

2010-11



31st Annual Report



SIMPLEX CASTINGS LIMITED

**Arvind Shah - Chairman**

Dear Fellow Shareowners,

On behalf of the Simplex Castings Family, I welcome you on the occasion of 31st Annual General Meeting.

It is with immense pleasure that I present herewith 31st Annual Report for the financial Year 2010-11.

The financial year 2010-11 was one in which both the world, as well as, Indian Economy showed resilience. The year has been a year of opportunities and challenges. Despite sluggish global economic conditions and prevailing uncertainties in the global environment, the Indian economy has continued to grow at a pace of 8.5% as against 7.5% growth last year.

Your Company has maintained its growth momentum in profits in the financial year 2010-11. The Sales and other receipts for the year 2010-11 is Rs. 204.41 Crores as against Rs. 165.97 Crores for the last year registering a growth of 23.16%.

As far as the profitability is concerned, your company has maintained its consistent growth path. For the fiscal year 2010-11 the Profit before tax was Rs. 19.34 Crores and Profit after Tax was Rs. 12.95 Crores, whereas these were Rs. 16.32 Crores and Rs.10.63 Crores respectively in the last year thereby registering an increase of 18.51 % and 21.82 % over the last year's figures.

Earnings per Share have also jumped to Rs. 20.74 for Financial Year 2010-11, from Rs. 17.53 in 2009-10, thus increasing at the rate of 18.31 percent.

Your Company has broadly, three profit making Centre's-

- a) Ferrous Castings in all grades (Steel, Cast Iron & Ductile Iron)
- b) Finish & Intricate Machining
- c) Technological & Structural fabrication

Your company has robust order booking position from traditional customers like Railways, Power, Steel etc. and I am happy to inform you that after successful supplies to Orissa Mining Minerals Ltd. of Adhunik Group, we have bagged order worth Rs. 30 crores from M/s. Bajrang Alloys for supply of equipments in the growing field of Palletization . Your company has always ensured maintaining good relations with their clients.

Your company has invested in CNC's machines in last few years and I am happy to inform you that we are utilizing these machines not only to add value to our products, but also undertaking prestigious jobs for machining from our customers.

The Technological & Structural Fabrication Unit is the recent addition in the family of Simplex Castings Limited. Our focus is to book more and more orders from the sectors like power, railways and oil & Gas. This unit has advanced fabrication and machining facilities and we are planning to tie up with foreign companies for value addition. I am fully confident that our annual sales will increase with the addition of this unit.

Our focus in the current year will be on sophisticated equipment manufacturing rather than focusing on grouping of activities for different equipments/ products. There is a huge demand for not only castings but other equipments in the market and we can grasp the upcoming opportunities.

I take this opportunity to express my sincere thanks to all the shareholders for their continued trust in the management of the company. I would also like to thank all our customers, dealers, business suppliers, business associates, financial institutions, Banks and the employees / staffs for their invaluable support and cooperation.

I convey my sincere gratitude to the Board of Directors for their sound and continued support towards the success of the Company.

With Best wishes,
Thanking You

Arvind Shah

**COMMITTEES OF THE BOARD****AUDIT COMMITTEE**

Kisan R. Choksey	<i>Chairman</i>
Shivji R. Shah	<i>Member</i>
Hasmukhlal S. Parikh	<i>Member</i>
Rajendra A. Shah	<i>Member</i>

REMUNERATION COMMITTEE

Kisan R. Choksey	<i>Chairman</i>
Hasmukhlal S. Parikh	<i>Member</i>
Rajendra A. Shah	<i>Member</i>

SHARE TRANSFER CUM INVESTOR'S GRIEVANCE COMMITTEE

Kisan R. Choksey	<i>Chairman</i>
Hasmukhlal S. Parikh	<i>Member</i>
Rajendra A. Shah	<i>Member</i>

CONTENTS**PAGE NOS.**

Notice	2
Directors' Report	4
Management Discussion	7
Corporate Governance Report	9
Auditors' Report & Annexure	16
Balance Sheet	19
Profit and Loss Account	20
Cash Flow Statement	21
Schedules Forming Part of the Accounts	22
Balance Sheet Abstract	36

BOARD OF DIRECTORS

Arvind S. Shah	<i>Chairman</i>
Ketan M. Shah	<i>Managing Director</i>
Shailesh A. Shah	<i>Director</i>
Kisan R. Choksey	<i>Director</i>
Shivji R. Shah	<i>Director</i>
Hasmukhlal S. Parikh	<i>Director</i>
Rajendra A. Shah	<i>Director</i>
G. Gopalswamy	<i>Director</i>

COMPANY SECRETARY

Ms. Varsha Sahbani

STATUTORY AUDITORSM/s Taunk & Srikanth
Chartered Accountants**BANKERS**Axis Bank
Bank Of Baroda
State Bank of India**REGISTRARS & TRANSFER AGENTS**Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai 400 078.**REGISTERED OFFICE**601/602A, Fair Link Centre,
Off Andheri Link Road, Andheri (West)
Mumbai - 400 053.**CORPORATE OFFICE**32, Shivnath Complex,
G. E. Road, Supela,
Bhilai - 490 023.**WORKS****UNIT I-** 5, Industrial Estate, Bhilai, Dist. Durg,
Chhatisgarh - 490 026.**UNIT II-** Urla Industrial Estate, Raipur,
Chhatisgarh - 492 001**UNIT III-** 223/2 & 224, Industrial Estate, Tedesara,
Rajnandgaon, C. G. 491443**ISIN No. - INE 658D O1011****STOCK CODE : BSE 513472**



NOTICE

Notice is hereby given that the Thirty first Annual General Meeting of the members of Simplex Castings Limited will be held on 23rd September' 2011 at 2.30 P. M. at Babasaheb Dhanukar Hall, Maharashtra Chamber of Commerce & Industry, Oricon House, 6th Floor, 12 K. Dubhash Marg, Fort, Mumbai – 400 001, to transact the following business:

ORDINARY BUSINESS :

1. **To consider and adopt the Director's report, the Audited Financial Statements including Profit and Loss Account for the year ended 31st March, 2011, Cash Flow statement for the year ended 31st March 2011 and the Balance Sheet as at that date and the Auditor's report thereon.**
2. To declare dividend for the year ended 31st March, 2011.
3. To appoint a Director in place of Shri Arvind Shah who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Shailesh A. Shah who retire by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Kisan R. Choksey who retire by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors of the Company to hold office from conclusion of this meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
For **SIMPLEX CASTINGS LIMITED**
Varsha Sahbani
Company Secretary

Registered Office :
601/602A, Fair Link Centre,
Off Andheri Link Road, Andheri (West),
Mumbai - 400 053.

Place : Mumbai
Date : 25th July, 2011

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy form duly stamped and executed in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the time of commencement of the Annual General Meeting. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience.
2. Members holding shares in physical form are requested to advise any change in their registered address, to the Company's Registrar and Share Transfer Agent, Link Intime India Pvt Limited quoting their folio number. Members holding shares in electronic form are requested to inform any changes in registered address or bank particulars to their respective Depository Participant. The address/bank mandate as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the dividend warrants.
3. Members desiring any information on the Accounts of the Company are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.



4. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialised form, they must quote their Client ID Number and their DPID Number.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 17th September 2011 to 23rd September, 2011 (both days inclusive) for determining the name of Members eligible for dividend on Equity Shares.
6. In terms of section 205C of the Companies Act, 1956, there is no unpaid / unencashed dividend amount liable to be transferred into Investor Education and Protection Fund.
7. As measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of Annual Report to the Meeting.
8. Information required under clause 49IVG of the Listing Agreement (relating to Corporate Governance) with respect to the Directors retiring by rotation and eligible seeking re-appointment is as under:

Name of the Director	Shri Arvind Shah	Shri Shailesh Shah	Shri Kisan R. Choksey
Date of Birth	02.02.1941	30.09.1963	21.06.1938
Date of Joining the Board	25.08.1980	01.08.2003	22.03.1993
Qualification	B. Com	B. E. , MB A	B. Com
Expertise in Specific Areas	He is having experience of more than 45 years in steel industry. He is Visionary, plans for projects, multifaceted and socially responsible.	He has more than 15 years experience in shop floor foundry and operational experience in the factories of Simplex group. He is the Finance Executive of the company.	He is a Share Broker having his own stock broking Co. in Mumbai. He is having a vast experience in stock & securities. He was previously associated with Bombay Stock Exchange as a Treasurer and Director, in different years of his career.
List of other Companies in which Directorship held as on 31st March, 2011 (excluding Directorships in private, foreign companies and companies incorporated under section 25 of the Companies Act 1956)	Nil	One (1)	One (1)

By Order of the Board
For **SIMPLEX CASTINGS LIMITED**

Varsha Sahbani
Company Secretary

Registered Office :
601/602A, Fair Link Centre,
Off Andheri Link Road, Andheri (West),
Mumbai - 400 053.

Place : Mumbai
Date : 25th July, 2011



DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 31st Annual Report and Statement of Accounts of your Company, for the year ended on 31st March 2011.

FINANCIAL RESULTS :

	Year Ended <u>31-03-2011</u>	(Amt. Rs. Lacs) Year Ended <u>31-03-2010</u>
Operating Income	20,347.33	16,440.99
Other Income	<u>94.04</u>	<u>156.28</u>
Total Receipts	20,441.37	16,597.28
EBIDTA	<u>3,367.30</u>	2767.67
Less: Interest & Financial Charges	971.19	725.26
Depreciation	517.02	466.64
Less: Transfer from Revaluation Reserve	<u>55.33</u>	56.24
Profit before Tax	1934.42	1,632.02
Less : Provision for Current Taxation	570.00	500.00
Provision for Fringe Benefit Tax	--	--
Provision for Deferred Tax	67.83	67.63
Provision for Wealth Tax	<u>0.62</u>	<u>0.84</u>
Profit after Tax	<u>1,295.96</u>	<u>1,063.54</u>
Add : Balance in Profit & Loss Account	1,438.78	1,043.91
Less : Previous Year Adjustments (Net)	<u>54.71</u>	<u>14.49</u>
Amount Available for Appropriation	<u>2,680.03</u>	<u>2,092.96</u>
Appropriations:		
General Reserve	500.00	496.65
Dividend	--	134.64
Tax on Distributed Profits	--	22.88
Balance Carried forward to Balance Sheet	2180.04	1,438.79

DIVIDEND:

The Board of Directors of the Company in their meeting held on 25th July' 2011 has recommended a dividend @ 25%; i.e. Rs.2.50/- per equity shares of the Company for the financial year ended on 31st March, 2011 and fixed 16th September, 2011 as record date for the purpose of payment of dividend.

PERFORMANCE REVIEW:

The sales and other Income for the financial year 2010 - 2011 were Rs. 20441.38 lacs as against Rs. 16,597.29 lacs for the year 2009 - 2010, registering an increase of 23.16% over the last year's figure.

The Profit before tax was Rs. 1934.42 lacs and Profit after tax was Rs. 1295.96 lacs for the financial year under review as against Rs. 1,632.01 lacs and Rs. 1,063.53 lacs of the last year, an improvement by 18.52 % and 21.85 % over the last year's respective figures.

FUTURE PROSPECTS:

The Indian economy is strongly on track and expected to grow continuously. The Company is expected to maintain a steady growth and use the opportunity available in the Railway, Power and Oil and gas industry. The combination of effective manufacturing costs with good quality systems would give an edge to the Company in terms of pricing & quality and the demands for greater environmental protection caused serious challenges to the casting industry.

The casting industry supplies castings not only for the automotive industry but also for a number of other industries including railways, farming, public works machines, machining tools and public services. It is indeed the backbone of many industries.

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

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies(Disclosure of particulars in the Report of Board of Directors) Rules,1988 is given in the Annexure and forms part of this report.

**PUBLIC DEPOSITS:**

The Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 and the Rules made there under.

MANAGEMENT DISCUSSION AND ANALYSIS:

A report on Management Discussion and Analysis(MDA), which is forming part of this Report, inter-alia, adequately deal with the operations as also current and future outlook of the Company.

INDUSTRIAL RELATIONS:

The employee relations have remained cordial throughout the year and industrial harmony was maintained. Measures for the safety, training and development of the employees continued to receive top priority. The Directors place on record their appreciation of the valuable contribution made by the employees of the Company at all levels towards the performance and growth of the Company.

PARTICULARS OF EMPLOYEES:

Information as per Section 217(2A) of the Companies act, 1956 read with the Companies (Particulars of employees) Rules 1975 as amended are not applicable, as none of the employees drew remuneration beyond the limits specified.

BOARD OF DIRECTORS:

Shri. Arvind Shah, Shri Shailesh A Shah and Shri Kisan R Choksey, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your Directors recommend their appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- a) In the preparation of the annual accounts for the year 2010-11, the applicable accounting standards have been followed and that there are no material departures.
- b) They have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of Company at the end of the financial year, and of the profit of the Company for the period ended 31st March, 2011.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

The Company has been pro-active in following the principles and practices of good Corporate Governance. The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated in Clause 49 of the Listing agreements with the Stock Exchanges are complied in its letter and spirit. A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Company's auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the listing agreement is annexed hereto.

AUDITORS AND AUDITOR'S REPORT:

M/s Taunk & Srikanth, Chartered Accountants, who are the Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting and are eligible for reappointment. The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

The Notes on Accounts referred to in the Auditor's Report are self-explanatory give complete information.

APPRECIATION:

Your Directors wish to thank and place on record their appreciation for all the employees, workers, staff and the officers for their hard work, solidarity, co-operation and support during the year. The Directors also place on record their appreciation for the continued support from Financial Institutions, Bankers, Shareholders and all other business associates.

