

52nd ANNUAL REPORT 2011-12



SIMMONDS MARSHALL LIMITED

SIMMONDS MARSHALL LIMITED

Board of Directors:

Mr. S. J. Marshall (Chairman)
Mr. N. S. Marshall (Managing Director)
Mr. I. M. Panju
Mr. C. B. Bambawale
Mr. S.C. Saran
Mr. F. K. Banatwalla

CFO & Company Secretary:

Mr. N.D. Bharucha

Auditors:

M/s. SHR & Co.
Chartered Accountants
Rewa Chambers
Marine Lines
Mumbai – 400 020.

Bankers:

ICICI Bank
Union Bank of India
The Zoroastrian Co-Operative Bank Limited

Administrative Office:

Apeejay Chambers
5, Wallace Street, Fort
Mumbai – 400 001

Registered Office & Factory:

Mumbai – Pune Road
Kasarwadi
Pune – 411 034

Registrars & Share Transfer Agents:

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Estate
Andheri Kurla Road, Andheri East
Mumbai – 400 072

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 52nd Annual General Meeting of the Members of Simmonds Marshall Limited will be held on Wednesday, the 26th September, 2012 at 12.00 Noon at Kquality Restaurant, Mumbai - Pune Road, MIDC, Chinchwad, Pune – 411 019 to transact, with or without modification(s) the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2012 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr. S. C. Saran who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board
Simmonds Marshall Limited

S. J. MARSHALL
CHAIRMAN

Registered Office:
Mumbai - Pune Road
Kasarwadi, Pune 411 034

Dated: July 25, 2012
Place: Mumbai

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 20/09/2012 to 26/09/2012 (both days inclusive).
3. The dividend, if declared, will be paid on and from the date of 1st October, 2012 to the Members whose names stand in the Register of Members as on closing of business hours on 19th September, 2012.
4. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
5. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
6. The shares of the Company are listed on Mumbai Stock Exchange.

SIMMONDS MARSHALL LIMITED

7. The Company has appointed M/s. SHAREX DYNAMIC (INDIA) PRIVATE LIMITED as Common Registrar & Transfer Agent of the Company for physical as well as demat mode of transfers. Members are therefore requested to send their grievances to them for early disposal at the address given below.
8. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/S. SHAREX DYNAMIC (INDIA) PVT. LTD.

[Unit: Simmonds Marshall Limited]

Unit No.1, Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (East), MUMBAI - 400 072

Tel: 022 2851 5606 / 2851 5644

9. Members/Proxies holding their Shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.

LISTING REQUIREMENTS:

As required under Clause 49 (IV) (G) (i) of the Listing Agreement, given below are the details of the Director who is seeking appointment/re-appointment as director (Resolution at Item No. 3):

A. Name	:	Mr. S. C. Saran
Age	:	61 [06/02/1951]
Qualifications	:	B.S. (Mech E); MBA (Finance); C.Eng (I) M.I.E.

Mr. S. C. Saran is associated with the Company since 20/10/2006.

Other Directorships	:	XLO India Limited Hindustan Hardy Spicer Limited Heatly & Gresham (India) Private Limited Business Combine Limited Padmini TT Electronics Private Limited
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Committee Memberships	:	-
Audit Committee Member	:	-
Shareholders Grievance Committee Member	:	-

Remuneration Committee Member	:	-
No. of shares held in the Company	:	-

By order of the Board
Simmonds Marshall Limited

S. J. MARSHALL
CHAIRMAN

Registered Office:
Mumbai - Pune Road
Kasarwadi, Pune 411 034

Dated: July 25, 2012
Place: Mumbai

DIRECTORS' REPORT

To,
THE SHAREHOLDERS

Your Directors have great pleasure in presenting their 52nd Annual Report together with the Audited accounts for the year ended March 31, 2012.

(₹ in lacs)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Turnover	9109.29	7116.41
Profit for the year	1193.12	1266.71
Less: Provisions for Tax :		
Current Tax	350.00	423.00
Deferred Tax	46.81	(0.06)
Previous Years Tax Adjustment	13.33	NIL
Add: Profit brought forward from the Previous year	1701.34	1053.04
Less: Provision for Tax on Dividend	9.08	9.47
Less: Transfer to Special Reserve	130.00	130.00
Less: Transfer to Reserves & Surplus	2289.24	1701.33
Leaving a balance of	56.00	56.00

Your Directors recommend payment of Dividend of 25% on Equity Shares.

OPERATIONS:

The turnover during the year increased to Rs.9109.29 lacs against Rs. 7116.41 lacs in the previous year, registering an increase of 28.00% however the profit reduced marginally from Rs. 1266.71 lacs to Rs.1193.12 lacs.

In its endeavor to become a solution provider of fasteners to its customers, your company has taken the following steps:

- (a) During the last quarter of 2011-2012, it acquired a 99% stake in Stud India, a Chennai based company manufacturing and supplying high tensile studs to various industries.
- (b) During the course of the year, your company has invested in a range of cold forging headers, which now gives it the capability to manufacture and supply a full range of cold forged bolts and screws.

With the above two steps, your company is well positioned to become a complete solution provider for all fasteners to its customers.

EXPORTS:

The Company is continuing its efforts to improve its export performance.

During the year under review, the Company exported goods worth F.O.B. Rs. 870.55 lacs against Rs. 645.28 lacs in the previous year registering an impressive increase of 34.90%. The Company hopes to do even better on this front in the future.

RESEARCH & DEVELOPMENT:

The R&D department of the Company has been arduously working to provide quality and value for money to the customer in keeping with market trends.

ENVIRONMENT & ENERGY CONSERVATION:

Efforts for control of Environment and Conservation of energy is an on-going process in your Company. As required by the Company's (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relevant data pertaining to conservation of energy, technology, absorption and Foreign Exchange Earnings and Outgo are given in the prescribed format as per Annexure to this Report.

FIXED DEPOSITS:

Your Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 from the public and the rules made there under.

BOARD OF DIRECTORS:

As per the provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Mr. S. C. Saran retires by rotation and being eligible offers himself for reappointment.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

An analysis of the Company's performance is discussed in the Management Discussion and Analysis Report which forms part of this Directors Report.

CORPORATE GOVERNANCE:

Your Company fully subscribes to the standards set out by the Securities And Exchange Board of India's Corporate Governance practices and has ensured compliance of the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchange. A separate report on Corporate Governance together with Auditors' Certificate on its compliance is included in this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT:

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

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profit of the Company for that year.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The annual accounts have been prepared on a going concern basis.

CODE OF CONDUCT:

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity.

SECRETARIAL COMPLIANCE CERTIFICATE:

A certificate from the Practising Company Secretary confirming the Secretarial Compliance is annexed hereto.

AUDITORS:

M/s. SHR & Co., Chartered Accountants, auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2013 as set out in the Notice convening the Meeting.

AUDIT COMMITTEE:

In accordance with the provisions of the Companies Act, 1956 and Listing Agreement the Company has constituted an Audit Committee. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialised form in either of the two Depositories. The Company has been allotted ISIN No. INE657D01021

Shareholders' therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information pursuant to section 217 (l) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 are given as under.

Efficient use of energy in all form has been a consistent corporate trust in the Company. Better maintenance of equipments, improved operating practice and installation of most modern machinery has resulted in lot of saving in energy cost and consumption of raw materials.

A. CONSERVATION OF ENERGY:

The Company is consistently doing research in the field of saving energy by implementing new cost-effective ideas. Form for disclosure of particulars with respect of Consumption of Energy is enclosed herewith.

	Units	Current Year	Previous Year
a. Power & Fuel Consumption			
Electricity - Purchased			
Unit (KWH)	Units	27.60	24.90
Total Amount	In Rs.	201.05	153.63
Average Rate	per unit	7.28	6.17
b. Consumption per unit of production Electricity (KWH)		646.77	734.45

B. TECHNOLOGY ABSORPTION:

a) Research & Development

The Research & Development department of the Company has been arduously working to provide quality and value for money to the customer in keeping with market trends. Research and Development is being carried out in the following areas.

- Making design modifications in the products so as to simplify the manufacturing process and enhance productivity.
- Improvements to tool design.
- Up gradation of machines.
- Design and development of special machines required for increasing capacity.
- Development of equipment required for testing product reliability at various stages.

b) Technology absorption, adaptation and innovation.

Innovation and adaption of number of processes for manufacture of nuts is done to suit Original Equipment Manufacturer's requirements in the Automobile sector. Methods of manufacture and productivity improvement is an on-going process.

C. FOREIGN EXCHANGE EARNED AND USED:

The particulars regarding foreign exchange earning and expenditure appear at note nos. 35 and 36 to the accounts.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company came within the purview of the information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended.

LISTING:

Shares of the Company are listed at the Mumbai Stock Exchange.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:

The Company has taken all the necessary steps for safety and environmental control and protection at the plant.

ACKNOWLEDGMENT:

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

By order of the Board
Simmonds Marshall Limited

S. J. MARSHALL
CHAIRMAN

Registered Office:
Mumbai - Pune Road
Kasarwadi, Pune 411 034

Dated: July 25, 2012
Place: Mumbai

ANNEXURE TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW:

The main business of the Company is manufacturing and sale of Industrial Fasteners used in Auto Industry.

OPPORTUNITIES, THREATS, OUTLOOK, RISKS AND CONCERNS:

During the year under review your Company performed well and managed to increase its total sale by about 28%.

The general outlook with respect to this Industry in India is of caution under immense competitive pressure. However the intrinsic strength of your company has helped us to effectively overcome such pressure and the sales therefore should register a modest but definite growth.

EXPORTS:

The Company is fast consolidating its resources to build a market presence in the international arena. The results are reflected in an exponential growth rate in the last two years as also continuing in the current year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Control Systems are designed to ensure the reliability of financial and other record and accountability of executive action to the management's authorization. The internal control systems are reviewed by the top management and by the audit committee of the board and proper follow up action is ensured wherever required. Regular audit committee meetings are held where statutory auditors as well as internal auditors participate and internal audit reports are discussed and reviewed.

