



Shaily Engineering Plastics Limited



32nd Annual Report
2011-12

Contents

Directors' Report.....	1
Management's Discussion and Analysis.....	4
Report on Corporate Governance.....	7
Auditors' Report.....	20
Balance Sheet.....	26
Statement of Profit & Loss.....	27
Cash Flow Statement.....	28
Significant Accounting Policies and Notes on Accounts.....	29

Company Information

Board of Directors

Mr. Hasmukh Shah	Chairman
Mr. Mahendra Sanghvi	Managing Director
Mr. Laxman Sanghvi	Executive Director
Mrs. Tilottama Sanghvi	Whole time Director
Mr. Amit Sanghvi	Whole time Director ¹
Mr. Jayesh Shah	Director
Mr. Bharat Sanghvi	Director ²
Mr. A S Anandkumar	Director
Mr. Michael B. Woodhall	Director ³
Mr. Sarup Chowdhary	Director
Mr. William Sean Sovak	Director
Mr. Sachin Bhartiya	Director

¹ Appointed w.e.f. 1st October, 2011

² Resigned w.e.f. 1st October, 2011

³ Resigned w.e.f. 26th May, 2012

Board Committees

Audit Committee

Mr. A.S Anandkumar
Mr. Hasmukh Shah
Mr. Sarup Chowdhary
Mr. William Sean Sovak

Remuneration Committee

Mr. Hasmukh Shah
Mr. Sarup Chowdhary
Mr. William Sean Sovak

Shareholders'/Investors' Grievance Committee

Mr. William Sean Sovak
Mr. A.S Anandkumar
Mr. Laxman Sanghvi

Asst. Company Secretary

Ms. Kruti Parekh

Auditors

Statutory Auditors

M/s Deloitte Haskins & Sells
Chartered Accountants

Internal Auditors

M/s Shah Jain & Hindocha
Chartered Accountants

Secretarial Auditors

M/s S. Samdani & Associates
Company Secretaries

Bankers

State Bank of India
Standard Chartered Bank
Bank of Baroda

Registrar & Share Transfer Agent

Bigshare Services Pvt. Ltd.
E-2, ANSA Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri(East),
Mumbai, 400072, India.
Website: www.bigshareonline.com
E-mail : bigshare@bom7.vsnl.net.in

Registered Office

Survey No. 364/366, At & Po. Rania, Taluka Savli,
Dist. Vadodara - 391780, Gujarat, India.
Website: www.shaily.com E-mail: investors@shaily.com

Plant Locations

Rania Plant/ EOU Plant/Finishing Division

Survey No. 364/366
At & Po. Rania – 391780,
Taluka Savli, Dist. Vadodara,
Gujarat, India

Halol Plant

Plot # 706,707,708 GIDC,
Halol Dist. Panchmahals
Gujarat, India

DIRECTORS' REPORT

The Members

Shaily Engineering Plastics Limited

Your Directors are pleased to present the 32nd Annual Report and Audited Accounts for the year ended on 31st March 2012.

Financial Results

	Current Year (2011-12)	(Rs. In lacs) Previous Year (2010-11)
Gross Total Income	14,719.52	12,936.95
Profit before depreciation and tax	1,345.70	837.81
Less: Depreciation	518.51	469.36
Less: Provision for taxation	24.97	-
Less / (Add) : Deferred tax liability / asset	165.55	(13.26)
Profit after tax	636.67	381.71

Business Performance

Your Company's performance during the year under review has improved substantially over the previous year. Net income has increased by 14.97% from Rs. 12,770.48 lacs to Rs. 14,682.36 lacs. PAT has increased by 66.79% from Rs. 381.71 lacs to Rs. 636.67 lacs.

Exports have been a major factor in the Company's growth with increase in exports from Rs. 9,813.17 lacs to Rs. 112,371.24 lacs (growth of 26.06%).

All significant accounting policies and material transactions have been disclosed in notes on accounts to the Balance Sheet as on 31st March 2012.

Dividend

In view of conserving the resources for business needs, your Directors do not recommend payment of dividend for the year under review.

Dividend of Rs. 8,810,888 was accumulated and due for the financial year 2007-08 and 2008-09, on pro-rata basis, on 7% Participatory Cumulative Convertible Preference Shares of Rs. 56/- each which were issued on 6th July, 2007 and which have been converted into equity shares on 5th January 2009. Hence, the Board has approved the payment of interim dividend of Rs. 4,332,959/- and Rs. 4,477,929/- on 20th June 2011 and 13th November 2011 respectively.

Directors

The Board has inducted Mr. Amit Sanghvi as an Additional Director w.e.f 1st October, 2011 in the Board Meeting held on 6th August, 2011. In the meeting held on 13th November, 2011 Mr. Amit Sanghvi was appointed as Whole-Time Director w.e.f 1st October, 2011 for a period of 3 years, subject to approval of the Shareholders. We seek your support in confirming his appointment in the forthcoming Annual General Meeting as a Director liable to retire by rotation.

Mr. Bharat Sanghvi and Mr. Michael Woodhall have resigned from the Board of company w.e.f. 1st October, 2011 and 26th May, 2012 respectively. The Directors would like to place on record their appreciation for the contribution made by them to the company.

Mr. A.S.Anandkumar, Mr. Laxman Sanghvi and Mrs. Tilottama Sanghvi, Directors, will be retiring by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

Brief resumes of these directors are included in the notice for the annual general meeting. Your directors have pleasure in recommending their appointment / re-appointment.

Fixed Deposits

The Company has accepted deposits of Rs. 152.60 lacs during the year in compliance with provisions of section 58A of Companies Act 1956 read with Companies (Acceptance of Deposits) Rules 1975, as amended.

Conservation of energy, Technology absorption and Foreign Exchange earnings and outgo

Information pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended 31st March 2012.

Conservation of Energy

The Company has installed in-built energy mechanism to conserve energy.

Technology Absorption

Research and Development: The Company has developed several dies and moulds, which were earlier imported. The Company has also developed several plastic components, which were earlier imported. The activities in development are carried out by the technicians, and the expenditure thereon is debited to the respective heads.

Technology absorption, adaptation and innovation: The Company has manufactured many plastic components of international standard/quality, which are import substitutes for diverse applications.

Foreign exchange earnings and outgo

Total foreign exchange used is Rs. 3,272.42 lacs and total foreign exchange earned Rs. 12,371.24 lacs.

Directors' responsibility statement

As required by sub-section (2AA) of section 217 of the Companies Act, 1956, Directors state:

- (i) that in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2012 and of the profits of the company for that period;

(iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the annual accounts have been prepared on a going concern basis.

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with stock exchanges, a separate section titled 'Corporate Governance' has been included in this annual report, along with Management discussion and Analysis and additional shareholder information.

Statement pursuant to 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 2012.

None of the employees of the Company is in receipt of remuneration in excess of the prescribed limits.

Auditors' report

The observation made in the Auditors' report read together with relevant notes thereon, are self-explanatory and hence do not call for any comments under section 217 of the Companies Act 1956.

Auditors

The present Auditors of the Company, M/s Deloitte Haskin & Sells, have expressed their willingness to act as Auditors of the Company, on their retirement at the ensuing Annual General Meeting, for the year 2012-13. They have further confirmed that the said appointment would be in conformity with the provisions of Section 224 (1B) of the Companies Act, 1956.

Acknowledgement

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record their appreciation for the support and co-operation your Company has been receiving from its suppliers, customers, business partners and others associated with the Company as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect to and co-operation with each other, consistent with consumer interests.

The Directors also take this opportunity to thank all investors, clients, vendors, banks, regulatory and government authorities and stock exchange, for their continued support.

For and on behalf of Board of Directors

Place: Baroda
Date: 26th May, 2012

Sd/-
Chairman

MANAGEMENT’S DISCUSSION AND ANALYSIS

Overview

Shaily Engineering Plastics Limited (SEPL) has upgraded and expanded its manufacturing facilities to meet with its domestic and overseas customers demand. SEPL has separate 100% EOU Plant and has been exporting 70% of its total sales over the last three years. In the coming year, the company would be adding Injection Blow Moulding facility for manufacturing of pharmaceutical packaging.

Industry structure and developments

The Plastics Industry in India has made significant achievements ever since it made a modest but promising beginning by commencing production of injection moulded plastic components for various industries such as Pharma, Automobiles, Textile, Electrical appliances, kitchen ware items, etc. The potential Indian market has motivated Indian entrepreneurs to acquire technical expertise, achieve high quality standards and build capacities in various facets of the booming plastic industry. Phenomenal developments in the plastic machinery sector coupled with matching developments in the petrochemical sector, both of which support the plastic processing sector, have facilitated the plastic processors to build capacities to service both the domestic market and the markets in the overseas.

The plastic processing sector comprises of over 30,000 units involved in producing a variety of items through injection moulding, blow moulding, extrusion and calendaring. The capacities built in most segments of this industry coupled with inherent capabilities has made us capable of servicing the overseas markets.

Performance of the company

FY 2011-12 was a strong year for the company as it has achieved remarkable progress during the year under review. The Company’s sales turnover has increased by 14.70% and the exports have increased by 26.07%. It would be the endeavour of SEPL to stick to its quality standard as the prime mover and shaker of growth. The company has been declared as the top exporter of engineering components, by the Plastics Export Promotion Council, for continuous 5 financial years since 2005-06. SEPL is under obligation to create more efficiency and quality in products for customer satisfaction.

Segment-wise Performance

The Company is exclusively into manufacturing injection moulded plastics components & moulds etc.

SEPL strengths

SEPL focuses on maintaining and establishing long-term relationships with the customers and believes that we have the ability to address the varied and expanding requirements of our customers.

SEPL is already having quality certificates like ISO 9001: 2001, ISO TS 16949. During the year under review, the company has also obtained ISO 13485:2003 quality certificate.

Our sourcing ability – Our size of operation and experience in polymer business enables us in sourcing our inputs at appropriate times and at competitive prices

Positioned as Total Solution Provider – SEPL has positioned itself as an independent and “Total Solution Provider” to its clients, which help in lowering response time. This helps in eliminating competition, which does not have the integrated capabilities possessed by SEPL.

Focus of SEPL:

- Sophisticated and world-class higher capacity machines;
- Enhanced design capabilities, moulds, tools and dies and technological know-how;
- Increasing use of intelligent manufacturing to improve productivity and asset utilization;
- Global practices in manufacturing excellence, quality management and design; and
- Development of new products and applications.

Overall we at SEPL look forward for a substantial growth of the Company every year.

Corporate Goal

Shaily's corporate goal is to provide total plastics solutions incorporating principles of -

- Product Design
- Mould Design
- Optimum Material Selection
- Mould Procurement
- Product Testing.

Outlook on Opportunities

SEPL's domestic as well as overseas business is developing very fast and we are getting more and more enquiring for our capability to manufacture parts for them due to its commitment of standard quality of goods to its present customers and therefore sustaining operations and growing in even tough time.

