

# **bhansali ENGINEERING polymers limited**

An ISO 9001:2008 Company



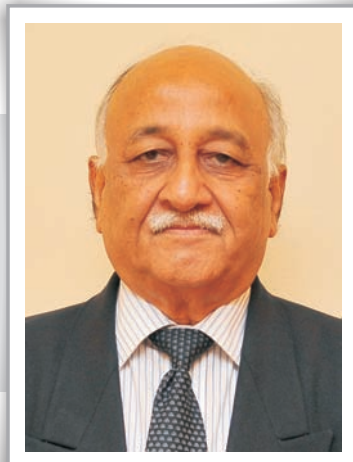
**27th Annual Report**  
**2010 - 2011**

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# Chairman's Statement



I would like to place on record my deep appreciation to all our employees for their hard work, dedication, loyalty and sincerity which is apparent from the results now placed before you.



Dear Shareholder,

As Chairman of the Board of Directors, I am pleased to present the Annual Report of Bhansali Engineering Polymers Limited (BEPL) for the F.Y. 2010-2011. It is very encouraging to note that BEPL has delivered another year of good performance, a year of activity with optimism and determination, to move forward on many fronts.

Demand of ABS in the domestic as well as global markets is increasing with massive growth opportunities in the major user segments. To keep pace with the growing demand, we currently having a manufacturing capacity of 51 KTPA have decided to undertake a mega expansion project at the Abu Road (Rajasthan) and Satnoor (Madhya Pradesh ) Units for enhancing the overall production capacity to 125 KTPA by March – 2013, comprising of 120 KTPA ABS and 5 KTPA of Saleable SAN, at a total estimated cost of around Rs. 300 Cr. which when executed, will enable the company to achieve the cost and quality leadership in domestic market and will also enable us to become an international player. At present we are one of the largest manufacturers of ABS and SAN in India and are exploring further avenues also for sustainable proliferation and enhancement of business activities.

BEPL is poised to expand its aforesaid manufacturing capacity and is confident to achieve this milestone at a substantially modest cost by consolidating the manufacturing facilities and upgrading process technologies and synergizing the operations of plants within the target period which will enable the company to produce ABS and SAN at the lowest cost across the industry. The company has implemented SAP-ERP system also for effective monitoring and control on all around operations of the company.

We have witnessed a sharp upturn during current fiscal i.e. F.Y. 2010-2011 and came out with outstanding results by achieving a Turnover of over Rs. 510 Cr as against Rs. 339.63 Cr during the previous fiscal i.e. 2009-2010, an increase of about 50% ; Profit after tax (PAT) of Rs. 33.41 Cr as against Rs. 10.53 Cr last fiscal, an increase of about 217 %; EPS of Rs. 2.01 as against Rs. 0.63 last fiscal, an increase of about 219 %. The management is confident of moving on the path of progress for 2011-2012 and come out with more impressive and robust results. BEPL has set its eyes even higher and may pursue a greater capacity expansion in the years to come. Doing so, the company will be able to gain its market share in the current year by focusing on high growth market segments viz. Automobiles, Household Goods, Electronics and Telecommunications and some others.

The company looks forward to the opportunity of accomplishing its objectives of being a front, viable and innovative ABS & SAN producer in the years ahead. We need your sincere support in pursuing our growth path.

A handwritten signature in black ink, appearing to read 'M. C. Gupta'.

**(M. C. Gupta)**  
Chairman

# Board of Directors

**Mr. M. C. Gupta**  
Chairman

**Dr. B. S. Bhesania**  
Director

**Mr. B. M. Bhansali**  
Managing Director

**Mr. P. R. Bhansali**  
Director

**Mr. Jayesh B. Bhansali**  
Executive Director

**Mr. C. S. Sastry**  
Director

## Management Team

**Mr. B. M. Bhansali**  
Managing Director

**Mr. Hitarth Vasavada**  
Vice President (Marketing)

**Mr. Jayesh B. Bhansali**  
Executive Director

**Mr. Hasmukh Thakkar**  
Vice President (Finance & Accounts)

**Mr. Kenji Asakawa**  
Executive Director (Technical)

**Mr. Venkat Gume**  
Vice President (H.R.)

**Mr. D. N. Mishra**  
Company Secretary & AVP (Legal)

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### Auditors

M/s. B. L. Dasharda & Associates  
Chartered Accountants

### Solicitors

M/s. Mulla & Mulla & Craigie Blunt & Caroe

### Bankers

Allahabad Bank,  
Axis Bank Limited

### Registered Office

Bhansali House,  
A-5, Veera Desai Road, Andheri (W),  
Mumbai - 400 053

### Registrar & Share Transfer Agent

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

## WORKS

### Satnoor

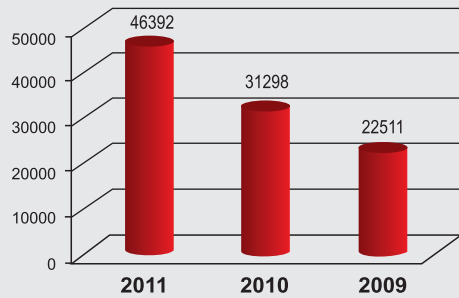
Bhansali Nagar, Taluka: Sausar  
Dist: Chhindwara (M.P.)  
Pin - 480 108

### Abu Road

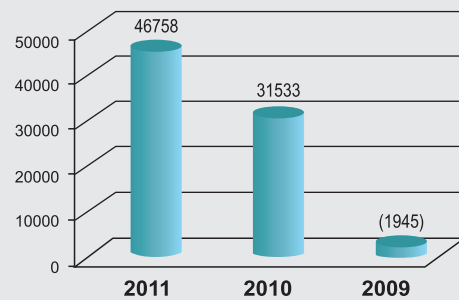
SP - 138-144  
Ambaji Industrial Area, Abu Road  
Dist: Sironi (Rajasthan)  
Pin - 307 026

# Financial Highlights

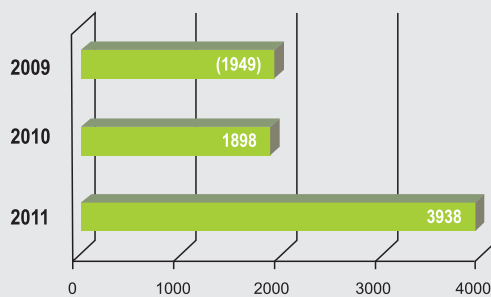
## Net Sales



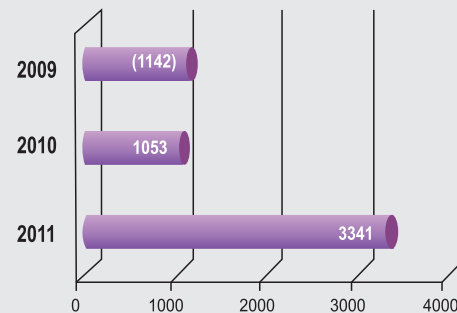
## Gross Earning



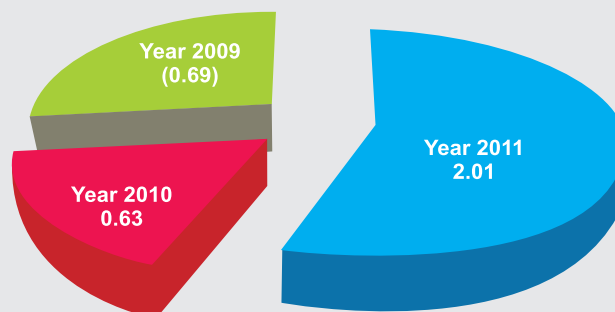
## Profit Before Tax



## Profit After Tax



## Earning Per Share (Face Value Re.1/- Per Share)



## Performance Highlights (10 Years)

Financial Year / Period	Installed Capacity (12 months basis)	Sales Volume	Sales	Profit/ (Loss) after Tax	Net worth	Book Value per Share
	(MT)	(MT)	₹ In lacs	₹ In lacs	₹ In lacs	₹
2001-02 (15 Months)	27000	20048	12638	326.80	2558.06(*)	19.18 (*)
2002-03 (9 Months)	30000	10221	8386	207.33	2765.39(*)	20.73 (*)
2003-04 (15 Months)	48000	11443	9379	(282.14)	5733.25 (*)	3.46 (**)
2004-05 (9 Months)	48000	17313(#)	17399(#)	967.23	6511.30 (*)	3.92 (**)
2005-06 (12 Months)	48000	34422	30655.49	946.51	7269.57 (*)	4.38 (**)
2006-07 (12 Months)	48000	28034	27836.27	525.16	7599.68 (*)	4.58 (**)
2007-08 (12 Months)	48000	30017	29814.41	693.72	8099.28 (*)	4.88 (**)
2008-09 (12 Months)	48000	23851	25262.47	(1141.91)	6957.37 (*)	4.19 (**)
2009-10 (12 Months)	48000	33256	33963.15	1052.91	8010.28 (*)	4.83 (**)
2010-11 (12 Months)	51000	41466	51005.53	3340.97	11157.80 (*)	6.73 (**)

(\*) Excluding Revaluation Reserve.

(\*\*) Face Value of Shares sub-divided from ₹ 10/- to ₹ 1/- w.e.f. 23.02.2004

(#) Excluding Trading Sales.

**NOTICE**

**NOTICE** is hereby given that the Twenty-Seventh Annual General Meeting of the Members of **Bhansali Engineering Polymers Limited** will be held at Walchand Hirachand Hall, Indian Merchants' Chamber, Veer Nariman Road, Churchgate, Mumbai - 400 020 on Friday, 30th September 2011, at 11.45 A.M. to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2011 and the Balance Sheet as at that date together with Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Jayesh B. Bhansali, Whole-time Director of the Company, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. B. S. Bhesania, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
5. To appoint M/s B. L. Dasharda & Associates, Chartered Accountants, Mumbai to hold office as Statutory Auditors of company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Dated : 23<sup>rd</sup> July, 2011

**Jayesh B. Bhansali**  
Executive Director

**Registered Office:**

Bhansali House,  
A-5, Veera Desai Road,  
Andheri (West),  
Mumbai-400053

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be effective, must be received at the Company's Registered office not later than 48 (forty eight) hours before the time fixed for holding the meeting. Corporate members are requested to send a certified copy of the Board Resolution, authorizing their representative to attend and vote at the meeting.
3. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the Members at the Annual General Meeting.
4. The Register of Members and Share Transfer Books will remain closed from Friday, 23<sup>rd</sup> September, 2011 to Friday, 30<sup>th</sup> September, 2011 (both days inclusive).
5. The Dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after 30<sup>th</sup> September, 2011 but within the statutory time limit of 30 days, to those members whose name appear on the Register of Members on 30<sup>th</sup> September, 2011 holding physical share certificates and in respect to those shareholders who hold shares in electronic form, dividend will be paid on the basis of beneficial ownership as on 23<sup>rd</sup> September, 2011, as per the details to be furnished for the said purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).



**REQUEST TO MEMBERS:**

1. Members desirous of obtaining any information concerning to the accounts and operations of the Company, are requested to send their queries to the Share Department, so as to reach the registered office of the Company at least seven working days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent practicable.
2. Pursuant to amendment brought in by the Ministry of Corporate Affairs in provisions of Section 53 of the Companies Act, 1956 vide circular bearing no. 17 dated 21<sup>st</sup> April, 2011, those Members who are desirous to receive Annual Report, Notices and service of other documents through electronic mode are requested to update email ID's with their respective Depository Participant (DP) and also furnish same to Company's Registrar & Share Transfer Agent, Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai- 400 078 with a copy marked to the Company.
3. Members holding Shares in dematerialized form are requested to mention their Client ID and DP ID and those holding Shares in physical form are requested to mention their folio number in the attendance slip.
4. Members are requested to notify immediately any change in their address/bank mandate to their respective Depository Participant (DP) in respect to their electronic share accounts and to the Company's Registrar & Share Transfer Agent, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai- 400 078 in respect to their physical share folios.
5. Members/Proxies attending the meeting are requested to bring their copy of Annual Report with them at the meeting and deliver the enclosed attendance slip at the entrance of the meeting hall.



**Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to requirements of Clause 49 of the Listing Agreement):**

<b>Particulars</b>	<b>Mr. Jayesh B. Bhansali</b>	<b>Dr. B.S. Bhesania</b>
<b>Date of Birth</b>	25.07.1983	03.11.1933
<b>Date of appointment on Company's Board</b>	24.06.2006	17.05.2003
<b>No. of shares held</b>	21,12,125 Equity Shares	5,000 Equity Shares
<b>Qualifications and Experience</b>	M. Com. (Experience 5 Yrs)	B.Sc., L.L.M., Solicitor High Court, Mumbai, Solicitor Supreme Court of England & Wales, Solicitor Supreme Court of Hong Kong and hold distinction of having very long experience
<b>Expertise in specific functional areas</b>	He is a young and dynamic person focusing in the general management and day to day affairs of the Company.	He is an eminent Solicitor of High Court, Mumbai. He is a senior partner of M/s Mulla & Mulla, Craigie Blunt & Caroe, one of the leading law firms of the country having international recognition.
<b>List of other Companies in which the Directorship is held as on 31/03/2011</b>	<ul style="list-style-type: none"> <li>• Bentley Commercial Enterprises Limited</li> <li>• Speedage Commercials Limited</li> <li>• Sheraton Properties &amp; Finance Limited</li> <li>• Bhansali International Private Limited</li> <li>• Bhansali Innovative Finance Private Limited</li> <li>• Bhansali Engineering Industries Private Limited</li> <li>• Bhansali Industrial Investment &amp; Finance Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Jamyad Investments Pvt.Ltd</li> <li>• Bombay Rayon Fashions Limited</li> </ul>
<b>Chairman / Member of the Committee of the Board of Directors of the other Companies in which he is a Director as on 31/03/2011</b>	He is not member or chairman of any committee of the Board of directors of the other companies in which he is a director.	He is member of Audit Committee and Remuneration Committee of Bombay Rayon Fashions Limited.

For and on behalf of the Board of Directors

Place : Mumbai  
Dated : 23<sup>rd</sup> July, 2011

Jayesh B. Bhansali  
Executive Director

**REGISTERED OFFICE:**

Bhansali House,  
A-5, Veera Desai Road,  
Andheri (West),  
Mumbai- 400 053.

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report on the business and operations of Company together with the Audited Statement of accounts for the year ended on 31st March 2011.

**FINANCIAL AND OPERATIONAL RESULTS:**

Financial and Operational Results of company for the year ended 31<sup>st</sup> March 2011 are as mentioned hereunder:

(₹ in lacs)

	<b>Current Financial Year 31.03.2011</b>	<b>Previous Financial Year 31.03.2010</b>
Gross Sales	<b>51005.53</b>	33963.15
Profit before Interest and Depreciation	5755.44	3941.45
Less: Interest	1212.72	1465.00
Depreciation (Net)	605.10	578.90
Profit before Tax	3937.62	1897.55
Provision for Taxation including Deferred Tax	(596.65)	(844.64)
Profit after Tax	3340.97	1052.91
Balance brought forward from previous year	3104.32	2051.41
<b>APPROPRIATIONS:</b>		
Dividend	165.91	0.00
Dividend Tax	27.55	0.00
Transfer to General Reserve	0.00	0.00
Balance carried to Balance Sheet	6251.83	3104.32

**OVERVIEW OF THE ECONOMY:**

Indian Economy has shown a strong resilience against the severe adverse factors like rising inflation, political disruptions and global economic shock of recession in developed countries. The most crucial extant macroeconomic problem which is likely to roadblock the growth of nation is INFLATION which was hovering around 9.8% in April 2011 being highest in last two years followed by CORE CONSUMER PRICES hovering around 15% primarily caused by high domestic demand and high fuel cost, inter alia other factors.

The global investing community has reposed a strong measure of confidence in Indian growth story and improved the country's positioning as an international investment hub. The International Monetary Fund (IMF) has ranked India at 5th position in the world in terms of the GDP growth rate in 2010.

Infrastructure Development is the key to the economic growth of any nation for which our government has already committed an investment of \$498 Billion in the Infrastructure sector alone during 11th Five Year Plan and this is bound to expand and strengthen the economy by sustained growth.

**OPERATIONS AND FUTURE PLAN:**

A record turnover of ₹ 510.05 Crores was achieved during the year under review as compared to ₹ 339.63 Crores in the previous year, an increase of more than 50%.

The financial performance of the company also witnessed a significant turnaround with the Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) at ₹ 57.55 Crores an increase of 46% as compared to ₹ 39.41 Crores in the previous year. On similar lines the profit before tax (PBT) was ₹ 39.38 Crores an increase of 107% as compared to the PBT of ₹ 18.98 Crores last fiscal. Consequently the Profit after tax (PAT) stood at ₹ 33.41 Crores reflecting an increase of 217.28% as compared to ₹ 10.53 Crores reported last year.

The company was also able to optimally utilize the production facilities and achieve significant growth in production and sales quantities as stated below.

Particulars	F.Y. 2010-11	F.Y. 2009-10	% of Variance
Production (in MT)	41202	33334	(+) 23.6%
Domestic Sales (in MT)	41329	33256	(+) 24.3%

Your company has successfully increased the sales volume to cater the vital demand of user industries such as Automotive, Electrical appliances and Electronic equipments among others.

With its bold effort and thrust over the years, the company could enhance the overall manufacturing capacity from 15000 TPA in 2000-2001 to 51000 TPA during the current year witnessing an increase of 240%.

Furthermore the company has formulated its plan to implement the overall manufacturing capacity enhancement programme from the existing 51000 TPA to 125000 TPA (comprising of 120000 TPA ABS and 5000 TPA Saleable SAN) which is targeted to be achieved by end of March-13 with the technical and engineering support of M/s Aker Powergas Private Limited, Mumbai and barring unforeseen circumstances, your company would endeavour its best to achieve this increased capacity and on implementation of the said expansion programmes, the company would be in a position to achieve the cost and quality leadership in domestic market and will become a competitive player internationally.

The overall cost for implementing the aforesaid expansion project with technical and engineering assistance of M/s Aker Powergas Private Limited will amount to about ₹ 300 Crore comprised of ₹ 250 Crore approx towards cost of Plant, Equipment and Building and ₹ 50 Crore approx towards cost of interest for external financing, pre-operative cost and other allied factors.

**DIVIDEND:**

Your Directors recommend a dividend of 10% on the paid-up share capital of Company viz. 16,59,05,640 equity shares of ₹ 1/- each for the year ended 31<sup>st</sup> March 2011.

**SAFETY AND ENVIRONMENT PROTECTION:**

Your Company has continued to accord high priority to the areas of Safety and Environment Protection. The Company has regular practice of taking up the training programs for employees for creating continuous awareness about the compliance with safety norms, its benefits and various safety measures to increase the safety standards for all concerned. The Company has made Safety and Environment Protection measures as the integral part of its operating system. Mock drills and safety awareness programmes are being regularly conducted to ensure the safety & environment protection.

**DEPOSITS:**

The Company has not accepted any Deposit, within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975 from the public during the year under review.

**AUDITORS:**

M/s. B. L. Dasharda & Associates, Chartered Accountants, the Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Your Directors recommend to appoint M/s. B. L. Dasharda & Associates as Statutory Auditors of company for the current year as set out in accompanying notice of the Annual General Meeting.

**AUDITORS' REPORT:**

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes on Accounts for the year ended 31<sup>st</sup> March, 2011 are self explanatory and being devoid of any reservation, qualification or adverse remarks, this does not call for any further information/explanation under Section 217(3) of the Companies Act, 1956.

**DIRECTORS:**

Mr. Jayesh B. Bhansali and Dr. B. S. Bhesania, Directors of the Company will retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

A brief profile of Mr. Jayesh B. Bhansali and Dr. B. S. Bhesania pursuant to Clause 49 of the Listing Agreement with the Stock Exchange is annexed with the notice of Annual General Meeting and forms part of this Annual Report.



## **BHANSALI ENGINEERING POLYMERS LIMITED**

### **COMPANY SECRETARY:**

Mrs. Neha Lahoty resigned from the post of Company Secretary and Mr. D. N. Mishra has been appointed as Company Secretary in her place.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed and no deviations have been found;
- the accounting policies which are selected have been applied 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 the Company as at 31<sup>st</sup> March, 2011 and of the profit of the Company for that year;
- proper and sufficient care is taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts for the year ended 31<sup>st</sup> March, 2011 have been prepared on a going concern basis.

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

The relevant data as regards the conservation of energy, technology absorption pursuant to 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 annexed hereto vide Annexure-A which forms part of this report.

### **CORPORATE GOVERNANCE:**

A report on Corporate Governance along with Certificate from M/s. B. L. Dasharda & Associates, Chartered Accountants, Statutory Auditors of the Company on compliance thereof pursuant to Clause 49 of the Listing Agreement is annexed hereto vide Annexure-B and C respectively, which forms an integral part of this Annual Report.

### **CODE OF CONDUCT:**

The company has suitably laid down the Code of Conduct for all Board Members and Senior Management of the company. The declaration by CEO viz. Managing Director of company relating to the compliance of aforesaid Code of Conduct is attached hereto vide Annexure – D and forms an integral part of this Annual Report.

### **PARTICULARS OF EMPLOYEES:**

A statement containing details of employees in receipt of remuneration equal to or exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended on 31<sup>st</sup> March, 2011, is attached hereto vide Annexure-E and forms an integral part of this Annual Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report on the operations of company is attached vide Annexure – F and forms an integral part of this Annual Report.

### **ACKNOWLEDGEMENT:**

Your Directors take this opportunity to express their gratitude for the support and co-operation from the Banks, Statutory Authorities, Customers, Suppliers and all the Stakeholders. Your Directors express their deep appreciation to the Company's employees at all levels for their outstanding efforts and valuable contributions to the Company.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Dated : 26<sup>th</sup> May, 2011

**M. C. GUPTA  
CHAIRMAN**

**ANNEXURE – A****PARTICULARS AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.****A) Conservation of Energy :**

Several measures have been taken for power and fuel conservation as outlined hereinafter during the year under review.

**(i) Power conservation measures which were adopted are as follows:**

- (a) Proper plant shut down schedule and higher output operation reduced power consumption in both plants.
- (b) Reducing stop time for dryer system at power supply trouble reduced power consumption.
- (c) Separated vacuum pump systems were merged into one unit with more efficient pumps
- (d) Operation monitoring timers were provided to periodic running machines to automatically stop the machine.

**(ii) Fuel consumption measures which were adopted are as follows:**

- (a) Proper shut down schedule and higher output operation for dryer reduced steam consumption.
- (b) By proper maintenance for steam traps steam loss was reduced.
- (c) Reducing stop time for dryer system at power supply trouble reduced steam loss.

**B) Technology Absorption :**

Details of the efforts made in Technology Absorption are given in the prescribed Form 'B'.

**C) Foreign Exchange Earnings and Outgo :**

- a) Total foreign exchange used and earned:

**(₹ in lacs)**

Total foreign exchange used **14385.43**

Total foreign exchange earned  
(FOB Value) **890.17**

**FORM – A**

(See Rule - 2)

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.**

Year Ended 31.03.2011    Year Ended 31.03.2010

**A) Power and Fuel Consumption :**

1) Electricity			
a) Purchased :			
Units (KWH) in lacs	239.38		217.84
Total Amount (₹ in lacs)	1095.80		948.90
Rate per KWH (₹)	4.58		4.40
b) Own Generation :			
Through Diesel Generator			
Units (KWH) in lacs	2.88		2.33
Unit per litre of diesel oil	3.02		3.16
Cost per unit (₹)	11.62		10.47
2) Coal used in Boiler :			
Quantity (MT)	7213.00		6895.00
Total cost (₹ in lacs)	260.16		143.08
Rate per MT (₹)	3619.00		2075.13
3) L.D.O, HSD and FO used in SAN PLANT. :			
Quantity (Ltrs.)	1230596		1020725
Total Amount (₹ in lacs)	360.44		237.59
Average Rate (per Ltr.)	29.29		24.03
<b>B) Consumption per unit of Production :</b>			
Electricity (KWH/MT of			
ABS & SAN Resins)	588.00		660.48
Coal (MT/MT of ABS Resin)	0.18		0.22
L.D.O./FO			
(Ltrs/MT of SAN Resins)	40.02		42.51



**FORM - B**  
**(See Rule - 2)**

**Form for disclosure of particulars with respect to technology absorption.**

**A) RESEARCH AND DEVELOPMENT (R & D) :**

**1) Specific areas in which R & D has been carried out by the Company and benefits derived as a result of the above R & D.**

- a. New generation of KU series was developed as below:
  - 1) New super high heat resistant grade with balanced properties-higher impact and higher tensile strength and modulus.
  - 2) Ultra-super high heat resistant grade having far higher HDT than conventional super high heat resistant ABS grades
- b. Super high modulus GP & FR ABS grades were developed.
- c. In saleable SAN "SANTRON" higher clarity grade and high chemical resistant grade are newly added.