The Company has evaluated the system and procedures of internal controls of the Company and works to strengthen the same. The management has appointed a firm of chartered accountants to carry out the internal audit of the transactions of the Company and planning to enlarge the scope of work of the internal auditors.

FINANCIAL AND OPERATIONAL PERFORMANCE:

During the year under review, the Company has achieved the sales and other income of Rs.9130.15 lacs as against the sales and other income of Rs.7142.08 lacs in the previous year. The Company has earned net profit before tax of Rs.1193.12 lacs during the year as against the net profit before tax of Rs.1266.71 lacs in the previous year.

The challenges described above did not affect the Company much and your Company was able to register net profit after tax of Rs.782.98 lacs as against net profit after tax of Rs.843.77 lacs in the previous year in spite of global recessionary trends. During the current financial year, the Company is working towards further improvement in its profitability.

HUMAN RESOURCES:

Development of skills and updating of knowledge are essential for continuous growth of any organization. Your Company considers human resources as a key asset. Therefore, your Company not only implemented many in-house training programs but also sent selected employees to suitable outside programs to keep them apprised of the latest developments in the industry and economy.

CAUTIONARY STATEMENT:

Statement in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis, of any subsequent developments, events or information.

REPORT ON CORPORATE GOVERNANCE

A) MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Simmonds Marshall Limited ("the Company") is committed to adhere to the corporate governance code as prescribed by the SEBI and Stock Exchange and has accordingly implemented various aspects of the code.

To implement the Corporate Governance practice, Simmonds Marshall Limited has a well defined policy which:

- Ensures that the Quality and frequency of Financial and Managerial Information, which the Management shares with the Board, fully placed before the Board Members in control of the Company's affairs.
- Ensures that the Board exercises its Fiduciary responsibilities towards Shareowners and Creditors, thereby ensuring high accountability.
- Ensures that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensures that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committees thereof.
- Ensures that the Board, the Management, the Employees and all the other stakeholders are fully committed to maximizing long-term value to the shareowners and to the Company.
- Ensures that the core values of the Company are protected.
- Ensures that the Company positions itself from time to time to be at par with any other world-class Company in operating practices.

2. BOARD OF DIRECTORS:

The Company presently has Six directors. Three of the directors are executive directors and the other three are non executive directors. The Executive directors are comprised of the Chairman and Managing Director and a whole time Director. The three non executive directors are independent directors and professionals with expertise and experience in general corporate management, finance and other allied fields.

As per clause 49 of the Listing Agreement, if the Chairman is an Executive Chairman at least half of the board should consist of non executive directors and half of the Board shall comprise of independent directors. In case of Simmonds Marshall Limited, One half of the directors are non executive. Three out of the six directors are independent and non executive directors, which is very much in compliance of the Listing Agreement.

Composition of the Board of Directors has a healthy mix of Executive & Non Executive Directors and ensures the desired level of independence, functioning and decision making.

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The details of composition of the Board, Category, attendance of directors at board meetings and last Annual General Meeting, number of other directorships and other committee memberships are given below:

Name of Director	Designation	Category	No. of Board Meeting attended	Attendance at last AGM	No. of other companies in which directorships is held		No. of outside committee position held	
					Public	Private	Mem.	Chmn
Mr. Shiamak J. Marshall	CMD	Executive	2	NO	1	11	--	--
Mr. Navroze S. Marshall	MD	Executive	4	YES	1	10	--	--
Mr. Imran M. Panju	WTD	Executive	4	YES	--	5	--	--
Mr. S. C. Saran	Director	Non Executive and Independent	3	NO	3	2	--	--
Mr. C. B. Bambawale	Director	Non Executive and Independent	4	NO	--	--	--	--
Mr. F. K. Banatwalla	Director	Non Executive and Independent	3	NO	2	8	--	--

CMD stands for Chairman & Managing Director,
MD stands for Managing Director,
WTD stands for Wholetime Director.

During the financial year ended March 31, 2012, 4 [four] board meetings were held on 28/04/2011, 30/07/2011, 21/10/2011, 30/01/2012.

INFORMATION SUPPLIED TO BOARD:

Among others, this includes:

- Review of annual operating plans of business, capital budgets and updates.
- Quarterly results of the Company and its operating units
- Minutes of meeting of audit committee and other committees.
- Information on recruitment and remuneration of senior officers just below the board level.
- General notices of interests.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- Any materially significant effluent or pollution problem.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant development in the human resource and industrial relation fronts.
- Sale of material nature of investments and assets which is not in the normal course of business.
- Foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement.

- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda of board meeting or are placed during the course of the meeting.

As mandated by the revised Clause 49, the independent directors on the board of the Company:

- apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior management or its holding company, its subsidiaries and associates that may affect independence of the director;
- are not related to promoters or persons occupying management positions at the board level or at one level below the board;
- have not been an executive of the Company in the immediately preceding three financial years;
- are not partners or executives or were not partners or executives during the preceding three financial years of any of the following;
 - Statutory audit firm or the internal audit firm that is associated with the Company; and
 - Legal firm(s) and consulting firm(s) that have a material association with the Company.
- are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect their independence;
- are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

3. COMMITTEES OF BOARD:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of independent Directors with specific terms of reference / scope. The committee operates as empowered agents of the board. The inputs and details required for the decision is provided by the operating managers. The Minutes of the Meeting of all the Committees of the board are placed before the board for discussions / noting.

Details of the committee of the board and other related information are as follows:

3.1 AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee comprising of three Directors. Two members of the committee are independent and non executive directors and one member is executive director. All the members have financial and accounting knowledge and have related financial management expertise. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The Committee acts as a link between the Management, the Internal Auditors, the Statutory Auditors and the Board of Directors of the Company. The Committee focus its attention on monitoring the financial reporting system within the Company, considering quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of internal control system, audit methodology and process, major accounting policies and practice, compliance with accounting standards. Committee also reviews the legal compliance reporting system.

The Senior Manager – Finance Manager of the Company and the representative of the statutory auditors is always invited to attend these meetings.

The role of Audit Committee includes the following:

- To investigate into any matter referred to it by the Board and for that purpose to have full access to the information contained in the records of the Company and external professional advice, if necessary.
- To investigate any activity within its terms of reference.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend the board the appointment, reappointment and if required replacement of statutory auditors and fixation of audit fee and also approval for payment of any other services.
- Reviewing with management the annual and quarterly financial statements before submission to the Board.
- Reviewing with management, performance of statutory and internal auditors, and the adequacy of internal control systems.
- To recommend the board the appointment, removal and terms of remuneration of internal auditors and review of adequacy of internal audit function.
- Discussion with internal auditors any significant finding and follow up thereon.
- Reviewing the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any areas of concern.

As the Corporate Governance Code became applicable to Company as on 31.03.2012, the Audit Committee was formed as on March 31, 2012, therefore no Committee meetings were held during the year ended March 31, 2012.

The names of members of Audit Committee are as under:-

1. Mr. F. K. Banatwalla - Chairman
2. Mr. Navroze S. Marshall - Member
3. Mr. S. C. Saran - Member

3.2 REMUNERATION COMMITTEE:

The Company has set up a Remuneration Committee as required under the provisions of the Companies Act, 1956 and all matters relating to review and approval of compensation payable to the executive and non executive directors are considered by the Remuneration Committee and necessary recommendations are made by the Committee to the Board for the approval within the overall limits approved by the Members and as per Schedule XIII to the Companies Act, 1956.

The Company pays remuneration to its Chairman, Managing Director and its Whole time Director by way of Salary, perquisites and allowances. Salary is paid within the range as approved by the Shareholders and as per Schedule XIII to the Companies Act, 1956. The Board approves all the revisions in salary, perquisites and allowances subject to the overall ceiling prescribed by Section 198 and 309 of the Companies Act, 1956.

The names of member of committee and their attendance are as follows:

Name of the Members	Status	No. of meetings Attended
Mr. C. B. Bambawalee	Chairman	1
Mr. S. C. Saran	Member	1
Mr. F. K. Banatwalla	Member	1

The details of remuneration paid to executive directors during the financial year 2011-12 are given below:

Particulars	Shiamak Jeejeebhoy Marshall	Navroze Shiamak Marshall	Imran M. Panju
Salary	1542564.00	2570940.00	270000.00
Fixed Components: Contribution to Provident Fund	313608.00	908308.00	95391.00
Commission	626000.00	429000.00	-
Total	2482172.00	3908248.00	365391.00

The details of remuneration paid to non executive directors during the financial year 2011-2012 are given below:

Particulars	S. C. Saran	C. B. Bambawale	F. K. Banatwalla
Sitting Fees	6000.00	8000.00	6000.00
Shareholding in the Company	--	3050 shares	--

3.3 SHAREHOLDERS GRIEVANCE COMMITTEE:

The Company has constituted a Shareholders Grievance Committee at board level to strengthen the investor relations and to inter-alia look into issues relating to shareholders grievances pertaining to transfer of shares, non receipt of declared dividends, non receipt of annual report, issues concerning dematerialization etc.

As the Corporate Governance Code became applicable to Company as on 31.03.2012, the Shareholders Grievance Committee was formed as on March 31, 2012, therefore no Committee meetings were held during the year ended March 31, 2012.

The names of members of Audit Committee are as under :-

1. Mr. C. B. Bambawale, Chairman
2. Mr. Navroze S. Marshall, Member
3. Mr. S. C. Saran, Member

Mr. N. D. Bharucha, C F O & Company Secretary is the compliance officer.

SIMMONDS MARSHALL LIMITED

Details of Investors Complaints received during the year:

Sr. No.	Nature of Complaints	Received	Disposed Off	Pending
1.	Non Receipt of Share Certificates after transfer	NIL	NIL	NIL
2.	Non Receipt of Demat Rejected S/C's	NIL	NIL	NIL
3.	Others	NIL	NIL	NIL
	Total	NIL	NIL	NIL

There were no shares pending for transfer as on 31st March 2012.

4. GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2011	28.09.2011	12.00 Noon	Kwality Restaurant, Mumbai - Pune Road, MIDC, Chinchwad, Pune – 411 019
31.03.2010	29.09.2010	12.00 Noon	-- As above --
31.03.2009	23.09.2009	12.00 Noon	-- As above --

All the matters as set out in the respective notices were passed by the shareholders. No special resolution was required to be put through postal ballot at the last Annual General Meeting nor is proposed for the ensuing Annual General Meeting.

5. DISCLOSURES:

- (i) During the year, the Company did not enter into any materially significant related party transactions with its promoters, directors, management or their relatives etc. that may have a potential conflict with the interests of the Company at large. However the related party transactions are disclosed in note no. 28 to the accounts.
- (ii) No funds have been raised through issue of equity or debt in the form of public or rights or preferential issues during the year under review.
- (iii) A brief resume, nature of expertise in specific functional areas, names of companies in which the person already hold directorship and membership of committees of the Board and his shareholding in the Company forms part of the notice of the Annual General Meeting, annexed to this Annual Report for the directors seeking appointment/ reappointment.
- (iv) The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authority on all matters relating to capital markets during the last three years. No penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during last three years.
- (v) Though there is no formal Whistle Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No employees of the Company have been denied access to the Audit Committee of the Board of Directors of the Company.

(vi) The Company has a periodic review and reporting to the Board of Directors of the Company of risk assessment by senior executives with a view to minimize risk.

(vii) Certificate from Mr. N. S. MARSHALL, Managing Director in terms of clause 49 (V) of the listing agreements with the stock exchanges for the financial year ended 31st March 2012 was placed before the board of directors of the Company in its meeting held on 25th July, 2012.

6. MEANS OF COMMUNICATION

- (i) Quarterly results are submitted to the stock exchanges where the shares of the Company are listed.
- (ii) All items required to be covered in the Management Discussion and Analysis has been included in the Annexure to the Directors' Report.
- (iii) No formal presentations were made to the institutional investors and analysts during the year under review.
- (iv) The Company has its own website i.e. www.simmondsmarshall.com and all the vital information relating to the Company and its products are displayed on the web site.

7. GENERAL SHAREHOLDERS INFORMATION:

7.1 ANNUAL GENERAL MEETING

	:	52nd Annual General Meeting
DAY & DATE	:	Wednesday, September 26, 2012
TIME	:	12.00 Noon
VENUE	:	Kwality Restaurant Mumbai - Pune Road MIDC, Chinchwad, Pune 411 019

7.2 FINANCIAL CALENDAR:

* Financial reporting for the quarter ended June 30, 2012	:	Mid of Aug. 2012
* Financial reporting for the quarter ended Sept.30, 2012	:	Mid of Nov. 2012
* Financial reporting for the quarter ended Dec. 31, 2012	:	Mid of Feb., 2013
* Financial reporting for the year ended March 31, 2013	:	Mid of May, 2013
* Annual General Meeting for the year ended March31, 2013	:	End of Sep., 2013

7.3 DATE OF BOOK CLOSURE: 20/09/2012 TO 26/09/2012 [Both days inclusive].

7.4 LISTING:

The Stock Exchange, Mumbai.

7.5 STOCK CODE OF THE COMPANY : The Stock Exchange, Mumbai

Scrip Name	:	Simmonds Marshall Ltd.
Scrip Code	:	507998
Electronic Mode (ISIN)	:	INE657D01021

SIMMONDS MARSHALL LIMITED

7.6 STOCK PRICES DATA & PERFORMANCE IN COMPARISON TO BSE SENSEX: [AS OBTAINED FROM BSE WEBSITE]

Month	Company's Share		BSE Sensex	
	High	Low	High	Low
April, 2011	45.70	31.80	19811.14	18976.19
May, 2011	38.25	32.95	19253.87	17786.13
June, 2011	42.80	32.30	18873.39	17314.38
July, 2011	43.40	32.05	19131.70	18131.86
August, 2011	44.00	31.00	18440.07	15765.53
Sept., 2011	39.75	30.30	17211.80	15801.01
October, 2011	35.40	29.25	17908.13	15745.43
November, 2011	32.15	27.15	17702.26	15478.69
December, 2011	31.35	23.25	17003.71	15135.86
January, 2012	33.30	25.00	17258.97	15358.02
February, 2012	37.05	26.50	18523.78	17061.55
March, 2012	30.80	29.80	18040.69	16920.61

7.7 REGISTRAR & TRANSFER AGENTS UNDER PHYSICAL AND DEMAT MODE:

M/S. SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit : [Simmonds Marshall Limited]
Unit No.1, Luthra Ind. Premises, Andheri Kurla Road,
Safed Pool, Andheri (East), MUMBAI - 400 072.
Tel: 022 2851 5606 / 2851 5644

7.8 SHARE TRANSFER SYSTEM:

Share transfer requests are received at the registered office of the Company as well as directly at RTA's office. RTA does the verification and processing of documents. In order to comply with the requirements of SEBI's circular No. SMD/POLICY/CIR-10/02 dated May 7, 2002 to effect transfer of shares within one month, the RTA has been authorized to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals. The share certificates duly endorsed for transfer are returned to shareholders within the stipulated time of 30 days.

The turnaround time for completion of transfer of shares in physical mode is generally 15 days, if the documents are clear in all respects.

7.9 COMPLIANCE OFFICER:

Mr. N. D. Bharucha, C F O

7.10 DEPOSITORY CONNECTIVITY: NSDL and CDSL.

7.11 ISIN NO. FOR THE COMPANY'S SECURITY: INE657D01021.

7.12 SHAREHOLDING PATTERN AS ON 31ST MARCH, 2012:

Category	No. of shares held	% of shareholding
Promoters & Promoter Group	6106315	54.521
Mutual Funds /UTI	--	--
Financial Institutions / Banks	500	0.004
Bodies Corporate	1871384	16.709
Indian Public	3197780	28.552
NRI / OCBs	24021	0.214
Total	11200000	100

7.13 DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2012:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	1470	510168	4.55
501-1000	291	270935	2.42
1001-5000	513	1125758	10.05
5001-10000	59	444786	3.97
10001-100000	43	1322945	11.81
100001 & Above	11	7525408	67.20
Total	2387	11200000	100

7.14 DEMATERIALISATION OF SHARES:

As on March 31, 2012, 103,99,915 shares representing 92.86% of total equity shares were held in dematerialized form with NSDL and CDSL.

Members can hold shares in electronic forms and trade the same in Depository System. However, they may hold the same in physical form also.

7.15 OUTSTANDING GDRs/ ADRs/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

The Company has not issued any GDRs / ADRs / Warrants or any other convertible instruments.

7.16 WORKS:

Simmonds Marshall Limited
Mumbai Pune Road
Kasarwadi
Pune 411 034
Telephone Nos: 020-30782160

7.17 ADDRESS FOR CORRESPONDENCE:

Simmonds Marshall Limited
Mumbai Pune Road
Kasarwadi
Pune 411 034
Telephone Nos: 020-30782160

7.18 COMPLIANCE:

A certificate has been obtained from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance and is attached to this report. The Company is in process of complying with some of the conditions of corporate governance.

8. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT:

The board of directors has laid down the Code of Conduct for all the board members and members of senior management of the Company. Certificate from the Managing Director affirming compliance of the said code by all the board members and members of senior management of the Company to whom the code is applicable is annexed separately to this report.

9. STEPS FOR PREVENTION OF INSIDER TRADING

In compliance of the SEBI (Prevention of inside Trading) Regulations as amended in 2002, the Company has issued comprehensive guidelines advising and cautioning management staff and other relevant business associates on the procedure to be followed while dealing in equity shares of Company and disclosure requirements in this regard. Company believes that "The Code of Internal Procedure and Conduct" and 'The Code of Corporate Disclosures Policies' framed by it in this regard will help in ensuring compliance of the amended SEBI regulations.

B) NON-MANDATORY REQUIREMENTS

1. CHAIRMAN OF THE BOARD:

The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a non-executive chairman does not arise.

2. REMUNERATION COMMITTEE:

Please refer item no. 3.2 under Mandatory Requirements.

3. SHAREHOLDERS RIGHTS:

The Company furnishes the quarterly and half yearly results on receipt of a request from the shareholders.

4. POSTAL BALLOT:

The provision relating to Postal Ballot will be complied in respect of matters, wherever applicable.

5. TRAINING OF BOARD MEMBERS:

Directors are fully briefed about all business related matters risks assessment market conditions of the product manufactured by the Company, competition and new initiative proposed by the Company.

For and on Behalf of the Board
Simmonds Marshall Limited

S. J. MARSHALL
CHAIRMAN

Place : Mumbai
Dated : July 25, 2012

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding affirmation of Code of Conduct

In terms of the requirements of the amended clause 49 I (D) (ii) of the listing agreement, this is to confirm that all the members of the Board and the senior managerial personnel have affirmed compliance with the code of conduct for the year ended 31st March 2012.

N. S. MARSHALL
Managing Director

Place : Mumbai
Dated : July 25, 2012

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

The Board of Directors
Simmonds Marshall Limited
Mumbai Pune Road
Kasarwadi
Pune 411 034

I, the undersigned, in my capacity as Chief Executive Officer of Simmonds Marshall Limited ("the Company"), to the best of my knowledge and belief certify that:

- a. I have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2012 and that to the best of my knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept the responsibility for establishing and maintaining internal controls and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps taken or propose to take to rectify these deficiencies.
- d. I have indicated, based on my most recent evaluation, wherever applicable, to the Auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

N. S. MARSHALL
Managing Director

Place : Mumbai
Dated : July 25, 2012

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Simmonds Marshall Limited,

We have examined the compliance of conditions of Corporate Governance by Simmonds Marshall Limited ('the Company') for the year ended on 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the abovementioned Listing Agreement.