If production capacities are added now, companies will be ready when the good times roll in, which they are bound to. Continuous improvement in productivity should become a standard practice and these tough times should make companies learn to do this on a regular basis. This will have regular monetary benefits on a continuous basis, rather than thinking short or long term.

The Electronics, Automobile, Packaging, Healthcare, Consumer Durables and Telecommunication are fast growing sectors of Indian economy offering growth for plastic utilization; SEPL also provides services for these sectors.

There is enormous scope for expansion and development in the Indian Plastics Industry. The processing industry in fact offers a huge potential for up gradation in terms of innovative technological advances.

Outlook on Threats, Risk and Concerns

The Company's business depends on customer requirements as the Company is an OEM supplier and any fluctuation in the customers demand can affect the Company's performance. The

Company is also exposed to project risks due to delays in project implementation/cost escalation, risks on account of fluctuation and in FX rates and fluctuation in raw material prices.

Internal control System

The Company has instituted adequate internal control procedure commensurate with the nature of its business and the size of its operations for the smooth conduct of its business. Internal audit is regularly conducted at regular intervals at all the plants and covers the key areas of operations. It is an independent, objective and assurance function responsible for evaluating and improving the effectiveness of the risk management, control and governance process. An Audit Committee consisting of four independent, non-executive directors is in place. The Audit Committee monitors the performance of the Internal Audit.

Human Resources & Corporate Social Responsibility

Your Company's industrial relations continued to be harmonious during the year under review. Your Company conducts regular in-house training programs for employees at all level, which continuously improves peoples, machines and systems.

The employee strength of your Company is currently 795, which includes permanent workers and contract labour.

The company organized various employee welfare and get together programmes during the year to foster a culture of engagement amongst employees. Programmes like art competition were specially arranged for children of the employees. Sports events were organized by the company to create feeling of team spirit and competition among the employees.

To meet with its Corporate Social Responsibilities your Company has organized various events like education awareness programmes, training on corporate managerial skills and campus interviews at various educational institutes. Free medical check up camp was also organized in rural areas.

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

Corporate Governance for Shaily, is about upholding the highest standards of integrity, transparency and accountability. Shaily Engineering Plastics Limited ("SEPL" or "the Company") believes in adopting and adhering to the best recognised corporate governance practices and continuously benchmarking itself against each such practice. The Company understands and respects its fiduciary role and responsibility to the shareholders and strives hard to meet their expectations. The Company believes that best Board practices, transparent disclosures and shareholder empowerment are necessary for creating shareholder value.

A. Board of Directors

As on March 31, 2012, the company's Board consisted of eleven Directors, four of them are Executive Directors and seven are non-executive Directors including six independent Directors. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and expertise to the Board.

The Board composition is in conformity with the provisions of the Companies Act, 1956 and the Listing Agreement entered into with the Stock Exchange.

Category of directorship

Executive Directors –	Mr. Mahendra Sanghvi – Managing Director Mr. Laxman Sanghvi Mrs. Tilottama Sanghvi Mr. Amit Sanghvi ¹
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Non-Executive Independent Directors –	Mr. Hasmukh Shah – Chairman Mr. A.S. Anand Kumar Mr. Sarup Chowdhary Mr. William Sean Sovak Mr. Michael Woodhall ² Mr. Sachin Bhartiya
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Non-Executive Non-Independent Directors –	Mr. Bharat Sanghvi ³ Mr. Jayessh Shah
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¹ Appointed w.e.f. 1st October, 2011.

² Resigned w.e.f. 26th May, 2012.

³ Resigned w.e.f. 1st October, 2011.

Directorships and Chairmanships / Memberships of Committees of each Director in various companies:

Name of the Directors	Attendance at last AGM	Directorship in other Companies ¹	Membership(s)/ Chairmanship(s) of Board Committees in other companies ²
Mr. Hasmukh Shah	Y	7	5 (Including 3 as Chairman)
Mr. Mahendra Sanghvi	Y	2	4
Mr. Laxman Sanghvi	Y	-	-
Mrs. Tilottama Sanghvi	Y	-	-
Mr. Amit Sanghvi ³	-	-	-
Mr. Bharat Sanghvi ⁴	N	-	-
Mr. Jayessh Shah	N	-	-
Mr. Sarup Chowdhary	Y	5	-
Mr. A.S. Anand Kumar	Y	2	1 (As Chairman)
Mr. William Sean Sovak	Y	2	1
Mr. Michael Woodhall ⁵	N	-	-
Mr. Sachin Bhartiya	Y	1	1

¹ Does not include Directorship in Private Companies, Section 25 Companies and Foreign Companies.

² Memberships/Chairmanships of only the Audit Committees and Shareholders'/Investors' Grievance Committees in all public limited companies (excluding Shaily Engineering Plastics Limited) have been considered. None of the directors was a member in more than 10 committees, or a chairman in more than 5 committees across all companies in which he was a director.

³ Appointed w.e.f. 01/10/2011.

⁴ Resigned w.e.f 01/10/2011.

⁵ Resigned w.e.f. 26/05/2012.

Code of Conduct

The Company is committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with the risks involved.

The Board of Directors laid down a Code of Conduct for all the Board members and senior officers of the Company. A copy of the said code has been posted on the web site of the Company at www.shaily.com.

The code has been circulated to all the members of the Board and Senior Management and the compliance of same has been affirmed by them. A declaration signed by Executive Director is given below:

“I hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year 2011-12”

Laxman Sanghvi
Executive Director

B. Board Meetings

Four Board Meetings were held during the year ended 31st March 2012. These were held on 27th May 2011, 6th August 2011, 13th November 2011 & 4th February 2012.

Board Meeting Attendance of Directors during fiscal 2012

Name of the Directors	No. of Meetings	
	Held	Attended
Mr. Hasmukh Shah	4	4
Mr. Mahendra Sanghvi	4	4
Mr. Laxman Sanghvi	4	4
Mrs. Tilottama Sanghvi	4	4
Mr. Amit Sanghvi	2	2
Mr. Bharat Sanghvi	2	0
Mr. Jayessh Shah	4	2
Mr. Sarup Chowdhary	4	3
Mr. A.S. Anand Kumar	4	4
Mr. William Sean Sovak	4	4
Mr. Michael Woodhall	4	0
Mr. Sachin Bhartiya	4	4

Information supplied to the Board

Agenda and notes on agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda papers for facilitating meaningful and focussed discussion at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with the approval of the Chairman.

The information placed before the Board includes, Business plans, capital budgets and any updates, quarterly financial statement and status of project implementation and expected date of commissioning of the project, quarterly status of unutilised money received in Preferential allotment of shares, minutes of previous board meeting and meetings of audit committee and other committees of the Board, General notices of interest of directors, terms of reference of board committees etc.

The Company receives reports from all the departments certifying the compliance of statutory law, rules and regulations applicable to the respective department on quarterly basis. On the basis of these reports, the Managing Director certifies to the Board the status of compliance of all statutory laws, rules and regulations, as they are applicable to the Company.

C. Board Committees

Currently, the Board has three key committees:

- Audit Committee
- Remuneration Committee
- Shareholders'/Investors' Grievance Committee.

The Directors are paid sitting fees for attending these three key committee meetings.

The Board has also formed three other committees: Share Transfer Committee, Finance Committee and Management Committee. These committees meet as and when the need arises and the minutes of their meetings are placed before the Board in its next meeting.

The constitution and power of all the committees is decided by Board.

1. Audit Committee

The Audit Committee of the Board consists of four independent directors:

- Mr. A.S Anandkumar - Chairman
- Mr. Hasmukh Shah
- Mr. Sarup Chowdhary
- Mr. William Sean Sovak

The composition, role, terms of reference as well as power of the Audit Committee are in accordance with the provisions of clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Apart from overseeing and monitoring the financial reporting system within the company and considering un-audited and audited financial results for the relevant period, before being adopted by the Board of Directors, Audit Committee focused its attention on several important topics and continued to advise the management on areas where greater internal audit focus was needed, and on new areas to be taken up for audit purposes.

Four Audit Committee Meetings were held during the year ended 31st March 2012. These were held on 27th May 2011, 6th August 2011, 13th November 2011 & 4th February 2012. Company Secretary of the Company also acted as the Secretary of this committee. The Minutes of the Audit Committee are being circulated to the Board of Directors.

Audit Committee Attendance during fiscal 2012

Name of the Directors	No. of Meetings	
	Held	Attended
Mr. A.S Anandkumar	4	4
Mr. Hasmukh Shah	4	2
Mr. Sarup Chowdhary	4	3
Mr. William Sean Sovak	4	4

2. Remuneration/Selection Committee

The company has adopted a non-mandatory requirement of Clause 49 of the Listing Agreement and formed the Remuneration/Selection Committee of the Board, which consists of three independent directors:

- Mr. Hasmukh Shah - Chairman
- Mr. Sarup Chowdhary
- Mr. William Sean Sovak

Two Remuneration/Selection Committee Meetings were held during the year ended 31st March 2012. These were held on 27th May 2011 and 6th August 2011.

Remuneration Committee Attendance during fiscal 2012

Name of the Directors	No. of Meetings	
	Held	Attended
Mr. Hasmukh Shah	2	1
Mr. Sarup Chowdhary	2	2
Mr. William Sean Sovak	2	2

3. Shareholders' / Investors Grievance Committee

It consists of two independent directors and one non-independent executive director:

- Mr. William Sean Sovak - Chairman
- Mr. A.S. Anand Kumar
- Mr. Laxman Sanghvi

The Shareholders'/Investors' Grievance Committee specifically looks into the redressal of shareholder and investors complaints.

No complaints/queries have been received during the F.Y. 2011-12 except one, during the quarter ended 30th September 2011, which has been fully resolved during the quarter itself. The certificate in respect of status of complaints/queries received from the Shareholders/Investors has been obtained for all the four quarters of F.Y.2011-12 from M/s. S. Samdani & Associates, Company Secretaries.

Mr. Sanjay Shah. Vice President – Finance is the Compliance Officer for complying with the requirements of Securities Laws and the Listing Agreement.

One Shareholders'/Investors' Grievance Committee Meeting was held during the year ended 31st March 2012 on 27th May 2011.

Shareholders'/Investors' Grievance Committee Attendance during fiscal 2012

Name of the Directors	No. of Meetings	
	Held	Attended
Mr. William Sean Sovak	1	1
Mr. A.S. Anand Kumar	1	1
Mr. Laxman Sanghvi	1	1

D. General Body Meetings

The detail of last three Annual General Meetings of the Company are as follows:

Financial Year Ended	Date, Time & Place	Transaction
31 st March 2009	19.09.2009 3.00 P.M. Mumbai	Special resolution passed for appointment of Mr. Amit Sanghvi as General Manager in terms of the provisions of section 314(1)(b) of the Companies Act, 1956.
31 st March 2010	28.09.2010 1.00 P.M. Mumbai	Special resolutions passed for the re-appointment of Mr. Mahendra Sanghvi as Managing Director and Mr. Laxman Sanghvi as Executive Director.
31 st March 2011	06.08.2011 4.00 P.M. Rania, Vadodara	Special Resolution passed for re-appointment of Mrs. Tilottama Sanghvi as Whole-Time Director.

