	2.20
Due in a period of one year and five years	2.63	4.68
Due After Five Years	-	-

Notes 5	AS AT 31/03/13 Rs.	AS AT 31/03/12 Rs.
Deferred Tax Liability(net)		
a. Deferred Tax Liabilities		
- Due to Depreciation on Fixed Assets	48430274	43301166
b. Deferred Tax Assets		
- Income Tax Allowance	0	0
Net Deferred Tax Liabilities	48430274	43301166
Total of Deferred Tax Liabilities	48430274	43301166
Notes 6		
Long Term Provisions		
- For Gratuity (Funded)	6191765	4406747
Total Long Term Provisions	6191765	4406747



Notes 7	AS AT 31/03/13		AS AT 31/03/12	
CURRENT LIABILITIES AND PROVISIONS	Rs.		Rs.	
Short Term Borrowings				
From Banks & Financial Institutions				
Secured				
- Working Capital Loan	1066679325		948699537	
Unsecured				
- Term Loan from financial institution	2635450		0	
- From Dealership Deposit	<u>17660976</u>	<u>1086975751</u>	<u>17701217</u>	<u>966400754</u>
		<u>1086975751</u>		<u>966400754</u>

a. Working Capital loan (Cash Credit and Inland Letter of Credit facilities)

- (i) Cash Credit and Inland Letter of Credit facilities from Punjab National Bank are secured against hypothecation of Stocks, Receivables not exceeding 120 days and all other current assets, present and future of the company on pari passu basis with other working capital
- (ii) Corporate guarantee of the M/s Gopal Extrusions Limited.
- (iii) Personal Guarantee of the Promoters and Directors of the company.
- (iv) Cash credit and Letter of credit carries interest rate @ Bank rate plus 1%.

Term Loan From Punjab National Bank.

Security

- (i) Extension of First Charge on the Block of assets of the company by way of Hypothecation of Machinery and equipment & Other fixed assets and EM of land and building.
- (ii) Corporate guarantee of the M/s Gopal Extrusions Limited.
- (iii) Personal Guarantee of the Promoters and Directors of the company.

Terms of repayment

Entire term loan of Rs. Will be repaid in 12 equal Quarterly installments of Rs 1.00 Crores each at the rate of interest of 12.50%.

Notes 8	AS AT 31/03/13		AS AT 31/03/12	
Trade Payable	Rs.		Rs.	
- For Expenses	13718509		6917203	
- For Raw Materials	180141815		117041152	
- For Traded Goods	<u>279530994</u>	<u>473391318</u>	<u>151032127</u>	<u>274990482</u>
		<u>473391318</u>		<u>274990482</u>

Notes 9

Other Current Liabilities

- Creditors for Capital goods	15367730		12105392	
- Unpaid Dividend	286486		286486	
- Term Loan From Financial Institution	6250000		72311144	
- Current Maturity of Financing Lease Obligation	<u>20262837</u>	<u>42167053</u>	<u>22000244</u>	<u>106703266</u>
		<u>42167053</u>		<u>106703266</u>



		AS AT 31/03/13	AS AT 31/03/12
Notes 10			
Short Term Provisions			
-Income Tax	6711000	10138428	
-Statutory Provision (VAT/CST/PT/PF/ESIC/ST/LBT etc)	10124859	4003602	
-Salary & Wages Payables and Benefits	6441507	6521458	
-Other Provision	<u>13493602</u>	<u>36770968</u>	<u>6537105</u>
		<u>36770968</u>	<u>27200593</u>