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

For GMJ & Associates
Company Secretaries

[MAHESH SONI]
PARTNER
FCS : 3706; COP : 2324

Place : Mumbai
Dated : July 25, 2012

SECRETARIAL COMPLIANCE CERTIFICATE

COMPANY CIN : L29299PN1960PLC011645
AUTHORISED SHARE CAPITAL : RS. 10,00,00,000/-
PAID UP SHARE CAPITAL: RS. 2,24,00,000/-

The Members,
M/s. SIMMONDS MARSHALL LIMITED
Mumbai-Pune Road,
Kasarwadi,
Pune - 411 034.

We have examined the registers, records, books and papers of M/s. SIMMONDS MARSHALL LIMITED [the Company] as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on MARCH 31, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in ANNEXURE - 'A' to this Certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as required with the Registrar of Companies or other authorities as prescribed under the Act and the rules made hereunder wherever applicable AS PER ANNEXURE - 'B'.
3. The Company being a Limited Company, Comments not required.
4. The Board of Directors duly met 4 [Four] times during the aforesaid Financial Year i.e. on 28/04/2011, 30/07/2011, 21/10/2011 and 30/01/2012 and in respect of each meeting proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 22nd September, 2011 to 28th September, 2011 (both days inclusive) during the financial year under scrutiny.
6. The Company held its Annual General Meeting during the year in time i.e. on September 28, 2011 and in respect of which proper notice was given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
7. NO Extra Ordinary General Meeting was held during the financial year.
8. The Company has not given or advanced any amount as defined in Section 295 of the Companies Act, 1956.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has entered necessary particulars in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has issued duplicate share certificates during the financial year and necessary compliances of the Act were made.
13. The Company has:
 - i. delivered all the certificates on allotment of Shares in accordance with the provisions of the Companies Act, 1956.
 - ii. duly complied with the requirements of Section 217 of the Act.
 - iii. other clauses are not applicable.

14. The Board of Directors of the Company is duly constituted.
15. The Company has appointed/re-appointed Managing Director/Whole Time Director during the financial year and necessary compliances of the Act were made.
16. The Company has not appointed any Sole Selling Agents during the financial year.
17. The Company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Equity Shares during the financial year under review.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares/debentures does not arise during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has complied with the provisions of Section 293 (1) (d) of the Act.
25. The Company has complied with the provisions of Section 372A of the Act.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to Name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment has been imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was regular in depositing the Provident Fund dues with the prescribed authorities.

FOR GMJ & Associates
Company Secretaries

[MAHESH SONI]
Partner
FCS : 3706 ; COP : 2324.

Place: Mumbai.
Date: July 25, 2012

SIMMONDS MARSHALL LIMITED

ANNEXURE 'A' TO THE SECRETARIAL COMPLIANCE CERTIFICATE :

Name of the Company: M/s. SIMMONDS MARSHALL LIMITED.

DETAILS OF REGISTERS MAINTAINED:

Sr. No.	Section Number	Name of Register
1.	108	Share Transfer Register
2.	150	Register of Members
3.	193	Minutes of all meetings of Board of Directors
4.	193(1)	Minutes of General Meetings
5.	301	Register of Contracts.
6.	303	Register of Directors.
7.	307	Register of Directors' Shareholding
8.	125	Register of Charge.

FOR GMJ & Associates
Company Secretaries

[MAHESH SONI]
Partner
FCS : 3706 ; COP : 2324.

Place: Mumbai.
Date: July 25, 2012

ANNEXURE 'B' TO THE SECRETARIAL COMPLIANCE CERTIFICATE**Name of the Company: M/s. SIMMONDS MARSHALL LIMITED.****DETAILS OF FORMS FILED WITH THE REGISTRAR OF COMPANIES:**

Sr. No.	Document/ Under Section	Filed on	Whether filed in time	Whether additional fee paid
1.	Form-8 u/s 125	24/05/2011	Yes	No
2.	Form-8 u/s 125	31/10/2011	Yes	No
3.	Form-8 u/s 125	01/11/2011	Yes	No
4.	Sec. Compl. Cert. U/s. 383A Form 66.	17/11/2011	No	Yes
5.	Form-23 U/s. 192	22/11/2011	No	Yes
6.	Form-25C U/s. 269(2)	26/11/2011	Yes	No
7.	Form-25C U/s. 269(2)	26/11/2011	Yes	No
8.	Form-25C U/s. 269(2)	26/11/2011	Yes	No
9.	Form-23C u/s. 233 B (1)	05/12/2011	Yes	No
10.	B/Sheet & P&L A/c U/s. 210 Form 23AC/23ACA XBRL.	22/12/2011	Yes	No
11.	Form-17 U/s. 138	20/01/2012	Yes	No
12.	Form-17 U/s. 138	20/01/2012	Yes	No
13.	Form-17 U/s. 138	20/01/2012	Yes	No
14.	Form-17 U/s. 138	20/01/2012	Yes	No
15.	Form-17 U/s. 138	20/01/2012	Yes	No
16.	Form-17 U/s. 138	20/01/2012	Yes	No
17.	Form-17 U/s. 138	20/01/2012	Yes	No
18.	Form-17 U/s. 138	20/01/2012	Yes	No
19.	Form-17 U/s. 138	20/01/2012	Yes	No
20.	Form-23B	08/02/2012	N.A	N.A
21.	Form-23D	05/06/2012	N.A	N.A

FOR GMJ & Associates
Company Secretaries

[MAHESH SONI]
Partner
FCS : 3706 ; COP : 2324.

Place: Mumbai.
Date: July 25, 2012

AUDITORS' REPORT

TO THE MEMBERS OF SIMMONDS MARSHALL LIMITED

1. We have audited the attached Balance Sheet of SIMMONDS MARSHALL LIMITED as at March 31, 2012 and also the Profit and Loss Account and Cash Flow Statement of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments referred to in paragraph 4 above, we report that :
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
 - c. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
 - e. on the basis of written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with notes to the accounts thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

Mumbai, July 25, 2012

For S H R & CO.
Chartered Accountants
FRN: 120491W

HITESH R. SHAH
PARTNER
Membership No. 104795

ANNEXURE TO THE AUDITORS' REPORT

(ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012 OF SIMMONDS MARSHALL LIMITED)

- i.
 - (a) The Company is in process of updating its records showing particulars, including quantitative details and situation of fixed assets;
 - (b) According to information and explanations provided to us the company has decided to carry out the physical verification of fixed assets over a period of five years, in a phased manner which in our opinion is reasonable having regard to the size of the company and nature of its business. As explained to us, necessary adjustments in respect of discrepancies if any, noticed will be made in the books on such verification and updation of fixed assets records.
 - (c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern.
- ii.
 - (a) As explained to us, inventory have been physically verified during the year by the management, except for inventory lying with outside parties, for which confirmations have been obtained from them.
 - (b) In our opinion and according to the information and explanation given to us, the procedures followed by the management for physical verification of inventory, are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of its inventory. Discrepancies which were noticed on physical verification of inventory as compared to book records have been properly dealt with in the books of account.
- iii.
 - (a) According to the information and explanations given to us, the Company has granted loan to a firm covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year is ₹ 6,00,000/- and the year end balance is NIL.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loan given to firm listed in the register maintained u/s 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
 - (c) The above loan was repaid during the year on demand.
 - (d) According to the information and explanations given to us, the Company has taken unsecured loans from Companies, firms and other parties covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year is ₹ 5,32,54,800/- and the year-end balance of such loans aggregates to ₹ 5,13,97,200/-. There are seven parties including Companies, firms and other parties covered in the register maintained u/s 301 of the Companies Act, 1956 from whom Company has taken loans.
 - (e) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken from Companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
 - (f) There is no stipulation as to repayments of principal amount in respect of aforesaid loans. The Company is regular in payment of interest.

SIMMONDS MARSHALL LIMITED

- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal controls.
- v. (a) According to the information and explanations given to us, we are of the opinion that during the year, the particulars of contracts/arrangements that need to be entered in the register maintained in pursuance of 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 register maintained u/s 301 of the Companies Act, 1956 and exceeding the value of ₹5,00,000 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 not accepted any deposits from the public within the meaning of section 58A and 58 AA of the Companies Act, 1956, and the rules framed there under during the year. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.
- vii. The company has no formal internal audit system as such, but its control procedures and systems ensure reasonable internal checking of its financial and other records.
- viii. We have broadly reviewed the cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made detailed examination of records with a view to determine whether they are accurate.
- ix. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as mentioned above as at March 31, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty or Cess outstanding on account of any dispute except as mentioned below:

Name of the Statute	Financial Year	Forum where matter is pending	Amount (₹)
Income Tax	2008 – 2009	Commissioner of Income Tax (Appeal)	1.10,914
Professional Tax	2007 – 2008	Commissioner of Profession Tax (Appeal)	4,58,375

- x. The Company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- xi. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks.

- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/societies.
- xiv. The Company does not deal or trade in shares, securities, debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- xvi. According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us on an overall examination of Balance Sheet and Cash Flows of the Company, we report that the Company has not utilised funds raised on short-term basis for long term investment.
- xviii. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The Company did not issue any debentures during the year.
- xx. The Company has not raised any money through a public issue during the year.
- xxi. Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

Mumbai, July 25, 2012

For S H R & CO.
Chartered Accountants
FRN: 120491W

HITESH R. SHAH
PARTNER
Membership No. 104795

SIMMONDS MARSHALL LIMITED

Balance Sheet as at March 31, 2012

Particulars	Note No.	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	2	224.00	224.00
(b) Reserves and surplus	3	2,812.24	2,094.34
		<u>3,036.24</u>	<u>2,318.34</u>
2 Non-Current Liabilities			
(a) Long-term borrowings	4	1,339.09	425.76
(b) Deferred tax liabilities (Net)	5	162.85	116.04
(c) Other long-term liabilities	6	12.43	8.08
		<u>1,514.37</u>	<u>549.88</u>
3 Current Liabilities			
(a) Short-term borrowings	7	1,569.34	1,368.82
(b) Trade payables	8	895.61	581.35
(c) Other current liabilities	9	452.57	365.52
(d) Short-term provisions	10	96.27	187.96
		<u>3,013.79</u>	<u>2,503.65</u>
	TOTAL	<u>7,564.40</u>	<u>5,371.87</u>
B ASSETS			
1 Non-Current Assets			
(a) Fixed assets	11		
(i) Tangible assets		1,929.76	1,301.32
(ii) Capital work-in-progress		-	7.67
(iii) Intangible Asset under Development		16.68	16.68
		<u>1,946.44</u>	<u>1,325.67</u>
(b) Non-current investments	12	440.28	12.79
(c) Long-term loans and advances	13	60.19	146.25
(d) Other Long-term assets	14	23.12	12.65
		<u>2,470.03</u>	<u>1,497.36</u>
2 Current Assets			
(a) Inventories	15	2,093.01	1,743.01
(b) Trade receivables	16	2,270.98	1,689.40
(c) Cash and cash equivalents	17	550.31	368.62
(d) Short-term loans and advances	18	174.78	72.67
(e) Other current assets	19	5.29	0.81
		<u>5,094.37</u>	<u>3,874.51</u>
	TOTAL	<u>7,564.40</u>	<u>5,371.87</u>
NOTES TO THE ACCOUNTS	1		
The accompanying notes including other explanatory information form an integral part of the financial statements.			