During the year ended 31st March 2012, there were no ordinary or special resolution that were required to be passed by our shareholders through postal ballot.

E. Disclosures

Basis of related party transactions

1. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the audit committee.
2. Except as specified, the non-executive and/or independent directors on the Company's Board, apart from receiving Directors' remuneration, do not have any other material pecuniary relationship or transaction with the Company, its promoters, its management, which in the judgement of the Board affect the independence of judgement of the Directors.
3. The Company has taken on lease the Office premises from M/s. Jariwala Shah Kanji Raichand & Co., in which Mr. Jayesh Shah, is the Proprietor, who is the Non executive Director of the Company. The company has also taken on lease an office premises from Mrs. Tilottama Sanghvi who is a Whole-Time Directors of the company.
4. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related party are disclosed in the notes to the Annual Accounts in the annual report.
5. None of the transactions with any of the related parties were in conflict with the interest of the Company. There has not been any non compliance, penalties and strictures were imposed on the Company by Stock Exchanges, SEBI or any other statutory authority, on any matter related to capital markets, during the year under review.

Remuneration of Directors

Name of Director	Relation-ship with other Directors	Business relation-ship with company	Remuneration for the year ended 31 st March 2012 (Rs.)				
			Sitting fee	Basic	Perquisite/allowances	Others	Total
Mr. Mahendra Sanghvi	Note 1	Promoter	Nil	3,396,000	207,232	2,839,922	6,443,154
Mr. Laxman Sanghvi	Note 1	Promoter	Nil	2,123,040	128,952	1,775,397	4,027,389

Name of Director	Relation-ship with other Directors	Business relation-ship with company	Remuneration for the year ended 31 st March 2012 (Rs.)				
			Sitting fee	Basic	Perquisite/allowances	Others	Total
Mrs. Tilottama Sanghvi	Note 1	Promoter	Nil	1,061,400	92,676	887,592	2,041,668
Mr. Amit Sanghvi	Note 3	Promoter group	Nil	503,820	39,594	431,420	974,834
Mr. Bharat Sanghvi	Note 1	Promoter group	Nil	Nil	Nil	Nil	Nil
Mr. Jayessh Shah	Note 2	Promoter group	30,000	Nil	Nil	Nil	30,000
Mr. Has Mukh Shah	None	None	1,00,000	Nil	Nil	Nil	1,00,000
Mr. A.S. Anandkumar	None	None	1,10,000	Nil	Nil	Nil	1,10,000
Mr. Sarup Chowdhary	None	None	90,000	Nil	Nil	Nil	90,000
Mr. Sean Sovak	None	Note 4	Nil	Nil	Nil	Nil	Nil
Mr. Michael Woodhall	None	None	Nil	Nil	Nil	Nil	Nil
Mr. Sachin Bhartiya	None	Note 4	70,000	Nil	Nil	Nil	70,000

Note 1: Mr. Mahendra Sanghvi, Mr. Bharat Sanghvi and Mr. Laxman Sanghvi are brothers and Mrs. Tilottama Sanghvi is spouse of Mr. Mahendra Sanghvi.

Note 2: Mr. Jayessh Shah is the brother of Mrs. Tilottama Sanghvi.

Note 3: Mr. Amit Sanghvi is the son of Mr. Mahendra Sanghvi and Mrs. Tilottama Sanghvi.

Note 4: Mr. Sean Sovak and Mr. Sachin Bhartiya have been appointed by Motika Limited, a company incorporated under the law of Cyprus holding 1746420 equity shares of Rs.10/- of the Company.

Mr. Bharat Sanghvi and Mr. Michael Woodhall have resigned from the Board of company w.e.f. 1st October, 2011 and 26th May, 2012 respectively. Further, the Directors have in their meeting held on 06th August, 2011 appointed Mr. Amit Sanghvi as Additional Director w.e.f. 1st October, 2011. Further, In their meeting held on 13th November, 2011, the Board appointed Mr. Amit Sanghvi as Whole-Time Director for a period of 3 (three) years with effect from 1st October, 2011 at a remuneration of Rs. 1,50,000 per month, subject to approval of Shareholders. In their meeting held on 26th May, 2012, the Board has revised his remuneration to Rs. 2,00,000 per month, subject to approval of the shareholders at the ensuing Annual General Meeting.

A sitting fee of Rs. 10,000/- per meeting was paid to the non-executive directors, for every meeting of the board and Rs. 5,000/- per meeting was paid for every committee meeting of the Board attended by them before 06th August 2011. With effect from 6th August 2011, a sitting fee of Rs. 20,000/- is paid for every board meetings and Rs. 10,000/- is paid for every committee meeting attended by the non-executive directors.

Non-executive Directors' shareholding in the company

Name of the Directors	No. of Equity Shares held
Mr. Hasmukh Shah	1,05,015
Mr. Sarup Chowdhary	Nil
Mr. A.S. Anand Kumar	Nil
Mr. William Sean Sovak	Nil
Mr. Michael Woodhall	Nil
Mr. Sachin Bhartiya	Nil

Shaily Engineering Plastics Limited has no stock option plans and hence it does not form a part of the remuneration package payable to any executive and/or non-executive director.

Appointment / Re-appointment of Directors

The Board has inducted Mr. Amit Sanghvi as an Additional Director w.e.f 1st October, 2011 in the Board Meeting held on 6th August, 2011. In the meeting held on 13th November, 2011 Mr. Amit Sanghvi was appointed as Whole-Time Director w.e.f 1st October, 2011 for a period of 3 years, subject to approval of the Shareholders. We seek your support in confirming his appointment in the forthcoming Annual General Meeting as a Director liable to retire by rotation.

Mr. Bharat Sanghvi and Mr. Michael Woodhall have resigned from the Board of company w.e.f. 1st October, 2011 and 26th May, 2012 respectively.

Mr. A.S.Anandkumar, Mr. Laxman Sanghvi and Mrs. Tilottama Sanghvi, Directors, will be retiring by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

Brief resumes of these directors are included in the notice for the annual general meeting. Your directors have pleasure in recommending their appointment / re-appointment.

Management Discussion and Analysis

Management Discussion & Analysis has been included separately in the Annual report to the Shareholders.

Report on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer.

Communication to Shareholders

Quarterly Report sent to each household of shareholders	The results of the Company are published in the newspapers.
Quarterly results and in which newspaper normally published	The results of the Company are generally published in Business Standard (English) nationwide and Vadodara Samachar in Gujarat Editions.
Website where displayed	The results are displayed on the Company's website www.shaily.com
Whether the website displays the presentation made to the institutional investors and to the analysts.	No such requirement arose.

General Shareholder Information

Annual General Meeting:

Saturday, 4th August, 2012 at 11.00 a.m.
Survey No. 364/366, At & Po. Rania - 391780,
Taluka Savli, Dist. Vadodara

Financial Year:

April 1 to March 31

Date of Book Closure:

Wednesday, 1st August, 2012 to Saturday, 4th August, 2012 (Both days inclusive) for the purpose of Annual General Meeting.

Registrar and Share Transfer Agent:

Bigshare Services Pvt. Ltd.

E-2, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri (East)
MUMBAI: 400 072.
Tel: +91 – 22 – 28470744
Fax: +91 – 22 – 28475207
Website: www.bigshareonline.com
Email: bigshare@bom7.vsnl.net.in

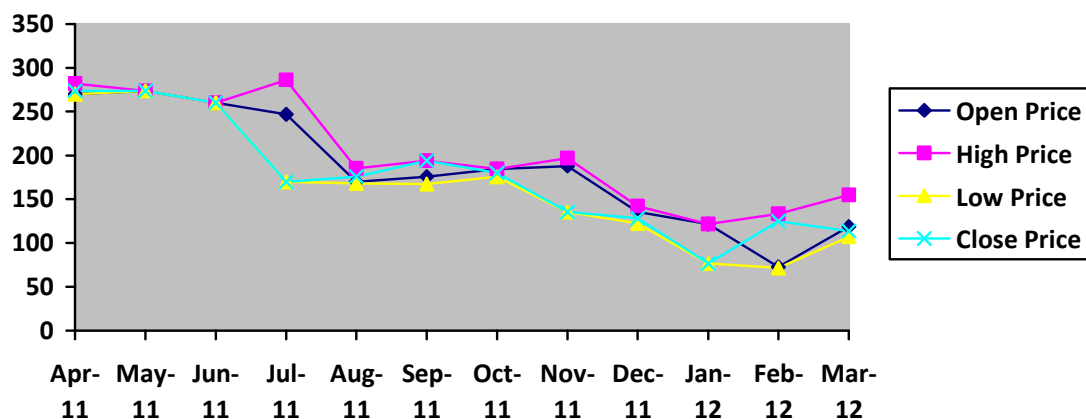
Listing Details:

Security	Equity Shares
Stock Exchange	Bombay stock Exchange Limited
Stock Code	501423
ISIN	INE151G01010

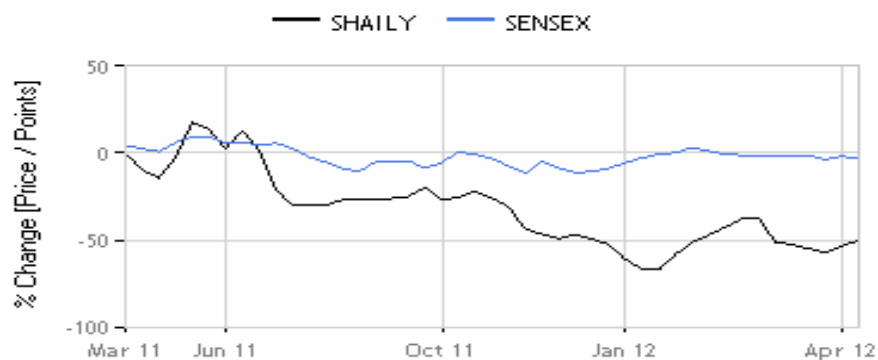
Market Price Data:

Month	Open Price	High Price	Low Price	Close Price
Apr-11	269.85	282.00	269.85	273.75
May-11	273.75	273.75	273.75	273.75
Jun-11	260.10	260.10	260.10	260.10
Jul-11	247.10	285.95	169.65	169.65
Aug-11	169.65	185.05	168.00	176.00
Sep-11	176.00	194.20	167.25	194.20
Oct-11	184.50	184.50	175.60	180.00
Nov-11	188.00	196.75	135.50	135.50
Dec-11	135.50	142.25	122.35	128.00
Jan-12	121.70	121.70	76.55	76.55
Feb-12	72.90	133.10	71.55	125.00
Mar-12	118.80	154.80	107.10	113.80