Notes 11

Sl. No.	Particulars	Gross Block as on 01.04.12	Addition Amount	Sales Amount	Gross Block as on 31.03.2013	Depreciation as on 01.04.12	During the Year	Depreciation as on 31.03.13	Net Block as on 31.03.13	Net Block as on 31.03.12
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Tangible Asstes									
	Existing Units									
1	Leasehold Land	12668773	0	0	12668773	0	0	0	12668773	12668773
2	Freehold Land	0	0	0	0	0	0	0	0	0
3	Buildings	98762215	1689560	210029	100241746	7290970	2752004	10042974	90198772	91471245
4	Office Equipments	4288474	1098020	0	5386494	1028089	684042	1712131	3674363	3260385
5	Plant and Equipment	376457645	17051096	0	393508741	83968144	34450497	118418641	275090100	292489501
6	Plant and Machinery (Under Lease)	15131596	0	0	15131596	759348	798948	1558296	13573300	14372248
7	Electrical Equipments	18460194	8559422	0	27019616	3982243	1682843	5665086	21354530	14477951
8	Furniture and Fixtures	10311324	2412065	0	12723389	1330688	751707	2082395	10640994	8980636
9	Vehicles	4568228	257635	0	4825863	2553814	514700	3068514	1757349	2014414
10	Computer	5289336	595825	0	5885161	2805145	915553	3720698	2164463	2484191
		545937785	31663623	210029	577391379	103718441	42550294	146268735	431122644	442219344
	Mega Project									
11	Freehold Land	17612220	1597267	0	19209487	0	0	0	19209487	17612220
12	Plant and Equipment	33400009	122898852	0	156298861	0	0	0	156298861	33400009
13	Plant and Machinery (Under Lease)	28670198	0	0	28670198	0	0	0	28670198	28670198
14	Electrical Equipments	0	3368333	0	3368333	0	0	0	3368333	0
		79682427	127864452	0	207546879	0	0	0	207546879	79682427
	Total of Tangible Assets	625620212	159528075	210029	784938258	103718441	42550294	146268735	638669523	521901771
	Intangible Asstes									
	Existing Units									
13	ERP Software	13135000	0	0	13135000	6245314	2129184	8374498	4760502	6889686
14	Goodwill	850000	0	0	850000	0	0	0	850000	850000
	Total of Intangible Assets	13985000	0	0	13985000	6245314	2129184	8374498	5610502	7739686
	Total of Non Current Assest	639605212	159528075	210029	798923258	109963755	44679478	154643233	644280025	529641457



	AS AT 31/03/13	AS AT 31/03/12
Notes 12		
NON CURRENT ASSETS		
Non Current Investment		
Trade Investments		
Quoted(Long Term)		
Reliance Gratuity Scheme - Balanced Fund (Fair Value)	7400739	5409704
Unquoted(Long Term)		
Tulsi International FZE (100% Subsidiary incorporated in UAE)		268213137
Tulsi Plastics SA (Pty) Ltd. (Joint Venture)	28762858	28762858
Other Investments		
Unquoted(Long Term)		
Linking Share Satguru Jangli Maharaj Bank Ltd	275000	275000
Madhav Prakashan Pvt. Ltd.	10000	10000
	285000	285000
Total of Non Current Investment	<u>36448597</u>	<u>302670699</u>

Gratuity Plan

The Following table sets out the status of the Gratuity Plan as required under AS-15.

Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation and plan assets.

Particulars	As at 31, March	
	2013	2012
Obligation at year beginning	4164687	2898631
Transfer of Obligation		
Service Cost	1026906	914138
Interest Cost	353998	239137
Actuarial (Gain)/Loss	924688	176588
Benefits Paid	-278514	-63808
Amendment in benefit plans		
Obligation at Year end	<u>6191765</u>	<u>4164687</u>


Defined benefit obligation liability as at the balance sheet date is fully funded by the company

Particulars	As at 31, March	
	2013	2012
Change in plan assets		
Plan assets at the beginning, at fair value	5287748	1493447
Expected return on plan assets	449459	123209
Actuarial gain	-281	-48436
Contributions	1901403	3783335
Benefits Paid	-278514	-63808
Plan assets at the year end, at fair value	<u>7359815</u>	<u>5287748</u>

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	As at 31, March	
	2013	2012
Fair value of plan assets at the year end	7359815	5287748
Present value of defined benefit	6191765	4164687
Assets recognized in balance sheet	<u>1168050</u>	<u>1123061</u>

Assumptions

Particulars	As at 31, March	
	2013	2012
Interest rate	8.00	8.25
Estimated rate of return on plan assets	8.70	8.50
Weighted expected rate of salary increase	5.00	5.00
Attrition rate	2.00	1.00

Net gratuity cost for the year ended March 31, 2012 and March 31, 2011 comprises of the following components:

Particulars	As at 31, March	
	2013	2012
Gratuity cost for the year		
Service cost	1026906	914138
Interest cost	353998	239137
Expected return on plan assets	-449459	-123209
Actuarial (gain)/loss	924969	225024
Plan amendment amortization		
Net gratuity cost	<u>1856414</u>	<u>1255090</u>
Actual return on plan assets	<u>449178</u>	<u>74774</u>



	AS AT		AS AT
	31/03/13		31/03/12
	Rs.		Rs.
Notes 13			
Long Term loans and advances			
Security Deposit			
- For Property	33206854		33206854
- For Expenses	2981616		2741168
- For Other	<u>5955747</u>	<u>42144217</u>	<u>3674195</u>
Total of Long Term loans and advances		42144217	39622217
Notes 14			
Other Non Current Assets			
Miscellaneous Expenditure		124551785	33804968
Total of Other Non Current Assets		<u>124551785</u>	<u>33804968</u>
Notes 15			
CURRENT ASSETS			
Inventories			
Raw Material and Components	303870481		155537010
Work in Progress	78594750		53222258
Finished Goods			
- At factory & Branches	616530316		599333300
- Stock in Transits	0		5471034
Stock in Trade	36319704		38249363
Total of Inventories		<u>1035315251</u>	<u>851812965</u>
Notes 16			
Trade Receivable			
(Unsecured , Considered Good)			
- Debts outstanding for a period of exceeding six months		316220075	225891520
- Other Debts		466185743	543705123
Total of Trade Receivable		<u>782405818</u>	<u>769596643</u>
Notes 17			
Cash And Cash Equivalents			
Cash in Hand			
(As certified by the management)			
- At Head Office	2678774		1320294
- At Branches	<u>3966194</u>	6644968	<u>8632545</u>
Balance with Notes Banks			9952839
- In Current Accounts		2607925	73008965
- In unpaid Dividend Account		286486	286486
In Fixed Deposits (Earmarked)		65714087	56421123
(Deposit with original maturity of more than 12 months)			
Total of Cash And Cash Equivalents		<u>75253466</u>	<u>139669413</u>



Notes 18	AS AT 31/03/13		AS AT 31/03/12	
Other Current Assets	Rs.		Rs.	
Income Tax				
- Tax Deducted at Source F.Y. 2012-13	728064		642580	
- Tax refundable Ass. Year 2012-13	0		2754026	
- Tax refundable Ass. Year 2010-11	0		2732	
- Minimum Alternate Tax (MAT) FY 2011-12	3131055		0	
- Minimum Alternate Tax (MAT) FY 2010-11	6908087		7510147	
- Advance Tax Year F.Y.2011-12	0		9000000	
- Advance Tax Year F.Y.2012-13	4600000		0	
- Income Tax refundable F.Y. 2011-12	3411040		0	
- Appellate Tribunal	<u>23690000</u>	42468246	<u>23000000</u>	42909485
Balance with other Tax Authorities				
- Excise, Custom Duty etc.	54826475		58727082	
- LBT Receivable	8282808		11187110	
- VAT Refundable	<u>2581597</u>	65690880	<u>2552550</u>	72466742
Other Loans and Advances				
Advance to Staff				
- Against salary	1171195		1690406	
- Against tour	230234		3033532	
- Other Advances	<u>331760953</u>	<u>333162382</u>	<u>44578</u>	<u>4768516</u>
Total of Other Current Assets		<u>441321508</u>		<u>120144743</u>
Notes 19				
Revenue From Operations				
Manufacturing Activities	1572191812		1595286838	
Less: Excise Duty Adjustment	<u>66422194</u>	1505769618	<u>69849206</u>	1525437632
Trading Activities		442400265		331856869
Total of Revenue From Operations		<u>1948169883</u>		<u>1857294501</u>
Notes 20				
Other Income				
Interest received on Deposit with banks		6798999		5985281
Profit on sale of Fixed Asset/Securities		0		0
Misc. Income		24293275		14547634
Total of Other Income		<u>31092274</u>		<u>20532915</u>
Notes 21				
Cost Of Materials Consumed				
Cost of Raw Material Purchased		1076591114		1088227492
(Increase)/ Decrease in Raw material Stock		-148333471		-65036452
Total of Cost Of Materials Consumed		<u>928257644</u>		<u>1023191040</u>
Notes 21.1				
Particulars Of Raw Material Consumed				
Raw material				
Resin		457636615		681830527
HDPE Dana		170319869		116622566
LLDPE Dana		131501780		87235190
Others		168799380		137502757
Total of Particulars Of Raw Material Consumed		<u>928257644</u>		<u>1023191040</u>