For and on behalf of the Board

Place : Mumbai
Date : 25th July, 2011

(Arvind Shah)
Chairman

**ANNEXURE TO THE DIRECTOR'S REPORT****A. CONSERVATION OF ENERGY:**

a) Measures Taken:

In our Bhilai Unit, the following measures have been taken for conservation of energy

1. Introduction of VVVF Drives on Plano Millers,
2. Using Power factor relay in APFC Panel for power factor correction.
3. Using Energy efficient motors in Machines.
4. Using energy efficient lights in place of conventional lights at same luminous intensity.
5. Replaced 33KV pile cable by 33KV XLPE cable to reduce voltage drop and power losses.
6. Replaced 33KV MACB (Mineral Oil Circuit Breaker) by 33KV VCB (Vacuum Circuit Breaker) to reduce voltage drop of power losses.
7. Replaced the D.C. motors & their drives by A.C. motors with VVVF drives & introduction of single reduction gearboxes to maintain the torque.
8. Addition of Metshield oil in servo system 68 & gear oil etc that results are 44.5% average reduction in friction in ferrous-based metals, 22% reduction in fuel usage & 4% reduction on cranking amperes under normal operating load condition & also reduce the noise levels improve the OH & S environment in industry.

In our Urla unit, the following measures have been taken for conservation of energy;

9. Installation of 5 numbers AC drive in different cranes.
10. Replacement of 1 number of 300 CMF old Reciprocating Compressor by energy efficient 300 CMF screw compressor.

b) Measures Proposed:

i) In Bhilai Unit - Automation of Annealing Furnace, Retro fittings of Plano – Millers.

ii) In Urla Unit-

1. Replacement of 2 numbers of 300 cfm old Reciprocating Compressor by energy efficient 300 cfm screw compressor.
2. Installation of 6 numbers AC drive in different cranes.
3. Installation of Energy Management System for monitoring of power consumption trend and scope of conservations.

c) Impact of the Measures:

In future years, We are expecting reduction in power and furnace oil consumption.

FORM - A (As per rule 2)**DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY****A. POWER AND FUEL CONSUMPTION:**

PARTICULARS	2010-2011	2009-2010
1. ELECTRICITY		
a) Purchased Unit (Kwh in'000)	26614.11	24551.96
Total Amt. (Rs./Lacs)	1099.27	1023.81
Rate/Unit (Rs./Kwh)	4.13	4.17
b) Own Generation		
1) Through Diesel Generators	NIL	NIL
2) Through Steam Turbine/Generator	NIL	NIL
2. Coal (Specify Quality & Where used)	NIL	NIL
3. A) FURNACE OIL		
Qty.(K.Ltr.)	1137.27	1229.49
Total Amt. (Rs./Lacs)	341.32	300.41
Avg. Rate/Rs.Kltr.	30.01	24.43
B) OTHERS		
Qty.(K.Ltr.)	NIL	NIL
Total Amt. (Rs. in Lacs)	NIL	NIL
Avg. Rate/Rs.Kltr.	NIL	NIL
B. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity (KWH/Ton)	1359	1450
Furnace Oil (Ltr./Ton)	58	73

FORM - B (As per rule 2)**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION****A. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION**

In the financial year 2010-11, your Company has introduced Full Moulding Process and Turbine Castings.

B. FOREIGN EXCHANGE EARNING AND OUTGO:

Export activities: Please refer to clause "Exports" in main report. Total foreign exchange used and earned are as follows:

	Current Year	(Rs. In Lacs) Previous Year
Foreign Exchange used:	215.11	136.64
Foreign Exchange Earned: Export of goods on FOB basis	723.04	469.73



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

THE INDIAN ECONOMY

Fiscal year 2010-11 was a mixed year for the Indian Economy. The economy began the year on a confidential note with high growth which however tapered off towards the closing of the year. Thus the GDP grew by 9.3% in the first Quarter (April-June 2010) which dropped to 7.8% in the last Quarter (Jan-March 2011) accompanied by a steep drop in investment levels. The biggest threat to the growth performance of the Indian economy was the rising inflation. As compared with the last fiscal year 2009-10 in which the performance of the Indian Economy greatly exceeded expectations, it was hard to visualize strong economic growth in the year 2010-11. The implications of this, for India's strategy to return to the 9.0 per cent growth trajectory, are that public policy must promote business confidence and facilitate increased investment.

BUSINESS OVERVIEW

Economic cycles are characteristic features of market-oriented economies – whether in the form of the alternating expansions and contractions that characterize a classical business cycle, or the alternating speedups and slowdowns that mark cycles in growth. With the progress of the liberalization process in India, which has transformed it into more of a market-driven economy, such cycles are destined to become prominent features of the economic landscape.

Leading indicators are designed to anticipate the timing of the ups and downs in the business cycle. They are related to the drivers of business cycles in market economies, which include swings in investment in inventory and fixed capital that both determine and are determined by movements in final demand. They also include the supply of money or credit, government spending and tax policies, and relations among prices, costs and profits. An understanding of these drivers can help identify the predictors of the downturns and upturns. Remarkably, decades of experience of the researchers at ECRI have shown that in a wide variety of market economies, both developed and developing, similar leading indicators consistently anticipate business cycles, underscoring the fundamental similarity of market economies. Such robust leading indicators can be used as the foundation for reliable cyclical forecasts.

India is today rated as one of the most attractive investment destinations across the globe. Manufacturing and services sector have registered impressive gains. Savings and investment are looking up while exports are rising.

India's manufacturing industry grew faster in the current fiscal compared to last year with a majority of the sectors growing at more than 10 percent. In spite of high inflation and rising input cost, a vast majority of industry sectors is set to record higher growth in financial year 2010-11 than in the previous year. In the fourth quarter of fiscal 2010-11, corporate India turned out a good performance both in terms of sales and profits. Such a performance is particularly noteworthy as it came at a time when overall expenses are going up at a fast clip. Net sales of the Industrial sector in the fourth quarter of 2010-11 registered a growth of 23.5 percent, which is the highest growth seen in last two years. Within the manufacturing sector, growth in sales has been particularly strong in sectors such as textiles, cement, steel and transport equipment.

Witnessing a wave of growth, the Indian manufacturing sector is touted to be much more promising in the future. The country is increasingly getting recognized for high value goods requiring a fair amount of engineering precision and quality.

The global economy seems to be recovering after the recent economic shock. The Indian economy, however, was hit in the latter part of the global recession and the real economic growth has witnessed a sharp fall, followed by lower exports, lower capital outflow and corporate restructuring. Due to the strong position of liquidity in the market, large corporations now have access to capital in the corporate credit markets.

INDUSTRY STRUCTURE & DEVELOPMENT

Simplex Castings Ltd. has done huge investment as under for diversification and delivery of intricate machined castings to maintain and increase the turnover.

Bhilai Unit-	1.	Drill Machine – (Z3053x20)
	2.	Compressed Air System
	3.	Droop & Rein Milling Machine
	4.	Boring Machine
Urla Unit-	1.	Double Col Machining Centre
	2.	Centrifugal Blowers & Dampers
	3.	Drill Machine – (Z3053x20)
Tedesara Unit	1.	Drill Machine – (Z3053x20)
	2.	Substation & Electricals
	3.	15/5 and 50/10 EOT Crane



While the Technological and Quality assurances were primarily ensured through training and development of concerned officials for serving the all important clients for the best of the Quality Products.

OPPORTUNITIES & THREATS

There is great demand for machined castings. However, threat from China is still continuous, their prices are very competitive and Indian Foundry is not able to match their prices.

In line with the aspirations of ongoing growth in the fiscal year 2010-11, Simplex is continuously integrating its resources and investing in new technologies to achieve greater performance and long term growth.

India needs a policy to bring another round of multifaceted reforms for the industrial sector to have a sustained double-digit output growth in the medium to long term.

RISKS & CONCERNS

Due to the stringent measures imposed by the Government to control pollution; micro, small and medium foundries are looking for support to upgrade their equipment machineries and new technologies to overcome the problems. Shortage of man power and electricity are the two major issues facing the foundry industries to look for Automation and Eco friendly innovative methods to meet the increasing demand for castings in Domestic as well as Global market.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY.

The Company has adequate Internal Control System commensurate with the size and nature of the business. This system has been designed to ensure that;

- a. All assets are acquired economically, used efficiently and protected against loss, destruction or unauthorized use.
- b. All resources are used efficiently and effectively.
- c. Accounting, Financial, and other Operational information are accurate, reliable and provided timely, and
- d. All applicable laws and internal policies are complied with in true spirit.

We have an internal audit function which is empowered to examine the adequacy and the compliance with policies and statutory requirements. The top management and the Audit Committee review the findings and recommendations in the Inter Audit Report, so that the corrective measures can be initiated as appropriate.

OPERATIONAL AND FINANCIAL PERFORMANCE

The Company has achieved a considerable growth in the financial performance during the year.

- 1.Total Revenue : Total Income of the Company for the financial year 2010 - 11 comprises of Net Sales, work contract receipt and other income amounts to Rs. 204.41 crores which was an increase of 23.16% over last year's figure.
- 2.Profit before Tax: Profit before tax for the year under review was Rs. 19.35 crores, an increase of 18.57% over the last year's figure.
- 3.Profit after Tax : Profit after tax for the year under review was Rs. 12.95 crores registered an increase of 21.82% over the last year's figure.
- 4.Earnings per: Earnings per share for the year under review was Rs. 20.74 as compared to Rs. 17.53 for the last year.
- 5.Net worth : Net worth of the Company for the financial year 2010-11 is Rs. 61.15 crores as against Rs. 50.48 crores of last year.

FORWARD LOOKING STATEMENTS

In this report the forward looking information if any is for enabling investors to comprehend our prospects and take investment decisions. The forward looking statements may be identified by the use of the words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects' or 'estimates' and words of similar substance in connection with any discussion of future performance. All such statements that address expectations or projections about the future are forward looking statements based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. However, we believe that we have been prudent in making the assumptions. The Company's actual results are subject to risks, uncertainties and even inaccuracies in our assumptions. The Company's actual results, performances or achievements may thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



CORPORATE GOVERNANCE REPORT

1. Corporate Governance Philosophy

The essence of Corporate Governance lies in its transparency, its efficiency lies in its ability to protect the stakeholders interest. Sound ethical practices, transparency in operations and timely disclosures go a long way to enhancing long-term shareholder value while safeguarding the interest of all the stakeholders. Clause 49 of the listing agreement with stock exchanges in India has set the benchmark compliance rules for a listed company and the baseline for governance standards.

Corporate governance is an integral part of the way your Company does business. Your Company's governance process and practices venture to achieve transparency and professionalism in action as well as the implementation of policies and procedures to ensure high ethical standards as well as responsible management. We also believe that Corporate Governance is a continuously improving process and are always striving towards achieving the highest standards possible.

2. Board of Directors

Composition

As on March 31st, 2011 the Board of the Directors of the Company consisted of eight Directors with varied experience in different areas. The composition of the Board is in conformity with the clause 49 of the provisions of Listing agreement, with 50% of the Board consisting of Independent Directors. The details of composition and categories of Directors are as follows.

Category	Name of the Director
Chairman	Mr. Arvind S. Shah
Managing Director	Mr. Ketan M. Shah
Executive Director	Mr. Shailesh A. Shah
	Mr. Govardhan Gopalswamy
Independent Director	Mr. Kisan R. Choksey
	Mr. Hasmukhlal Parikh
	Mr. Rajendra A. Shah
	Mr. Shivji R Shah

Number of Board Meetings

A total of four meetings of the Board of Directors were held in the financial year 2010-11, i.e. on 08.05.2010, 10.07.2010, 30.10.2010 and 29.01.2011. The company thus observed the provisions of listing agreement allowing not more than four months gap between two such meetings.

Sr No	Names of Directors	No. of Board Meetings attended	Whether last AGM held on September 17, 2010 attended	Other Directorships held (including in Pvy Co's) at yearend	Number of Committee Membership/Chairmanship in Other domestic companies as at yearend
1	Shri. Arvind S Shah	3	Yes	4	-
2	Shri. Ketan M Shah	3	Yes	6	-
3	Shri. Shailesh A Shah	3	Yes	5	-
4	Shri. Kisan R Choksey	4	Yes	1	-
5	Shri. Shivji R Shah	3	No	2	-
6	Shri. Hasmukhlal S. Parikh	4	Yes	3	8
7	Shri. Rajendra A Shah	4	Yes	3	-
8	Shri Govardhan Gopalswamy	1	No	1	-

3. Audit Committee

As required under section 292A of the Companies Act, 1956 read with provisions of clause 49 of the Listing agreement with the stock exchange the Board constituted an Audit Committee. Audit Committee of the Board comprises of four independent Directors namely Shri Kisan R. Choksey, Chairman, and Shri. Hasmukhlal S. Parikh, Shri Shivji R. Shah and Shri Rajendra A Shah as members. During 2010-11, a total of four Audit Committee meetings were held, on 08.05.2010, 10.07.2010, 30.10.2010 and 29.01.2011. The attendances of the members of the Audit committee were as follows:



Sr. No	Date of Audit Committee Meeting	Attendance of Directors			
		K.R.Choksey	H.S.Parikh	S.R.Shah	R. A. Shah
1	08.05.2010	Yes	Yes	No	Yes
2	10.07.2010	Yes	Yes	Yes	Yes
3	30.10.2010	Yes	No	Yes	Yes
4	29.01.2011	Yes	Yes	Yes	Yes

The terms of reference and the role of the Audit Committee is to overview the accounting systems, financial reporting and internal controls of the Company. The Executive Chairman, the Managing Director, the Finance Director, the Statutory and Internal Auditors are regularly invited to attend the meeting.