Price Movement



Index Comparison



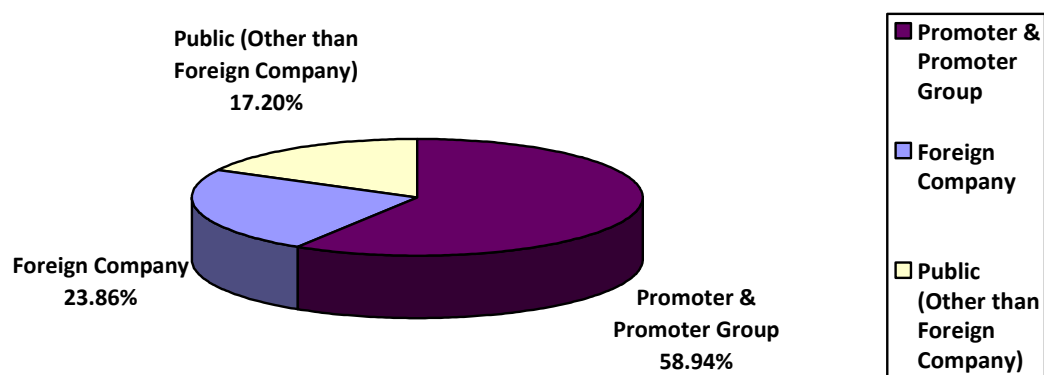
Distribution of shareholding as on 31st March 2012

No. of Shares	No. of Shareholders	% of total no. of shareholders	No. of Shares	% of total shares
1 – 5000	192	84.96%	52800	0.72%
5001 – 10000	3	1.33%	25600	0.35%
10001 – 20000	6	2.65%	92755	1.27%
20001 – 30000	1	0.44%	22100	0.30%
30001 – 40000	3	1.33%	107000	1.46%
40001 – 50000	1	0.44%	50000	0.68%
50001 – 100000	7	3.10%	490652	6.70%
100001 - *****	13	5.75%	6477523	88.51%
Total	226	100.00%	7318430	100.00%

Shareholding pattern as on 31st March 2012

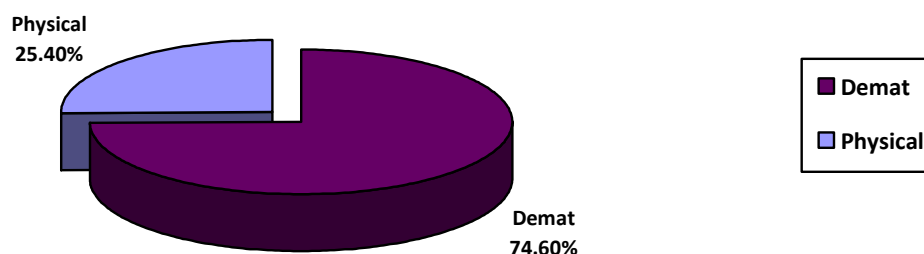
As on 31st March 2012, the authorized and paid-up capital of your Company is Rs. 16,00,00,000 and Rs. 7,31,84,300 respectively.

The shareholding pattern is as under:



Dematerialization of shares

As on 31st March 2012, 5,459,302 Equity shares have been dematerialised and the balance of issued capital is in physical form.



Additional Disclosures

1. The Company has established procedures to enable its Board to periodically review compliance of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliance.
2. The Managing Director and Executive Director have certified to the Board with regard to the Financial Statements and other matters as required in clause 49 of the Listing Agreement.
3. The Company has already defined and adopted a Risk Management Policy, and has also set up a core group, which assesses the risks and lays down the procedure for minimization of the risks. The above will facilitate not only in risk assessment and timely rectification but also help in minimization of risk associated with any strategic, operational, financial and compliance risk across all business operations. These control procedures and systems ensure

that the Board is periodically informed on the material risks faced by the Company and the steps taken by the Company to alleviate those risks.

4. The Company promotes ethical behaviour in all its business activities and has put in place mechanism of reporting illegal or unethical behaviour. Employees are free to report existing/probable violation of laws, rules, regulations or unethical conduct to their immediate supervisor/notified person. The Directors and Senior Management are obliged to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement

Remuneration/Selection Committee

We have constituted a remuneration/selection committee. A detailed note on the same is provided in this report.

Certificate on Corporate Governance from Practising Company Secretary

The Company has obtained certificate from M/s S. Samdani & Associates, Practicing Company Secretary regarding compliance with the provisions relating to the Corporate Governance laid down in Clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the directors' report for the year 2011-12, and will be sent to the stock exchanges along with this annual report to be filed by the Company.

Plant Locations:

Rania Plant/ EOU Plant/Finishing Division

Survey No. 364/366
At & Po. Rania – 391780,
Taluka Savli, Dist. Vadodara,
Gujarat, India

Halol Plant

Plot # 706,707,708 GIDC,
Halol Dist. Panchmahals,
Gujarat, India

Address for correspondence

The Company Secretary / Compliance Officer

Shaily Engineering Plastics Limited

8, J.P. Nagar,
Old Padra Road,
Opp Aviskar Complex,
Baroda – 390 015 Gujarat, India
Email: investors@shaily.com
secretarial@shaily.com

CERTIFICATE

to the Members of Shaily Engineering Plastics Limited

We have examined the compliance of the conditions of Corporate Governance by Shaily Engineering Plastics Limited for the year ended 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges, in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the financial statement 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 Agreement and as otherwise stated in the corporate governance report of aforesaid financial year.

We state that in respect of investor grievances received during the year ended 31st March 2012, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee.

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.

Date: 26th May, 2012
Place: Baroda

Sd/-
S. Samdani
Practicing Company Secretary
S. Samdani & Asso.
Company Secretaries
CP No. 2863

AUDITORS' REPORT

To
The Members of
Shaily Engineering Plastics Limited

1. We have audited the attached Balance Sheet of **Shaily Engineering Plastics Limited**, as at 31st March 2012, the Statement of Profit and Loss and also the Cash Flow Statement of the Company 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 the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to/ read with our comments in the paragraph 3 above and Annexure referred to in paragraph 3 above, we report as follows:
 - (i) 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;
 - (ii) 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;
 - (iii) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956;
 - (v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
 - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
5. On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117364W)

Sd/-
Gaurav J. Shah
Partner
Membership No.35701

Baroda, 26th May, 2012

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) (a) The Company has generally maintained proper records showing particulars including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets have been physically verified during the year by the management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) No substantial part of the fixed assets have been disposed off during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventory and the discrepancies noticed on such verification between the physical stocks and the book records were not material and have been adequately dealt with in the books of account.
- (iii) (a) The Company has granted interest free loans to six companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.7,666,018 /- and the year-end balance of loans granted to such parties was Rs.524,490 /-.
- (b) In our opinion, the rate of interest and other terms and conditions of such loans are, prima facie, not prejudicial to the interest of the Company.
- (c) The Company has not stipulated any terms as to interest and repayment of the loans.
- (d) There is no overdue amount in excess of Rs. 1 lakh in respect of loans granted to companies / firms / parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company has taken loan from the directors (including Managing Director), one firm and eight other parties covered in the register maintained under section 301 of the Companies Act, 1956 and the maximum amount involved during the year was Rs.7,019,725/- (including Rs.2,521,392/- from Managing Director), Rs.1,268,250/- and Rs.1,428,802/- respectively and the year-end balance of loans taken from all such parties was Rs. 8,780,000/-.

- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from all such parties listed in the register maintained under section 301 of the Companies Act, 1956 are, prima facie, not prejudicial to the interest of the Company.
- (g) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956:
 - (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into 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 contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. We are informed that no order has been passed by the Company Law Board and National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect thereof.
- (vii) In our opinion, the scope of the internal audit is commensurate with the size and nature of the business.
- (viii) Cost records as required under section 209(1) (d) of the Companies Act, 1956 were under compilation at the time of our audit and therefore these could not be reviewed by us.
- (ix) Statutory and other dues:
 - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty and excise duty were in arrears, as at 31st March 2012 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute except:

Nature of statute	Nature of Dues	Period	Amount (Rs.)	Forum where dispute is pending
Central Excise	Excise duty	FY 07-08 and FY 08-09	11,453,006	CESTAT
Central Excise	Excise duty	Various years	217,348	Commissioner Appeals
Central Excise	Service Tax	FY 07-08	99,734	Commissioner Appeals

- (x) The company does not have any accumulated losses as at the end of the financial year. Further, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.
- (xii) Based on our examination of records and the information and explanation given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Therefore, the provisions of clause (xv) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xvi) Based on the records examined by us and the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were obtained.

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short-term basis have, prima facie, not been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures. Therefore, the provisions of clause (xix) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xx) As informed to us, during the period covered by our audit report, the Company has not raised any money by way of public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117364W)

Sd/-
Gaurav J. Shah
(Partner)
(Membership No. 35701)

BARODA, 26th May, 2012

Shaily Engineering Plastics Limited
Balance Sheet as at 31st March, 2012

	Particulars	Note No.	As at 31-Mar-12 ₹	As at 31-Mar-11 ₹
I.	EQUITY & LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	3	73,184,300	73,184,300
	(b) Reserves & Surplus	4	250,302,776	196,876,510
			323,487,076	270,060,810
2	Non-Current Liabilities			
	(a) Long Term Borrowings	5	79,863,410	156,070,350
	(b) Deferred Tax Liability		16,555,176	-
	(c) Long Term Provisions	6	2,967,553	2,689,307
			99,386,140	158,759,657
3	Current Liabilities			
	(a) Short Term Borrowings	7	245,753,289	327,538,709
	(b) Trade Payables	8	221,117,837	187,596,995
	(c) Other Current Liabilities	9	105,047,271	115,729,807
	(d) Short Term Provisions	10	18,744,848	9,328,439
			590,663,245	640,193,951
	Total		1,013,536,460	1,069,014,416
II.	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets	11		
	(i) Tangible assets		393,427,025	395,567,124
	(ii) Intangible assets		457,578	849,340
	(iii) Capital work-in-progress		5,602,775	-
			399,487,378	396,416,463
	(b) Non-Current Investments	12	2,745,626	8,041,626
	(c) Long Term Loans & Advances	13	47,943,585	41,266,641
	(d) Other Non-Current Assets	14	1,933,201	2,489,274
2	Current Assets			
	(a) Inventories	15	95,434,245	121,629,617
	(b) Trade receivables	16	346,148,427	372,843,913
	(c) Cash and cash equivalents	17	18,708,724	53,792,753
	(d) Short-term loans and advances	18	100,579,201	71,978,054
	(e) Other current assets	19	556,073	556,073
			561,426,671	620,800,410
	Total		1,013,536,460	1,069,014,416
	See accompanying notes to financial statements			

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For And On Behalf Of The Board of Directors

Sd/-

Gaurav J Shah
Partner
M. No: 35701

Sd/-

Managing Director

Sd/-

Executive Director

Sd/-

Company Secretary

Baroda
26th May 2012Baroda
26th May 2012

Shaily Engineering plastics Limited
Statement of Profit and Loss for the year ended 31st March, 2012