	AS AT 31/03/13	AS AT 31/03/12
Notes 22		
Purchase Of Stock In Trade	Rs.	Rs.
Cost of Goods Traded	380116192	302035586
Total of Purchase Of Stock In Trade	<u>380116192</u>	<u>302035586</u>
Notes 23		
Changes In Inventories Of Finished Goods, Stock In Process & Stock In Trade Inventories (at close)		
Finished Goods / Stock in Trade	652770837	643053695
Stock in Process.	<u>78594750</u>	<u>53222258</u>
Inventories (at commencement)		
Finished Goods / Stock in Trade	643053695	583899462
Stock in Progress	<u>53222258</u>	<u>19386000</u>
Total	<u>-35089634</u>	<u>-92990491</u>
Notes 24		
Employees Benefit Expenses		
Salary and Wages	84956478	73635113
Bonus and Incentive	5652696	4372803
Gratuity Payable	1609907	1508116
Staff Welfare Expenses	4574824	1543164
Contribution to Provident Fund and ESI	7621871	6894360
Total of Employees Benefit Expenses	<u>104415776</u>	<u>87953556</u>
Notes 25		
Financial Cost		
Interest Expenses		
-Working Capital Loan	106242519	102667617
-Term Loans	7834133	16402830
-Others	41097814	27141639
Foreign Exchange Rate Fluctuation	-4440215	-88337
Bank Charges	1371677	1929800
Other Borrowing Cost	7262868	3240417
Total of Financial Cost	<u>159368797</u>	<u>151293966</u>
Notes 26		
Other Expenses		
Manufacturing Expenses		
Duties including service tax	4452596	6061903
Local Body Tax (LBT)	11496860	13549183
Carriage Inward including custom expense	18700662	39704358
Power and Fuel	71465592	64846071
Packing Materials	11684589	11880173
Consumption of Stores and Spares	13883687	12214587
Repairs and Maintenance	3748220	3723765
Other Direct Expenses	26168031	6667619
Total of Manufacturing Expenses	A <u>161600237</u>	<u>158647659</u>



	AS AT 31/03/13 Rs.	AS AT 31/03/12 Rs.
Administrative & Selling Expenses		
Advertisement Expenses	7279581	8381784
Car Hire Charges	7848348	4849026
Carriage Outward/Inward	40243921	42905379
Claims and Discount	14351367	10035791
Commission Expenses	1328140	3999264
Director's Remuneration	4860000	4800000
Director's Sitting Fees	350000	280000
Donation	170913	418361
Roc/Listing/Custodial Fees	1080119	421573
General Expenses	6359313	3929244
Inspection and Testing Fees	844094	1109582
Insurance Expenses	839744	1077779
Legal and Professional Expenses	3809738	13337946
Miscellaneous Expenses	8927950	7584034
Petrol and Diesel Expenses	9320874	8887298
Postage and Courier Expenses	593839	558600
Preoperative Expenses W/Off	3611380	3611380
Printing and Stationery	2118882	3540924
Rent Rates and Taxes	8141758	7614783
Sales Promotion Expenses	7544594	9216566
Statutory Auditor Remuneration	653940	321526
Turn Over Discount	33979826	11504492
Telephone / Mobile Expenses	1852505	1849887
Travelling Expenses	9705013	9780487
VAT / CST	19759831	11139422
Vehicle Expenses	5230473	2507995
Prior Period item	317382	92415
Total of Selling & Distribution Expenses	B	173755538
Total	(A+B)	3324 03197
	201123526	362723763

Notes 27**Managerial Remuneration**

Remuneration	4860000	4800000
Sitting Fees	350000	280000
Total	5210000	5080000

Commission is not payable to the director and hence the computation of net profit under section 349 of Companies Act, 1956 has not been given