4. Remuneration Committee

Shri Kisan R Choksey is the Chairman of the Remuneration Committee and Shri Hasmukhlal S Parikh and Shri Rajendra A. Shah are the members. The Committee has been constituted to review and recommend the remuneration policy of the Company and to recommend the revision in salary structure of Directors.

In the Annual General Meeting held on 17th September, 2010 the shareholders vide their special resolution have authorised Remuneration Committee of the Company to revise the salary structure of Shri Arvind S. Shah, Chairman, Shri Ketan M Shah, Managing Director and Shri Shailesh A Shah, Executive Director from time to time within the slab permissible under the Companies Ac, 1956.

In the Financial year under review, the meeting of the Committee has not been held.

5. Remuneration of Directors

Details about Remuneration paid to the Chairman & Managing Director and the Whole time Directors in 2010-11 are as follows:
(Amt. in Rs.)

Particulars	Arvind S. Shah (Chairman)	Late M. R. Shah (Ex-Managing Director)	Shailesh Shah (Executive Director)	Ketan M. Shah (Managing Director)	Govardhan Gopalswamy (Executive Director)
Salary	41,54,887	3,28,226	31,93,226	32,05,989	24,06,452
Benefit	-	-	-	-	--
Allowance & perquisites	14,44,573	77,645	6,33,678	10,96,718	--
Bonus	9,500	-	9,500	9,500	9,500
Pension	-	-	-	-	--
Fixed Component Contribution to PF Superannuation & Gratuity	--	3,50,000	9,360	9,360	--
Leave Salary Encashment	-	11,91,667	--	--	--
Performance link incentive	-	-	-	-	--
Commission	3,00,000	-	2,50,000	2,50,000	--
Service Contract	-	-	-	-	--
Notice period	-	-	-	-	--
Severance fee Rs.	-	-	-	-	--
Stock Option Rs.	-	-	-	-	--
Total	59,08,960	19,47,538	40,95,764	45,71,567	24,15,952
Grand Total					1,89,39,781/-

Sitting Fees and remuneration paid to Non Executive Directors during the financial year 2010-11 are given below. Non Executive Directors are not entitled for any remuneration other than the sitting fees.

Sr. No.	Name of the Non-Executive Directors	Sitting Fees
1	Shri. Hasmukhlal S. Parikh	42,000
2	Shri. Kisan R. Choksey	42,000
3	Shri. Rajendra A. Shah	42,000
4	Shri Shivji R. Shah	31,500

6. Share Transfer cum Investors Grievance Committee

Shri Kisan R Choksey is the Chairman of the Share transfer cum Investor's Grievance Committee and Shri Hasmukhlal S Parikh and Shri Rajendra A. Shah are the members. In the Financial year under review, the meeting of the Committee has not been held.



31st Annual Report 2010-11

The Company Secretary acted as a Secretary to all the Committees.

As on March 31, 2011 there were no requests pending for transfer of shares.

7. General Body Meetings.

Location and time where the last three Annual General Meetings were held :

AGM	Year	Location	Date & Time	Whether any Sp Reso. passed
30th	2009-2010	Babasaheb Dhanukar Hall, Maharashtra Chamber of Commerce & Industry Oricon House, 6th Floor, 12 K Dubhash Marg, Fort, Mumbai – 400 001	17.09.2010 at 2.30 P.M.	Yes
29th	2008-2009	Babasaheb Dhanukar Hall, Maharashtra Chamber of Commerce & Industry Oricon House, 6th Floor, 12 K Dubhash Marg, Fort, Mumbai – 400 001	23.09.2009 at 3.30P.M.	No
28th	2007-2008	Babasaheb Dhanukar Hall, Maharashtra Chamber of Commerce & Industry Oricon House, 6th Floor, 12 K Dubhash Marg, Fort, Mumbai – 400 001	25.09.2008 at 3.00 P.M.	Yes Refer to 'Note'

Note: In the year 2007 – 08, Special resolutions were passed through postal ballot on 21.12.2007, for revision in the remuneration of the four executive directors of the Company.

8. Disclosures

- Disclosure on material transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management and their subsidiaries or their relatives, among others that may have potential conflict with the interest of the Company at large.
None of the transactions with any related parties were in conflict with the interests of the Company.
- Details of non compliance by the Company, penalties strictures imposed by the stock exchanges/SEBI or any other statutory authority and any matter related to capital markets, during the last three years.
None.
- Though there is no formal whistle blower policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. No person has been denied access to the Audit Committee.

9. Code of Conduct for Board Members and Senior Management

Your company has adopted a code of conduct for all the Board members and members of senior management, between whom it has been circulated and compliance thereto affirmed. The declaration to this effect from the Managing Director affirming compliance with the said code by all the Board members and members of senior management, to whom the code is applicable, is annexed separately to this Report.

- As required by clause 49(V) of the Listing Agreement, the CEO/CFO Certificate for the FY 2010-11 signed by Mr. Ketan M Shah, Managing Director and Mr. P. M. Turate, Chief Financial Officer of the Company, giving annual certification on financial reporting and internal controls. Certificate for the financial year under review is enclosed at the end of this report.

11. Means of Communication.

- The quarterly financial results were published during the financial year in 'Economic Times' in English and 'Maharashtra Times' in Marathi.
- Annual Report containing Director's Report, Auditor's Report and other important information as required to be set out in this has been sent to the members and other person entitled to receive this.

12. Green initiative in Corporate Governance

Pursuant to circular No. 17/2011 dated 21st April, 2011, Ministry of Corporate Affairs has undertaken a Green Initiative in Corporate Governance whereby the shareholders desirous of receiving Notices, Annual Report, documents and other communication from the Company through electronic mode, can register their e-mail addresses with the Company.

Your company encourages the shareholders to register their e-mail addresses with the Company or its Registrar & Transfer Agent, Linkin Time India Private Limited by sending a letter signed by the shareholders on addresses given below and intimate changes in the e-mail IDs from time to time.

Simplex Castings Ltd.,
601/602 A, Fair Link Centre, Off Link Road,
Andheri (W), Mumbai – 400 053 (INDIA)
Ph: 022 - 40034768. Fax: 022 40034768.
E-mail investors@simplexcasting.com

LINK INTIME INDIA PVT. LTD.
L.B.S. Marg, Bhandup (W),
Mumbai 400 078
Ph- 022-25963838 Fax- 25946969
Email mumbai@linkintime.co.in

**13. General Shareholders Information.**

A)	31st Annual General Meeting	
	Date	23rd September, 2011
	Time	2.30 P.M
	Venue :	Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce & Industry, Oricon house, 6th Floor, 12 K Dubhash Marg, Fort Mumbai 400001
B)	Financial Calendar 01/04/2011 to 31/03/2012	Tentative Schedule
	(i) Unaudited First quarterly result	July 25th 2011
	(ii) Unaudited Second quarterly result	End of October 2011
	(iii) Unaudited Third quarterly result	End of January 2012
	(iv) Unaudited Forth quarterly result	End of May 2012
C)	Date of Book Closure	17th September 2011 to 23rd September 2011 (both days inclusive)
D)	Dividend Payment Date	On or before 29th September, 2011
E)	Listing of Equity Shares	Stock Exchange - Mumbai, Indore, Kolkata, Delhi
F)	Stock Code	513472 (BSE)
	a) Trading Symbol at all Stock Exchange	Simplex Cast
	b) ISIN Number in NSDL & CDSIL	INE658D01011

H) Monthly high and low

Bombay Stock Exchange

Month	High (Rs.)	Low (Rs.)	BSE Sensex (high)	BSE Sensex (high)	Number of Share Traded
April 10	94.00	82.10	18047.86	17276.80	124018
May 2010	91.00	80.00	17536.86	15960.15	61329
June 2010	98.00	76.15	17919.62	16318.39	134117
July 2010	104.50	88.00	18237.56	17395.58	243792
August 2010	97.00	88.35	18475.27	17819.99	177710
September 2010	137.80	88.10	20267.98	18027.12	1012244
October 2010	121.00	100.20	20854.55	19768.96	89580
November 2010	120.00	77.30	21108.64	18954.82	174052
December 2010	102.00	79.00	20552.03	19074.57	73115
January 2011	95.40	80.00	20664.80	18038.48	47829
February 2011	99.00	77.65	18690.97	17295.62	56848
March 2011	87.00	77.55	19575.16	17792.17	63946

I. Registrar & Transfer Agent**M/s. Link Intime India Pvt. Ltd.,**

C-13 Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai 400 078.
Tel. : 022- 25963838 Fax : 022- 25946969

J. Share Transfer System

Applications for transfer of shares held in physical form may be sent either to the Company's Registrar & Share Transfer Agent or to the Company. All valid applications are processed within 10 to 15 days from the date of receipt and after being registered in the name of the transferee, the share certificates have been dispatched to the shareholders.



31st Annual Report 2010-11

K Distribution of Shareholding as on 31.3.2011

Slab	Total Number of Share Holders	%	No. of Shares	% of Total Shares Capital
Less than 500	4121	89.6259	564441	9.4322
501-1000	222	4.8282	182915	3.0566
1001-2000	90	1.9574	138170	2.3089
2001-3000	44	0.9569	109949	1.8373
3001-4000	17	0.3697	59608	0.9961
4001-5000	22	0.4785	103461	1.7289
5001-10000	22	0.4785	169637	2.8347
10001-above	60	1.3049	465019	77.8052
Total	4598	100.0000	5984200	100.0000

L Shareholding Pattern as on 31.3.2011

Sr. No.	Category	No. of Shares	(%) Shareholding
1.	Promoters/ Persons acting in concert	3289950	54.98
2	Financial Institutions, Banks & Mutual Funds	1600	0.03
3	Corporate Bodies	460110	7.69
4	NRI, Foreign National, OCB's & FI's	139288	2.33
5	Indian Public	2078075	34.72
6	Clearing Member	15177	0.25
7	Trust	0	0.00
	Total	5984200	100

M. Dematerialisation of Share & Liquidity

Dematerialisation details As on March 31st, 2011, 2,839 shareholders were holding 45,91,189 Equity shares in demat form which constitutes 75.35 % of the Share Capital of the Company.

N. Outstanding GDRs/ADR

The Company has not issued any GDRs/ADRs/Warrants or any convertible Instruments so far.

O. Plant Location

5 Industrial Estate, Bhilai, Dist. Durg, Chhattisgarh – 490 026
Phone: 0788 – 2382031 / 32

Urla Industrial Estate, Raipur, Chhattisgarh – 492 001
Phone: 0771 – 2323805 / 2323483 Fax No. 0771 – 2324090

223/2 & 224, Industrial Estate, Tedesara, Rajnandgaon-491443 (C. G.)
Ph-9203901697 Fax No.: 07744-220972

P. Address for Correspondence:

Simplex Castings Ltd.,
601/602 A, Fair Link Centre, Off Link Road,
Andheri (W), Mumbai – 400 053 (INDIA)
TeleFax: 022 40034768.

Q. E-mail id of Compliance Officer:

cs@simplexcasting.com

14. Delisting of Securities

The delisting application to the M. P. Stock Exchange has been withdrawn and the listing status of our company got regularized on 28th October, 2010, in the Amnesty Scheme introduced by MP Stock Exchange and the delisting procedure is pending before delisting committee at Delhi Stock Exchange

15. Auditor's Certificate on Corporate Governance : As required by clause 49 of the listing Agreement, the Auditors Certificate is given as an Annexure to the Directors Report.**ANNEXURE TO CORPORATE GOVERNANCE REPORT OF SIMPLEX CASTINGS LTD**

Declaration regarding Affirmation of code of conduct

In terms of the requirement of Clause 49 of the Listing agreement, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the year ended March 31st, 2011.

(Ketan M Shah)
Managing Director



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
SIMPLEX CASTINGS LIMITED**

We have examined the Compliance of Conditions of Corporate Governance by Simplex Castings Limited for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the 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.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement(s).

We state that no investors grievances are pending for a period exceeding 1 month against the company as on 31st March, 2011 as per the records maintained by the Registrars and Share Transfer Agents of the Company and presented to the Shareholders/ Investors Grievance Committee.

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

For TAUNK & SRIKANTH
Chartered Accountants

(N. K. Taunk)
Partner

Membership no. 30421

Place : Bhilai
Date : 25th July, 2011



To,
The Board of Directors
Simplex Castings Limited
601/602A, Fair Link Centre,
Off Link Road, Andheri (West)
Mumbai – 400 053

(in terms of clause 49(V) of the Listing Agreement)

Dear Sirs,

CEO/CFO CERTIFICATION

We, Ketan M. Shah, Managing Director along with Mr. P. M. Turate Chief Financial officer of the Company hereby certified to the Board that:

- a) We, have reviewed financial statements and the cash flow statement for the year 2010-2011 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any Material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) They are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent or illegal of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reportings and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that :
 - i) There has not been any significant change in the internal control over financial reporting during the year under review.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements and,
 - iii) To the best of our knowledge and belief, there was no instance of any significant fraud during the year with the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **SIMPLEX CASTINGS LIMITED.**

Ketan M. Shah
Managing Director

(P. M. Turate)
Chief Financial Officer

Date: 25th July, 2011
Place: Bhilai

**AUDITORS' REPORT**

To,
The Members of
SIMPLEX CASTINGS LIMITED,

We have audited the attached Balance Sheet of **SIMPLEX CASTINGS LIMITED** as at 31st March, 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we state 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 Account as required by law, have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet and the Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and 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 representation from the directors as on 31st March, 2011, and taken on records by the Board of Directors in their meeting, we report that, none of the directors is disqualified as on 31st March, 2011 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies, and other Notes 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;
 - (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011
 - (ii) in the case of the Profit & Loss Account, of the profit for the year ended on that date and
 - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For TAUNK & SRIKANTH
Chartered Accountants
(Registration No. 001524C)

(N.K. Taunk)
Partner

Membership No. 30421

Place : Bhilai

Dated : 25th July, 2011



ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in Paragraph (1) of the Auditors' Report of even date to the Members of Simplex Castings Limited on the Financial Statements for the year ended 31st March, 2011.