	Particulars	Note No.	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
I.	Revenue from Operations (gross)	20	1,471,951,665	1,293,694,846
	Less: Excise Duty		16,307,134	24,742,156
	Revenue from Operations (Net)		1,455,644,531	1,268,952,690
II.	Other income	21	12,591,381	8,095,264
III.	Total Revenue (I + II)		1,468,235,912	1,277,047,953
IV.	Expenses			
	Cost of Raw Material Consumed	22	873,310,554	763,375,895
	(Increase)/ Decrease in Stocks	23	4,599,996	4,362,433
	Employee Benefits Expense	24	117,913,935	115,856,803
	Finance costs	25	86,340,017	69,908,381
	Depreciation and amortization expense		51,851,328	46,936,048
	Other Expenses	26	251,501,391	239,763,180
	Total Expenses		1,385,517,222	1,240,202,741
V.	Profit before tax (III-IV)		82,718,690	36,845,213
VI.	Less: Tax expense			
	Current tax		16,549,142	7,342,435
	Short provision in earlier years		1,249,899	-
	Deferred tax		16,555,176	(1,325,819)
	MAT Credit Entitlement		(15,302,027)	(7,342,435)
VII.	Profit from continuing operations (V-VI)		63,666,500	38,171,032
VIII.	Earnings per equity share (of ₹10/- each):			
	(1) Basic		8.70	3.81
	(2) Diluted		8.70	3.81
	See accompanying notes to financial statements			

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For And On Behalf Of The Board of Directors

Sd/-
Gaurav J Shah
Partner
M. No: 35701

Sd/-
Managing Director

Sd/-
Executive Director

Baroda
26th May 2012

Baroda
26th May 2012

Sd/-
Company Secretary

SHAILY ENGINEERING PLASTICS LIMITED

Cash Flow Statement for the year ended 31st March , 2012

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
A	Cash flow from Operating Activities		
	Net Profit before taxation	82,718,690	36,845,214
	Adjustment for:		
	Depreciation	51,851,328	46,936,048
	(Profit) / Loss on sale of Fixed Asset	(77,040)	1,727,156
	Dividend received	(5,025)	(5,025)
	Provision for diminution in value of investment	1,240,000	-
	Investment/ Interest income	(4,724,304)	(4,404,367)
	Profit on redemption of preference shares	(1,150,500)	-
	Finance costs	86,340,017	69,908,381
	Amortisation of expenses	556,073	556,073
	Bad debts/Advances written off	779,202	2,249,314
	Unrealised Exchange (Gain) / Loss	2,942,635	(813,959)
	Operating Profit before working capital changes	220,471,077	152,998,835
	Adjustment for:		
	(Increase)/Decrease in Trade receivables	25,597,728	(132,771,239)
	(Increase)/Decrease in Other receivables other than advance tax	19,375,241	(68,016,482)
	(Increase)/Decrease in Inventories	26,195,372	(20,769,913)
	Increase/(Decrease) in Trade Payables	29,621,881	25,984,615
	Increase/(Decrease) in Other Current Liabilities	8,863,855	11,319,929
	Cash generated from operation	330,125,155	(31,254,255)
	Taxes paid (Net of refunds)	16,234,402	558,024
	Cash flow before Exceptional Items	313,890,753	(31,812,279)
	Net Cash from Operating Activities	313,890,753	(31,812,279)
B	Cash Flow from Investing Activities		
	Purchases of Fixed Assets	(53,892,396)	(23,969,256)
	(after adjustment of increase/decrease in creditors-capital goods)		
	Interest received	4,724,304	4,404,367
	Dividend received	5,025	5,025
	Purchase of investments	(19,500)	-
	Proceeds from redemption of investments	5,226,000	-
	Sale of Fixed Asset	200,201	34,861,729
	Net Cash used in Investing Activities	(43,756,366)	15,301,865
C	Cash flow from Financing Activities		
	Proceeds from long term borrowings	732,654	40,296,600
	Repayment of long term borrowings	(97,571,398)	(117,003,018)
	Change in working capital loan	(80,090,184)	140,030,118
	Dividend Paid	(10,240,234)	-
	Finance costs	(86,340,017)	(69,908,381)
	Net Cash used in financing Activities	(273,509,179)	(6,584,681)
D	Net Cash Inflow/(Outflow)	(3,374,793)	(23,095,095)
	Cash & Cash Equivalents as at beginning of the year	7,711,664	30,806,759
	Cash & Cash equivalents as at end of the year	4,336,871	7,711,664
	Net Cash Inflow/ (Outflow)	(3,374,793)	(23,095,094)

Note

1 Cash & Cash equivalents comprises

Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
Cash on Hand	480,003	1,456,441
Cheques, drafts on hand		
Balances with banks		
(i) In current accounts	116,843	102,458
(ii) In EEFC accounts	3,740,025	6,152,765
Total	4,336,871	7,711,664

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For And On Behalf Of The Board of Directors

Sd/-
Gaurav J Shah
Partner
M. No: 35701

Sd/-
Managing Director

Sd/-
Executive Director

Baroda
26th May 2012

Baroda
26th May 2012

Sd/-
Company Secretary

Shaily Engineering Plastics Limited
Notes forming part of financial statements

1 Corporate information

Shaily Engineering Plastics Limited (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the manufacture and sale of injection moulded precision plastic components and sub-assemblies. The Company's manufacturing facilities are at Savli and Halol, Baroda, Gujarat, India.

2 Significant accounting policies

2.1 Framework of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention in accordance with the Accounting Standards as given in Companies Accounting Standards Rules, 2006 and the relevant provisions of Companies Act, 1956 except as regards certain fixed assets as indicated below shown at fair value.

2.2 System of Accounting:

The Company has adopted accrual system of accounting.

2.3 Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent amounts as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Such difference is recognized in the periods in which the results are known / materialized.

2.4 Revenue:

Sales and services are accounted inclusive of excise duty but excluding Sales Tax, and are net of returns / discounts / debit notes / reversals.

Revenue from sales of product is recognised on the transfer of substantial risk and rewards of ownership.

2.5 Fixed Assets:

Fixed Assets acquired on amalgamation on 1st April 2001 are stated at fair value determined at the time of amalgamation. Assets acquired thereafter are shown at cost. Cost includes all incidental expenditure, net of cenvat, wherever applicable. Expenditure on software is capitalised in accordance with the applicable Accounting Standard.

2.6 Depreciation and Amortisation:

Depreciation on fixed assets is calculated on straight-line method in the manner and at the rates as prescribed in schedule XIV of the Companies Act, 1956. Depreciation on additions / deletions to fixed assets during the year is provided on a pro-rata basis.

2.7 Investments:

Investments are either classified as current or long term based on management's intention at the time of purchase. Current investments are carried at lower of cost and fair value. Long term investments are stated at cost. Provision is made for any diminution in value, if other than temporary.

2.8 Inventories:

Inventories are valued at lower of cost and net realisable value. Cost of inventories comprises cost of purchase, cost of conversion and other cost incurred in bringing them to their present location and conditions. The cost of inventories is determined based on the First in First out method.

2.9 Employee Benefits:

Defined Contribution Plan

Company's contribution to Provident fund and other funds are determined under the relevant schemes and/or statute and charged to revenue.

Defined Benefit Plan

The employees' gratuity fund scheme managed by HDFC Standard Life Insurance is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

2.10 Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, the premium on such forward contracts is recognised over the life of the forward contract. The exchange difference arising on settlement /translation are recognised in the revenue accounts,.

2.11 Taxation:

Current tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rate and laws.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax asset on account of unabsorbed loss/depreciation is recognised only if virtual certainty as regards absorption thereof exists.

2.12 Miscellaneous Expenditure:

Preliminary expenses deferred over the period of 10 years.

Expenditure for raising equity/preference shares are deferred over the period of 10 years.

2.13 Provisions, Contingent Liabilities and Contingent Assets:

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

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 3 Share Capital

	Particulars	As at 31-Mar-12		As at 31-Mar-11	
		Number	₹	Number	₹
A	Authorised				
1	Equity Shares of ₹ 10 each with voting rights	16,000,000	160,000,000	16,000,000	160,000,000
B	Issued, Subscribed & Fully Paid Up Shares				
1	Equity Shares of ₹ 10/- each fully paid with voting rights	7,318,430	73,184,300	7,318,430	73,184,300
	Total	7,318,430	73,184,300	7,318,430	73,184,300

a. Terms & Rights attached to equity shares;

The Company has only one class of equity shares having face value of ₹ 10 each. Each holder of Equity share is entitled to one vote per share.

In the event of Liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of Preferential amount. The distribution will be in proportion to the Number of equity shares held by Shareholders.

b. Details of Shareholder's holding more than 5% shares in the Company;

	Class of shares / Name of shareholder	As at 31- Mar-2012		As at 31- Mar-2011	
		No. of Shares	% of Holding	No. of Shares	% of Holding
	Equity shares with voting rights				
1	Motika Ltd	1,746,420	23.86%	1,746,420	23.86%
2	Mahendra Sanghvi	829,875	11.34%	829,875	11.34%
3	Tilottama Sanghvi	798,490	10.91%	798,490	10.91%
4	Jayesh Shah	682,838	9.33%	682,838	9.33%
5	Laxman Sanghvi	488,924	6.68%	488,924	6.68%
6	Lax Nagda	508,702	5.10%	508,702	5.10%

Note 4 Reserves & Surplus

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Capital Reserves	9,291,156	9,291,156
2	Securities Premium Account	81,865,540	81,865,540
3	General Reserve	21,035,025	21,035,025
4	Surplus / (Deficit) in Statement of Profit and Loss		
	Opening balance	84,684,789	46,513,757
	Add: Profit / (Loss) for the year	63,666,500	38,171,032
	Less: Dividends distributed to		
	preference shareholders (₹ 5.87 per share)	8,810,888	-
	Tax on dividend	1,429,346	-
	Closing Balance	138,111,055	84,684,789
	Total	250,302,776	196,876,510

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 5 Long Term Borrowings

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Term loans (Secured) from banks		
	-in Rupee Currency	60,031,235	127,695,255
	-in Foreign Currency	1,492,418	11,098,255
	Long term maturities of finance lease obligations (Secured)	1,525,769	2,292,852
2	Deferred payment liabilities (Unsecured)	2,103,988	2,103,988
3	Deposits (Unsecured)	14,710,000	12,880,000
	Total	79,863,410	156,070,350

Notes

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

	Particulars	Terms of repayment and security	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
			Secured	Secured
	Term loans from banks:			
	SBI bank (In rupee Currency)	Terms of Repayment:- SBI Bank (In rupee Currency) :- Quarterly repayment of Rs 289 Lacs (PY 326.5 Lacs) SBI Bank (In foreign Currency) :- Monthly repayment of Rs 9.38 Lacs (PY 9.38 Lacs) SCB Bank(In rupee Currency) :- Monthly repayment of Rs 24 lacs (PY 24 Lacs) Security :- Term loan from banks are secured by a pari passu charge over entire fixed assets of the Company including mortgage over factory land, building and plants of the Company situated at a) Plot # 706, 707 and 708 at GIDC, Halol. b) Survey # 366,364/1, 364 /1(A) and 364/2 at Rania. These are further secured by personal guarantee of some of the directors of the Company	96,998,068	153,270,421
	SBI bank (In foreign Currency)		12,746,418	22,352,256
	SCB bank (In rupee Currency)		30,229,167	58,520,833
	Total - Term loans from banks		139,973,653	234,143,510
	Long-term maturities of finance lease obligations:			
	HDFC Bank	Terms of Repayment:- There is monthly repayment for Hire purchase loans Security :- Hire Purchase Facilities are secured by hypothecation of respective vehicles financed.	1,113,885	966,870
	SBI Bank		-	30,522
	AXIS Bank		1,988,642	3,055,660
	Total - Long-term maturities of finance lease obligations		3,102,527	4,053,052