As per our report attached of even date

For S H R & CO

Chartered Accountants
FRN: 120491W

Hitesh R Shah
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

} Directors

N D BHARUCHA

CFO & Company Secretary

Statement of Profit and Loss for the year ended March 31, 2012

Particulars	Note No.	For the year ended March 31, 2012 ₹ in Lakhs	For the year ended March 31, 2011 ₹ in Lakhs
1 Revenue from operations (gross)		9,988.44	7,799.42
Less: Excise duty		(879.15)	(683.01)
		9,109.29	7,116.41
2 Other income	20	20.86	25.67
3 Total revenue (1+2)		9,130.15	7,142.08
4 Expenses			
(a) Cost of materials consumed	21	3,927.03	3,152.77
(b) Purchases of traded goods		51.63	20.48
(c) Changes in inventories of finished goods and work-in-progress	22	(53.22)	(255.52)
(d) Employee benefits expense	23	1,233.50	1,036.07
(e) Finance costs	24	341.11	221.32
(f) Depreciation and amortisation expense		156.89	131.03
(g) Other expenses	25	2,280.09	1,569.22
5 Total expenses		7,937.03	5,875.37
6 Profit before tax (3 - 5)		1,193.12	1,266.71
7 Tax expense:			
(a) Current tax		350.00	423.00
(b) Deferred tax		46.81	(0.06)
(c) short provision for tax adjustments in respect of earlier years		13.33	-
		410.14	422.94
8 Profit / (Loss) for the year (6 - 7)		782.98	843.77
9 Earnings per share Basic & Diluted (₹):	30	6.99	7.53
10 Weighted Average Number of Equity Shares (Face Value of ₹ 2 each/-)		1,12,00,000	1,12,00,000
NOTES TO THE ACCOUNTS	1		
The accompanying notes including other explanatory information form an integral part of the financial statements.			

As per our report attached of even date

For S H R & COChartered Accountants
FRN: 120491W**Hitesh R Shah**
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

} Directors

N D BHARUCHA

CFO & Company Secretary

SIMMONDS MARSHALL LIMITED

Cash Flow Statement for the year ended March 31, 2012

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		1,193.12		1,266.71
Adjustments for:				
Depreciation and amortisation	156.89		131.03	
(Profit) / loss on sale / write off of assets	3.91		0.41	
Finance costs	341.11		221.32	
Interest income	(11.09)		(6.30)	
Share of Profit from Partnership Firm	(9.49)		-	
Dividend income	(0.15)		(0.15)	
		<u>481.18</u>		<u>346.31</u>
Operating profit / (loss) before working capital changes		1,674.30		1,613.02
Adjustments for:				
Inventories	(350.00)		(530.38)	
Trade receivables and other receivables	(581.58)		(479.87)	
Loans and Advances	(38.80)		(117.61)	
Trade payables and other payables	<u>400.47</u>		<u>92.96</u>	
		<u>(569.91)</u>		<u>(1,034.90)</u>
Cash Flow Generated from Operation		<u>1,104.39</u>		<u>578.12</u>
Net income tax (paid) / refunds		<u>(434.02)</u>		<u>(394.75)</u>
Net cash flow from / (used in) operating activities (A)		<u>670.37</u>		<u>183.37</u>
B. Cash flow from investing activities				
Purchase of Fixed Assets		(787.81)		(305.08)
Sale of Fixed Assets		6.22		0.10
Purchase of Investments in Subsidiary		(427.49)		-
Interest Income		11.09		6.30
Dividend received		0.15		0.15
Share of Profit of Partnership Firm		9.49		-
Net cash flow from / (used in) investing activities (B)		<u>(1,188.35)</u>		<u>(298.53)</u>
C. Cash flow from financing activities				
Proceeds from Issue of equity shares		-		-
Long Term Borrowings (net)		913.33		34.06
Short Term Borrowings (net)		200.52		576.43
Finance cost		(341.11)		(221.32)
Dividends paid		(56.00)		(44.80)
Tax on dividend paid		(17.08)		-
Net cash flow from / (used in) financing activities (C)		<u>699.66</u>		<u>344.37</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		181.68		229.21
Cash and cash equivalents at the beginning of the year		<u>368.63</u>		<u>139.42</u>
Cash and cash equivalents at the end of the year		<u>550.31</u>		<u>368.63</u>

As per our report attached of even date

For S H R & CO

Chartered Accountants
FRN: 120491W

Hitesh R Shah
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

} Directors

N D BHARUCHA

CFO & Company Secretary

Notes forming part of the Financial Statements for the year ended on March 31, 2012

Note Particulars

1 Significant Accounting Policies

1.1 Basis of Accounting and Preparation of Financial Statements

The financial statements are prepared under historical cost convention on the accrual basis of accounting in accordance with the generally accepted accounting principles, the applicable mandatory Accounting Standards and the relevant provisions of the Companies Act, 1956.

1.2 Use of estimates

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3 Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any. All cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

1.4 Investments

Long term investments are carried at cost less other than temporary diminution in value, if any. Current investments are carried at lower of cost or fair market value.

1.5 Inventories

Inventories are valued at lower of cost or net realisable value.

- i) Cost of raw materials, stores & spare parts, packing materials and loose tools is arrived at on the basis of weighted average cost.
- ii) Work in process and finished goods include conversion costs in addition to landed cost of raw materials.
- iii) Scrap is valued at net realisable value.

1.6 Revenue Recognition

- i) Sales of goods is recognised on transfer of significant risk and reward of ownership. Export sales are accounted for on basis of the dates of bill of lading. Sales are net of trade discounts, sales tax, sales returns and remissions. Excise Duty recovered is presented as reduction from gross turnover.
- ii) Revenue from services is recognised when services are rendered.
- iii) Dividend is accounted when right to receive is established.
- iv) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- v) Export benefits under duty exemption scheme is being accounted in the year of exports.

1.7 Sale of Turnings, Borings and Pallets

Sale of turnings, borings and pallets coming out of the production line as scrap, is reduced while working out cost of raw materials.

1.8 Depreciation

Depreciation on assets is provided on Straight Line Method, pro-rata to the period of use, at rates and in the manner specified under the Schedule XIV of the Companies Act, 1956 over their useful life.

1.9 Foreign Currency Transactions

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transactions. Monetary items (i.e. receivables, payables, loans etc) denominated in foreign currency and outstanding at

the Balance Sheet date are translated at the exchange rate prevailing on the date of balance sheet. Exchange difference arising on settlement and conversion of foreign currency transactions are recognised as income or expense in the period in which they arise, except to the extent it results to long term monetary items.

During the year, consequent to the notification No.F.NO.17/133/2008 - CL V dated December 29, 2011 revising Accounting Standard (AS) 11 "The Effects of Change in Foreign Exchange Rates", the company has exercised the option in terms of paragraph 46A. Accordingly the exchange differences arising on settlement / translation of long term monetary items utilised for acquisition of fixed assets are adjusted to the carrying cost of fixed assets and depreciated over its remaining useful life.

Non-monetary items denominated in foreign currency are carried at the exchange rate in force at the date of the transaction.

In respect of forward contracts entered into to hedge foreign currency risks of existing assets and liabilities, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognised as income or expenses along with the exchange differences on the underlying assets / liabilities. Profit or loss on cancellations / renewals of forward contract is recognised during the year.

1.10 Employee benefits

- i) Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered.
- ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Profit & Loss Account.
- iii) Retirement benefit in form of gratuity, administered by Life Insurance Corporation of India, is a defined benefit obligation and is provided for on the basis of actuarial valuation as at Balance Sheet date. The actuarial gains and losses determined are recognised in the profit & loss account.

1.11 Borrowing costs

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take substantial period of time to get ready for the intended use are capitalised. Other borrowing costs are charged to the profit and loss account.

1.12 Taxation

Tax Expenses comprises of current tax and deferred tax.

Current Tax is provided on taxable income using applicable tax rates and tax laws.

The deferred tax for timing difference between the book and tax profits/losses for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of Balance Sheet date.

Deferred tax assets arising from the timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.

Advance Taxes and provision for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same governing taxation laws.

1.13 Impairment of Assets

The Company assesses at each balance sheet date for possible impairment in carrying value of assets based on external and internal sources of information and indications. In case of recoverable amount of assets / cash generating unit is less than carrying amount, impairment loss is recognised in the Profit & Loss Account for difference in carrying value of assets / cash generating units and recoverable amount.

1.14 Provision and contingent liabilities

- i) Provision in respect of present obligation arising out of past events is made in accounts when reliable estimates can be made of the amount of obligation and it is probable that an outflow of resources will be required to settle the obligation.
- ii) Contingent liabilities are disclosed by way of note to the financial statements after careful valuation by the management of the facts and legal aspects of matter involved. Contingent Assets are not recognised in the financial statements.