- i) In respect of its Fixed Assets:-
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion the company has not disposed of substantial part of the fixed assets during the year and the going concern status of the company is not affected.
- ii) In respect of its Inventories:-
 - a) As explained by the management, the Inventories have been physically verified by the management during the year.
 - b) In our opinion and according to the information and explanation given to us the procedures of physical verification of stocks followed by the management were found to be reasonable and adequate in relation to the size of the company and nature of business.
 - c) In our opinion and according to the information and explanations given to us the company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stock and book records were not significant and the same have been properly dealt with in the books of account.
- iii) In respect of the loans, secured and unsecured, granted or taken by the company to/from companies, firms and other parties covered in the register maintained u/s 301 of the Companies Act, 1956:-
 - a) The company has not granted any loans, secured or unsecured loan to companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956, and accordingly clause iii(b), iii(c) and iii(d) of paragraph 4 of the Order are not applicable to the company.
 - b) The company has taken loan from five companies covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance was same at Rs.1227.25 lacs (prev. year Rs. 588.40 lacs) (Clause 4(iii)(e) of the Order)
 In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loan has been taken from companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956, were prima facie not prejudicial to the interest of the company.(Clause 4(iii)(f) of the Order)
 According to the information and explanations given to us, there is no stipulation as to repayment of principal and interest, even though interest is credited to the respective party's account at the year end. (Clause 4(iii)(g) of the Order)
- iv) In our opinion and according to the information and explanation given to us during the course of our audit, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchases of stores, raw-materials, plant & machinery, equipments and other assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- v) In respect of the transaction covered u/s 301 of the Companies Act 1956:-
 - a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained u/s 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information given to us the transactions made in pursuance of the contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/- or more in respect of any party were made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- vi) The company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA or any other relevant provisions of the Act and the rules made thereunder are applicable.
- vii) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.



viii) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products manufactured by the company.

ix) In respect of statutory dues:-

- a) According to the information and explanations given to us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other dues have generally been regularly deposited with the appropriate authorities barring slight delay in few cases. According to the information and explanations given to us no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2008 for a period of more than six months from the date of becoming payable.
- b) The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl No	Name of Statute	Nature of Dues	Forum where dispute is pending	Period	Amount Rs. in lacs
1	Central Excise Act	Excise Duty	High Court, Bilaspur	2003-04	1.72
			Central Excise & Service Tax Appellate Tribunal. (CESTAT)	2003-04	0.80
2.	Income Tax Act	Income Tax	Appellate Tribunal	2001-02	2.42
			Mumbai High Court	2002-03	0.16
			Comm. of IT (Appeals)	2008-09	440.12

* Net of pre-deposit paid in getting the appeal admitted

- x) The company does not have accumulated losses and has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to financial institutions/banks. The Company has not issued any debentures.
- xii) In our opinion and according to the information and explanation given to us no loans or advances have been granted by the company on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
- xiv) In our opinion and according to the information and explanation given to us the company is not dealing in or trading in shares, securities and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xv) The company has not given guarantee for loans taken by others from banks or financial institutions.
- xvi) In our opinion and on the basis of information and explanation given to us, the term loans were applied for the purpose for which they were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- xix) In our opinion and according to the informations and explanations given to us the company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xx) During the period covered by our audit report, the company has not raised any money by way of public issue.
- xxi) In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For TAUNK & SRIKANTH
(Registration No. 001524C)

(N.K. Taunk)

Partner

Place : Bhilai

Dated : 25th July, 2011

Membership No. 30421



31st Annual Report 2010-11

BALANCE SHEET AS ON 31ST MARCH, 2011

	Schedule No.	Current Year Rs.	Previous Year Rs.
SOURCES OF FUNDS :			
A) Shareholders' Funds			
a) Share Capital	A	59,842,000	59,842,000
b) Reserves & Surplus	B	592,100,741	490,895,999
		<u>651,942,741</u>	<u>550,737,999</u>
B) Loan Funds			
a) Secured Loans	C	606,490,342	527,071,933
b) Unsecured Loans	D	158,993,944	101,249,046
		<u>765,484,286</u>	<u>628,320,979</u>
C) Deferred Tax Liability (Net) (Refer Note 13 of Sch-Q)		63,791,502	57,007,661
TOTAL		<u>1,481,218,529</u>	<u>1,236,066,639</u>
APPLICATION OF FUNDS :			
A) Fixed Assets	E		
a) Gross Block		1,353,338,968	1,191,012,815
b) Less: Depreciation		656,029,773	608,360,191
c) Net Block		697,309,195	582,652,624
d) Capital Work in Progress		42,918,402	41,684,102
		<u>740,227,597</u>	<u>624,336,726</u>
B) Investments	F	1,394,897	894,897
C) Current Assets, Loans & Advances	G		
a) Inventories		501,664,000	295,600,000
b) Sundry Debtors		618,167,415	521,370,465
c) Cash & Bank Balance		30,787,083	36,182,640
d) Other Current Assets		3,868,138	4,457,250
e) Loans & Advances		130,332,786	93,209,582
		<u>1,284,819,422</u>	<u>950,819,937</u>
Less : Current Liabilities & Provisions	H		
a) Current Liabilities		505,423,930	322,306,016
b) Provisions		39,799,457	17,678,905
		<u>545,223,387</u>	<u>339,984,921</u>
		<u>739,596,035</u>	<u>610,835,016</u>
TOTAL		<u>1,481,218,529</u>	<u>1,236,066,639</u>

Significant Accounting Policies - P
Notes forming part of Accounts - Q
As per our attached report
For TAUNK & SRIKANTH
Chartered Accountants

For and on behalf of the Board
Ketan M. Shah
Managing Director

(N. K. TAUNK)
Partner
Membership No. 30421
Bhilai : 25th July, 2011

Varsha Sahbani
Company Secretary
Bhilai : 25th July, 2011

Shailesh A. Shah
Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

	Schedule No.	Current Year Rs.	Previous Year Rs.
INCOME :			
Sales (Net)	I	2,233,116,983	1,777,359,657
Less : Excise Duty		<u>198,383,555</u>	<u>133,259,722</u>
		2,034,733,428	1,644,099,935
Other Income	J	9,404,499	15,629,560
Increase / (Decrease) in Stock	K	<u>117,993,000</u>	<u>(10,004,655)</u>
		<u>2,162,130,927</u>	<u>1,649,724,840</u>
EXPENDITURE :			
Consumption of raw-materials, Components, Spares & Stores	L	1,207,089,566	841,379,448
Payments & Other benefits to employees.	M	124,885,288	114,642,698
Manufacturing & Other Expenses	N	488,669,264	416,935,118
Work Contract Expenses		4,756,173	--
Financial Charges	O	97,119,503	72,525,840
Depreciation		51,702,226	46,664,460
Less: Trf. from Reval. Reserve		<u>5,533,061</u>	<u>5,624,926</u>
		46,169,165	41,039,534
TOTAL : (B)		<u>1,968,688,959</u>	<u>1,486,522,638</u>
PROFIT BEFORE TAX		193,441,968	163,202,202
Less: Provision for Current Tax		57,000,000	50,000,000
Provision for Wealth Tax		62,000	84,000
Deferred Tax Liability/(Asset) (Refer Note 13 of Sch-Q)		6,783,841	6,763,539
PROFIT AFTER TAX		<u>129,596,127</u>	<u>106,354,663</u>
Add: Credits of earlier year/excess provision written back		15,219	36,043
		129,611,346	106,390,706
Less : Debits of earlier year/short IT prov		<u>5,486,076</u>	<u>1,484,715</u>
PROFIT AFTER TAX & PRIOR PERIOD ITEM		124,125,270	104,905,991
Balance b/f from last year		143,878,742	104,391,478
PROFIT AVAILABLE FOR APPROPRIATION		<u>268,004,012</u>	<u>209,297,469</u>
Proposed Dividend @ 25% (22.5%)		14,960,500	13,464,450
Tax on Proposed Dividend		2,426,967	2,288,283
Transfer to General Reserve		<u>50,000,000</u>	<u>49,665,994</u>
SURPLUS CARRIED TO BALANCE SHEET		<u>200,616,545</u>	<u>143,878,742</u>
Basic and Diluted Earnings per Share of face value of ' 10 each (in Rupees)		20.74	17.53

(Refer Note 16 in Schedule - Q)
Significant Accounting Policies - P
Notes forming part of Accounts - Q

As per our attached report
For TAUNK & SRIKANTH
Chartered Accountants

For and on behalf of the Board
Ketan M. Shah
Managing Director

(N. K. TAUNK)
Partner
Membership No. 30421
Bhilai : 25th July, 2011

Varsha Sahbani
Company Secretary

Shailesh A. Shah
Director

Bhilai : 25th July, 2011



31st Annual Report 2010-11

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2011 :

	<u>2010-2011</u>	<u>2009-2010</u>
	<u>Rs.</u>	<u>Rs.</u>
A. Cash Flow from Operating Activities		
Net Profit before Tax and Extra-Ordinary items	193,441,968	163,202,202
Adjustments for :		
- Depreciation	46,169,165	41,039,534
- Interest	81,733,208	61,909,483
- Profit/(Loss) on Sale of Assets	(838,132)	(1,984,787)
- Dividend Income	(21,600)	(18,000)
Operating Profit before Working Capital changes	<u>320,484,609</u>	<u>264,148,432</u>
Adjustments for -		
Inventory - (Increase) / Decrease	(206,064,000)	(12,862,695)
Trade Receivable - (Increase) / Decrease	(96,796,950)	(96,032,771)
Other Receivable -Increase / (Decrease)	(36,534,092)	(27,249,347)
Trade & Other Payable (Increase) / Decrease	<u>182,600,787</u>	<u>(9,044,554)</u>
Cash generated from Operation	163,690,354	144,684,455
Direct Taxes (incl FBT) paid	(41,972,739)	(60,100,373)
Cash Flow before Extra Ordinary Items	<u>121,717,615</u>	<u>84,584,082</u>
Net Prior year Adjustments	(74,300)	(1,448,672)
Net Cash from Operating Activities	<u>121,643,315</u>	<u>83,135,410</u>
B. Cash Flow from Investing Activities	A	
Purchase of Fixed Assets	(168,447,965)	(113,374,324)
Sale of Fixed Assets	1,693,000	3,983,300
Dividend Received	21,600	18,000
Purchase of Long Term Investments	(500,000)	-
Sale of Long Term Investments	--	70,000
Net Cash used in Investing Activities	<u>(167,233,365)</u>	<u>(109,303,024)</u>
C. Cash Flow from Financing Activities	B	
Borrowings from Bank (Short Term)	76,420,687	(16,678,913)
Proceeds from Bank Borrowings (Long Term)	(114,334)	(85,942,175)
Repayment of Bank Borrowings (Long Term)		
Other Borrowings Increase / (Decrease)	53,358,341	33,958,246
Interest Paid	(74,234,595)	(55,636,007)
Dividend Paid	(12,947,323)	(11,565,477)
Dividend Tax Paid	(2,288,283)	(2,034,030)
Interest free loan from MPAKVN	--	(4,912,494)
Net Cash from Financing Activities	<u>40,194,493</u>	<u>29,073,886</u>
Net Increase in Cash & Cash Equivalent (A + B + C)	<u>(5,395,557)</u>	<u>2,905,886</u>
Cash & Cash Equivalent on 1st April, 2010	<u>36,182,640</u>	<u>33,276,754</u>
Cash & Cash Equivalent on 31st March, 2011	<u>30,787,083</u>	<u>38,182,640</u>

Note:- Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standards(AS-3) "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.