**2) Expenditure on R & D :**

	<b>(₹ in lacs)</b>
a. Capital	0.37
b. Recurring	Nil
c. Total	0.37
d. Total R & D Expenditure as a percentage of total turnover.	0.00%

**B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

- 1) Efforts, in brief, made towards technology absorption, adaptation, innovation and benefits derived: Not Applicable
- 2) Information regarding technology imported during the last five years: Not Applicable

**ANNEXURE - B****REPORT ON CORPORATE GOVERNANCE****(A) Company's philosophy on code of Corporate Governance:**

The Company is fully committed to and continues to practice good Corporate Governance. The Company believes that proper Corporate Governance generates goodwill among business partners, customers and investors, facilitates effective management and control of business and generates competitive returns for the investors. In addition to the basic governance issues, the Company lays significant emphasis on the principles of trusteeship, transparency, empowerment, accountability and integrity.

During the year under review, the Board continued its pursuit by adopting appropriate corporate strategies and prudent business plans. Adequate monitoring system was followed to safeguard against major risk and to ensure implementation of policies and procedures to satisfy its social, legal and ethical responsibilities.

**(B) Board of Directors:**

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board from time to time to enable it to discharge its responsibilities of closely monitoring the activities of the Company.

**i) Composition of the Board**

The composition of the Board of Directors of the Company is in conformity with the Clause 49 of the Listing Agreement. The total strength of the Board is 6 Directors of which 4 directors are Non-Executive Independent Directors and of two members of the Board one is Managing Director and another is Whole Time Director. The Chairman of the Board is Non Executive Independent Director. All the members of the Board are qualified, possess of expertise in their respective functional areas alongwith managerial skills and business acumen.

The composition of the Board of Directors, category and details of other Directorships and Membership / Chairmanship of Committees of the respective directors as on 31st March, 2011 are as hereunder:

Sr. No.	Name of Directors	Category	Number of other Companies		
			Directorships	Committee Memberships	Committee Chairmanships
1.	<b>Mr. M. C. Gupta</b>	Chairman, Non-Executive, and Independent Director	2	2	1
2.	<b>Mr. P. R. Bhansali</b>	Non-Executive, Independent Director	2	-	-
3.	<b>Mr. C. S. Sastry</b>	Non-Executive, Independent Director	1	-	-
4.	<b>Dr. B. S. Bhesania</b>	Non-Executive, Independent Director	2	1	-
5.	<b>Mr. B. M. Bhansali</b>	Promoter, Managing Director (Executive)	7	-	-
6.	<b>Mr. Jayesh B. Bhansali</b>	Whole-Time Director (Executive)	7	-	-

**Note:**

- The above Directorships exclude the Directorships held in Private limited companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956.
- The above Committees of Directors include the Audit Committee and Shareholders/Investors Grievance Committee only.

**ii) Board Meetings and attendance of Directors:**

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. The Board also meets to consider the other necessary matter as and when necessary. Agenda of the business to be transacted at the Meeting along with explanatory notes are drafted and circulated well in advance to the Board of Directors of the Company. Every Board Member is free to suggest the inclusion of items on the agenda.



## BHANSALI ENGINEERING POLYMERS LIMITED

During the year 2010-11, 5 Board Meetings were held i.e. on 30th April 2010, 27th July 2010, 22nd October 2010, 31st January 2011 and 18th March 2011. The Twenty Sixth Annual General Meeting of the Shareholders of the Company was held on 27th July 2010.

Attendance of each Director at Board Meetings and Annual General Meeting (AGM) was as follows:

Sr. No.	Name of the Directors	No. of Board Meetings held	No. of Board Meetings Attended	Attendance at AGM held on 27.07.2010
1.	Mr. M. C .Gupta	5	4	Yes
2.	Mr. B. M. Bhansali	5	5	Yes
3.	Mr. P. R. Bhansali	5	4	Yes
4.	Mr. C. S. Sastry	5	Nil	No
5.	Dr. B.S. Bhesania	5	5	Yes
6.	Mr. Jayesh B. Bhansali	5	5	Yes

**(C) Details of Remuneration paid to the Directors during the year ended 31st March 2011:**

The Non-executive Directors of the Company are paid sitting fees for attending each meeting of the Board of Directors and Committees thereof. The remuneration paid to Managing Director and Whole Time Director was as approved by the members. The details of the sitting fees paid to non executive directors and managerial remuneration paid to Whole Time Director and Managing Director during the year under review are given below:

(₹ in lacs)

Sr. No.	Name of the Directors	Sitting fees (including Committee Meetings)	Salaries & Allowances, etc.	Contributions to Provident and Superannuation Funds
1.	Mr. M. C. Gupta	0.40	-	-
2.	Mr. B. M. Bhansali	-	190.61	6.64
3.	Mr. P. R. Bhansali	0.35	-	-
4.	Mr. C. S. Sastry	Nil	-	-
5.	Dr. B. S. Bhesania	0.45	-	-
6.	Mr. Jayesh B. Bhansali	-	21.73	2.07

**Details of Number of Equity Shares held by Non-Executive Directors as on 31st March 2011 are as hereunder:**

Sr. No.	Name of the Directors	No. of Shares
1.	Mr. M. C. Gupta	Nil
2.	Mr. P. R. Bhansali	550690
3.	Mr. C. S. Sastry	5000
4.	Dr. B. S. Bhesania	5000

**(D) Committees of the Board:**

Presently there are Three Committees of the Board of Directors viz.:

1. Audit Committee
2. Shareholders'/Investors Grievance Committee
3. Remuneration Committee.

The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committees.



**(i) Audit Committee:**

The following Directors are members of the Audit Committee:

Sr.No.	Name of the Directors	Category of Members
1.	Mr. M. C. Gupta	Chairman, Non-Executive, Independent Director
2.	Mr. P. R. Bhansali	Non-Executive, Independent Director
3.	Dr. B. S. Bhesania	Non-Executive, Independent Director

All members of the Committee are Independent Directors. Mr. M. C. Gupta is the Chairman of the Audit Committee and Mr. P. R. Bhansali and Mr. B. S. Bhesania are members. All the Members of the Audit Committee are financially literate. The Managing Director and Auditors are generally invitees to the Audit Committee Meetings. The Committee members are free to invite any other concerned officer of the Company in the meeting.

The role, powers and functions of the Audit Committee are as stated in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The Committee reviews the financial statements before they are placed before the Board.

During the year under review, four meetings of the Audit Committee were held i.e. on 30th April 2010, 27th July 2010, 22nd October 2010 and 31st January 2011. The details of attendance of the Audit Committee Members are as under:

Sr. No.	Name of the Directors	No. of Meetings held	No. of Meetings Attended
1.	Mr. M. C. Gupta	4	4
2.	Mr. P. R. Bhansali	4	3
3.	Dr. B. S. Bhesania	4	4

**(ii) Remuneration Committee:**

The details of composition of the Remuneration Committee are as under:

Sr. No.	Name of the Directors	Category of Members
1.	Dr. B. S. Bhesania	Chairman, Non-Executive, Independent Director
2.	Mr. M. C. Gupta	Non-Executive, Independent Director
3.	Mr. P. R. Bhansali	Non-Executive, Independent Director

Dr. B. S. Bhesania is the Chairman of the Remuneration Committee and Mr. M. C. Gupta & Mr. P. R. Bhansali are the members. All the members of the Remuneration Committee are Independent Directors.

The broad terms of reference of the Remuneration Committee is to ensure that the remuneration practices of the Company in respect of the Senior Executives, including the Executive Director are competitive, keeping in view prevalent compensation packages so as to recruit and retain suitable individual(s) in such capacity.

**Remuneration Policy:**

The Non-Executive Directors of the Company are paid sitting fees for each meeting of the Board and the Committee thereof. The appointment and remuneration of the Managing Director and Whole Time Director is governed by resolutions passed by the Board of Directors and Shareholders of the Company, which covers terms of such appointments, read with the service rules of the Company. Remunerations paid to the Managing Director and Whole-time Director are recommended by the Remuneration Committee, approved by the Board of Directors in their Board Meeting and are within the limits set by the shareholders at the General Meetings and other applicable statutory limits.

Presently, the Company does not have any stock option plan or performance linked incentives for its Directors.

During the year, no meeting of Remuneration Committee was held.



## BHANSALI ENGINEERING POLYMERS LIMITED

### (iii) Shareholders/Investors Grievance Committee:

The following Directors are members of Shareholders/Investors Grievance Committee:

Sr. No.	Name of the Directors	Category of Members
1.	Mr. P. R. Bhansali	Chairman, Non-Executive, Independent Director
2.	Mr. B. M. Bhansali	Promoter, Managing Director (Executive)

Mr. P. R. Bhansali is the Chairman of the Shareholders/Investors Grievance Committee. The Committee is authorized to approve the transfer of shares, review & record shareholders grievances, if any, and monitor the work of the Registrar and Transfer Agents. The Members of Shareholders Grievance Committee met 14 times during the year under review i.e. 14th April 2010, 10th May 2010, 27th May 2010, 30th June 2010, 19th July 2010, 17th August 2010, 30th September 2010, 28th October 2010, 30th November 2010, 23rd December 2010, 18th January 2011, 15th February 2011, 11th March 2011 & 31st March 2011.

During the year under review, the Company had received 76 Investors' Grievances of which the Company has already resolved all 76 Grievances and as at 31st March, 2011 no Grievances are pending.

### (E) General Body Meetings:

Details of last three Annual General Meetings are given hereunder:

AGM	For the year	Venue	Date	Time
26th	2009-10	Walchand Hirachand Hall, Indian Merchants' Chamber, Veer Nariman Road, Mumbai- 400 020.	27.07.2010	11.30 a.m.
25 <sup>th</sup>	2008-09	-do-	19.09.2009	11.30 a.m.
24 <sup>th</sup>	2007-08	-do-	20.09.2008	11.30 a.m.

### Special Resolution:

No Special Resolution was passed at the 24th Annual General Meeting held on 20th September 2008.

At the 25th Annual General Meeting held on 19th September, 2009 the following Resolution was passed by the shareholders by way of Special Majority:

- Appointment of Mr. Jayesh B. Bhansali as the Whole-time Director and designated as Executive Director of the Company.

At the 26th Annual General Meeting held on 27th July, 2010 the following Resolution was passed by the shareholders by way of Special Majority:

- Re-appointment of and revision in remuneration payable to Mr. B. M. Bhansali as the Managing Director of the Company for a period of three years.

### Postal ballots:

No Special Resolution requiring postal ballot was placed before the last Annual General Meeting. No Special Resolution requiring postal ballot is being proposed at ensuing Annual General Meeting.

### (F) Disclosures regarding appointment or re-appointment of Directors:

Pursuant to the provisions of Sections 255 and 256 of the Companies Act, 1956, Mr. Jayesh B. Bhansali, Whole-time Director and Dr. B. S. Bhesania, Non-Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and offer themselves for re-appointment. A brief profile of both the Directors has been provided along with Notice of the ensuing Annual General Meeting.

### (G) Disclosures:

#### (i) Related Party Transactions:

The Company has not entered into any transactions, during the financial year 2010-11, of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large.

**(ii) Compliances by the Company:**

No penalties, strictures have been imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

**(iii) Whistle Blower Policy and access of personnel to the Audit Committee:**

The Company has not established the non-mandatory requirement of Whistle Blower Policy. However, the Company's personnel have access to the Chairman of the Audit Committee in connection to the cases which concern unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

**(iv) Code for Prevention of Insider Trading Practices:**

In compliance with SEBI's regulation on prohibition and prevention of Insider Trading, the Company has instituted a comprehensive Code of Conduct for prohibition and prevention of Insider Trading for its designated employees and Directors. The said Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company.