(ii) Details of long-term borrowings guaranteed by some of the directors :

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
	Term loans from banks	139,973,653	234,143,510

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 6 Long Term Provisions

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Provision for employee benefits (i) Provision for compensated absences (Refer Note 28.1)	2,967,553	2,689,307
	Total	2,967,553	2,689,307

Note 7 Short Term Borrowings

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Loans repayable on demand From banks (Secured)	245,753,289	327,538,709
	Total	245,753,289	327,538,709

Notes

(i) Details of security for the secured short-term borrowings:

(v) Details of security for the secured short-term borrowings.			
Particulars	Nature of security	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
<u>Loans repayable on demand</u>			
from banks:			
State Bank of India	Working capital loans from banks are secured by hypothecation of all current assets of the Company, present and future, such as inventories, receivables, loans and advances, etc. Working capital loans are further secured by second pari passu charge over entire fixed assets of the Company including factory land, building and plants of the Company as stated above. These are further secured by personal guarantees of some of the directors of the Company.	137,878,242	147354743
Bank of Baroda		39,705,484	81,648,930
Standard Chartered Bank		68,169,563	98,535,036
Total - from banks		245,753,289	327,538,709

(ii) Details of short-term borrowings guaranteed by some of the directors :

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
	Loans repayable on demand from banks	245,753,289	327,538,709

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 8 Trade Payables

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Trade Payables		
	Dues to Micro and Small Enterprises	402,000	694,000
	Other Trade Payables	220,715,837	186,902,995
	Total	221,117,837	187,596,995

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note 9 Other Current Liabilities

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Current maturities of long-term debt (Secured)	78,450,000	95,350,000
2	Current maturities of finance lease obligations (Secured)	1,576,758	1,760,200
3	Current maturities of Deposit (Unsecured)	550,000	2,525,000
4	Advance from customers	17,225,104	14,540,110
5	Unpaid dividends	2500	2,500
6	Other Liabilities		
	-Trade/Security Deposit	-	100,000
	-Statutory Remittances	1,108,147	1,451,997
7	Expected loss on Derivatives	6,134,762	-
	Total	105,047,271	115,729,807

Note 10 Short Term Provisions

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Provision for employee benefits		
	Gratuity (Funded) (Ref Note 28.1)	4,222	-
	Leave Encashment (unfunded) (Ref Note 28.1)	2,191,484	1,986,004
2	Others		
	Taxation	16,549,142	7,342,435
	Total	18,744,848	9,328,439

Note 11 Fixed Assets

₹

	Description	GROSS BLOCK (At Cost)				DEPRECIATION / AMORTIZATION				NET BLOCK	
		As at 31-March-11	Additions	Disposals	As at 31-March-12	As at 31-March-11	Depreciation / amortisation for the year	Eliminated on disposal of assets	Up to 31-March-12	As at 31-Mar-12	As at 31-March -11
A	<u>Tangible Assets</u>										
1	Land (Freehold)	12,383,033	-		12,383,033	-			-	12,383,033	12,383,033
2	Lease Hold Land	920,324	-		920,324	-			-	920,324	920,324
3	Buildings	149,816,987	10,051,894		159,868,881	28,876,839	4,848,370		33,725,209	126,143,672	120,940,147
4	Plant and Machinery	522,791,572	17,181,031	4,874,747	535,097,855	316,563,419	36,380,236	4,751,586	348,192,069	186,905,786	206,228,152
5	Electrical Installations	27,429,204	261,844		27,691,048	9,355,832	1,288,252		10,644,084	17,046,964	18,073,372
6	Tools and Equipment	76,512,681	18,674,496		95,187,177	69,058,174	4,992,415		74,050,590	21,136,588	7,454,507
7	Furniture and Fixtures	19,327,220	1,060,887		20,388,107	7,628,039	1,361,102		8,989,142	11,398,965	11,699,181
8	Vehicles	14,297,141	1,795,945		16,093,086	3,925,630	1,037,606		4,963,236	11,129,850	10,371,511
9	Office Equipment	6,121,951	359,531		6,481,482	2,231,334	340,270		2,571,604	3,909,879	3,890,618
10	Computer Hardwares	9,290,932	57,000	74,749	9,273,183	5,684,652	1,211,316	74,749	6,821,219	2,451,964	3,606,280
	Sub Total A	838,891,045	49,442,628	4,949,496	883,384,176	443,323,919	51,459,567	4,826,335	489,957,153	393,427,025	395,567,124
B	<u>Intangible Assets</u>										
1	Computer Software	2,416,788	-	-	2,416,788	1,567,448	391,761		1,959,210	457,578	849,340
	Sub Total A	2,416,788	-	-	2,416,788	1,567,448	391,761	-	1,959,210	457,578	849,340
	Total (A + B)	841,307,833	49,442,628	4,949,496	885,800,964	444,891,367	51,851,328	4,826,335	491,916,362	393,884,603	396,416,464

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 12 Non Current Investment

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
A	Trade Investments (at Cost)		
1	Unquoted Equity Instrument		
	Investments in Associates		
(i)	49 Equity Shares of Rs.100/- each of Sunido Textiles Ltd fully paid up	-	4,900
(ii)	49 Equity Shares of Rs.100/- each of Stallion Textiles Ltd fully paid up	-	4,900
(iii)	49 Equity Shares of Rs.100/- each of IQMS ERP India Pvt Ltd fully paid	-	4,900
(iv)	124,000 Equity Shares of Rs.10/ each of Panax Appliances Pvt Ltd fully paid up	1,240,000	1,240,000
		1,240,000	1,254,700
	Less : Provision for dimunition in the value of Investments	1,240,000	14,700
		-	1,240,000
2	Unquoted Preference Instrument		
	871,000 (As at 31-Mar-11: 676,000 at Rs.10/- each) 6 % Cumulative		
	Redeemable Preference Share of Rs. 4/- each of Panax Appliances Pvt Ltd fully		
(i)	paid up	2,704,000	6,760,000
	Sub Total (A)	2,704,000	8,000,000
B	Other Investments (at Cost)		
(i)	325 Shares of Rs.25 each of The Citizen Co-Operative Credit Society Ltd	8,125	8,125
(ii)	1340 shares of Rs. 10/- of Co-Operative Bank Of Baroda	33,501	33,501
	Sub Total (B)	41,626	41,626
	Total	2,745,626	8,041,626

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 13 Long Term Loans & Advances

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Capital Advances (Unsecured, considered good)	12,353,860	14,978,652
2	Security Deposits (Unsecured, considered good)	8,284,342	7,310,807
3	Loans and advances to related parties (refer Note 28.3) (Unsecured, considered good)	2,002,373	7,666,318
4	MAT credit entitlement	25,303,010	11,310,864
	Total	47,943,585	41,266,641

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
	Closely held Public Company in which director is a member	-	1,079,738
	Private Company in which director is a member	2,002,373	6,586,580

Note 14 Other Non- current assets

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Unamortised expenses (i) Deferred Revenue Expense (ii) Share issue expenses	21,001 1,912,200	99,024 2,390,250
	Total	1,933,201	2,489,274

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 15 Inventories

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Raw Materials and components	67,725,380	88,634,432
2	Work-in-progress	16,644,088	17,854,401
3	Finished goods	5,676,519	9,066,202
4	Stores and spares	3,000,983	2,858,791
5	Packing Materials	2,387,275	3,215,792
	Total	95,434,245	121,629,617

Note 16 Trade Receivables

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	340,043,716	355,531,619
	Sub Total	340,043,716	355,531,619
2	Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	6,104,711	17,312,293
	Sub Total	6,104,711	17,312,293
	Total	346,148,427	372,843,913

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 17 Cash and cash equivalents

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Cash on Hand	480,003	1,456,441
2	Cheques, drafts on hand		
3	Balances with banks		
	(i) In current accounts	116,843	102,458
	(ii) In EEFC accounts	3,740,025	6,152,765
	(iii) In deposit accounts	267,503	31,750,000
	(iv) In earmarked accounts		
	- Unpaid dividend accounts	19,350	19,350
	- Balances held as margin money or security against borrowings, guarantees and other commitments	14,085,000	14,311,739
	Total	18,708,724	53,792,753

Note: Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is Rs.4,336,871/-

Note 18 Short Term Loans & Advances

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Loans and advances to related parties (refer note 28.3) (Unsecured, considered good)	12,000	43,684
2	Loans and advances to employees (Unsecured, considered good)	15,000	-
3	Prepaid expenses (Unsecured, considered good)	4,012,215	3,215,794
4	Advance payment of tax	18,372,484	9,420,534
5	Advance recoverable in cash or kind for the value to be received (Unsecured, considered good)	18,539,978	21,111,777
6	Balance with excise & indirect tax authorities (Unsecured, considered good)		
	(i) CENVAT credit receivable	29,906,933	19,916,195
	(ii) VAT credit receivable	28,380,392	16,708,775
	(iii) Service Tax credit receivable	1,340,199	1,561,296
	Total	100,579,201	71,978,054

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
	Directors	12,000	
	Other officers of the Company	5,000	

Note 19 Other current assets

	Particulars	As at 31- Mar-2012 ₹	As at 31- Mar-2011 ₹
1	Unamortised expenses		
	(i) Deferred Revenue Expense	78,023	78,023
	(ii) Share issue expenses	478,050	478,050
	Total	556,073	556,073

Shaily Engineering Plastics Limited**Notes forming part of financial statements****Note 20 Revenue**

	Paticulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	Sale of Products (Gross)	1,461,305,087	1,281,078,010
	Export Sales	1,237,124,486	981,316,906
	Domestic Sales	224,180,601	299,761,105
	Less: Excise Duty	(16,307,134)	(24,742,156)
	Net Sales	1,444,997,953	1,256,335,854
2	Sale of services	10,324,935	12,369,513
3	Scrap Sales	321,643	247,322
		1,455,644,531	1,268,952,690

Note	Paticulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
(i)	Sale of products comprises:		
	Manufactured goods		
	Components and Articles of Plastics	1,444,997,953	1,256,335,854
	Total - Sale of Products	1,444,997,953	1,256,335,854
(ii)	Sale of services comprises:		
	Jobwork	496,684	116,607
	Design and Development	9,828,251	12,252,907
	Total - Sale of services	10,324,935	12,369,513
(iii)	Other operating revenues comprises:		
	Sale of scrap	321,643	247,322
	Total - Other operating revenues	321,643	247,322