As per our attached report
For **TAUNK & SRIKANTH**
Chartered Accountants

(N. K. TAUNK)
Partner
Membership No. 30421
Bhilai : 25th July, 2011

Varsha Sahbani
Company Secretary

Bhilai : 25th July, 2011

For and on behalf of the Board
Ketan M. Shah
Managing Director

Shailesh A. Shah
Director



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011

	<u>Current Year</u> Rs.	<u>Previous Year</u> Rs.
SCHEDULE - A		
SHARE CAPITAL :		
A) AUTHORISED :		
7500000 Equity Shares of Rs. 10/- each.	75,000,000	75,000,000
TOTAL :	<u>75,000,000</u>	<u>75,000,000</u>
B) ISSUED :		
6093000 Equity Shares of Rs.10/- each.	60,930,000	60,930,000
C) SUBSCRIBED & PAID UP :		
5984200 Equity Shares of Rs. 10/- each fully paid-up	59,842,000	59,842,000
TOTAL :	<u>59,842,000</u>	<u>59,842,000</u>
NOTE:		
Above 5984200 Equity Shares include 650000 shares issued for consideration other than cash and 2400000 shares allotted as fully paid Bonus Shares by capitalisation of General Reserve.		
SCHEDULE - B		
RESERVES & SURPLUS :		
1. Capital Reserves :		
As per last Balance Sheet	<u>625,258</u>	<u>625,258</u>
2. Revaluation Reserve :		
As per last Balance Sheet	45,279,899	51,238,831
	45,279,899	51,238,831
Less :Transfer to General Reserve	--	334,006
: Transfer to Profit & Loss A/c	5,533,061	5,624,926
	<u>5,533,061</u>	<u>5,958,932</u>
	<u>39,746,838</u>	<u>45,279,899</u>
3. Share Premium Account :		
As per last Balance Sheet	<u>51,112,100</u>	<u>51,112,100</u>
4. General Reserve :		
As per last Balance Sheet	250,000,000	200,000,000
Add : Transfer from Revaluation Reserve	--	334,006
	250,000,000	200,334,006
Add : Transfer from Profit & Loss A/c	50,000,000	49,665,994
	<u>300,000,000</u>	<u>250,000,000</u>
5. Profit & Loss Account	200,616,545	143,878,742
TOTAL :	<u>592,100,741</u>	<u>490,895,999</u>


SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011

	Current Year Rs.	Previous Year Rs.
SCHEDULE - C		
SECURED LOANS :		
1 From Banks :		
i) Cash Credit	302,339,493	71,244,330
ii) Export Packing Credit	--	45,258,293
iii) W. C. D. L.	63,989,491	223,405,674
iv) Stand-by Line of Credit	50,000,000	--
v) Term Loan (Amount repayable within one year Rs. 53,086,938/- (Pr. Yr. Rs. 55,200,000/-).	184,541,378	185,396,576
vi) Vehicle Loan	2,507,924	1,767,060
vii) Accrued Interest on Term Loans	3,112,056	--
	606,490,342	527,071,933

NOTES :

- 1) Loans from Banks (State Bank of India (SBI), Bank of Baroda (BOB) and Axis Bank) under Cash Credit facilities and Stand by Line of Credit are secured by 1st Pari Passu charge by way of Hypothecation / Pledge of entire Current Assets including Raw-Materials, Stock-in-Process, Finished Goods, Stores & Spares at factory premises or such other places as may be approved by bank and assignment of Book Debts both present and future and 2nd Pari-passu charge on the entire Fixed Assets (existing & proposed) of the company by way of hypothecation/mortgage.
- 2) Term Loans from Banks (State Bank of India (SBI) & Bank of Baroda (BOB)) & Axis Bank) are secured by 1st Pari Passu charge by way of Equitable Mortgage of factory leasehold land located at Bhilai and Urla including hypothecation of Plant & Machineries and entire existing and proposed Fixed Assets of the company and 2nd Pari-passu charge on the entire Current Assets of the company by way of hypothecation/pledge.
- 3) Vehicle Loan from Banks are secured by Hypothecation of respective vehicles purchased under the loan.

SCHEDULE - D**UNSECURED LOANS :**

1. From Directors	32,636,136	36,944,663
2. From Companies	114,341,208	56,573,384
	146,977,344	93,518,047
	11,206,090	6,819,533
3. Interest accrued & due thereon	158,183,434	100,337,580
4. Security Deposits	810,510	911,466
	158,993,944	101,249,046



SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011

**SCHEDULE - E
FIXED ASSETS :**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 31/3/2010	Add./ Adj. during the year	Ded./ Adj. during the year	Total As. on 31/3/2011	Up to 31/3/2010	Adj./ Dedn.	Provided during the year	Total up to 31/3/2011	As on 31/03/2010	As on 31/03/2011
Tangible Assets										
Land	24781810	31190136	-	55971946	-	-	-	-	24781810	55971946
Building	216198143	53992782	-	270190925	79741612	-	7606114	87347726	136456531	182843199
Plant & Machinery	686337650	65588564	775236	751150978	302780075	564830	30496230	332711475	383557575	418439503
Mould Boxes	93483402	7335360	-	100818762	81354860	-	4728028	86082888	12128542	14735874
Patterns	99428547	-	-	99428547	95376601	-	1215584	96592185	4051946	2836362
Office Equipments	6526628	1353282	-	7879910	3813594	-	435638	4249232	2713034	3630678
Furniture & Fixtures	7669762	674612	-	8344374	4962925	-	546300	5509225	2706837	2835149
Computers	17292289	791511	-	18083800	15225280	-	966588	16191868	2067009	1891932
Vehicles	31188543	6032501	4112276	33108768	19098472	3467814	3623709	19254367	12090071	13854401
Jigs & Fixtures	24818	-	-	24818	24818	-	-	24818	-	-
Sub-total	1182931592	166958748	4887512	1345002828	602378237	4032644	49618191	647963784	580553355	697039044
Intangible Assets:										
Software	1056384	254917	-	1311301	713324	-	327826	1041150	343060	270151
Know-how	7024839	-	-	7024839	5268630	-	1756209	7024839	1756209	-
Sub-total	8081223	254917	-	8336140	5981954	-	2084035	8065989	2099269	270151
TOTAL :	1191012815	167213665	4887512	1353338968	608360191	4032644	51702226	656029773	582652624	697309195
Prev. Year :	1108289446	89178796	6455427	1191012815	566152645	4456914	46664460	608360191	542136801	582652624
Work in Progress : Building									29710361	2702133
Plant & Machinery									8968808	0
Advances on Capital A/c									3004933	40216269
									41684102	42918402
									624336726	740227597
										GRAND TOTAL



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011

	Current Year Rs.	Previous Year Rs.
SCHEDULE - F		
INVESTMENT (At Cost) :		
LONG TERM INVESTMENTS		
(a) In Government Securities : Unquoted		
7 Years National Saving Certificates deposited with Superintendent, Central Excise, Bhilai.	29,750	29,750
NSC deposited with Sales Tax Dept. S. R. Post Master, Raipur	5,000 1,060	5,000 1,060
(b) Non Trade Investment :		
Quoted (Fully paid equity shares)		
7200 Equity Shares of Rs.10/- each of Industrial Development Bank of India. (Incl 2700 Bonus) (M.V. as on 31.03.2011 Rs. 1,025,640/- - previous year Rs.828,000/-)	585,000	585,000
(c) Investment in Mutual Funds		
SBI MF- Magnum Comma Funds	274,087	274,087
24956 (22044) Units of Rs. 10/- each (M.V. as on 31.03.2011 Rs. 601,939/- Previous Year Rs. 408,530/-)		
SBI MF- PSU Funds	500,000	--
5000 Units of Rs. 10/- each (M.V. as on 31.03.2011 Rs. 492,000/- Previous Year Rs. Nil)	<u>1,394,897</u>	<u>894,897</u>
SCHEDULE - G		
CURRENT ASSETS, LOANS & ADVANCES :		
A. CURRENT ASSETS :		
1. Stock in Trade :		
(As per inventory taken, valued and certified by the management) Refer note 7 of Schedule P for valuation)		
a) Raw-materials, Components, Stores & Spares	213,024,000	124,953,000
b) Semi-finished goods	183,218,500	122,597,000
c) Finished goods	105,421,500	48,050,000
	<u>501,664,000</u>	<u>295,600,000</u>
2. Sundry Debtors :		
(unsecured considered good unless otherwise stated).		
a) Debts outstanding for a period exceeding 6 months.	98,231,694	47,833,276
b) Other Debts	519,935,721	473,537,189
(refer Note 9 of Schedule - XVIII)	618,167,415	521,370,465
3. Cash & Bank Balance		
a) Cash in hand	339,456	65,026
b) Balance with scheduled Bank		
i) in time deposit*	27,020,510	21,057,549
ii) in current account	3,427,117	15,060,065
	30,787,083	36,182,640
4. Other Current Assets		
Income receivable	3,868,138	4,457,250



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011

	<u>Current Year</u> Rs.	<u>Previous Year</u> Rs.
B. LOANS AND ADVANCES :		
Advances recoverable in cash or in kind or values to be received (unsecured and considered good by the Directors.) (refer note no.11 of Schedule-Q)	90,990,126	60,802,644
Other deposits (S.D.)	20,590,305	20,949,831
Balance with Excise/Sales Tax Dept.	<u>18,752,355</u>	<u>11,457,107</u>
	130,332,786	93,209,582
TOTAL :	<u>1,284,819,422</u>	<u>950,819,937</u>
* Time Deposits with the Banks are endorsed and pledged with State Bank of India & Bank of Baroda & Axis Bank towards :		
i) Security for Bank Guarantees against EMD/Performances/Advances	16,657,369	16,626,872
ii) Margin Money for Letter of Credit	10,363,141	4,430,677
TOTAL :	<u>27,020,510</u>	<u>21,057,549</u>

SCHEDULE - H**CURRENT LIABILITIES & PROVISIONS :****A. Current Liabilities :**

Advances from Customers	83,869,118	117,414,501
Sundry Creditors		
- Micro, Small & Medium Enterprise (Refer note 13 of schedule xviii)	-	--
- Other	290,546,481	129,725,926
	290,546,481	129,725,926
Liabilities for Expenses	113,476,112	64,200,207
Other Liabilities	15,646,292	9,614,469
Unpaid Dividend	1,868,040	1,350,913
	(A)	<u>505,423,930</u>

B. Provisions :

i) For Proposed Dividend	14,960,500	13,464,450
ii) For Tax on Dividend	2,426,967	2,288,283
iii) For Fringe Benefit Tax (net of payment)	22,349,990	1,842,172
iv) For Taxation	62,000	84,000
	(B)	<u>17,678,905</u>
TOTAL : (A + B)	<u>545,223,387</u>	<u>339,984,921</u>

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2011. As informed by management these amounts shall be paid to the said fund as and when they become due.



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011

	Current Year Rs.	Previous Year Rs.
SCHEDULE - I		
SALES :		
Sale of Goods	2,160,074,019	1,672,522,295
Job Contract Receipts (TDS Rs. 2,31,020/- Pre. Yr. Rs. 11,37,569/-)	9,538,273	29,935,360
Wprk Contract Receipts (TDS Rs. 4,93,468/- Pre. Yr. Rs. 24,54,643/-)	63,504,691	74,421,672
Sale of Services	--	480,330
TOTAL :	2,233,116,983	1,777,359,657
SCHEDULE - J		
OTHER INCOME :		
Miscellaneous Receipts	1,394,085	1,815,709
Dividend Income (Gross)	21,600	18,000
Profit on Sale of Assets	838,132	2,088,426
Interest (Gross) (TDS Rs. 6,11,848/- Pre. Yr. Rs. 8,71,870/-)	4,641,269	6,454,229
Sale of DEPB Licence	2,509,413	5,253,196
TOTAL :	9,404,499	15,629,560
SCHEDULE - K		
INCREASE/DECREASE IN STOCK :		
Closing Stock :		
- Semi Finished goods	183,218,500	122,597,000 -
- Finished goods	105,421,500	48,050,000
- Work Contract in Progress	--	-
	(A) 288,640,000	170,647,000
Opening Stock :		
- Semi Finished goods	122,597,000	150,730,000
- Finished goods	48,050,000	29,389,870
- Work Contract in Progress	--	531,785
	(B) 170,647,000	180,651,655
INCREASE/(DECREASE) :	(A-B) 117,993,000	(10,004,655)
SCHEDULE - L		
CONSUMPTION OF RAW-MATERIALS, COMPONENTS, SPARES & STORES. :		
Opening Stock	124,953,000	127,811,040
Add : Purchase (TCS Rs. 20,161/- Pre. Yr. Rs. Nil)	1,295,160,566	838,521,408
	1,420,113,566	966,332,448
Less : Closing Stock	213,024,000	124,953,000
NET CONSUMPTION	1,207,089,566	841,379,448



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011

	Current Year Rs.	Previous Year Rs.
SCHEDULE - M		
PAYMENT & OTHER BENEFITS TO EMPLOYEES :		
Salaries, Wages & Bonus	95,609,967	75,724,947
Contribution to PF & FPF	4,338,483	3,756,424
Gratuity	17,435,476	28,847,625
Welfare Expenses	7,501,362	6,313,702
TOTAL :	<u>124,885,288</u>	<u>114,642,698</u>
SCHEDULE - N		
MANUFACTURING & OTHER EXPENSES :		
Testing/Laboratory Charges	8,268,657	3,020,355
Off Loading/Contract Labour Charges	156,602,633	142,648,249
Power & Fuel	110,779,266	105,162,140
Freight, Forwarding & Handling Charges	48,052,320	40,456,419
Repairs & Maintenance		
- Buildings	5,970,173	5,761,254
- Plant & Machinery	19,995,201	22,035,992
- Vehicles	5,921,514	4,637,050
- Other Assets	6,630,365	5,505,722
	<u>38,517,253</u>	
Rent, Rates & Taxes	6,667,396	3,229,482
Insurance	3,289,229	3,256,657
Printing & Stationery, Postage & Telegram, Telephone, Telex etc.	4,198,221	4,278,121
Legal, Professional & Consultancy Fee.	10,663,631	5,648,815
Advertisement, Sales Promotion, Subscription & Membership Fees	2,260,352	3,750,357
Donation	253,608	205,107
Travelling & Conveyance Expenses (Including Directors Travelling Rs. 1,193,797/- Previous year Rs. 1,580,740/-)	18,425,165	13,786,063
Commission	11,469,962	11,340,292
Payment to Auditors :		
- Audit Fees	275,000	275,000
- For Tax Audit	25,000	25,000
- Other Services	54,000	54,000
- Out of Pocket Expenses	3,000	3,690
	<u>357,000</u>	<u>357,690</u>
Directors Remuneration	18,939,781	16,092,722
Sales tax/ Excise Duty / Service Tax	7,038,574	3,188,599
Miscellaneous Expenses	1,676,387	750,915
Liquidated Damages (Net)	31,030,469	18,157,991
Exchange Rate Fluctuation	10,089,360	3,561,487
Loss on Sale of Assets	--	103,639
TOTAL :	<u>488,669,264</u>	<u>416,935,118</u>
SCHEDULE - O		
FINANCIAL CHARGES :		
Interest to Bank & Others :		
-Fixed Period Loans	18,286,214	13,436,427
-Others	63,446,994	48,473,056
	<u>81,733,208</u>	<u>61,909,483</u>
Bank Commission	15,386,295	10,616,357
TOTAL :	<u>97,119,503</u>	<u>72,525,840</u>

**SCHEDULE - P****SIGNIFICANT ACCOUNTING POLICIES :****1. Basis of Accounting**

The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.