**(v) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:**

The Company has complied with the mandatory requirements of the Corporate Governance Clause of Listing Agreement. The Company has not implemented the non-mandatory requirements enlisted by way of annexure to Clause 49 of the listing agreement except the constitution of Remuneration Committee

**(H) Means of Communication:**

**Financial Results**

- (i) The quarterly un-audited financial results and annual audited financial results were published in Free Press Journal, Navshakti, Business Standard (All), Economics Times English [Mumbai + Ahmedabad + Bangalore + Chennai + Hyderabad ] + Economics Times Gujarati (Mumbai + Ahmedabad) + The Economics Times Hindi [Delhi] + The Times of India (Jaipur) + Navbharat Times (Mumbai + Delhi). These results were also placed on the Company's website www.bhansaliabs.com.
- (ii) No presentations were made to the institutional investors or to analysts during the financial year 2010-11.
- (iii) The Management Discussion and Analysis Report is attached and forms part of this Annual Report.

**(I) Certificate on Corporate Governance :**

As required by Clause 49 of the Listing Agreement, a certificate on compliance of conditions of Corporate Governance Code issued by M/s. B. L. Dasharda & Associates, Chartered Accountants, is attached as an annexure to the Directors' Report.

**(J) CEO Certification :**

As required by Clause 49 of the Listing Agreement, the CEO i.e. the Managing Director's certification is provided forming part of this Annual Report.

**(K) GENERAL INFORMATION FOR SHAREHOLDER(S) :**

**(i) Annual General Meeting:**

<b>Day, Date and Time</b>	Friday 30th September, 2011 at 11.45 A.M.
<b>Venue</b>	Walchand Hirachand Hall, Indian Merchants' Chamber, Veer Nariman Road, Churchgate, Mumbai - 400 020.

**(ii) Financial Calendar:**

Calendar of events for the year ending 31st March 2012: (Tentative and subject to change)

Un-audited Financial Results for the quarter ending 30th June 2011 together with the Limited Review Report.	By 14th August 2011
Un-audited Financial Results for the quarter ending 30th September 2011 together with the Limited Review Report.	By 14th November 2011
Un-audited Financial Results for the quarter ending 31st December 2011 together with the Limited Review Report.	By 14th February 2012
Audited Financial Results for the year ending 31st March 2012 together with the Limited Review Report	By 30th May 2012
Annual General Meeting for the year ending 31st March 2012.	By 30th September 2012



## BHANSALI ENGINEERING POLYMERS LIMITED

**(iii) Date of Book Closure:**

The Company's Register of Members and Share Transfer Books shall remain closed from Friday 23rd September, 2011 to Friday 30th September, 2011 (both days inclusive).

**(iv) Payment of Dividend:**

The Directors recommend a final dividend of Rs. 0.10/- per share (i.e 10%) on the Equity Share of Re. 1/- each. The said dividend if approved in the AGM will be paid through electronic mode in respect of shareholders whose bank details are available with the Company and in other cases Dividend Warrant /Pay Order / Demand Draft shall be dispatched on or before 29th October, 2011 (30 days from the date of AGM)

**(v) Share Transfer System:**

Shares lodged for transfer at the Registrar's address are normally processed within 30 days from the date of lodgment, in case documents are complete in all respect. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 21 days. Shareholders/ Investors Grievance Committee of the Board of Directors of the Company is empowered to approve transfer of shares and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates etc. are processed by the Registrar and Share Transfer Agent within 15 days.

Total number of shares transferred in physical form for the year from 1st April 2010 to 31st March 2011.

Number of Transfer Deeds	63
Number of Shares Transferred	115305

**(vi) Investor Services - queries/complaints during the year ended 31st March 2011:**

The correspondence identified as Investor complaints are letters received through statutory/regulatory bodies and those related to loss of shares, court / consumer forum matters and other matters identified as complaints for reporting under Clause 41 of the Listing Agreement. The details of complaints received and attended during the year from 1st April 2010 to 31st March 2011 are as under:

Total no. of complaints received	76
Total no. of complaints attended	76

No complaint remained unresolved at the end of the year under review.

**(vii) Listing on Stock Exchanges:**

The Shares of the Company have been listed at following stock exchanges:

Sr. No.	Name of the Stock Exchange	Stock Codes
1.	Bombay Stock Exchange Limited (BSE)	500052
2.	National Stock Exchange of India Limited (NSE)	BEPL – EQ

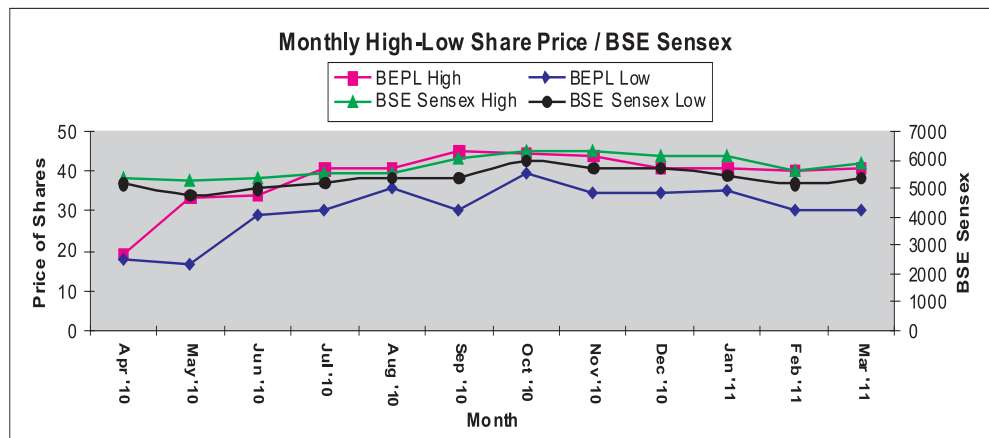
The Listing Fees for the Stock Exchange, where the Company's equity shares are listed have been paid.

**SHARE PRICE MOVEMENT & SHAREHOLDING DISTRIBUTION :**

**viii) Market Price Data (At BSE):**

Month	As per BSE Quote		Volume (in no. of shares)
	High (Rs.)	Low (Rs.)	
April – 2010	19.30	16.15	1,58,919
May – 2010	33.70	16.50	25,89,326
June – 2010	33.80	29.15	15,87,352
July – 2010	40.05	30.00	36,15,364
August – 2010	40.00	35.50	3,81,094
September – 2010	43.80	35.00	7,90,931
October – 2010	45.00	40.10	9,46,415
November – 2010	43.95	34.00	4,82,354
December – 2010	41.75	35.00	7,27,455
January – 2011	42.45	33.50	74,429
February – 2011	40.00	33.50	3,24,563
March – 2011	40.50	30.00	28,75,401

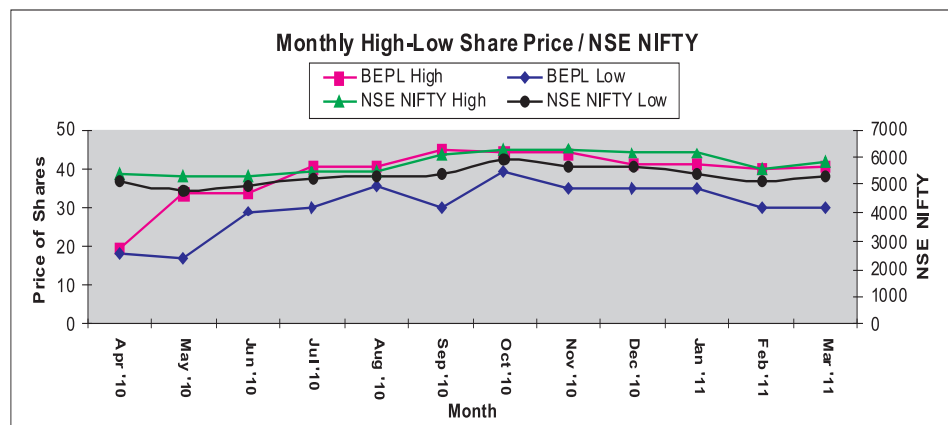
**(ix) Performance of the Company in comparison to BSE (SENSEX):**



**x) Market Price Data (At NSE Nifty):**

Day	As per NSE Quote		Volume (in no. of shares)
	High (Rs.)	Low (Rs.)	
April – 2010	19.40	16.30	163,930
May – 2010	33.50	16.85	2,679,920
June – 2010	33.90	29.05	1,393,604
July – 2010	40.50	30.05	2,946,915
August – 2010	40.70	35.60	682,332
September – 2010	45.00	30.10	969,633
October – 2010	44.45	39.60	1,471,870
November – 2010	43.90	35.00	600,847
December – 2010	41.00	35.00	602,790
January – 2011	41.00	35.15	59,423
February – 2011	40.00	30.15	420,419
March – 2011	40.90	30.25	1,827,976

**(xi) Performance in comparison to NSE Nifty:**





## BHANSALI ENGINEERING POLYMERS LIMITED

### (xii) Distribution of Shareholding as on 31st March 2011:

No. of Equity Shares held	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
1 - 500	6188	49.15	2125138	1.28
501 - 1000	3958	31.44	3795768	2.29
1001 - 2000	1480	11.76	2606778	1.57
2001 - 3000	322	2.56	898336	0.54
3001 - 4000	101	0.80	388350	0.24
4001 - 5000	161	1.28	784758	0.47
5001 - 10000	124	0.98	963311	0.58
10001 & above	256	2.03	154343201	93.03
<b>Total</b>	<b>12590</b>	<b>100.00</b>	<b>165905640</b>	<b>100.00</b>

### (xiii) Categories of Shareholding as on 31st March 2011:

Categories	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
Promoters & Promoter Group	27	0.21	79480038	47.91
Banks, Financial Institutions, FIs, Mutual Funds, NRI, Insurance Companies	29	0.23	188024	0.07
Private Corporate Bodies	226	1.80	58262821	35.12
Indian Public	12308	97.76	27974757	16.90
<b>Total</b>	<b>12590</b>	<b>100.00</b>	<b>165905640</b>	<b>100.00</b>

### (xiv) Dematerialisation of Shares:

The Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialization of shares and the same are available in electronic segment under ISIN- INE922A01025. As on 31st March 2011, 157,992,070 Equity Shares representing 95.23% had been dematerialized.

#### **Exchange of Shares of the Company:**

Some of the Shareholders of the Company are still holding the old Share Certificates of the Company. Those Shareholders' holding Share certificates of Rs. 10/- each of the Company are requested to surrender their original Share certificate(s) to Link Intime India Pvt. Ltd., Registrar & Share Transfer agent of the Company to obtain new share certificate(s) of Re. 1/- each (pursuant to the Sub-division of Equity Shares of the Company on 23rd February, 2004).

**Unclaimed Shares lying with the Company or its Registrar and Share Transfer Agent:**

Pursuant to the circular issued by the Securities and Exchange Board of India, bearing no. CIR/CFD/DIL/10/2010 dated 16<sup>th</sup> December, 2010, the details with respect to the unclaimed shares lying with the Company and/or its Registrar and Share Transfer Agent are as follows:

Unclaimed Shares as on 1 <sup>st</sup> April 2010		Details of Share holders approached during the Financial Year 2010-11 for the claiming of shares		Details of Share holders to whom the shares have been transferred during the Financial Year 2010-11		Unclaimed Shares as on 31 <sup>st</sup> March 2011	
No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares
28	30200	-	-	-	-	28	30200

**(xv) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

There are no GDRs/ADRs/Warrants or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

**(xvi) Plant Locations:**

- (i) **Works - Satnoor:** Bhansali Nagar, Taluka Sausar, Dist. Chhindwara, Madhya Pradesh-480108.
- (ii) **Works - Abu Road:** SP-138-144, Ambaji Industrial Area, Abu Road, Dist. Sirohi, Rajasthan-307026.

**(xvii) Address for Correspondence for Shareholders/Registrar & Share Transfer Agent:****Link Intime India Pvt. Ltd.**

Unit: Bhansali Engineering Polymers Limited  
 C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West),  
 Mumbai - 400 078  
 Tel.: 25963838, Fax : 2594 6969  
 Web Site : [www.linkintime.co.in](http://www.linkintime.co.in)  
 Email : [helpdesk@linkintime.co.in](mailto:helpdesk@linkintime.co.in)

Investor grievances shall also be attended from the following office of the Registrar & Share Transfer Agent:

**Link Intime India Pvt. Ltd.**

Unit: Bhansali Engineering Polymers Limited  
 203, Daver House, 197/199,  
 D. N. Road, Mumbai – 400 001  
 Tel : 25946970



**ANNEXURE - C**

**CHARTERED ACCOUNTANTS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
Bhansali Engineering Polymers Limited

We have examined the compliance of conditions of Corporate Governance by Bhansali Engineering Polymers Limited (the Company) for the year ended March 31, 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 examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

As per the records of the Company, there were no investor grievances remaining unattended for a period exceeding one month against the Company.