NOTE 2: SHARE CAPITAL

Particulars	As at	As at
	March 31, 2012 ₹ in Lakhs	March 31, 2011 ₹ in Lakhs
(a) Authorised 5,00,00,000 Equity shares of ₹ 2 each (Previous Year 5,00,00,000 Equity shares of ₹ 2 each)	1,000.00	1,000.00
	<u>1,000.00</u>	<u>1,000.00</u>
(b) Issued, Subscribed and fully paid up 1,12,00,000 Equity shares of ₹ 2 each (Previous Year 1,12,00,000 Equity shares of ₹ 2 each)	224.00	224.00
TOTAL	<u>224.00</u>	<u>224.00</u>

2.1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares				
Shares outstanding at the Beginning of the year	1,12,00,000	224.00	1,12,00,000	224.00
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	<u>1,12,00,000</u>	<u>224.00</u>	<u>1,12,00,000</u>	<u>224.00</u>

2.2: Terms / Rights attached to shares:

The Company has only one class of equity shares having a par value of ₹ 2 per shares. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

2.3: Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	%Holding	No. of Shares	%Holding
Equity Shares				
Navroze S Marshall	14,05,215	12.55	13,92,845	12.44
Shiamak J Marshall	14,89,765	13.30	14,89,765	13.30
Maki S Marshall	15,82,725	14.13	15,82,725	14.13
Kamal I Panju	7,17,155	6.40	7,17,155	6.40
Kayan J Pandole	7,10,655	6.35	7,10,655	6.35
Clover Technologies Pvt. Ltd.	14,02,890	12.53	13,91,150	12.42

SIMMONDS MARSHALL LIMITED

NOTE 3: RESERVES AND SURPLUS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(a) Securities Premium Reserve		
Opening balance	154.00	154.00
Add : Amount received during the year	-	-
TOTAL	154.00	154.00
(b) General Reserve		
Opening balance	239.00	109.00
Add: Transferred from statement of Profit and Loss	130.00	130.00
TOTAL	369.00	239.00
(c) Surplus as per Statement of Profit & Loss		
Balance brought forward	1,701.34	1,053.04
Add: Profit for the year	782.98	843.77
Less:		
Dividends proposed to be distributed to equity shareholders (₹ 0.50 per share)	56.00	56.00
Tax on dividend	9.08	9.47
Transferred to General Reserve	130.00	130.00
TOTAL	2,289.24	1,701.34
TOTAL	2,812.24	2,094.34

The Board of Directors at its meeting held on July 25, 2012 has recommended a final dividend of ₹ 0.50 per equity share. This proposal is subject to approval of shareholders at the ensuing Annual General Meeting.

NOTE 4: LONG TERM BORROWINGS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
I. SECURED		
(A) Term loans		
(i) Rupee Loan From Banks		
(a) Under Consortium		
1 Zoroastrian Cooperative Bank Ltd.	47.14	73.72
2 Union Bank of India	73.67	106.66
3 ICICI Bank Limited	120.00	-
4 Central Bank of India	-	137.40
(b) Others		
1 Zoroastrian Cooperative Bank Ltd.	129.53	154.08
2 ICICI Bank Limited	5.45	7.43
3 HDFC Bank Ltd	3.45	8.18
(ii) Foreign Currency Loan (ECB) - ICICI Bank Limited	596.91	-
(B) From other parties		
Vehicle Loan	21.98	27.60
	998.13	515.07
Less: Current maturities of long-term debt (Refer Note 9)	173.00	181.41
	825.13	333.66
II. Unsecured		
(i) Loans and advances from related parties	513.96	92.10
	513.96	92.10
TOTAL	1,339.09	425.76

4.1: Additional information to secured / unsecured

The long term portion of term loans are shown under long term borrowings under the current liabilities as per disclosure requirement of the Revised Schedule VI

4.2: Details of securities and Terms of payment

1. Under Consortium - 4 (I) (A) (i) (a)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
(i) Zorostrian Co.op. Bank Ltd.	47.14	-	-	-	47.14
(ii) Rate of Interest	13.50%-14%	-	-	-	
(iii) Union Bank of India	38.11	23.63	11.93	-	73.67
(iv) Rate of Interest	13.50%	13.50%	13.50%	-	
(v) ICICI Bank Limited	-	-	120.00	-	120.00
(vi) Rate of Interest	-	-	13.75%	-	
				TOTAL	240.82
(vii) Details of Security					
First pari passu charge over present and future movable fixed assets of the company i.e. plant and machineries, equipments and entire block of assets other than specific assets financed by respective banks. All loans are secured against the personal guarantee of Chairman. Loan form ICICI is secured against the personal guarantee of Managing Director.					

2. Others -4 (I) (A) (i) (b)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
(i) Zorostrian Co.op. Bank Ltd.	23.64	23.21	82.67	-	129.53
(ii) Rate of Interest	13%-13.50%	10.50%	13.50%	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of plant & machineries and vehicles acquired under the specific facility granted by the Bank. All loans are secured against the personal guarantee of Chairman.					

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
ICICI Bank Limited	-	5.45	-	-	5.45
(ii) Rate of Interest	-	9.29%-9.32%	-	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted by the Bank.					

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
HDFC Bank Limited	3.45	-	-	-	3.45
(ii) Rate of Interest	11%	-	-	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted by the Bank.					

SIMMONDS MARSHALL LIMITED

3. Foreign Currency Loan (ECB) - 4 (I) (A) (ii)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
ICICI Bank Limited	-	89.54	179.07	328.30	596.91
(ii) Rate of Interest	LIBOR + 5%				
(ii) Details of Security					
Secured by first and exclusive charge on plant & machineries funded under the ECB. Each amount disbursed under ECB shall be repaid in 20 quarterly instalment and repayments will start after the moratorium period of 18 months from the date of first disbursement.					
All loans are secured against the personal guarantee of Chairman and Managing Director.					

4. From other parties - 4 (I) (B)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
Vehicle Loan	-	-	21.98	-	21.98
(ii) Rate of Interest	-	-	11.00%	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted by the Bank.					

NOTE 5: DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Deferred Tax Liability		
Opening Balance	116.04	116.10
Difference between accounting and tax depreciation	46.81	5.35
	<u>162.85</u>	<u>121.45</u>
Deferred Tax Assets		
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	(5.41)
Tax effect of items constituting deferred tax assets	-	(5.41)
TOTAL	<u>162.85</u>	<u>116.04</u>

NOTE 6: OTHER LONG TERM LIABILITIES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Unsecured		
Others - Loan against Vehicles	12.43	8.08
TOTAL	<u>12.43</u>	<u>8.08</u>

NOTE 7: SHORT-TERM BORROWINGS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Secured		
(a) Loans repayable on demand		
From Banks Rupee Loan	774.30	1,368.82
From Banks Foreign Currency Loan	795.04	-
TOTAL	<u>1,569.34</u>	<u>1,368.82</u>

7.1: Details of Security: For Rupee Loan

- (i) Working capital loans are secured against hypothecation of raw materials, finished goods, stores & spares, book debts etc. and entire block of assets (both present & future) in favour of consortium of banks on pari pasu other than specific assets financed by respective banks.
- (ii) All loans are secured against the personal guarantee of Chairman.

7.2: Details of Security: For Foreign Currency Loan

- (i) Working capital loans are secured against hypothecation of raw materials, finished goods, stores & spares, book debts etc. and entire block of assets (both present & future) in favour of consortium of banks on pari pasu other than specific assets financed by respective banks.
- (ii) All loans are secured against the personal guarantee of Chairman.

NOTE 8: TRADE PAYABLES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Trade payables:		
Due to Micro, Small & Medium Enterprises	140.67	144.64
Others	754.94	436.71
TOTAL	895.61	581.35

On the basis of information available with the company regarding total amount due to suppliers as covered under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2012 amounts to ₹ 140.67 lakhs (2010 - 11 ₹ 144.64 lakhs). Since there were no overdues beyond the credit period extended to the company which is less than 45 days, no liability for payment of interest and related disclosures under the said Act, arose. This has been relied upon by the auditors.

NOTE 9: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(a) Current maturities of long-term debt (Refer Note 4)	173.00	181.41
(b) Interest accrued but not due on borrowings	4.62	-
(c) Interest accrued and due on borrowings	6.24	5.29
(d) Unpaid dividends	12.71	9.57
(e) Other payables		
(i) Tax Deducted at source and other statutory dues	75.59	50.79
(ii) Employee Related Liabilities	131.75	81.72
(iii) Other current liabilities	21.20	24.37
(iv) Advances from customers	13.55	12.37
(v) Premium Payable on outstanding Forward Contract	13.91	-
TOTAL	452.57	365.52

NOTE 10: SHORT-TERM PROVISIONS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(a) Provision for employee benefits:		
Provision for gratuity (Net) (Refer Note 26)	22.15	27.34
	22.15	27.34
(b) Provision - Others:		
(i) Provision for Income Tax (Net)	9.04	87.54
(ii) Provision for proposed equity dividend	56.00	56.00
(iii) Provision for tax on proposed dividend	9.08	17.08
	74.12	160.62
TOTAL	96.27	187.96

Note 11: FIXED ASSETS

OWNED	Gross block						Accumulated depreciation and impairment				Net block	
	Balance as at April 1, 2011 ₹ in Lakhs	Additions ₹ in Lakhs	Disposals ₹ in Lakhs	Effect of foreign currency exchange differences ₹ in Lakhs	Balance as at March 31, 2012 ₹ in Lakhs	Balance as at April 1, 2011 ₹ in Lakhs	Depreciation / amortisation expense for the year ₹ in Lakhs	Eliminated on disposal of assets ₹ in Lakhs	Balance as at March 31, 2012 ₹ in Lakhs	Balance as at March 31, 2012 ₹ in Lakhs	Balance as at March 31, 2011 ₹ in Lakhs	
A. TANGIBLE ASSETS												
(a) Buildings	188.58	5.37	-	-	193.95	34.96	6.43	-	41.39	152.56	153.62	
(b) Plant and Equipment	1,618.90	763.19	-	5.83	2,387.92	730.41	115.67	-	846.08	1,541.84	888.49	
(c) Furniture and Fixtures	34.39	3.09	-	-	37.48	12.81	2.20	-	15.01	22.47	21.59	
(d) Vehicles	220.20	0.52	(16.00)	-	204.72	51.36	20.79	(5.87)	66.28	138.44	168.85	
(e) Office equipment	29.22	4.04	-	-	33.26	16.01	1.66	-	17.67	15.59	13.21	
(f) Others (specify nature)												
(1) Electrical Installations	59.90	-	-	-	59.90	15.27	4.22	-	19.49	40.41	44.63	
(2) Computers	37.71	13.44	-	-	51.15	26.78	5.92	-	32.70	18.45	10.93	
Total Tangible Assets	2,188.90	789.65	(16.00)	5.83	2,968.38	887.60	156.89	(5.87)	1,038.62	1,929.76	1,301.32	
Previous year	1,908.81	280.73	(0.63)	-	2,188.91	756.68	131.03	(0.12)	887.59	-	7.67	
C Capital Work-in-Progress												
D Intangible Asset under Development										16.68	16.68	
										1,946.44	1,325.67	