2. Revenue Recognition

Sale Revenue represents revenue earned (net of returns, discount and allowances) from the sale of products & services. Sale revenue is recorded when the goods are despatched. The sales value is exclusive of sales tax.

3. Capital Subsidy

Amount received as capital subsidy from the government for setting up an industrial undertaking in a backward area is credited to Capital Reserve.

4. Fixed Assets & Depreciation**Gross Block**

- * All fixed assets except Land, Building and Plant & Machinery acquired before 1992 are stated at cost. Fixed Assets which are revalued by the company are stated at their revalued book value. The increase in the revalued amount over their historical cost was credited to Revaluation Reserve.

All costs, relating to the acquisition and installation of fixed assets are capitalised and include financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets upto the date the industrial unit started production. Thereafter, all costs excluding financing costs relating to the acquisition and installation of fixed assets are capitalised upto the date the asset is put to use.

Depreciation

- * The Company provides depreciation under written down value method (at rates prescribed under Schedule XIV of Companies Act, 1956) except in the case of Building and Plant & Machineries in which case depreciation is provided as per straight line method pursuant to section 205(2)(b) of Companies Act, 1956.
- * In the case of revalued assets, the additional charge of depreciation pertaining to revaluation amount is withdrawn from the Revaluation Reserve and adjusted to the depreciation charged in accounts.
- * Depreciation on addition to or sale/discardment of assets is calculated prorata from the date of such additions or upto the date of sale/discardment as the case may be.
- * Intangible Assets are stated at cost of acquisition less accumulated amortisation. Computer Software (Purchase cost, User licence fees etc.), Technical Know-how are amortised over a period of 4 years. Amortisation is done on Straight Line Method.

5. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss A/c in the year in which the asset is identified as impaired.

6. Investments

Investments are stated at cost. Provision for diminution in the value of the long term investments are made only if in the opinion of the management, the decline is other than temporary.

7. Inventory

- * Raw and Packing Materials are valued at cost or market value whichever is lower. Cost includes taxes and duties other than credits under CENVAT.
- * Finished and Semi finished goods are valued at lower of cost and net realisable value. They include cost of conversion and other costs incurred in bringing them to their present condition. Stock against cancelled orders or without any sale orders are suitably depreciated as market value is not ascertainable
- * Machinery Spares & Tools are valued at lower of cost or market value.

8. Borrowing Cost

Borrowing costs that are attributable to the acquisition, production or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time



to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

9. Excise & Customs Duty

- * Excise duty payable on the finished goods is accounted for on the clearance of goods from the factory and the liability is provided at the end of the year only on the finished goods stock lying in the factory.
- * Customs duty is accounted for on the clearance of goods from the port / bonded warehouse and the liability of the same is provided at the end of the year on raw material stock in custom bonded warehouse or under clearance.
- * CENVAT allowed on the raw material consumed in production of finished goods and in semi finished goods is reduced in material consumption.

10. Foreign Exchange Transactions

- * Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction or at the exchange rates as per related forward exchange contracts. Transactions not covered by forward exchange rate and outstanding at the year end are also translated at exchange rates prevailing at the year end and the profit / loss so determined and also the realised exchanged gains / losses are recognised in the Profit & Loss account.
- * Exchange differences arising either on settlement or on translation of monetary items are recognised as income or expenses in the year in which they arise, except in cases where they relate to acquisition of fixed assets in which case they are adjusted in the carrying cost of fixed assets.

11. Retirement Benefits

- * The Company has taken a policy under Group Gratuity Scheme with the Life Insurance Corporation of India and its contribution in terms of the policy adequately covers the liability for gratuity of employees covered therein. The company is liable to make up for the contribution in case funds in the hands of the trustees are insufficient to meet the actual claims of the employees under the rules of the fund. In case of remaining employees the same is accounted as and when liability arises.
- * Leave Encashment is accounted for on actual payment

12. Export incentives are accounted for on cash basis**13. Research and Development Expenditure**

Revenue Expenditure, including overhead on research and development, is charged to profit & loss a/c as expenditure through the natural heads of expenses in the year in which it is incurred.

14. Miscellaneous Expenditure (to the extent not written off or adjusted)

- * Share Issue expenses is written off in ten yearly instalments.

15. Taxation

- * Provision for taxation is made in accordance with the income tax laws and rules prevailing at the time of the relevant assessment years.
- * Deferred tax liability is recognised for all timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is quantified using the tax rates and laws enacted or substantively enacted as on Balance Sheet date.
- * Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- * Wealth Tax is accounted for at the time of actual payment by debit to Prior Year Expenses in the year of payment and no provision is made in the accounts for the same.

16. Provisions & Contingent Liabilities

Provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.



SCHEDULE - Q

NOTES ON ACCOUNTS :

1. Contingent Liabilities :

	<u>Current Year</u>	<u>(Rs. in lacs)</u> <u>Previous Year</u>
a) i) Bank Guarantees (includes expired BGs-Rs. 82.57 lacs - Pre. Yr. Rs. Nil)	2,276.28	1728.82
ii) Letters of Credit Times deposits pledged with banks agst. (a-i) above	2,072.63 166.27	886.14 166.27
b) Excise/Service Tax matters	2.52	2.52
c) Sales Tax matters	--	13.27
d) Income Tax matters	477.72	6.50
e) Penalties for late deliveries/liquidated damage in respect of contracts are accounted for as and when claims are received and accepted. Aggregate amount of possible claims as at the year end is not ascertained.		
f) Pursuant to the judgement of the State Industrial Court, Raipur, on the labour case relating to strike declared in the year 1990, the Company has been directed to pay compensation to the retrenched workers amounting to Rs.82.80 lacs in total. However the company has obtained a stay against the said order from the High Court, Bilaspur vide order dated 28.11.2001, on account of a petition contending the order which is yet to be heard. Since the management is hopeful of favourable decision, no provision has been made in the accounts for the said liability of Rs. 82.80 lacs.		
g) Pursuant to the interim judgement of the Honourable High Court, Bilaspur in the case relating to levy of Terminal Tax by Municipal Corporation, Bhilai, the Company has been directed to deposit 50% of the tax demand for the period upto 31st December, 2001 subject to which the balance 50% has been stayed. Accordingly the company deposited Rs.5.83 lacs on 14.02.02. However the said amount covers about 50% of the full liability (100%) upto 31.03.2005. The petition is yet to be heard. However from 2005-2006 onwards the company is making a provision / payment only for 50% of the tax liability for the respective year on the basis of the interim judgement. Since the management is hopeful of favourable decision no provision is being made in the accounts for the balance 50% of the liability.		
2. Interest on Investments under lien & custody of Government Departments and Export Incentives, the quantum of which are unascertainable with reasonable certainty, continue to be accounted for on Cash basis.		
3. a) Sales include sale of scrap / surplus raw materials from manufacturing units. Sales and Job work receipts are exclusive of : i) Sales Tax Rs. 6,62,02,706/- (Previous Year Rs. 5,21,90,286/-)		
b) Sales of goods include direct & indirect exports as under; - Direct Exports Rs. 7,57,44,878/- (Previous Year - Rs.5,02,32,936/-) - Indirect Exports Rs. Nil (Previous Year - Rs. Nil)		
4. During the year ending 31-03-2011 the company has generally worked on single shift. Hence depreciation has been provided on single shift basis.		
5. Pursuant to Accounting Standard (AS) 28, as explained to us, there being no indication of impairment of assets, no loss has been recognised on this account by the company.		
6. Sundry Debtors and other debit and credit balances are subject to confirmation.		
7. Previous year's figures have been re-arranged & re-grouped wherever necessary to conform to the classifications and make them comparable with those of current year.		
8. Debtors include dues from companies under the same management, as detailed below :		
Name of the Company	Current Year Rs.	Prev. Year Rs.
Sangam Forgings (P) Ltd.	1,30,75,205	6,15,68,782



9.	Some of the Bank Balances are subject to reconciliation and balance confirmation.		
10.	Advances recoverable in cash or kind includes advances to companies / firms under the same management details of which are as follows :	Current Year	Prev. Year
	Name of the Company	Rs.	Rs.
	Sangam Forgings (P) Ltd.	1,31,98,669	1,18,63,972
11.	As per the accounting policy followed by the company the valuation of Finished Goods is inclusive of excise duty. Accordingly the value of Finished Goods in Profit & Loss A/c include the amount of excise duty. Correspondingly the amount of such duty on finished goods has been debited to Excise Duty Expenses in the Profit & Loss A/c with an equivalent credit amount carried forward in the Balance Sheet under the head "Liability for Expenses". As a result the effect of the same on the profit for the year is 'Nil'.		
12.	There are no Micro, Small & Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2011. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the information available with the Company.		
13.	The major components of deferred tax assets and liabilities are as follows:	As at	As at
		31-03-2011	31-03-2010
		Rs.	Rs.
	Deferred tax liabilities		
	Tax effect due to -		
	Difference between written down value of assets under the Companies Act, 1956 and the Income Tax Act, 1961.	64750576	57976376
	Total	64750576	57976376
	Deferred tax assets		
	Tax effect due to -		
	Expenses allowable on payment basis	959074	968715
	Total	959074	968715
	Net Deferred Tax Liability	63791502	57007661
	Incremental liability/(asset) charged to Profit & Loss	6783841	-
14.	<u>DIRECTORS REMUNERATION :</u>	Current Year	Prev. Year
		Rs.	Rs.
	a) Salaries	1,32,88,780	1,14,00,000
	b) Bonus	38,000	33,600
	c) Contribution to P.F.	18,720	18,720
	d) L T C	9,50,000	9,50,000
	e) Medical (Policy)	71,813	1,00,402
	f) House Rent Allowance	11,59,620	13,50,000
	g) Gratuity	3,50,000	-
	g) Leave Salary Encashment	11,91,667	-
	h) Others	10,71,181	11,40,000
	i) Commission to Directors	8,00,000	11,00,000
	Total	1,89,39,781	1,60,92,722
15.	<u>COMPUTATION OF PROFITS IN ACCORDANCE WITH SECTION 349 OF COMPANIES ACT, 1956</u>		
	Net Profit before Tax as per Profit & Loss A/c	193,441,968	163,202,202
	Add: - Depreciation as per accounts	46,169,165	41,039,534
	- Loss on Sale of Assets	-	103,639
	- Managerial Remuneration	16,523,829	16,092,722
		256,134,962	220,438,097
	Less: - Depreciation as per Section 350 of the Act	51,702,226	46,664,460
	- Profit on Sale of Assets	838,132	2,088,426
		52,540,358	48,752,886
	Net Profit as per section 349(5)	203,594,604	171,685,211
	Remuneration to Working Directors		
	Subject to a ceiling of 10% of Profit as above -	20,359,460	17,168,521
	Total Remuneration actually paid -	15,723,829	14,992,722
	Commission to Working Directors		
	Subject to a ceiling of 1% of Profit as above -	2,035,946	1,716,852
	Total Commission actually paid -	800,000	1,100,000



16. Earnings per share :

	Current Year	Prev. Year
a) Profit after tax & prior period items as per Profit & Loss A/c	1241.25	1049.06
b) Weighted average number of equity shares outstanding during the year	5984200	5984200
c) Basic earnings per share - Rupees (face value - Rs. 10/- per share.)	20.74	17.53
d) Diluted earnings per share - Rupees (face value - Rs. 10/- per share.)	20.74	17.53

17. Information on related party transactions as required by Accounting Standard - 18 for the year ended 31st March, 2011.

Name of Related Party	Company controlled by by directors/relatives	Directors	(Rs. in Lacs) Relatives of Directors
Sale of goods	971.63 (640.81)		
Conversion charges receipt	Nil (3.68)		
Interest received	14.83 (32.15)		
Testing Charges Receipt	1.50 (0.63)		
Purchase of goods	922.01 (232.53)		
Processing of goods (expenses)	4.58 (3.53)		
Commission paid on order/sales	51.73 (96.97)		
Interest paid on loans/deposits	83.83 (22.66)	28.23 (45.54)	Nil (12.73)
Rent paid	26.28 (--)		22.58 (15.60)
Hire Charges Payment	2.60 (2.20)		
Medical Aid	0.19 (--)		
Remuneration		189.40 (160.93)	3.66 (--)
<u>Outstanding as on 31.03.2011</u>			
Amount Receivable	155.24 (699.49)		8.74 (Nil)
Amount Payable	52.11 (23.59)		0.72 (0.50)
Advances (Loans)	131.99 (118.64)		
Unsecured Loans	1227.25 (588.40)	354.59 (414.98)	

Companies controlled by Directors/Relatives: Sangam Forgings Pvt. Ltd., Prabha Plantations Pvt. Ltd., Sim Prabha Estates & Trading Co. Pvt. Ltd., Sim Amrit Estates & Trading Co. Pvt. Ltd., Simplex Developers Pvt. Ltd. And SEFW Projects Pvt. Ltd.