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

For and on behalf of  
**B. L. Dasharda & Associates**  
**Chartered Accountants**

**Place : Mumbai**  
**Dated : 26<sup>th</sup> May, 2011**

**Sushant Mehta**  
**Partner**  
**Membership no.: 112489**  
**F.R.No: 112615W**

**ANNEXURE - D**

**DECLARATION REGARDING COMPLIANCES OF COMPANY'S CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL OF COMPANY:**

This is to confirm that the company has adopted a Code of Conduct for its Directors and Senior Management Personnel of the company.

I confirm on the basis of declarations received that the Directors and Senior Management Personnel of the company have complied with the Code of Conduct of company in respect to Financial Year ended on 31st March, 2011.

For the purpose of this declaration, Senior Team Management Members are comprised of the category of General Manager and above including all functional heads.

**Place : Mumbai**  
**Dated : 26<sup>th</sup> May, 2011**

**B. M. Bhansali**  
**Managing Director**



**ANNEXURE - E**

**Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March 2011.**

Sr. No.	Name of the Employee	Designation / Nature of Duties	Gross Remuneration* (Excluding reimbursement) (Rupees)	Qualification	Age (Years)	Total Experience (Years)	Date of commencement of employment	Last employment and Designation
1	B.M. Bhansali	Managing Director	1,97,25,200	Non-matriculate	57	25	18.06.1986	-

**Notes:**

- 1 \*Gross remuneration includes Salary, House Rent Allowance, Special Allowance, Company's contribution to Provident fund, Leave encashment, Leave Travel Concession, and Taxable value of perquisites.
- 2 Other terms & conditions are as per the Company Rules.

**For and on behalf of the Board**

**M. C. Gupta  
Chairman**

Place : Mumbai  
Dated : 26<sup>th</sup> May, 2011



**ANNEXURE - F**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Statements in this Report, particularly those which relate to the Company's objectives, projections, estimates and expectations may constitute forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied hereunder.

**(a) Industry structure**

The Indian economy is showing a steady growth in economic prosperity by maintaining its GDP growth rate at over 8%. ABS consumption in India has grown from 12362 MT during 1992-93 to 114000 MT during 2009-10, an increase of about 800% in 18 years. This corresponds to Compounded Annual Growth Rate (CAGR) of 13.14%. India has an advantage of high population and is expected to maintain high economic growth. This should propel India's consumption in polymer to record new levels in coming years. India presents tremendous growth opportunity because consuming segments of ABS from automobile and telecom industry are likely to phenomenally grow.

**(b) Industry Developments**

The Indian Industry has been growing at an impressive growth rate however there is still high growth potentials. BEPL has targeted to increase its overall manufacturing capacity from existing 51 KTPA to 125 KTPA (comprising of 120 KTPA ABS and 5 KTPA saleable SAN) by March-2013 and the blue print for this ambitious plan has also been finalized which when commissioned in a full fledged manner, will enable the company to become a low cost manufacturer and achieve the cost and quality leadership in domestic market and also become internationally a competitive player.

With the aforesaid enhancement in overall manufacturing capacity, the company will be able to fill the demand supply gap by way of curtailing imports and tapping the overseas market. The domestic demand for ABS is also further expected to increase with increase in GDP, growth in population and increased use of plastics as a substitute to traditional goods.

**(c) Outlook and Opportunities**

The year to come is really a promising one with the facts presented in the foregoing. In the current competitive world there is no survival without growth. The growth in a highly competitive environment with international players is indeed a formidable challenge. The irrational volatility in the prices of crude along with the fluctuation in the foreign currency can be met out only by establishing plant capacity to a level where economies of scale are fully met. By implementing the expansion plan it would be possible to ensure the targeted performance and fulfill the dream of BEPL becoming one of the low cost manufactures of ABS in the world.

**(d) Segment-wise or product-wise performance**

The Company has only one business segment covering ABS and SAN polymers. The figures of production and sales for both ABS and SAN are furnished in the Notes to Accounts.

**(e) Risks and concerns**

BEPL has been extremely cautious in giving effect to its implementation strategy of expansion plan to 125 KTPA by March 2013. The major threat perceived by the company is the slowdown of the global economy particularly the U.S. which is a front runner and unrest in the oil producing countries which create high volatility in the crude oil prices

**(f) Internal Control Systems and their adequacy**

The Company has proven ongoing system of internal controls to ensure optimal utilization of the Company's resources and protection thereof, facilitating accurate and speedy compilation of accounts, management information reports and regular and adequate compliance with statutes, laws and regulations. The Company has a well defined organization structure, authority levels and internal guidelines and rules for each areas of functioning. Moreover, regular internal audits ensure adequacy of internal control systems, adherence to management instructions and compliance with laws and regulations of the country.

**(g) Discussions on financial performance with respect to operational performance**

Last year has been the best in Company's history and the company has achieved a record turnover and profits during the year This was possible by adopting an astute commercial policy of purchasing the raw materials (monomers) and properly managing the foreign exchange portfolio.

**(h) Human Resources**

The Company is continuously stepping up its efforts for optimum utilisation of work force. The Company's expansion program will enable it to improve upon its present skill formation programme. This is necessary because the Company is moving towards higher automation. The Company has successfully implemented SAP program for effective supervision and efficacious utilisation of resources.

**AUDITORS' REPORT**

To,  
The Members of  
**Bhansali Engineering Polymers Limited**

1. We have audited the attached Balance Sheet of Bhansali Engineering Polymers Limited as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 test basis evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 (hereinafter referred to as the Act), we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that: -
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of 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, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
  - e) On the basis of written representations received from the Directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with 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 the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
    - ii. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
    - iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For and on behalf of  
B. L. Dasharda & Associates  
Chartered Accountants  
F.R. No. 112615W**

**Place : Mumbai  
Dated : 26<sup>th</sup> May, 2011**

**Sushant Mehta  
Partner  
Membership No. : 112489**



**ANNEXURE TO THE AUDITORS' REPORT**

Statement referred to in paragraph 3 of our report of even date on the accounts for the year ended 31st March, 2011 of **Bhansali Engineering Polymers Limited**.

1.
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of periodical verification in a phased manner which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. As informed to us no material discrepancies were noticed on such verification.
  - c) No substantial part of fixed assets has been disposed off during the year, which has bearing on the going concern assumption.
2.
  - a) The stocks of finished goods, raw materials, work-in-process and stores and spares of the Company have been physically verified by the management during the year.
  - b) The procedures of physical verification of the above stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) The Company is maintaining proper records of inventory. As explained to us, the discrepancies between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account.
3.
  - a) According to the information and explanations given to us, the Company has obtained unsecured loan from one director covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year is ₹ 54.12 lacs ( P.Y. ₹ 192 lacs) and the year end outstanding is Rs Nil.
  - b) The loans were at call and no stipulations had been made regarding payment of the principal and interest.
  - c) In our opinion and according to the information and explanations given to us , the rate of interest, if any, and other terms and conditions on which above loan was taken is prima facie not prejudicial to the interest of the Company.
4. As informed to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, requirements of clauses (iii.b) to (iii.d) of paragraph 4 of the Order are not applicable.
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
6.
  - a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that needs to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
7. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under to the extent applicable with regards to the deposit accepted from the public.
8. In our opinion, the Company has an internal audit system commensurate with its size and nature of business.
9. On the basis of the records produced, we are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government u/s 209(1) (d) of the Companies Act, 1956 have been maintained by the Company. However, we are not required to carry out and have not carried out any detailed examination of such accounts and records.
10.
  - a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Service Tax and any other statutory dues have been generally regularly deposited in time with the appropriate authorities and there are no undisputed statutory dues payable at the year end for a period of more than six months from the date they became payable.

- b) In our opinion and according to the information and explanations given to us, there are no dues outstanding in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and Service Tax on account of any dispute other than the following:-

Name of the Statute	Nature of the Dues	Amount (₹ in lacs)	Year to which the amount relates	Forum where Dispute is Pending
The Central Excise Act, 1944	Service Tax	120.00	2006-2007	Assistant Commissioner (Chhindwara)
The Income Tax Act, 1961	Income Tax	240.50	2006-2007 and 2007-2008	Income Tax Appellate Tribunal

11. The Company does not have accumulated losses as at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
12. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of any dues to financial institutions or banks.
13. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society, therefore, the clause 4 (xiii) of the Order is not applicable to the Company.
15. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
16. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
17. In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year.
18. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that no funds raised on short term basis have been used for long term investment.
19. The Company has not made any preferential allotment of shares during the year to any parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
20. The Company has not issued any debentures during the year.
21. The Company has not raised any money through a public issue during the year. Accordingly, the provisions of clause 4 (xx) of the order are not applicable to the company.
22. Based upon the audit procedures performed and on the basis of information and explanations provided by the Management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For and on behalf of  
B. L. Dasharda & Associates  
Chartered Accountants  
F.R. No. 112615W**

**Sushant Mehta  
Partner  
Membership No. : 112489**

**Place : Mumbai  
Dated : 26th May, 2011**

**BHANSALI ENGINEERING POLYMERS LIMITED****BALANCE SHEET AS AT 31ST MARCH 2011**

(₹ in Lacs)

	<u>Schedule</u>	<u>As At</u> <u>31.03.2011</u>		<u>As At</u> <u>31.03.2010</u>	
<b>I SOURCES OF FUNDS</b>					
<b>Shareholders' Funds :</b>					
Share Capital	A	1659.06		1659.06	
Reserves and Surplus	B	20506.14	22165.20	18348.95	20008.01
<b>Loan Funds:</b>					
Secured Loans	C	5586.35			5628.04
Unsecured Loans	D	0.00	5586.35		400.00
<b>Deferred Tax Liability</b>			0.00		618.00
<b>TOTAL</b>			<b>27751.55</b>		<b>26654.05</b>
<b>II APPLICATION OF FUNDS</b>					
<b>Fixed Assets :</b>					
Gross Block	E		32378.16		31082.48
Less: Depreciation			15825.34		14250.37
Net Block			16552.82		16832.11
Add : Capital-Work-In-Progress			0.00		1059.26
			16552.82		17891.37
<b>Current Assets, Loans &amp; Advances:</b>					
Inventories	F	4190.22		4055.12	
Sundry Debtors	G	18606.32		15943.81	
Cash & Bank Balances	H	1356.68		810.23	
Loans & Advances	I	1749.46	25902.68	1794.95	22604.11
<b>Less: Current Liabilities &amp; Provisions :</b>					
Current Liabilities	J	14347.07		13294.41	
Provisions		411.59	14758.66	547.02	13841.43
<b>Net Current Assets</b>			11144.02		8762.68
<b>Deferred Tax Asset</b>			54.71		0.00
<b>TOTAL</b>			<b>27751.55</b>		<b>26654.05</b>
Notes on Accounts	O				

The schedules referred to above form an integral part of accounts.