NOTE 12: NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Investments (At cost):		
A. Trade		
Unquoted		
(a) Investment in equity instruments of Associate 131051 (2010 - 2011: 131051) shares of ₹10 each fully paid up in Formex Private Limited	11.79	11.79
(b) Investment in partnership firms (Refer Note below)	427.49	-
B Non Trade :		
Unquoted		
4000 (2010 - 2011: 4000) shares of ₹25 each fully paid up in Zoroastrian Co - op Bank Limited	1.00	1.00
TOTAL	440.28	12.79
Aggregate amount of unquoted investments	440.28	12.79

Note: Other details relating to investment in partnership firms

Name of the firm	As at March 31, 2012		As at March 31, 2011	
	Total capital ₹ in Lakhs	Share of each partner in the profits of the firm	Total capital ₹ in Lakhs	Share of each partner in the profits of the firm
1 Partnership Firm STUD INDIA	431.58		-	-
(The company has acquired 99% share in the said partnership w.e.f from January 1, 2012)				
Name of the Partners				
Simmonds Marshall Limited		99%		
Navroze S. Marshall		1%	-	-
	431.58	100%		

NOTE 13: LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Unsecured, considered good		
(a) Capital Advance	9.03	90.37
(b) Security deposits & Other Deposit	27.92	24.57
(c) Other loans and advances		
(i) Advance Tax (Net of Provision)	5.54	13.34
(ii) Value Added Tax	8.91	10.34
(iii) Central Excise	5.76	5.76
(iv) Professional Tax	1.03	1.00
(v) Loans to Employees	2.00	0.87
TOTAL	60.19	146.25

SIMMONDS MARSHALL LIMITED

NOTE 14: OTHER LONG TERM ASSETS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Trade Receivable	21.23	12.65
Prepaid Expenses	1.89	-
TOTAL	23.12	12.65

NOTE 15: INVENTORIES

(At lower of cost or net realisable value)

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(a) Raw materials	607.50	516.98
Goods-in-transit	128.67	71.44
	736.17	588.42
(b) Work-in-progress	317.34	300.06
(c) Finished goods	316.34	245.38
Goods-in-transit	13.64	48.66
	329.98	294.04
(d) Stores and spares	5.88	4.14
Goods-in-transit	0.10	1.97
	5.98	6.11
(e) Others		
(i) Tools	692.44	549.36
Goods-in-transit	10.46	2.30
	702.90	551.66
(ii) Packing Material	0.64	0.94
Goods-in-transit	-	1.78
	0.64	2.72
TOTAL	2,093.01	1,743.01

NOTE 16: TRADE RECEIVABLES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Unsecured, Considered Good		
Outstanding exceeding six months	39.76	24.12
Others	2,231.22	1,665.28
TOTAL	2,270.98	1,689.40

NOTE 17: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(a) Cash and cash equivalents		
Balances with Banks	281.58	219.05
(b) Other Bank Balances		
(i) Margin Money Deposit	256.04	140.00
(ii) Unclaimed Dividend Accounts	12.69	9.57
TOTAL	550.31	368.62

NOTE 18: SHORT-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Unsecured, considered good		
(a) Loans and advances to related parties	30.65	10.28
	<u>30.65</u>	<u>10.28</u>
(b) Other Loans and Advances		
(i) Loans to Employees	1.60	3.16
(ii) Prepaid expenses	52.36	14.24
(iii) CENVAT Recoverable	64.48	26.49
(iv) Advances to Trade Payable	24.13	15.25
(v) Others	1.56	3.25
	<u>144.13</u>	<u>62.39</u>
TOTAL	174.78	72.67

NOTE 19: OTHER CURRENT ASSETS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(a) Interest accrued on deposits	5.29	0.81
TOTAL	5.29	0.81

NOTE 20: OTHER INCOME

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Interest Income	11.09	6.30
Dividend income	0.15	0.15
Net gain on foreign currency transactions and translation	-	18.08
Other non-operating income	0.13	1.14
Share of Profit from Partnership Firm	9.49	-
TOTAL	20.86	25.67

SIMMONDS MARSHALL LIMITED

NOTE 21: COST OF MATERIALS CONSUMED

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Opening stock	588.42	409.60
Add: Purchases	4,206.89	3,415.29
	<u>4,795.31</u>	<u>3,824.89</u>
Less: Scrap Sales	132.11	83.70
	<u>4,663.20</u>	<u>3,741.19</u>
Less: Closing stock	736.17	588.42
TOTAL	3,927.03	3,152.77

NOTE 22: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Inventories at the end of the year:		
Finished goods	329.98	294.04
Work-in-progress	317.34	300.06
	<u>647.32</u>	<u>594.10</u>
Inventories at the beginning of the year:		
Finished goods	294.04	136.68
Work-in-progress	300.06	201.90
	<u>594.10</u>	<u>338.58</u>
TOTAL	(53.22)	(255.52)

NOTE 23: EMPLOYEE BENEFITS EXPENSES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Salaries and wages	937.59	791.66
Contributions to provident and other funds	106.30	75.52
Staff welfare expenses	189.61	168.89
TOTAL	1,233.50	1,036.07

NOTE 24: FINANCE COSTS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(a) Interest expense	285.69	202.88
(b) Other borrowing costs	55.42	18.44
TOTAL	341.11	221.32

NOTE 25: OTHER EXPENSES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Consumption of stores and spare parts	90.33	71.39
Consumption of tools	415.12	351.08
Consumption of packing materials	70.80	54.57
Power and fuel	196.59	166.49
Job Work Charges	654.67	315.41
Rent	160.33	88.09
Repairs and maintenance		
Buildings	1.11	5.45
Machinery	60.56	38.16
Others	<u>36.26</u>	<u>28.93</u>
	97.93	72.54
Insurance	14.61	12.75
Rates and taxes - excluding Taxes on Income		
Excise	17.34	15.58
Others	<u>3.03</u>	<u>2.92</u>
	20.37	18.50
Communication	14.69	15.14
Travelling and conveyance	77.14	76.04
Printing and stationery	14.05	11.71
Freight and forwarding	207.77	168.55
Sales commission	20.28	21.04
Donations and contributions	6.00	4.60
Legal and professional	109.31	50.75
Directors Fees	0.20	0.22
Net loss on foreign currency transactions and translation	20.45	-
Loss on fixed assets sold	3.91	0.41
Provision for estimated loss on derivatives	13.91	-
Prior period items	12.47	8.78
Miscellaneous expenses	<u>59.16</u>	<u>61.16</u>
TOTAL	<u>2,280.09</u>	<u>1,569.22</u>

NOTE 26: DISCLOSURE RELATING TO EMPLOYEE BENEFIT - AS PER REVISED AS 15
(i) Defined Contribution Plan

During the year ended March 31, 2012, the company has recognised the following amounts in the profit and loss account

	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Employer's contribution to Provident Fund & Family Pension Fund	57.45	48.92
Employer's contribution to Superannuation Fund	8.53	7.42

(ii) Defined Benefit plan

A. The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on term not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with Life Insurance Corporation of India.

B. Details of defined benefit plan as per actuarial valuation report of LIC of India as at March 31, 2012 is as under :

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Components of employer expense		
Current service cost	19.70	22.52
Interest cost	20.66	18.82
Expected return on plan assets	(22.53)	(18.65)
Actuarial losses/(gains)	21.01	(3.50)
Total expense recognised in the Statement of Profit and Loss	38.84	19.18
Actual contribution and benefit payments for year		
Actual benefit payments	(36.58)	(10.71)
Actual contributions	44.02	50.96
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	292.73	267.16
Fair value of plan assets	270.58	239.82
Funded status [Surplus / (Deficit)]	(22.15)	(27.34)
Net asset / (liability) recognised in the Balance Sheet	(22.15)	(27.34)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	267.16	240.60
Current service cost	19.70	22.52
Interest cost	20.66	18.82
Actuarial (gains) / losses	21.80	(4.07)
Benefits paid	(36.58)	(10.71)
Present value of DBO at the end of the year	292.73	267.16

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Change in fair value of assets during the year		
Plan assets at beginning of the year	239.82	181.49
Acquisition adjustment	-	-
Expected return on plan assets	22.53	18.65
Actuarial gain / (loss)	0.79	(0.57)
Actual company contributions	44.02	50.96
Benefits paid	(36.58)	(10.71)
Plan assets at the end of the year	270.58	239.82
Actuarial assumptions		
Discount rate	8.5%	8.3%
Expected return on plan assets	9.25%	9.25%
Salary escalation	5%	4%
Composition of the plan assets is as follows:		
Government bonds		
PSU bonds		
Equity mutual funds		
Others - Insurer Managed Funds	100%	100%

The expected rate of return on the plan assets is based on the average long term rate of return expected on investments of the Fund during the estimated term of the obligations. The actual return on plan assets is ₹ 23.31 lakhs (2010 - 2011 : ₹ 18.08)

The assumption of the future salary increase, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.