Directors: Shri Arvind Shah, Late Shri Moolchand R: Shah, Shri Ketan M. Shah, Shri Shailesh A. Shah and Shri G Gopalswamy

Relatives of Directors: Smt. Prabha M. Shah, Smt. Monica S. Shah, Smt. Sangita K. Shah, Smt. Vinoda Gopalswamy & Shri G. Praveen.



18 Information pursuant to provisions of paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

I) ANALYSIS OF RAW MATERIAL CONSUMED :

	<u>Current Year</u>		<u>Previous Year</u>	
	<u>M/T</u>	<u>Rs. in Lacs</u>	<u>M/T</u>	<u>Rs. in Lacs</u>
Iron Scrap (incl. Pig Iron)	8414	1937.31	9851	1965.89
Steel Scrap	13523	3065.72	9755	1922.75
Steel	1950	718.69	842	322.91
Coke	972	104.97	736	71.38
Other Components, Consumables Stores & spares		6244.21		4130.86
Notes:		12070.90		8413.79

- a) The consumption figures shown above are after adjusting excesses and shortages ascertained on physical count, unserviceable items etc.
 b) The figures of other components, consumables and stores & spares are balancing figures based on the total consumption shown in the profit & loss account.

II) ANALYSIS OF RAW-MATERIALS CONSUMED :

	<u>Rs. in Lacs</u>	<u>% to total</u>
Indigenously obtained	11519.03	95.43
	(8371.06)	(98.03)
Imported at landed cost	551.87	4.57
	(42.73)	(1.97)
	12070.90	100.00
	(8413.79)	(100.00)

Components & Spare Parts referred to in para 4 (D) (c) of Part II of Schedule VI of the Companies Act, 1956 are interpreted to mean components and spare parts which are incorporated in the products sold and not those used for maintenance of Plant & Machinery etc.

III) VALUE OF IMPORTS ON CIF BASIS :

	<u>Current Year</u> <u>in Rs.</u>	<u>Prev. Year</u> <u>in Rs.</u>
Raw Materials	2,71,86,275	37,86,469
Capital Goods - Machinery (Incl. Advance)	4,95,68,673	3,86,59,750
	<u>7,67,54,948</u>	<u>4,24,47,178</u>

IV) EXPENDITURE IN FOREIGN CURRENCY :

	<u>Current Year</u>	<u>Prev. Year</u>
Travelling Expenses	1,980,682	17,61,423
Export Promotion Expenses	4,90,406	20,26,761
Advertisement	2,90,076	71,832
Licence & Registration	3,20,125	9,29,307
Machinery Repairs	3,99,624	21,84,610
Interest	1,22,69,008	66,90,389
Commission & Brokerage	38,81,982	-
Professional Service Charges	23,33,624	-
Books & Periodicals	16,538	-
Total	<u>2,15,11,159</u>	<u>1,36,64,322</u>

V) EARNINGS IN FOREIGN EXCHANGE :

FOB value of Exports	<u>7,23,04,878</u>	<u>4,69,72,754</u>
	<u>7,23,04,878</u>	<u>4,69,72,754</u>

vi) PARTICULARS IN RESPECT OF GOODS MANUFACTURED :

	<u>INSTALLED CAPACITY</u>	<u>ACTUAL PRODUCTION</u>
AT BHILAI :	M/T	M/T
i) Cast Iron Castings / Components Metallurgical Industry.	15000 (15000)	7570 (8485)
ii) Fabricated Equipments	1800 (--)	956 (616)
iii) MS / Forging quality Ingots	1000 (1000)	Nil (--)
AT URLA :		
i) Steel Castings, Special Alloy Iron & SG Iron Castings.	10000 (10000)	7972 (6761)
ii) Equipment & Spares	500 (500)	Nil (--)
iii) MS / Forging quality Ingots	15000 (15000)	2453 (1803)
AT TEDESARA :		
i) Fabricated Equipments	2500 (--)	636 (--)

Note: Installed Capacity (Maximum utilisation for the full year) is based on the certificate issued by the management on which the Auditors have relied.



vii) PARTICULARS IN RESPECT OF OPENING STOCK, SALES AND CLOSING STOCK (FINISHED GOODS)

	Opening Stock		Sales		Closing Stock	
	(M/T)	Rs. in lacs	(M/T)	Rs. in lacs	(M/T)	Rs. in lacs
Manufacturing :						
1) C.I.Castings and Equipments	240 (254)	120.72 (161.98)	7104 (9006)	5616.57 (6359.86)	200 (240)	120.94 (120.72)
2) Steel Castings & SG Iron Castings (Bhilai)			677 (431)	390.25 (214.10)		
3) Fabricated Equipments	390	209.13	1234 (194)	1610.89 (103.04)	135 (390)	185.39 (209.13)
4) Steel Castings, Special Alloy & SG Iron Castings	406 (113)	106.14 (103.11)	7475 (6209)	10655.83 (8004.40)	409 (406)	557.88 (106.14)
5) MS / Forging quality Ingots	103 (57)	44.51 (24.20)	2405 (1689)	863.98 (501.93)	101 (103)	43.40 (44.51)
6) Fabricated Equipments (Tedesara)	0 (--)	0 (--)	273 (--)	205.69 (--)	293 (--)	146.61 (--)
7) Raw-Material						
- Scrap/Pig Iron	1458 (1833)	288.14 (379.06)	0 (56)	0 (24.27)	3134 (1456)	739.62 (288.04)
- Steel	262 (559)	81.11 (173.94)	112 (307)	34.83 (104.85)	192 (262)	71.11 (81.11)
- Coke	31 (67)	2.90 (6.95)	6 (4)	0.48 (0.85)	241 (31)	28.79 (2.90)
- Others		877.48 (718.16)		238.38 (79.33)		1290.78 (877.48)
8) Work -				635.05 (744.22)		
- Contract Receipts						
9) Others - Services & Job -				95.38 (304.16)		
- Contract Receipts						

Note: Sales are exclusive of inter-unit transfers.

As per our attached report
For **TAUNK & SRIKANTH**
Chartered Accountants

(N. K. TAUNK)
Partner
Membership No. 30421
Bhilai : 25th July, 2011

Varsha Sahbani
Company Secretary

Bhilai : 25th July, 2011

For and on behalf of the Board
Ketan M. Shah
Managing Director

Shailesh A. Shah
Director

**Information Pursuant to Part IV of Schedule VI of the Companies Act, 1956****Balance Sheet Abstract and Company's General Profile :****I. Registration Details**

Registration No. : 67459 State Code : 11
Balance Sheet Date : 31/03/2011

II. Capital Raised during the year :**(Amt. Rs. in Lacs)**

Public Issue NIL Right Issue NIL
Bonus Issue NIL Private Placement NIL

III. Position of Mobilisation and Deployment of Funds :**(Amt. Rs. in Lacs)**

Total Liabilities 14812.19 Total Assets 14812.10

Sources of Funds

Paid up Capital 598.42 Reserves & Surplus 5921.01
Secured Loans 6064.90 Unsecured Loans 1589.94
Deferred Tax Liability (Net) 637.92

Application of Funds

Net Fixed Assets 7402.28 Investments 13.95
Net Current Assets 7395.96 Accumulated Losses 0.00

IV. Performance of Company :**(Amt. Rs. in Lacs)**

Turnover (Gross Revenue) 21621.31 Total Expenditure 19686.89
Profit Before Tax 1934.42 Profit After Tax 1295.96
Earning per share Rs. 20.74 Dividend (%) 25%

V. Generic Names of Three Principal Products of Company (as per Monetary Terms)

i. Item Code No. (ITC Code) 84542002
Product Description Ingot Moulds

ii. Item Code No. (ITC Code) 72241000
Product Description Alloy Steel Ingots

iii. Item Code No. (ITC Code) 84179000
Product Description Parts of Industrial Furnaces and Ovens' -Door Bodies.

**SIMPLEX CASTINGS LTD.**

Regd. Office:601/602A, Fairlink Centre, Off Andheri Link Road, Andheri (West), Mumbai - 400 053.

PROXY FORM

Reg. Folio No. _____ DP ID No.* _____ Client ID No.* _____

*Applicable for members holding shares in electronic form.

I/We _____

of _____ being Member(s)

of SIMPLEX CASTINGS LTD. hereto appoint _____

of _____ or failing him/her _____

of _____ as my/our proxy to vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Friday 23rd day of September, 2011 at 2.30 p.m. at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce & Industry, Oricon House, 6th floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001 and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2011

Affix Rs. 1/- Revenue Stamp

Signed by the said _____

- NOTE :
1. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
 2. Those members who have multiple folios with different proxyholders may use zerox copies of this Attendance Slip/Proxy.

**SIMPLEX CASTINGS LTD.**

Regd. Office:601/602A, Fairlink Centre, Off Andheri Link Road, Andheri (West), Mumbai - 400 053.

ATTENDANCE SLIP

I hereby record my presence at the 31st Annual General Meeting of **SIMPLEX CASTINGS LTD.** held on Friday day 23rd September, 2011 at 2.30 p.m. Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce & Industry, Oricon House, 6th floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001.

 Full Name of Member (In Block Letters)

 Signature

Reg. Folio No. _____ DP ID No.* _____ Client ID No.* _____

 Full Name of Proxy (In Block Letters)

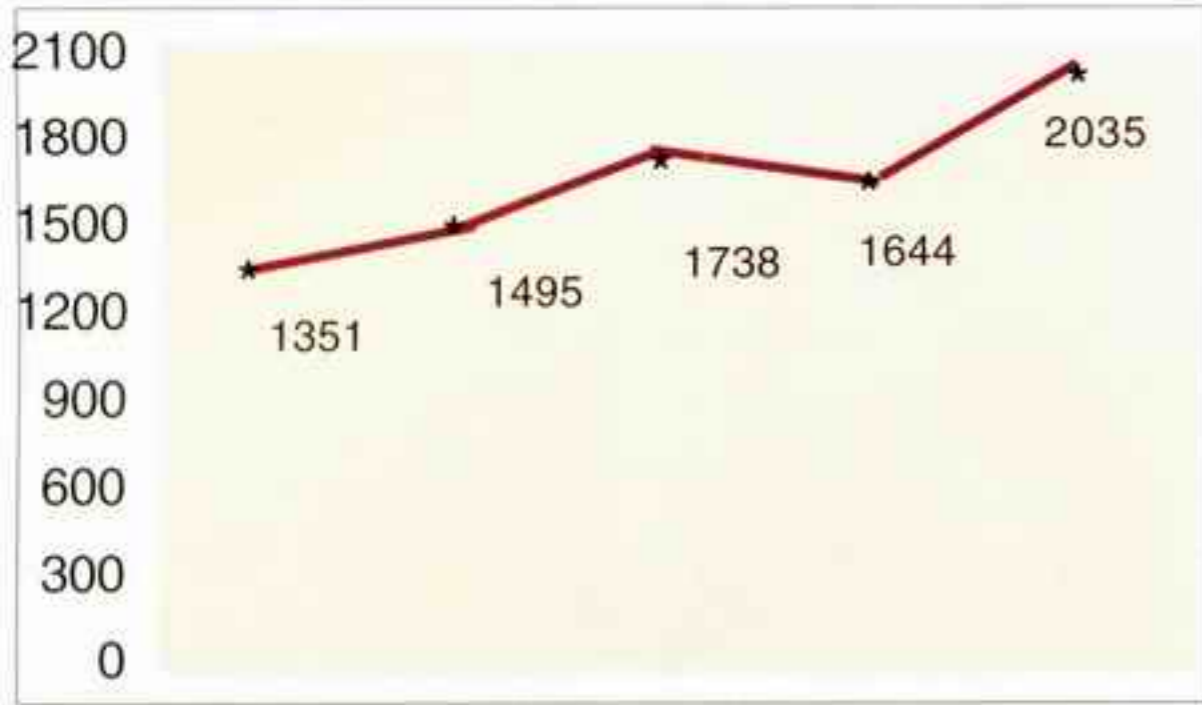
 Signature

- NOTE : 1. Member/ Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting.