As per our report of even date attached

For and on behalf of

**B. L. Dasharda & Associates****Chartered Accountants****F.R.No: 112615W****Sushant Mehta****Partner****M. No. 112489**

Place : Mumbai

Dated : 26<sup>th</sup> May, 2011**For and on behalf of the Board of Directors****M. C. Gupta**

Chairman

**D. N. Mishra**

Company Secretary

**B. M. Bhansali**

Managing Director

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

(₹ in lacs)

	<u>Schedule</u>	<u>Year Ended</u> <u>31.03.2011</u>		<u>Year Ended</u> <u>31.03.2010</u>	
<b>I INCOME</b>					
Sales		51005.53		33963.15	
Less : Excise Duty (Refer note no '14' of Schedule "O")		<u>4613.91</u>	46391.62	<u>2665.52</u>	31297.63
Other Income	K		366.60		235.71
			<u><b>46758.22</b></u>		<u>31533.34</u>
<b>II EXPENDITURE</b>					
Increase/(Decrease) in Stocks	L		965.18		(1232.76)
Raw Materials Consumed			35373.56		25596.36
Trading Purchases			239.98		0.00
Manufacturing, Administrative & Selling Expenses	M		4424.06		3228.29
Interest	N		1212.72		1465.00
Depreciation		1595.42		1587.90	
Less: Transferred from Revaluation Reserve		<u>990.32</u>	605.10	<u>1009.00</u>	578.90
			<u><b>42820.60</b></u>		<u>29635.79</u>
<b>III Profit before Taxes and Extraordinary Item</b>			3937.62		1897.55
Extra ordinary Item			0.00		0.00
<b>IV Profit before Taxes</b>			3937.62		1897.55
Provision for Taxation					
- Current Year		1260.40		332.00	
- Earlier Year		8.96		(2.26)	
- Mat Credit		0.00		(162.85)	
- Deferred Tax		<u>(672.71)</u>	596.65	<u>677.75</u>	844.64
<b>V Profit after Tax</b>			3340.97		1052.91
Add: Profit brought forward from Previous year			<u>3104.32</u>		<u>2051.41</u>
			<u><b>6445.29</b></u>		<u>3104.32</u>
<b>VI Appropriations</b>					
Proposed Dividend		165.91		0.00	
Tax on Proposed Dividend		<u>27.55</u>	193.46	<u>0.00</u>	0.00
Balance carried to Balance Sheet			<u>6251.83</u>		<u>3104.32</u>
			<u><b>6445.29</b></u>		<u>3104.32</u>
<b>VII Earning Per Share (Basic &amp; Diluted)</b>			2.01		0.63
Face Value ₹ 1/-per share					
Notes on Accounts	O				

The schedules referred to above form an integral part of accounts.

As per our report of even date attached

For and on behalf of

**B. L. Dasharda & Associates**

**Chartered Accountants**

**F.R.No: 112615W**

**Sushant Mehta**

**Partner**

**M. No. 112489**

Place : Mumbai

Dated : 26<sup>th</sup> May, 2011

**For and on behalf of the Board of Directors**

**M. C. Gupta**

Chairman

**D. N. Mishra**

Company Secretary

**B. M. Bhansali**

Managing Director



# BHANSALI ENGINEERING POLYMERS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011

(₹ in lacs)

	Year Ended 31.03.2011	Year Ended 31.03.2010
Cash flow from operating activities :		
Net (Loss)/Profit before tax and Extraordinary Items:	3937.62	1897.55
Adjustment for :		
Depreciation	605.10	578.90
Interest paid	1212.72	1465.00
Interest Income	(61.55)	(52.20)
Unrealised (Gain)/Loss	(273.50)	(136.40)
Loss/ (Profit ) on sale of Assets (Net)	6.94	(22.34)
Operating profit before working capital changes,taxes and Extraordinary Items	5427.33	3730.51
Adjustment for :		
Trade and other receivables	(2796.74)	(239.27)
Inventories	(135.10)	(2753.65)
Trade payables	1345.17	4930.09
Cash (used in)/Generated from Operations before taxes	3840.66	5667.69
Taxes paid		
Income Tax Paid	(1437.54)	(595.51)
Fringe Benefit Tax Paid	0.00	0.00
Net cash (used in) / generated from operating activities	A <b>2403.12</b>	5072.18
Cash flow from investing activities		
Purchase of Fixed Assets	(271.51)	(391.33)
Interest received	61.55	52.20
Sale of Fixed Assets	7.70	27.31
Net cash generated/ (used in) investing activities	B <b>(202.26)</b>	(311.82)
Cash flow from Financing Activities		
Proceeds from borrowings	(441.69)	(3120.59)
Interest paid	(1212.72)	(1465.00)
Dividend paid including dividend tax thereon	0.00	0.00
Net cash generated/ (used in) financing activities	C <b>(1654.41)</b>	(4585.59)
Net increase/(decrease) in cash and cash equivalents	(A+B+C) 546.45	174.77
Cash and Cash equivalents (Opening Balance)	810.23	635.46
Cash and Cash equivalents (Closing Balance)	<b>1356.68</b>	810.23

### Notes:

- (1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting standard -3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- (2) Cash and Cash equivalents as at the end of March 31,2011 include Bank Deposit of ₹ 790.60 lacs (Previous year ₹ 788.61) with a maturity period exceeding three months.
- (3) Previous year figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached

For and on behalf of

**B. L. Dasharda & Associates**

**Chartered Accountants**

**F.R.No: 112615W**

**Sushant Mehta**

**Partner**

**M. No. 112489**

Place : Mumbai

Dated : 26<sup>th</sup> May, 2011

**For and on behalf of the Board of Directors**

**M. C. Gupta**

Chairman

**D. N. Mishra**

Company Secretary

**B. M. Bhansali**

Managing Director



**SCHEDULES FROM 'A' TO 'O' FORMING PART OF THE ACCOUNTS**

(₹ in lacs)

	<b>As At 31.03.2011</b>	<b>As At 31.03.2010</b>
<b>SCHEDULE 'A' - SHARE CAPITAL</b>		
Authorised:		
20,00,00,000 Equity Shares of ₹ 1/- each	2000.00	2000.00
Issued, Subscribed and Paid-up:		
16,59,05,640 Equity Shares of ₹ 1/- each fully paid up	<b>1659.06</b>	1659.06
<b>SCHEDULE 'B' - RESERVES &amp; SURPLUS</b>		
Revaluation Reserve :		
Opening Balance	11997.73	13006.73
Less : Adjustment towards assets sold / discarded	0.00	0.00
Less: Transferred to Depreciation Account	990.32	11007.41
Capital Reserve: Capital Subsidy	44.90	44.90
Share Premium Account	2977.00	2977.00
General Reserve	225.00	225.00
Balance as per Profit & Loss Account	6251.83	3104.32
	<b>20506.14</b>	18348.95
<b>SCHEDULE 'C' - SECURED LOANS</b>		
Cash Credit Limit from Allahabad Bank	5505.35	5613.97
(The above Cash Credit Limit is secured by a first charge on all the immovable assets of the Company and hypothecation of all movable properties both present and future)		
Loan against purchase of Vehicles		
From Banks	81.00	14.07
(Secured by hypothecation of vehicles)		
	<b>5586.35</b>	5628.04
<b>SCHEDULE 'D' - UNSECURED LOANS</b>		
Inter Corporate Deposits	0.00	400.00
	<b>0.00</b>	400.00



# BHANSALI ENGINEERING POLYMERS LIMITED

## SCHEDULE 'E' - FIXED ASSETS

(₹ in lacs)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION					NET BLOCK	
	As at 01.04.10	Additions	Deductions	As at 31.03.11	As at 01.04.10	For the year	on Revalued Assets	Adjustment in respect of assets sold / discarded	As at 31.03.11	As at 31.03.11	As at 31.03.10
Land [Free hold]	125.80	0.00	0.00	125.80	0.00	0.00	0.00	0.00	0.00	125.80	125.80
Land [Lease hold]	140.99	0.00	0.00	140.99	0.00	0.00	0.00	0.00	0.00	140.99	140.99
Buildings	2969.83	6.85	0.00	2976.68	628.08	38.51	50.65	0.00	717.24	2259.44	2341.75
Plant & Machinery	26721.79	1187.31	0.00	27909.08	12831.06	473.85	939.67	0.00	14244.60	13664.48	13890.73
Furniture, Fixtures & Office Equipments*	907.15	29.17	0.00	936.33	679.46	70.65	0.00	0.00	750.11	186.22	227.69
Vehicles	216.92	107.45	35.11	289.28	111.77	22.09	0.00	20.46	113.39	175.89	105.15
<b>TOTAL</b>	<b>31082.48</b>	<b>1330.78</b>	<b>35.11</b>	<b>32378.16</b>	<b>14250.37</b>	<b>605.10</b>	<b>990.32</b>	<b>20.46</b>	<b>15825.34</b>	<b>16552.82</b>	<b>16832.11</b>
PREVIOUS YEAR	30965.00	159.08	41.60	31082.48	12699.07	578.90	1009.00	36.60	14250.37	16832.11	

Note: Refer Note No 1 (d) of Schedule "O"

(₹ in lacs)

## SCHEDULE 'F' - INVENTORIES

(As certified and valued by the Management)

	As At 31.03.2011	As At 31.03.2010
Finished Goods	20.73	276.58
Work-in-Process	644.35	1353.68
Raw Materials (including Goods in Transit)	3193.28	2131.42
Packing Materials	32.24	25.54
Stores & Spares	299.62	267.90
(Refer Note No.1 (e) of Schedule 'O')		
	<b>4190.22</b>	<b>4055.12</b>

## SCHEDULE 'G' - SUNDRY DEBTORS

(Unsecured, Considered Good)

	As At 31.03.2011	As At 31.03.2010
Over six months	0.00	0.00
Others	18606.32	15943.81
	<b>18606.32</b>	<b>15943.81</b>

## SCHEDULE 'H' - CASH & BANK BALANCES

	As At 31.03.2011	As At 31.03.2010
Cash in Hand	6.16	6.89
Balances with Scheduled Banks:		
On Current Accounts	545.68	0.00
On Margin Accounts	790.68	789.08
Unclaimed Dividend Account	14.16	14.26
	<b>1356.68</b>	<b>810.23</b>

## SCHEDULE 'I' - LOANS & ADVANCES

(Unsecured, Considered Good)

	As At 31.03.2011	As At 31.03.2010
Deposits	114.74	99.22
Advances Recoverable in Cash or in Kind or for value to be received	717.61	747.04
Balances with Customs & Excise	894.49	746.34
Mat Entitlement	0.00	162.85
Advance Income Tax	22.62	39.50
	<b>1749.46</b>	<b>1794.95</b>

	(₹ in lacs)			
	As At 31.03.2011		As At 31.03.2010	
<b>SCHEDULE 'J' - CURRENT LIABILITIES &amp; PROVISIONS</b>				
Current Liabilities:				
Sundry Creditors				
- Micro and Small Enterprises*	0.00		0.00	
- Others	14332.91		13158.25	
Book Bank Overdraft	0.00		121.90	
Unclaimed Dividend**	14.16	14347.07	14.26	13294.41
Provisions for:				
Gratuity	187.62		172.91	
Leave Encashment	30.51		26.21	
Taxation	0.00		347.90	
Proposed Dividend	165.91		0.00	
Tax on Proposed Dividend	27.55	411.59	0.00	547.02
		<b>14758.66</b>		<b>13841.43</b>
*(Refer note no 3 of schedule 'O')				
** There is no amount due and outstanding to be credited to Investor Education and Protection Fund				
<b>SCHEDULE 'K' - OTHER INCOME</b>				
Interest Income				
From Banks (TDS ₹ 4.80 lacs Previous year ₹ 12.03 lacs)	56.58		41.37	
Others (TDS ₹ 1.87 lacs Previous year ₹ 1.58 lacs)	4.97	61.55	10.83	52.20
Miscellaneous Income		31.55		20.59
Profit on Sales of Assets		0.00		26.52
Exchange Rate Difference (Net)		273.50		136.40
		<b>366.60</b>		<b>235.71</b>
<b>SCHEDULE 'L' - INCREASE/(DECREASE) IN STOCKS</b>				
Closing Stocks:				
Finished Goods	20.73		276.58	
Work-in-Process	644.35	665.08	1353.68	1630.26
Less: Opening Stocks:				
Finished Goods	276.58		87.14	
Work-in-Process	1353.68	1630.26	310.36	397.50
		<b>(965.18)</b>		<b>1232.76</b>



# BHANSALI ENGINEERING POLYMERS LIMITED

	(₹ in lacs)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
<b>SCHEDULE 'M' - MANUFACTURING, ADMINISTRATIVE &amp; SELLING EXPENSES</b>		
Salaries, Wages & Bonus	979.73	745.65
Contributions to Provident Fund etc.	62.16	51.97
Employees Welfare Expenses	44.61	40.12
Stores and Spares Consumed	208.90	177.68
Packing Materials Consumed	294.47	228.16
Power & Fuel	1713.96	1355.68
Rent, Rates & Taxes	35.43	27.41
Insurance	23.11	21.66
Travelling & Conveyance	112.88	85.20
Repairs & Maintenance :		
Buildings	1.47	0.87
Machinery	37.88	31.03
Others	44.98	32.44
Printing & Stationery	11.43	9.22
Postage, Telephone, Fax etc.	31.74	27.32
Miscellaneous Expenses (Refer note no 14 of Schedule 'O')	210.32	147.27
Legal & Professional Charges	15.18	11.81
Finance Charges	47.51	17.68
Bank Charges	143.04	16.84
Auditors' Remuneration :		
Audit Fees	4.00	4.25
Tax Audit Fees	0.45	0.45
Taxation Matters	0.30	0.55
Review Audit Fees and Other Services	2.04	1.48
Directors' Sitting Fees	1.20	0.44
Managerial Remuneration	218.99	116.60
Bad Debts	8.61	0.00
Loss on Sale of Assets	6.94	4.18
Commission	8.89	10.04
Freight & Forwarding	87.09	31.18
Cash discount	66.75	31.11
	<b>4424.06</b>	<b>3228.29</b>
<b>SCHEDULE 'N' - INTEREST</b>		
Interest on Corporate Loan	0.00	40.20
Interest on Cash Credit Limits to Bank	887.97	1048.09
Interest On Others	264.55	320.69
Interest on Income Tax	60.20	56.02
	<b>1212.72</b>	<b>1465.00</b>

**SCHEDULE 'O'****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS****(Annexed to and forming part of the accounts for the year ended 31st March, 2011)****1. Significant Accounting Policies:****(a) Basis of Accounting**

The financial statements are prepared under historical cost convention modified by revaluation of fixed assets and in accordance with the requirements of the Companies Act, 1956 and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable. For recognition of Income and Expenses, mercantile system of accounting is followed.