**NOTES 28****Payment to Statutory Auditors**

	AS AT 31/03/13 Rs.	AS AT 31/03/12 Rs.
Audit Fees & Tax Audit Fees	224720	220600
Other Certification and Professional Fees	429220	100926
Total	653940	321526

Notes 29**Related Party Disclosure**

As per Accounting Standard (AS-18) or related party disclosures issued by ICAI, the disclosures of transactions with the related parties are as follow;

	Name of Party	Relationship
1	Gopal Extrusions Pvt. Ltd.	Enterprise Significantly influenced by directors
2	Tulsi Plastics SA (Proprietary) Ltd.	Enterprise Controlled/Significantly influenced by directors
3	Sanjay Taparia (HUF)	Hindu Undivided Family of Key Managerial Person
4	Pradip Mundhra (HUF)	Hindu Undivided Family of Key Managerial Person
5	Pradip Mundhra	Key Managerial Person
6	Sanjay Kumar Taparia	Key Managerial Person
7	Tulsi International FZE	Wholly owned subsidiary

Name of the party	Nature of Transaction	Volume of Transaction during the year ended 31.03.2013	Amount Outstanding as on 31.03.2013	Volume of Transaction during the year ended 31.03.2012	Amount Outstanding as on 31.03.2012
Gopal Extrusions Pvt. Ltd.	Machinery and Capital goods	3900000	2925750	3500000	1925750
Tulsi Plastics SA (Proprietary) Ltd.	Sale of Goods	66708	66708	0	0
Sanjay Taparia (HUF)	Car Hire Charges	999000	0	951290	0
Pradip Mundhra (HUF)	Car Hire Charges	1635000	0	0	0
Pradip Mundhra	Remuneration	3000000	147179	3000000	84000
	Advances	942633	0	5917081	0
Sanjay Kumar Taparia	Remuneration	1800000	7197	1800000	115200
	Advances	1045147	0	5225000	0
Tulsi International FZE	Investments	1577044	1577044	1513017	1513017

**Notes 30****Earning per Share**

Particulars	EPS before extraordinary item		EPS after extraordinary item	
	2012-13	2011-12	2012-13	2011-12
Net Profit (Amount used as numerator)	22950034	22089724	22950034	22089724
Basic and Diluted EPS (Face value of Rs 10/-)	0.83	0.80	0.83	0.80
Cash EPS	2.46	2.37	2.46	2.18

Notes 31**Contingent Liability not Provided For**

Particulars	As at 31.03.2013	As at 31.03.2012
Bank Guarantee	0.57	0.63
Corporate Guarantee Given to Others	0.20	0.20
Claims no acknowledged as debt including show cause demand notice in relation to excise and consumer court form	1.11	1.11
Disputed Income Tax	5.09	5.22



Tulsi Extrusions Limited

(N-99/100 M.I.D.C Area Jalgaon-425003, Maharashtra)

Dear Shareholder,

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the Ministry, Companies can now send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered email addresses of shareholders.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a Greener Environment. This is a golden opportunity for every shareholder of "Tulsi Extrusions Limited" to contribute to the Corporate Social Responsibility initiative of the Company.

Further it will ensure instant and definite receipt of the reports by you.

We notice that your email ID is not available in our records. As we have adopted with your consent to send future Communications in electronic mode, we request you to please fill up the form given herewith for registering your e-mail ID and send the same to the following address:

Link Intime India Private Limited

(Unit: Tulsi Extrusions Limited)

C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai- 400 078

If the shares are held in electronic mode, please get your e-mail registered with your DP immediately. Please note that as a member of the Company you will be entitled to receive all such communication in Physical Form, upon request.

Thanking You,
Yours faithfully,

For **Tulsi Extrusions Limited**

Sd/-

Sanjay R. Taparia

Executive Director

E-COMMUNICATION REGISTRATION FORM

Folio No./ DP Id and Client ID

Name of 1st Registered First Holder

Name of Joint Holder(s).....

Registered Address

E-Mail address (to be registered)

I/We Shareholder(s) of Tulsi Extrusions Limited agree to receive communication from the Company in electronic mode. Please register my above e-mail ID for your records for sending communication through e-mail.

Date:

Signature.....

(1st Holder only)

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.