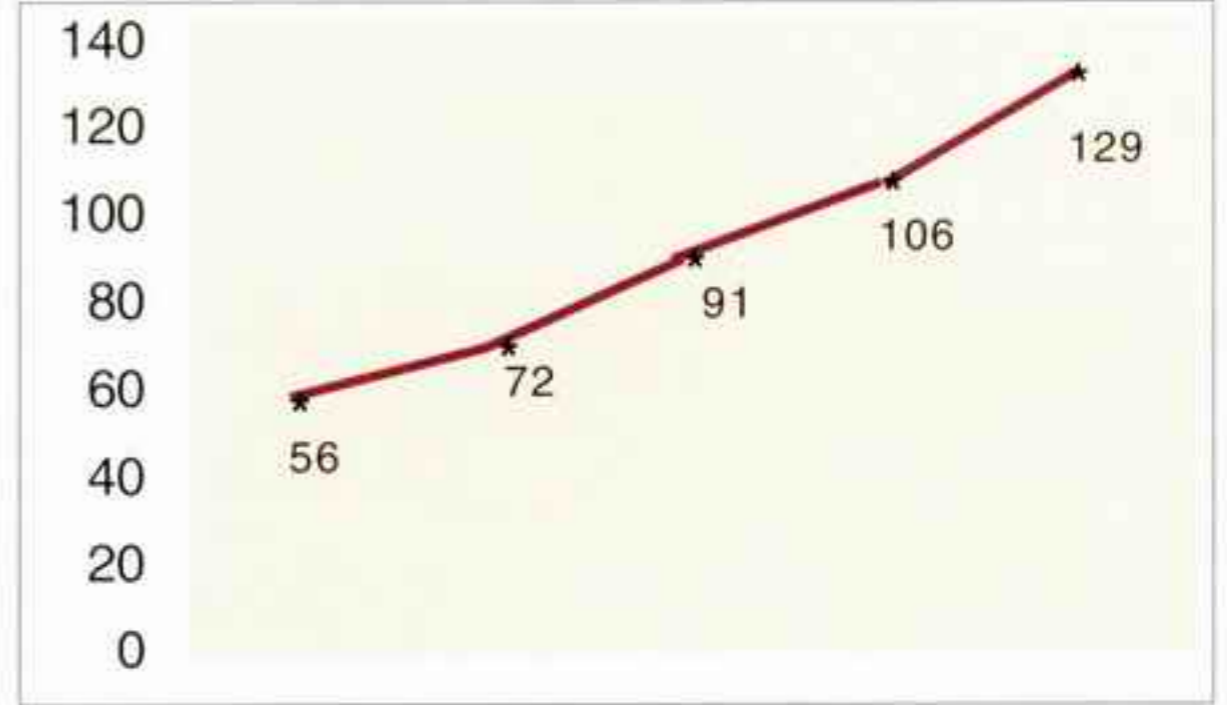
FINANCIAL PERFORMANCE OF THE YEAR AT A GLANCE

Turnover (Rs. in Million)



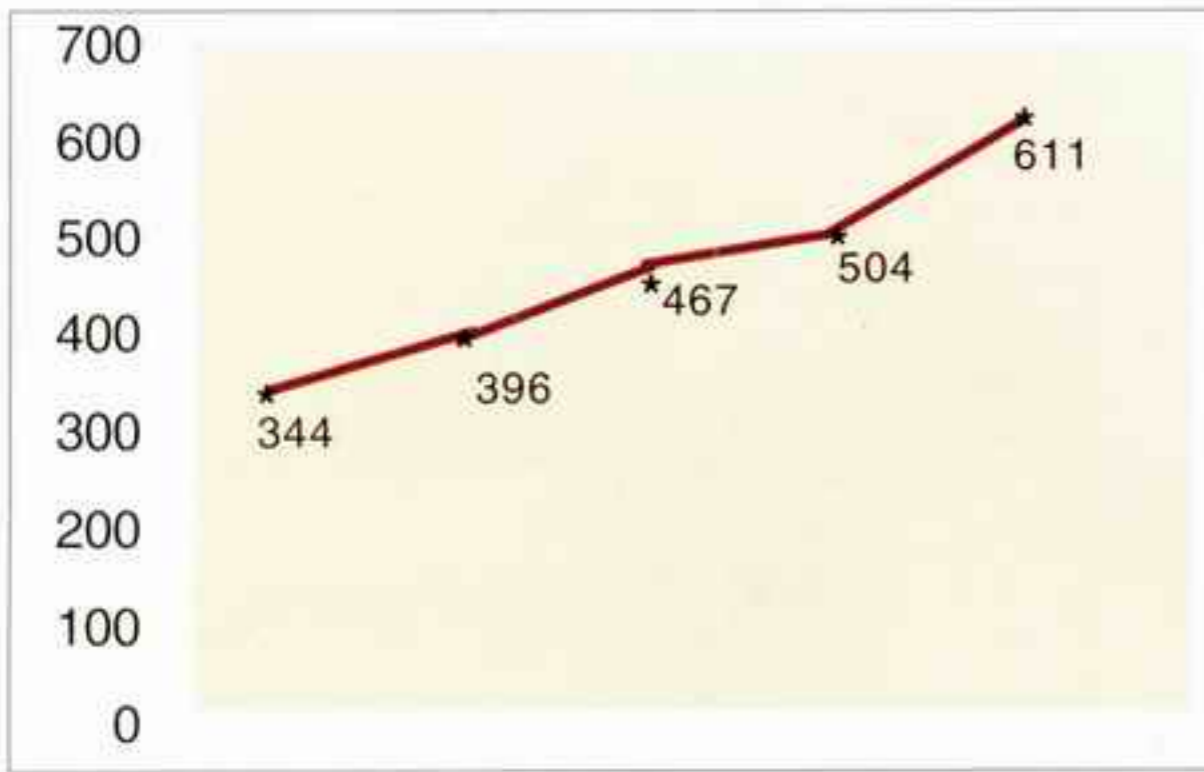
2006-07 2007-08 2008-09 2009-10 2010-11

PAT (Rs. in Million)



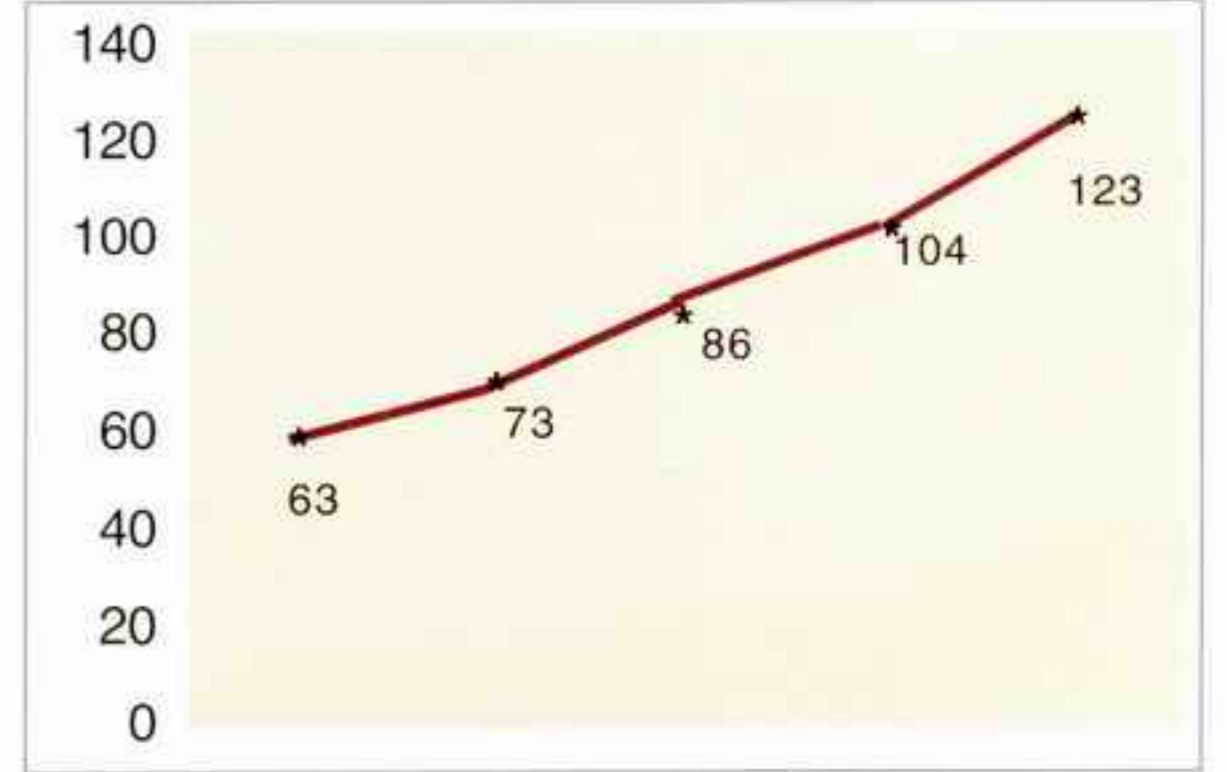
2006-07 2007-08 2008-09 2009-10 2010-11

Net Worth (Rs. in Million)



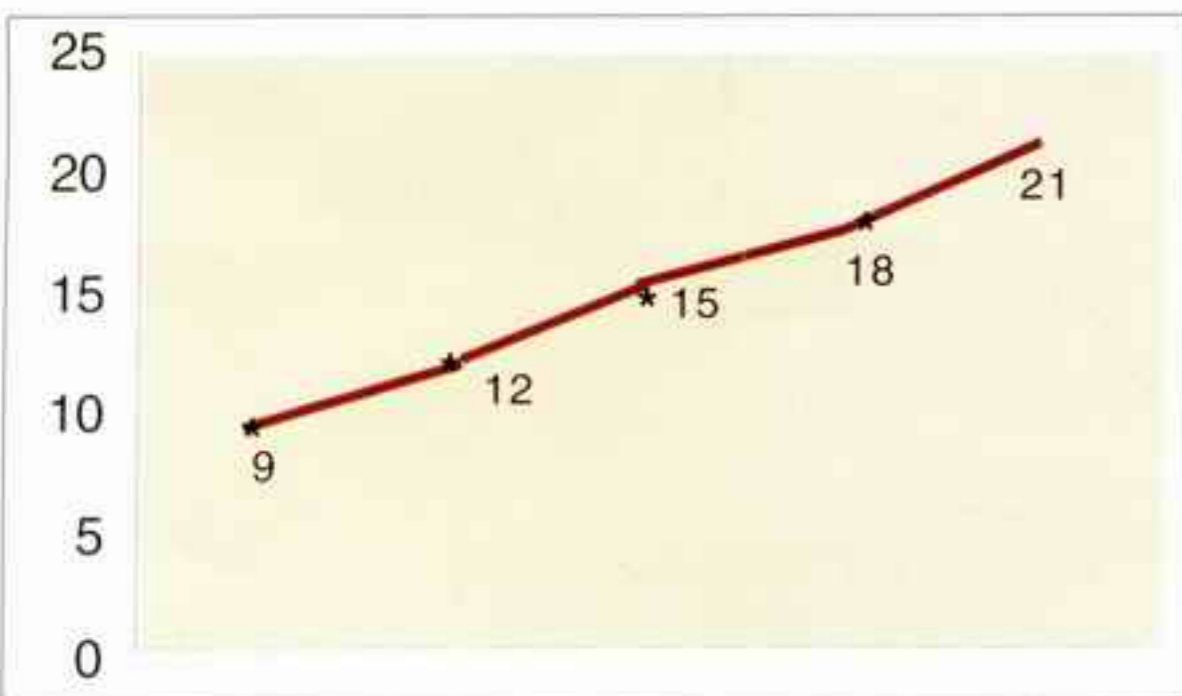
2006-07 2007-08 2008-09 2009-10 2010-11

Book Value (Rs.)



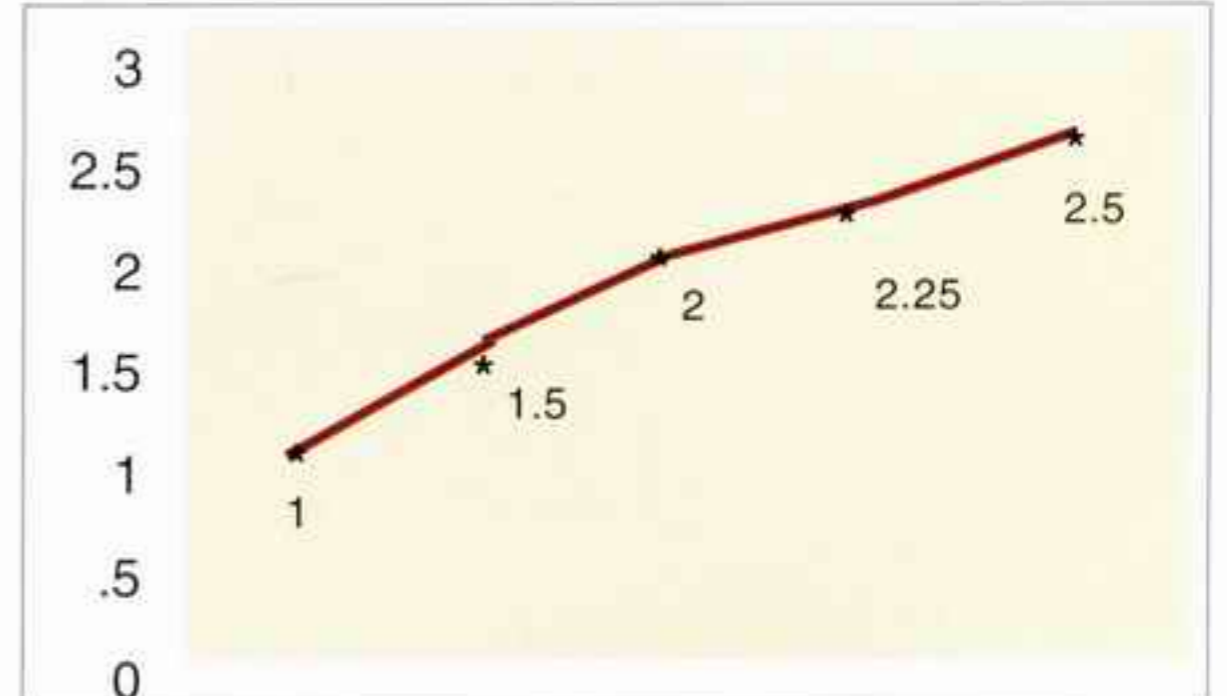
2006-07 2007-08 2008-09 2009-10 2010-11

Earning Per Share (Rs.)



2006-07 2007-08 2008-09 2009-10 2010-11

Dividend (Rs.)



2006-07 2007-08 2008-09 2009-10 2010-11



SIMPLEX CASTINGS LIMITED

If undelivered please return :

Reg off: 601/602 A, Fairlink Centre, off Andheri link Road, Andheri West, Mumbai- 400053 (India)