**(b) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**(c) Revenue Recognition**

- (i) The Company recognises sale at the point of despatch of goods to the customers. Sales are stated exclusive of Excise duty, Sales tax and are net of sales return and trade discount.
- (ii) Customs duty benefits in the form of advance license entitlements are recognised on export of goods and are set off from material costs.

**(d) Fixed Assets & Depreciation**

- (i) The Fixed Assets are stated at cost of acquisition/construction and includes amounts added on revaluation less accumulated depreciation. All cost including financing cost attributable to the fixed assets to bring the assets to their intended use are capitalised.
- (ii) Depreciation on plant and machinery (other than continuous process plant) has been calculated on the written down value method at the rates specified in Schedule XIV to the Companies Act, 1956.
- (iii) Depreciation on all other assets, other than leasehold land including continuous process plant, has been calculated on the straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.
- (iv) Cost of leasehold land is not amortised over the lease period.
- (v) Depreciation on the assets purchased/ sold during the year has been provided on a pro-rata basis.

**(e) Valuation of Inventories**

- (i) Inventories are valued at cost except for finished goods which are valued at lower of cost or net estimated realizable value.
- (ii) Cost of inventories is computed on Weighted Average basis.
- (iii) Finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**(f) Employee benefits**

- (i) **Defined Contribution Plan:** Company's contributions paid/payable during the year to Provident Fund, ESIC, Labour Welfare Fund and Superannuation Fund are recognised in the Profit & Loss Account.
- (ii) **Defined benefit plan:** The company's liabilities towards gratuity and leave encashment, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation, using the projected unit credit method as at the Balance Sheet date.

**(g) Foreign Currency Transactions**

- (i) Foreign currency transactions are recorded at the exchange rate prevailing at the time of the transaction and exchange difference, if any, on settlement of transaction is recognised in the Profit & Loss Account.
- (ii) Amounts of foreign currency transactions remaining pending at the year end are recorded at the exchange rate prevailing at that time.
- (iii) All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Profit and Loss Account.
- (iv) In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense over the life of the contract.



## BHANSALI ENGINEERING POLYMERS LIMITED

### (h) Borrowing Cost

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of these capitalised assets, upto the date when such assets is ready for its intended use. Borrowing costs on working capital is charged to Profit and Loss Account for the year.

### (i) Excise Duty

Cenvat is accounted as per exclusive method of accounting in terms of Accounting Standard – 2 on Valuation of Inventories, issued by the Institute of Chartered Accountants of India.

### (j) Taxation

(i) Tax expense comprises of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

(ii) Deferred tax is recognised, subject to consideration of prudence on timing difference, being the difference between the taxable and accounting income/expenditure that originate in one year and are capable of reversal in one or more subsequent year(s). Deferred tax assets are not recognised unless there is virtual certainty that sufficient future taxable income will be available, against which such deferred tax asset will realise.

(iii) Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Profit and Loss account and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### (k) Leased Assets

Assets acquired under finance lease, which effectively transfer to the Company all the risks and benefits are disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

### (l) Provisions, Contingent Liabilities and Contingent Assets

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

### (m) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable is reassessed and the asset is reflected at the recoverable amount.

2. The Freehold Land, Building and Plant & Machinery of the Company as on 30th June 2002 and as on 30th June 2004 were revalued by the approved valuer and the surplus arising thereon has been transferred to Revaluation Reserve. Depreciation on revalued assets, amounting to ₹ 990.32 lacs (Previous Year ₹ 1009.00 lacs) has been appropriated from the Revaluation Reserve.

3. The Company has identified Micro, Small and Medium Enterprises on the basis of information made available. As at 31st March, 2011 there are no dues to Micro, Small and Medium Enterprises that are reportable under the MSMED Act, 2006.

4. Managerial Remuneration:

	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
(a) Remuneration to Managing Director		
(i) Salaries & Allowances etc	39.36	14.40
(ii) Contributions to Provident Fund and Superannuation Fund	6.64	2.43
(iii) Commission	151.25	78.04
Total	<u>197.25</u>	<u>94.87</u>

- (b) Computation of Net profit in accordance with Section 349 read with Section 309(5) of the Companies Act, 1956.

Particulars	Current Year	Current Year	Previous Year
	(₹ In lacs)	(₹ In lacs)	(₹ In lacs)
Profit /(Loss) before taxes as per Profit & Loss Account		3937.62	1897.55
Add: Directors sitting fees	1.20		0.44
Managerial Remuneration	197.25		94.87
Loss on sale of Fixed Assets	<u>6.94</u>	<u>205.39</u>	<u>4.18</u>
	4143.01	1997.04	
Less: Profit on sale of Fixed Assets		<u>0.00</u>	<u>26.52</u>
Profit /(Loss) in accordance with Section 349 read with Section 309(5) of the Companies Act, 1956		4143.01	1970.52
Maximum Remuneration @ 5% of Net Profit (in accordance with Section 349 read with Section 309(3) of the Companies Act, 1956)		207.15	98.53
Total Remuneration paid		197.25	94.87
		Current Year	Previous Year
		(₹ in lacs)	(₹ in lacs)

- (c) Remuneration to Executive Director:

Salaries	<u>21.73</u>	<u>21.73</u>
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- (d) Directors' Sitting Fees

	<u>1.20</u>	<u>0.44</u>
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5. As required by Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, which is mandatory in nature, the Company has recognised Deferred Tax income, which results from the timing difference between the Book Profits and Tax Profits, for the year aggregating to ₹ 672.71 lacs in the Profit and Loss Account.

The major components of deferred tax assets and liabilities arising on account of timing differences are:

Particulars	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
<b>Deferred Tax Assets/ Liability consists of</b>		
<b>Deferred Tax Assets</b>		
Expenses allowable on payment basis	299.03	76.20
<b>Deferred Tax Liability</b>		
Arising on account of timing difference in Depreciation	<u>244.32</u>	<u>694.20</u>
<b>Net Deferred Tax Liability/(Asset)</b>	<b><u>(54.71)</u></b>	<b><u>618.00</u></b>



## BHANSALI ENGINEERING POLYMERS LIMITED

### 6. Related party disclosures and transactions with related party:

Name of the related party and nature of transactions (Excluding Reimbursements)	Nature of transactions	Current Year (Previous Year) ₹ in lacs		
		Enterprises owned by Relatives of Key Managerial Person	Key managerial Personnel	Relative of Key Managerial Person
(i) Deposit Mrs. D. B. Bhansali (Wife of Mr. B.M.Bhansali)	Rent Deposit	NIL	NIL	18.00 (18.00)
	Rent Paid	NIL	NIL	4.70 (6.08)
(ii) Remuneration	Mr. B.M. Bhansali (Managing Director)	Managerial Remuneration	NIL	197.25 (94.87)
		Loan Taken	NIL	54.12 (192.00)
	Mr. Kenji Asakawa (Executive Director - Technical)	Remuneration	NIL	36.00 (28.50)
		Mr. Jayesh B. Bhansali (Executive Director - Corporate)	Remuneration & Perquisites	NIL
(iii) Sundry Creditors Balance as on 31st March 2011			104.78 (55.31)	

7. The Company manufactures and sells ABS and SAN and does trading of Polycarbonates which belong to the same product group i.e. "Highly Specialized Engineering Thermoplastics". The product has the same risks and returns, which are predominantly governed by market conditions, namely demand and supply position. Thus, in the context of Accounting Standard 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India, there is only one identified reportable segment.

8. Earning per share is calculated as shown below:

	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
Net profit as per Profit & Loss Account after tax available for equity shareholders	3340.97	1052.91
Weighted Average Number of Equity Shares (Nos.)	16, 59, 05,640	16, 59, 05,640
Earning per share (₹)		
Basic & Diluted EPS before Extraordinary item (Face Value ₹ 1/- per share)	2.01	0.63
Basic & Diluted EPS after Extraordinary item (Face Value ₹ 1/- per share)	2.01	0.63

9. Borrowing cost capitalised during the year is ₹ 77.59 lacs (Previous Year ₹ 129.57 lacs).



## 10. Details of foreign currency exposures that is not hedged by derivative instruments or otherwise.

Particulars	Current Year			Previous Year		
	Amount in foreign Currency	Currency	Amount in ₹ lacs	Amount in foreign Currency	Currency	Amount in ₹ lacs
Liabilities Payable	16,37,626 1,98,19,420	EURO USD	1038.42 9200.52	NIL 2,07,20,891	EURO USD	NIL 8972.55
Assets Receivable	1,98,588	USD	86.76	NIL	USD	NIL

## 11. Employee benefits

The Company has made provision for gratuity and leave encashment in the nature of defined benefit obligation on the basis of actuarial valuation as per revised AS-15. Since the liability is not funded through a trust or insurer, there are no plan assets.

The Company has classified the various benefits provided to employees as under:

- Defined Contribution Plans

During the year, the company has recognised the following amounts in the Profit and Loss Account:

PARTICULARS	Current Year ₹ in lacs	Previous Year ₹ in lacs
Employer's Contribution to Provident Fund & Other Funds (Included in Contribution to Provident Fund etc (Refer Schedule "M"))	62.16	51.97
Employer's Contribution to Superannuation Fund and ESIC Included in Salaries, Wages and Bonus (Refer Schedule "O")	14.52	11.47

- Defined Benefit Plans

In accordance with Accounting Standard 15 (R), actuarial valuation was done as on 31st March 2011 in respect of Contribution to Gratuity Fund and Leave Encashment using "Projected Unit Method". The charge on account of provision for gratuity and leave encashment has been included in Salaries, Wages and Bonus (Schedule 'O').