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 21 Other Income

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	Interest Income	4,724,304	4,404,367
2	Dividend income from long-term investments	5,025	5,025
3	Net gain on Redemption of Preference Shares (long-term investments)	1,150,500	-
4	Net gain on foreign currency transactions and translation (other than considered as finance cost)	5,310,700	3,197,237
5	Other non-operating income (net of expenses directly attributable to such income)	1,400,852	488,635
Total		12,591,381	8,095,264

Note	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
(i)	Interest income comprises:		
	Interest from banks on:		
	deposits	2,118,678	1,721,314
	Interest on loans and advances	1,944,526	1,875,693
	Interest on income tax refund	258,443	419,132
	Other interest	402,657	388,228
	Total - Interest income	4,724,304	4,404,367
(ii)	Other non-operating income comprises:		
	Profit on sale of fixed assets	77,040	-
	Insurance Claim	1,164,058	488,635
	Miscellaneous income	159,754	-
	Total - Other non-operating income	1,400,852	488,635

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 22 Cost of Raw Material Consumed

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	Opening stock	88,634,432	64,936,624
2	Add: Purchases	852,401,502	787,073,703
		941,035,934	852,010,327
3	Less: Closing stock	67,725,380	88,634,432
	Total	873,310,554	763,375,895

	Material consumed comprises:		
(i)	Plastic Granules	698,944,841	610,642,096
(ii)	Other Materials and Components	174,169,266	133,576,283
(iii)	Mould Materials	196,447	19,157,516
	Total	873,310,554	763,375,895

Note 23 (Increase)/decrease in Stock

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	<u>Inventories at the end of the year:</u>		
(i)	Finished goods	5,676,519	9,066,202
(ii)	Work-in-progress	16,644,088	17,854,401
		22,320,607	26,920,603
2	<u>Inventories at the beginning of the year:</u>		
(i)	Finished goods	9,066,202	10,427,640
(ii)	Work-in-progress	17,854,401	20,855,396
		26,920,603	31,283,036
	Net (increase) / decrease	4,599,996	4,362,433

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 24 Employee Benefit Expenses

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	Salaries and Wages	105,527,714	104,632,689
2	Contributions to provident fund (Refer Note 28.1)	5,590,916	5,142,392
3	Staff Welfare Expenses	6,795,305	6,081,722
	Total	117,913,935	115,856,803

Note 25 Finance Costs

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	Interest expense on:		
	(i) Borrowings	53,501,144	58,517,377
	(ii) Public Deposit	5,291,297	4,764,544
2	Other borrowing costs	12,674,514	6,784,910
3	Net loss/(gain) on foreign currency transactions and translation (considered as finance cost)	8,738,300	(158,450)
4	Provision for estimated loss on derivatives (net)	6,134,762	-
	Total	86,340,017	69,908,381

Shaily Engineering Plastics Limited
Notes forming part of financial statements

Note 26 Other Expenses

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	Power and fuel	65,624,273	64,443,945
2	Packing expense	76,096,236	69,771,159
3	Stores and spares consumed	10,195,024	12,177,093
4	Increase / (decrease) of excise duty on inventory	(16,300)	(58,065)
5	Labour Charges	15,414,503	9,994,670
6	Mould usage charges	386,752	1,009,145
7	Repairs & maintenance		
	Building	1,045,998	1,004,514
	Plant & Machinery	7,710,691	8,288,094
	Others	1,870,772	1,690,093
8	Rent	7,512,815	6,408,398
9	Rates and taxes	145,909	274,276
10	Insurance	4,619,112	4,603,664
11	Conveyance expense	1,709,140	1,191,751
12	Postage and telephone expense	1,627,109	1,862,410
13	Printing and stationery	1,215,315	1,343,722
14	Vehicle expense	3,933,385	3,597,679
15	Legal and professional	6,028,427	6,608,287
16	Directors' Sitting Fees	405,000	235,000
17	Sales commission ,discount and Fees	5,577,834	4,641,327
18	Payments to auditors (Refer Note (i) below)	1,000,000	850,000
19	Travelling expense	10,178,866	9,231,528
20	Carriage outwards	22,495,693	21,993,935
21	Advertisement	49,899	93,953
22	Amortisation of share issue expenses and discount on shares	556,073	556,073
23	Loss on fixed assets sold / scrapped / written off (Net)	-	1,727,156
24	Bad trade and other receivables, loans and advances written off	779,202	2,249,314
25	Adjustments to the carrying amount of Long term investments (other than subsidiaries) (net)	1,240,000	-
26	Miscellaneous Expenses	4,099,663	3,974,059
	Total	251,501,391	239,763,180

Notes:

	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
(i)	Payments to the auditors comprises (net of service tax input credit):		
	As auditors - Statutory audit	825,000	675,000
	- Tax audit	175,000	175,000
	Total	1,000,000	850,000

Shaily Engineering Plastics Limited
Notes forming part of the financial statements

Note 27 Additional information to the financial statements

Note	Particulars	As at 31 March, 2012 ₹	As at 31 March, 2011 ₹
27.1	Contingent liabilities and commitments (to the extent not provided for)		
(i)	Contingent liabilities		
	(a) Guarantees	14,725,000	13,300,000
	(b) Pending export obligation against advance licenses (obligation to be completed by March 2013)	2,078,056	15,127,125
(ii)	Commitments		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
	Tangible assets	33,105,000	26,000

27.2 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

	Name of the party	Relationship	Amount outstanding as at 31 March, 2012	Maximum balance outstanding during the year
	Panax Appliances Pvt. Ltd	Significant Influence	1477884 Cr	4,028,616
			(4,028,616)	(4,187,788)
	Sunido Textiles Ltd.	Significant Influence	0	815,637
			(815,637)	(815,637)
	Stallion Textiles Ltd.	Significant Influence	0	263,801
			(263,801)	(263,801)
	IQMS India pvt ltd (Previously known as Stanford Leasing and Finance Ltd.)	Significant Influence	0	82,616
			(82,616)	(82,616)
	Shaily IDC (India) Private Limited	Significant Influence	2002373.37	2,152,373
			(2,152,373)	(2,152,373)
	Innovative polyplast pvt ltd	Company in which relative of key management personnel is a director	0	322,975
			(322,975)	(322,975)

Note: Figures in bracket relate to the previous year.

Notes forming part of the financial statements

Note	Particulars			
27.3	Details on derivatives instruments and unhedged foreign currency exposures			
	I. The following derivative positions are open as at 31 March, 2012. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and be designated as hedging instruments.			
	(a) Forward exchange contracts and options [being derivative instruments], which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.			
	(ii) Outstanding option contracts entered into by the Company as on 31 March, 2012			
	Currency	Amount in USD	Buy / Sell	Cross currency
	USD	Nil (2500000)	Buy	Rupees
	Note: Figures in brackets relate to the previous year			
	(b) Currency swaps (other than forward exchange contracts stated above) to hedge against fluctuations in changes in exchange rate. No. of contracts: One(As at 31 March, 2011: One)			
	II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:			
	As at 31 March, 2012		As at 31 March, 2011	
	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency
	₹		₹	
	Trade Payables			
	(95,169,257)	USD (1,870,649)	(53,650,076)	USD (1,213,711)
	(1,102,169)	EUR (16,240)	(906,307)	EUR (14,299)
	(243,558)	GBP (2,990)	(253,975)	GBP (3,538)
	Trade Receivables			
	238,828,388	USD 4,884,201	247,225,742	USD 5,530,358
	83,138	EUR 1225	143,878	EUR 2,270
	Advances received			
	661,708	EUR 9750	-	-
	Advances given			
	9,481,411	USD 186,367	15,680,340	USD 332,266
	25,111	EUR 370	-	-
	-	-	182,820	GBP 2,175
	640,816	JPY 1,034,200		
	Loans Taken			
	(167,637,849)	USD (3,295,093)	90,368,532	USD 2,026,427
	Bank balances			
	3,740,026	USD 73,514	6,152,765	USD 137,970

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
27.4	Value of imports calculated on CIF basis:	₹	₹
	Raw materials	291,540,386	163,013,571
	Moulds	16,526,042	8,558,719
	Capital goods	8,280,072	4,040,100
	Total	316,346,500	175,612,390

Notes forming part of the financial statements

27.5	Expenditure in foreign currency:	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		₹	₹
	Professional and consultation fees	4,456,710	4,119,975
	Godown Rent	6,072,815	5,008,229
	Testing Charges	365,572	240,585
	Membership fees	-	29,723
	Foreign travelling	3,738,896	2,426,462

27.6	Details of consumption of imported and indigenous items	For the year ended 31 March, 2012	
		₹	%
	<u>Imported</u>		
	Raw materials	305,872,913 (202,997,808)	35.02% (26.59%)
	Total	305,872,913 (202,997,808)	35.02% (26.59%)
	<u>Indigenous</u>		
	Raw materials	567,437,641 (560,378,087)	64.98% (73.41%)
	Total	567,437,641 (560,378,087)	64.98% (73.41%)

Note: Figures / percentages in brackets relates to the previous year

27.7	Earnings in foreign exchange:	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		₹	₹
	Export of goods calculated on FOB basis	1,237,124,486	981,316,906

27.8	Amounts remitted in foreign currency during the year on account of dividend	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		₹	₹
	Amount of dividend remitted in foreign currency	8,810,888	-
	Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	1	-
	Total number of shares held by them on which dividend was due	1,499,820	-
	Year to which the dividend relates	FY 07-08 and FY08-09	-

Shaily Engineering Plastics Limited
Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards

Note	Particulars				
28.1	Employee benefit plans				
28.1 a	Defined contribution plans The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 4,997,378/- (Year ended 31 March, 2011 ₹ 4,759,285/-) for Provident Fund contributions and ₹ 1,263,879/- (Year ended 31 March, 2011 ₹ 587,134/-) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.				
28.1 b	Defined benefit plans The Company offers the following employee benefit schemes to its employees i. Gratuity ii. Post-employment medical benefits iii. Other defined benefit plans (specify nature) The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:				
		₹			
	Particulars	Year ended 31 March, 2012		Year ended 31 March, 2011	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
I	Expense recognized in Profit & Loss Account for the year ended 31st March				
a.	Current Service Cost	741,781	2,026,113	625,626	1,664,857
b.	Interest cost	579,021	323,016	433,695	320,920
c.	Expected return on plan assets	-535,045		-545,787	
d.	Actuarial (Gain)/Loss on obligation	899,704	-474,757	2,074,326	855,079
e.	Net expense recognised in Profit & Loss Account (in schedule 14 – Emp	1,685,461	1,874,372	2,587,860	2,840,856
II	Changes in Obligation during the year ended 31st March,				
a.	Obligation as on 1st April	6,812,010	3,800,190	5,256,914	3,889,934
b.	Current service cost	741,781	2,026,113	625,626	1,664,857
c.	Interest cost	579,021	323,016	433,695	320,920
d.	Actuarial (Gain)/Loss on obligation	943,393	-474,757	1,899,205	855,079
e.	Benefits Paid	-661,621	-515,524	-1,403,430	-1,996,000
f.	PV of Obligation as on 31st March		5,159,038		4,734,790
g.	Less : Transaction Liability of Rs 237,916/- (Rs. 297,395/- Less Rs 59,479/- Charged at one fifth in the profit & loss account)				59,479
h.	PV of Obligation as on 31st March	8,414,584	5,159,038	6,812,010	4,675,311
III	Changes in Plan Assets during the year ended 31st March				
a.	Fair Value of Plan Assets as on 1st April	6,818,250	-	6,766,014	-
b.	Expected return on Plan assets	535,045	-	545,787	-
c.	Actuarial Gain/(Loss)	43,689	-	-175,121	-
d.	Contributions	1,675,000	-	1,085,000	-
e.	Benefits Paid	-661,621	-	-1,403,430	-
f.	Actual return on plan assets				
g.	Fair Value of Plan Assets as on 31st March	8,410,363	-	6,818,250	-
IV	Net Assets / Liabilities recognized in the Balance Sheet as at 31st March				
a.	PV of Obligation as on 31st March	8,414,584	5,159,038	6,812,010	4,675,311
b.	Fair Value of Plan Assets as on 31st March	8,410,363	-	6,818,250	-
c.	Net Liabilities / (Assets) recognised in the Balance Sheet as at 31st March	4,221	5,159,038	-6,240	4,675,311
V	Principal Actuarial Assumptions				
a.	Discount rate as on 31st March (per annum) (Refer Note-1)	8.5%	8.5%	8.5%	8.5%
b.	Rate of return on Plan Assets as at 31st March (per annum) (Refer Note-	9%	-	9%	-
c.	Expected increase in salary costs (per annum) (Refer Note-2)	2%	2%	2%	2%

1 Discount rate is determined by reference to market yields at the Balance Sheet date on Govt. Bonds, where the currency and terms of the Govt. Bonds are consistent with the currency and estimated terms for the benefit obligation.

2 The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

3 100% of Plan Assets are invested in group gratuity scheme offered by HDFC Standard Life Insurance Company Limited.

Notes forming part of the financial statements

Note	Particulars																																																										
28.2	Segment Reporting: Business Segment: The Company is engaged in the business of manufacturing of injection molded plastics components, moulds 2etc, which as per the Accounting Standard (AS 17) 'Segment Reporting' is considered the only reportable segment.																																																										
28.3	Related party transactions																																																										
28.3 a	Details of related parties:																																																										
	<table> <tr> <th>Description of relationship</th><th>Names of related parties</th></tr> <tr> <td><u>Key Management Personnel</u></td><td></td></tr> <tr> <td>Managing Director</td><td>Mr. Mahendra B. Sanghvi</td></tr> <tr> <td>Executive Director</td><td>Mr. Laxman B. Sanghvi</td></tr> <tr> <td>Whole Time Director</td><td>Mrs. Tilottama M. Sanghvi</td></tr> <tr> <td>Whole Time Director</td><td>Mr. Amit M. Sanghvi</td></tr> <tr> <td><u>Other Related Parties</u></td><td></td></tr> <tr> <td>Significant influence</td><td>Panax Appliances Pvt. Ltd.</td></tr> <tr> <td>Significant influence</td><td>Shaily-IDC India Pvt. Ltd.</td></tr> <tr> <td>Significant influence</td><td>Sunido Textiles Pvt. Ltd.</td></tr> <tr> <td>Significant influence</td><td>Stallion Textiles Pvt. Ltd.</td></tr> <tr> <td>Significant influence</td><td>IQMS ERP (India) Pvt Ltd</td></tr> <tr> <td>Company in which relative of key management personnel is Director</td><td>Innovative Polyplast Pvt. Ltd.</td></tr> <tr> <td>Relative of key management personnel</td><td>Mr. Jayesh Shah</td></tr> <tr> <td>Relative of key management personnel</td><td>Ms. Purnima Shah</td></tr> <tr> <td>Relative of key management personnel</td><td>Mrs. Sushila M Shah</td></tr> <tr> <td>Relative of key management personnel</td><td>Mr. Navin M Shah</td></tr> <tr> <td>Relative of key management personnel</td><td>Mr. Deep Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Ms. Priyanka L Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Mr. Rajen Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Mr. Bharat Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Mrs. Kalpana L Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Mrs. Rashmi B Sanghvi</td></tr> <tr> <td>Firm owned by relative of key management</td><td>Shah Kanji Raichand & Co.</td></tr> <tr> <td>Relative of key management personnel</td><td>M M Shah – HUF</td></tr> <tr> <td>Relative of key management personnel</td><td>Mrs. Shaily Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Mr. Amit Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Mr. Bhogilal V Sanghvi</td></tr> <tr> <td>Relative of key management personnel</td><td>Mrs. Gunvantiben Sanghvi</td></tr> </table>	Description of relationship	Names of related parties	<u>Key Management Personnel</u>		Managing Director	Mr. Mahendra B. Sanghvi	Executive Director	Mr. Laxman B. Sanghvi	Whole Time Director	Mrs. Tilottama M. Sanghvi	Whole Time Director	Mr. Amit M. Sanghvi	<u>Other Related Parties</u>		Significant influence	Panax Appliances Pvt. Ltd.	Significant influence	Shaily-IDC India Pvt. Ltd.	Significant influence	Sunido Textiles Pvt. Ltd.	Significant influence	Stallion Textiles Pvt. Ltd.	Significant influence	IQMS ERP (India) Pvt Ltd	Company in which relative of key management personnel is Director	Innovative Polyplast Pvt. Ltd.	Relative of key management personnel	Mr. Jayesh Shah	Relative of key management personnel	Ms. Purnima Shah	Relative of key management personnel	Mrs. Sushila M Shah	Relative of key management personnel	Mr. Navin M Shah	Relative of key management personnel	Mr. Deep Sanghvi	Relative of key management personnel	Ms. Priyanka L Sanghvi	Relative of key management personnel	Mr. Rajen Sanghvi	Relative of key management personnel	Mr. Bharat Sanghvi	Relative of key management personnel	Mrs. Kalpana L Sanghvi	Relative of key management personnel	Mrs. Rashmi B Sanghvi	Firm owned by relative of key management	Shah Kanji Raichand & Co.	Relative of key management personnel	M M Shah – HUF	Relative of key management personnel	Mrs. Shaily Sanghvi	Relative of key management personnel	Mr. Amit Sanghvi	Relative of key management personnel	Mr. Bhogilal V Sanghvi	Relative of key management personnel	Mrs. Gunvantiben Sanghvi
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	Note: Related parties have been identified by the Management.																																																										

Notes forming part of the financial statements

Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March, 2012:

28.3 b		KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
	Purchase of goods	-	-	-	-
		-	-	(59,005)	(59,005)
	Purchase of fixed assets	-	-	4,200,000	4,200,000
		-	-	-	-
	Sale of fixed assets	-	-	-	-
		(220,600)	-	-	(220,600)
	Remuneration Paid	13,487,045	336,839	-	13,823,884
		(10,060,316)	(595,670)	-	(10,655,986)
	Jobwork services received	-	-	-	-
		-	-	(102,210)	(102,210)
	Rent paid for lease arrangements	840,000	-	600,000	1,440,000
		(840,000)	-	(600,000)	(1,440,000)
	Sitting Fees	-	30,000	-	30,000
		-	(20,000)	-	(20,000)
	Interest paid on deposits received	737,084	228,963	-	966,047
		(735,070)	(231,891)	-	(966,961)
	Part redemption of Investment in Preference shares of Panax Appliances Pvt. Ltd	-	-	5,226,000	5,226,000
		-	-	-	-
	Provision for diminution in value of investment	-	-	1,240,000	1,240,000
		-	-	-	-
	Write off / write back made during the year	-	-	1,485,329	1,485,329
		-	-	-	-
	Balances outstanding at the end of the year				
	Loans and advances:				
	Panax Appliances Pvt Ltd	-	-	-	-
		-	-	(4,028,616)	(4,028,616)
	Shaily-IDC India Pvt Ltd	-	-	2,002,373	2,002,373
		-	-	(2,152,373)	(2,152,373)
	Stallion Textiles Pvt Ltd	-	-	-	-
		-	-	(263,801)	(263,801)
	IQMS ERP India Pvt Ltd., Formally Stanford Leasing & Fin. Pvt Ltd	-	-	-	-
		-	-	(82,616)	(82,616)
	Sunido Textile Pvt Ltd	-	-	-	-
		-	-	(815,637)	(815,637)
	Innovative Polyplast Pvt. Ltd	-	-	-	-
		-	-	(322,975)	(322,975)
	Investment: Panax Appliances Pvt. Ltd	-	-	3,944,000	3,944,000
		-	-	-	-
	Trade Payables:				
	Panax Appliances Pvt. Ltd	-	-	1,477,884	1,477,884
		-	-	-	-
	Provision for diminution in value of investment	-	-	1,240,000	1,240,000
		-	-	-	-

Note: Figures in bracket relates to the previous year

Notes forming part of the financial statements

Note	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
28.4	Details of leasing arrangements As Lessee The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 1 year and may be renewed for a further period of 1 year based on mutual agreement of the parties. Future minimum lease payments not later than one year	 1,440,000	 1,440,000
	Lease payments recognised in the Statement of Profit and Loss	1,440,000	1,440,000

Note	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
28.5	Earnings Per Share Number of Equity Shares at the beginning of the year Number of Equity Shares at the end of the year Weighted average number of Equity Shares Outstanding during the year. Face Value of each Equity Share (Rs.) Profit after Tax Available for the Equity Shareholders Profit after Taxation Less: Preference Dividend and tax thereon	 7,318,430 7,318,430 7,318,430 10 63,666,500 63,666,500	 7,318,430 7,318,430 7,318,430 10 38,171,034 10,308,298 27,862,736
	Basic Earning Per Share (Rs.) Diluted Earning Per Share (Rs.)	 8.70 8.70	 3.81 3.81

Note	Particulars	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
28.6	Deferred tax liability as on 31.3.2012 is ₹ 165.55, major component of Deferred tax balance is set out below:		
	Deferred Tax Liability: (A)		
	i) Difference between Accounting and Tax WDV (Cumulative)	30,166,131	25,386,230
	ii) Other timing differences	-	-
	Deferred Tax Assets: (B)		
	i) Other timing differences	2,459,116	2,165,840
	ii) Unabsorbed depreciation/ business loss	11,151,838	23,220,390
	Net Deferred Tax Liability / (Asset)	16,555,176	NIL
	A - B		

Note	Particulars
29	The Company prepares and presents its financial statements as per Schedule VI to the Companies Act, 1956, as applicable to it from time to time. In view of revision to the Schedule VI as per a notification issued during the year by the Central Government, the financial statements for the financial year ended 31st March, 2012 have been prepared as per the requirements of the Revised Schedule VI to the Companies Act, 1956. The previous year figures have been accordingly regrouped / re-classified to conform to the current year's classification.