## (a) Changes in Present value of obligation

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
	GRATUITY (UNFUNDED) (₹ in lacs)	GRATUITY (UNFUNDED) (₹ in lacs)	LEAVE ENCASHMENT (UNFUNDED) (₹ in lacs)	LEAVE ENCASHMENT (UNFUNDED) (₹ in lacs)
Present Value of Obligation as at April 1, 2010	172.91	127.45	26.21	18.29
Current Service Cost	16.37	15.55	11.54	7.82
Benefits Paid	18.31	5.18	16.14	9.72
Interest Cost	13.83	9.55	2.10	1.37
Actuarial (gain)/loss on obligation	2.82	25.54	6.81	8.45
Present value of Obligation as at March 31, 2011	187.62	172.91	30.51	26.21



## BHANSALI ENGINEERING POLYMERS LIMITED

(b) Reconciliation of Present Value of Defined Obligation and the fair Value of Plan Assets

PARTICULARS	As at 31st March 2011 <b>GRATUITY (UNFUNDED) (₹ in lacs)</b>	As at 31st March 2010 GRATUITY (UNFUNDED) (₹ in lacs)	As at 31st March 2011 <b>LEAVE ENCASHMENT (UNFUNDED) (₹ in lacs)</b>	As at 31st March 2010 LEAVE ENCASHMENT (UNFUNDED) (₹ in lacs)
Present value of Obligation as at March 31, 2011	187.62	172.91	30.51	26.21
Fair Value of Plan Assets as at March 31, 2011	Nil	Nil	Nil	Nil
Liability Recognized in the Balance Sheet	187.62	172.91	30.51	26.21

(c) Expenses recognized in the Profit and Loss Account

PARTICULARS	<b>CURRENT YEAR GRATUITY (UNFUNDED) ₹ in Lacs</b>	PREVIOUS YEAR GRATUITY (UNFUNDED) ₹ in Lacs	<b>CURRENT YEAR LEAVE ENCASHMENT (UNFUNDED) ₹ in Lacs</b>	PREVIOUS YEAR LEAVE ENCASHMENT (UNFUNDED) ₹ in Lacs
Current Service Cost	16.37	15.55	11.54	7.82
Interest Cost	13.83	9.55	2.10	1.37
Expected Return on Plan Assets	Nil	Nil	Nil	Nil
Actuarial (gain)/loss	2.82	25.54	6.81	8.45
Net Cost	33.02	50.64	20.45	17.64

(d) Actuarial Assumptions:

PARTICULARS	<b>CURRENT YEAR GRATUITY (UNFUNDED)</b>	PREVIOUS YEAR GRATUITY (UNFUNDED)	<b>CURRENT YEAR LEAVE ENCASHMENT (UNFUNDED)</b>	PREVIOUS YEAR LEAVE ENCASHMENT (UNFUNDED)
Retirement Age	58 years	58 years	58 years	58 years
Withdrawal Rates	1% per annum	1% per annum	1% per annum	1% per annum
Future Salary Rise	4.5% per annum	4.5% per annum	4.5% per annum	4.5% per annum
Rate of Discounting	8% per annum	8% per annum	8% per annum	8% per annum
Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Mortality Table	L.I.C.(1994- 96) Ultimate	L.I.C.(1994-96) Ultimate	L.I.C.(1994-96) Ultimate	L.I.C.(1994-96) Ultimate

(e) Notes:

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

12. The Income Tax assessments of the company have been completed upto Assessment Year 2008-09. The disputed outstanding demand up to the said Assessment year is ₹ 265.79 lacs. Based on the decision of the appellate authorities and the interpretations of other relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

13. The Company's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Manufacturing and Other Expenses" in Schedule "M".

The leasing arrangements are for a period not exceeding one year and are in most cases renewable by mutual consent, on mutually agreeable terms.

Future lease rentals payable in respect of residential and office premises:

	(₹ in lacs)	
Payable	<b>Current year</b>	Previous Year
Not Later than one year	26.99	30.21
Later than one year but not later than five years	-	-
Later than five years	-	-

14. Excise duty deducted from turnover represents amount of excise duty collected by the company on sale of goods manufactured by the company. Excise duty of ₹ 14.97 lacs. (Previous year ₹ 9.97 lacs) in Miscellaneous expenditure under schedule 'M' Manufacturing administrative and selling expenses represents mainly the difference in amount of excise duty on closing stock and opening stock of finished goods.

15. Information given under Clause 3(i) (a), 3(ii), 4-C, 4-D of Part II of Schedule VI to the Companies Act, 1956.

	<b>Current Year</b>		Previous Year	
(a) Installed Capacity:				
Acrylonitrile Butadiene Styrene (ABS) Resins / Styrene Acrylonitrile (SAN) Resins (As certified by the Management & relied upon by the auditors, being a technical matter)	51000 TPA		48000 TPA	
	<b>Qty (MT)</b>	<b>Value (₹ In lacs)</b>	<b>Qty (MT)</b>	<b>Value (₹ In lacs)</b>
(b) Actual Production				
(i) For Captive Consumption				
SAN Resins	25672	-	20952	-
(ii) Meant for Sale				
ABS Resins	35895	-	30745	-
SAN Resins	5307	-	2589	-
	<u>41202</u>	-	<u>33334</u>	-
(c) Sales				
ABS Resins	36022	45204.59	30667	31862.08
SAN Resins	5307	5550.80	2589	2101.07
(a)	<u>41329</u>	<u>50755.39</u>	<u>33256</u>	<u>33963.15</u>



## BHANSALI ENGINEERING POLYMERS LIMITED

	Qty (MT)	Value (₹ In lacs)	Qty (MT)	Value (₹ In lacs)
(d) Trading Sales				
Polycarbonate	(b) 137	250.14	0.00	0.00
	(a) + (b) 41466	51005.53	33256	33963.15
(e) Opening Stock of Finished Goods				
ABS Resins	140	276.58	62	87.14
(f) Closing Stock of Finished Goods				
ABS Resins	13	20.73	140	276.58
(g) Value of Import on CIF Basis				
Components & Spare Parts		4.09		7.67
Capital Goods		NIL		NIL
Raw Materials		14385.43		11895.08
(h) Expenditure in Foreign Currency –				
(i) Interest and Finance Charges		159.00		155.06
(ii) Commission on Sales		NIL		0.16
(iii) Others		0.98		1.89
(i) Earnings in Foreign Exchange				
Exports on F.O.B. Basis		890.17		13.50
	<b>Current Year</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Previous Year</b>
(j) Raw Material Consumed	(MT)	(₹ In lacs)	(MT)	(₹ In lacs)
Acrylonitrile	9011	10357.75	7303	5716.04
Butadiene	4939	5151.49	4345	3092.60
Styrene	26157	15841.49	20564	11146.28
Others		4262.81		5641.44
		<u>35613.54</u>		<u>25596.36</u>

	(₹ in lacs)	%	(₹ in lacs)	%
(k) Value of Raw Materials, Stores & Spares and Components consumed				
(i) Raw materials:				
Imported	14385.43	40.39	11895.08	46.47
Indigenous	21228.11	59.61	13701.28	53.53
	<u>35613.54</u>	<u>100.00</u>	<u>25596.36</u>	<u>100.00</u>
(ii) Stores & Spare parts & Components				
Imported	4.09	1.96	7.67	4.32
Indigenous	204.81	98.04	170.01	95.68
	<u>208.98</u>	<u>100.00</u>	<u>177.68</u>	<u>100.00</u>

16. **Contingent Liabilities in respect of:**

	As at <b>31.03.2011</b> (₹ in lacs)	As at <b>31.03.2010</b> (₹ in lacs)
(a) Bills Discounted	977.68	59.40
(b) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	141.89	NIL
(c) Show Cause Notices issued in respect of payment of Excise Duty. The matters are subjudice and not provided for	NIL	120.00
(d) Demand raised by Excise Authorities against which Appeals have been filed for which the company has been legally advised that these are goods cases and the demand is likely to be deleted.	120.00	8.96

17. Figures for the Previous Year have been regrouped and re-arranged wherever necessary to conform to the Current Year's classification.

As per our report of even date attached

For and on behalf of

**B. L. Dasharda & Associates**  
Chartered Accountants  
F.R.No: 112615W

**Sushant Mehta**  
Partner

M. No. 112489

Place : Mumbai

Dated : 26<sup>th</sup> May, 2011

**For and on behalf of the Board of Directors**

**M. C. Gupta**

Chairman

**D. N. Mishra**

Company Secretary

**B. M. Bhansali**

Managing Director



**SCHEDULE - VI**

**PART - IV**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(Inserted by Notification No.GSR 388 (E), dated 15.05.1995)

**I. Registration Details**

Registration No.  State Code   
(Refer Code List)

Balance Sheet Date     
Date Month Year

**II. Capital raised during the year**

(Amount in Rs. Lacs)

Public Issue   
Right Issue

Bonus Issue   
Private Placement

**III. Position of Mobilisation and Deployment of Funds**

(Amount in Rs. Lacs)

Total Liabilities   
Total Assets

**Source of Funds**

Paid-up Capital   
Reserves & Surplus

Secured Loans   
Unsecured Loans

Deferred Tax Liability

**Application of Funds**

Net Fixed Assets   
Investments

Net Current Assets   
Misc. Expenditure

Deffered Tax Asset

**IV. Performance of Company (Amount in ₹ Lacs)**

Turnover & Other Income   
Total Expenditure

Profit/(Loss) before tax   
Profit/(Loss) after tax

Earning per Share in Rs.   
Dividend rate %

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

(As per monetary terms)

Item Code No.

(ITC Code)

Product Description

ACRYLONITRILE BUTADIENE  
STYRENE RESINS - - - - -

Item Code No. (ITC Code)

Product Description

STYRENE ACRYLONITRILE  
RESINS - - - - -

Item Code No. (ITC Code)

Product Description

STYRENE BUTADIENE  
RUBBER LATEX - - - - -

For and on behalf of the Board of Directors

**M.C.Gupta** Chairman

**D.N.Mishra** Company Secretary

**B. M. Bhansali** Managing Director

Mumbai  
Dated : 26th May, 2011

**bhansali ENGINEERING POLYMERS LIMITED**

Registered Office : Bhansali House, A-5, Veera Desai Road, Andheri (West), Mumbai-400 053.

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the hall.  
Members/Representatives of Corporate members or Proxies are allowed to attend the meeting)

Folio No. \* \_\_\_\_\_ DP ID \_\_\_\_\_

No. of Shares held \_\_\_\_\_ Client ID \_\_\_\_\_

I hereby record my presence at the 27<sup>th</sup> Annual General Meeting of the Company to be held on 30th day of September, 2011 at 11.45 a.m. at Walchand Hirachand Hall, Indian Merchants' Chamber, Veer Nariman Road, Mumbai – 400 020.

**Name(s) of Member/Proxy**

**Signature of Member/Proxy**

\* Applicable for Investors holding shares in Physical Form

----- TEAR HERE -----

**bhansali ENGINEERING POLYMERS LIMITED**

Registered Office : Bhansali House, A-5, Veera Desai Road, Andheri (West), Mumbai-400 053.

**PROXY FORM**

Folio No. \* \_\_\_\_\_ DP ID \_\_\_\_\_

No. of Shares held \_\_\_\_\_ Client ID \_\_\_\_\_

Name(s) in Full	Father/Husband's Name	Registered Address
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

being a Member/Members of BHANSALI ENGINEERING POLYMERS LIMITED, hereby appoint  
Shri / Smt \_\_\_\_\_ of \_\_\_\_\_

(or failing him/her) \_\_\_\_\_ of \_\_\_\_\_

(or failing him/her) \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend and vote for me/us on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the Company to be held on 30th day of September, 2011 and at any adjournment thereof.

AS WITNESS my hand / our hands this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

Signed by the said \_\_\_\_\_

Affix a  
Re.1/-  
Revenue  
Stamp

\* Applicable for Investors holding shares in Physical Form

**NOTE :** The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. Proxy need not be a member of the Company.

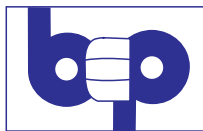
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# “Our Products

used for, *inter alia*, many other applications”







# BHANSALI ENGINEERING POLYMERS LIMITED

## Regd. Office:

Bhansali House, A-5, Veera Desai Road, Andheri (West), Mumbai - 400 053.

Tel: 2673 1779 - 85 Fax: 2673 1796 E-mail: abstron@bhansaliabs.com

## WORKS

Satnoor: Bhansali Nagar, Taluka Sausar, Dist: Chhindwara, (M.P.) - 480 108.

Tel: (07165) 226376-79 Fax : (07165) 226380 E-mail: ranjeetsingh@bhansaliabs.com

Abu Road: Plot no. SP-138-144, Ambaji Industrial Area, Abu Road, Dist: Sirohi, (Raj.) - 307026.

Tel: (02974) 226781-82, 226862, 226213 Fax: (02974) 226737 E-mail: rpsraghav@bhansaliabs.com

## MARKETING OFFICES

### 1) EAST BRANCH

6 / 8A / 1,  
Netaji Nagar,  
**KOLKATA** -700 092

Mob: 09831021245

E-mail: tkganguly@bhansaliabs.com

### 2) WEST BRANCH

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Veera Desai Road,  
Andheri (West),  
**MUMBAI** – 400 053.

Tel: 022-26731779-85

Fax:022-26731796

E-mail: hitarth@bhansaliabs.com

### 3) NORTH BRANCH

# 810, 8th Floor, Pearl Best Heights-1,  
Plot No.A-5, Netaji Subhash Place,  
Behind Max Hospital,Pitampura  
**DELHI** – 110 034

Tel: 011-45137369

011 -45604654

E-mail: vishals@bhansaliabs.com

### 4) SOUTH BRANCHES

No.3113, 2nd Main Road,  
18th Cross,  
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### 5) PUNE BRANCH

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Belthika Nagar, Thergaon,  
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