Experience Adjustments

Present value of Defined Benefit Obligation as at March 31, 2012	292.73	267.16
Fair Value of Plan Assets as at March 31, 2012	270.58	239.82
Funded status [Surplus/(Deficit)]	(22.15)	(27.34)
Experience adjustment on Plan Liabilities	(22.15)	(27.34)
Experience adjustment on plan Assets	-	-

NOTE 27: SEGMENT REPORTING AS - 17

The Company's business activity falls within a single primary business segment, viz. manufacture of Industrial Fasteners such as nuts, bolts etc. As such there are no separate reportable segments as per Accounting Standard 17.

SIMMONDS MARSHALL LIMITED

Note 28: RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

Related party transactions

A. Details of related parties

Description of relationship	Names of related parties
Subsidiaries	STUD INDIA - Partnership Firm
Associate Company	Formex Private Limited
Key Management Personnel (KMP)	Mr.S.J.Marshall (Chairman) Mr. N.S. Marshall (Managing Director) Mr. I. M. Panju (Whole-Time Director)
Relatives of KMP	Mrs. M. S. Marshall Mrs. K. I. Panju Mrs. K. J. Pandole
Company in which KMP / Relatives of KMP can exercise significant influence	Desmet Ballestra (India) Pvt. Ltd. Diamtools Pvt. Ltd. Jiji Marshall Trading Co. Pvt. Ltd. J. N. Marshall & Co. (Steel Dept.) J. N. Marshall & Co. - Custom House Clearing Agents J. N. Marshall & Co. (Engg. Dept.) J. N. Marshall Engineering Pvt. Ltd. J. N. Marshall Pvt. Ltd. Marshall Real Estates & Investment Corporation Powair Automation Equipments Pvt. Ltd. S.J. Marshall Trading Co. Pvt. Ltd. Spirax Marshall Ltd.

B. Related Party Transactions

	2011 - 12	2010 - 11
	₹ in Lakhs	₹ in Lakhs
(i) Associate Company	298.77	179.34
Outstanding balance as on 31.03.2012	Dr 29.28	Dr. 10.13
(ii) Key Management Personnel & Relatives		
(a) Remuneration	67.56	63.44
(b) Interest	15.77	4.44
(c) Payment for Services	0.45	0.90
Outstanding balance as on 31.03.2012	Cr. 345.59	Cr. 42.84
(iii) Enterprises in which Key Management Personnel have significant influence		
(a) Payment for Services	53.66	57.17
(b) Purchase of Materials	0.29	0.26
(c) Payment of Interest	7.68	5.70
(d) Payment of Rent / Rates & Taxes	163.00	90.65
(e) Receipt for share of expense	5.40	5.40
Outstanding balance as on 31.03.2012	Cr. 194.69	Cr. 60.97

There are no write offs/write back of any amounts for any of the above parties.

NOTE 29: LEASE TRANSACTIONS

The Company's significant leasing arrangements are in respect of operating lease for premises and Vehicles. The period of agreement is generally for one year and is renewable by mutual consent. The aggregate lease rental expense are ₹ 163.78 lakhs (Previous year ₹ 91.99 lakhs)

Total of future minimum lease rent payable is as follows :

Period	₹ in Lakhs
Payable within one year	158.83
Payable within 1 - 5 years	52.94

NOTE 30 : EARNINGS PER SHARE

Particulars	For the year ended March 31, 2012 ₹ in Lakhs	For the year ended March 31, 2011 ₹ in Lakhs
Earnings per share		
Net profit/(loss) for the year attributable to the equity shareholders	782.98	843.77
Weighted average number of equity shares	1,12,00,000	1,12,00,000
Par value per share	2.00	2.00
Basic and diluted Earning per share (₹)	6.99	7.53

NOTE 31: CONTINGENT LIABILITIES & COMMITMENTS NOT PROVIDED FOR

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(i) Other money for which the Company is contingently liable		
(a) Bills Discounted	22.57	233.68
(b) Bonds given against import of machineries under EPCG scheme & Advance License	1,132.14	891.24
(c) Income Tax	-	44.15
(d) Excise	5.76	5.76
(e) Professional Tax	4.58	4.58
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	9.23	282.27

NOTE 32: DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts entered into by the company and outstanding as on March 31, 2012

- (i) For hedging Currency and Interest Rate Related Risks
Nominal amounts of derivative contracts entered into by the company and outstanding as on March 31, 2012 amount to ₹ 1360.77 lakhs (Previous Year NIL). Category wise break up is given below:

Particulars	Currency	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Forward Contract	USD	15.00	-
	₹ in Lakhs	767.35	-

SIMMONDS MARSHALL LIMITED

The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at Balance Sheet date are as follows:

Particulars	Currency	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Receivables	GBP	28.13	83.41
	USD	18.88	31.43
	EURO	4.30	-
Payables	USD	503.97	225.16
	GBP	15.76	9.45
	JY	29.93	22.43
ECB Loan and Interest Payable	USD	599.94	-

NOTE 33: OPENING & CLOSING STOCKS OF GOODS MANUFACTURED BY THE COMPANY:

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Nyloc Self Locking Nuts (Industrial Fastners)		
Opening Stocks as at April 1, 2011	294.04	136.68
Closing Stocks as at March 31, 2012	329.98	294.04

NOTE 34: SALE OF GOODS MANUFACTURED AND TRADED BY THE COMPANY

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Nyloc Self-locking Nuts (Industrial Fastners)	9,019.84	7,084.60
SALE OF GOODS TRADED BY THE COMPANY:		
Hexagonal Bolts	89.45	31.81
TOTAL	9,109.29	7,116.41

NOTE 35: PURCHASE OF GOODS TRADED BY THE COMPANY

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Hexagonal Bolts	51.63	20.48

NOTE 36: RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Steel	3,556.31	2,849.00
Nylon Inserts	15.77	11.73
Nylon Moulding Powder	11.73	8.54
Plating Materials	74.25	71.36
Cage Clips, etc.	268.96	212.13
TOTAL	3,927.02	3,152.77

Note 37: DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Raw materials		
Imported *	1,924.84	1,812.08
% TO TOTAL CONSUMPTION	49.02	52.32
Indigenous *	2,002.18	1,651.08
% TO TOTAL CONSUMPTION	50.98	47.68
TOTAL	3,927.02	3,463.16
	100.00	100.00
* Sale of turnings, borings and pallets has been allocated in proportion to the consumption of imported and indigenous steel.		
Stores, Components & Spare Parts		
Imported	-	-
% TO TOTAL CONSUMPTION	-	-
Indigenous	90.33	71.39
% TO TOTAL CONSUMPTION	100.00	100.00
TOTAL	90.33	71.39
	100.00	100.00

NOTE 38: VALUE OF IMPORTS CALCULATED ON CIF BASIS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Raw materials	1688.08	1,559.32
Tools	386.70	257.69
Capital goods	598.88	101.07

NOTE 39: EXPENDITURE IN FOREIGN CURRENCY

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Other matters	19.11	18.98

NOTE 40: EARNINGS IN FOREIGN CURRENCY

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Export of goods calculated on FOB basis	870.55	645.28

NOTE 41: PAYMENTS TO AUDITORS

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(i) Audit Fees	3.80	1.80
(ii) Tax Audit fees	0.25	0.13
(iii) For Review and Other Certification Work	2.85	0.92
(iv) For Representation Work	3.93	1.84
(v) Reimbursement of Expenses & Service Tax	1.43	0.64
TOTAL	12.26	5.33

NOTE 42: UNSECURED LOANS FROM DIRECTORS

The company has relied on various case laws and accordingly it has not considered the amount received from directors as deposits covered under Companies Deposit Acceptance Rule, 1975

NOTE 43

Capital Work in Progress shown in Fixed Assets schedule includes license to use software and related expenses of ₹ 16.68 lakhs (2010 - 2011 : ₹16.68 lakhs) pending implementation of ERP programme for smooth and efficient running of its business.

NOTE 44

In compliance with Accounting Standards-2 (AS-2) revised, excise duty liability estimated at ₹ 51.68 lakhs (2010 - 2011 : ₹ 34.34 lakhs) on finished goods lying in factory premises has been loaded on the valuation of Finished goods. However, it has no impact on the Profit and Loss Account. The Excise duty of ₹ 17.34 lakhs related to the difference between the closing stock and opening stock is charged to Profit & Loss Account under the head Rates and taxes - excluding Taxes on Income.

NOTE 45

In the opinion of the management, inventories continue to have a realisable value of at least amount at which they are stated in Balance sheet.

NOTE 46

Balance of sundry debtors, loans & advances and sundry creditors balances are subject to confirmations, verification and adjustments necessary upon reconciliation thereof. Pending adjustments on confirmations, if any, it is shown as good in nature.

NOTE 47

The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report attached of even date

For S H R & CO

Chartered Accountants
FRN: 120491W

Hitesh R Shah
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

}

Directors

N D BHARUCHA

CFO & Company Secretary

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF SIMMONDS MARSHALL LIMITED

1. We have examined the attached Consolidated Balance Sheet of M/s. SIMMONDS MARSHALL LIMITED ("the Company") and its subsidiary (Partnership Firm) as at March 31, 2012 and the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding component. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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. The financial statements of a subsidiary (Partnership firm) for the year ended March 31, 2012 are unaudited, whose financial statements reflects total assets (net) of ₹ 169.08 lakhs as at March 31, 2012, total revenue of ₹ 232.68 lakhs and net cash flow of ₹ (48.33) lakhs. Consequently, the financial statements and other financial information of the subsidiary (Partnership firm) have been considered in the consolidated financial statements on the basis of unaudited financial statements as certified by the management of said subsidiary (Partnership Firm) and our opinion is based solely on the unaudited financial statements.
4. We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirement of Accounting Standard (AS) 21, Consolidated Financial Statements, as notified by the Companies (Accounting Standards) Rule, 2006.
5. subject to matter referred in para 3 above, on the basis of information and based on our audit and consideration of separate unaudited financial statements of the aforesaid subsidiary and to the best of our information and according to the explanations given to us, the said consolidated financial statement give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the group as at March 31, 2012;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement of the cash flows of the group for the year ended on that date.

For S H R & CO.
Chartered Accountants
FRN: 120491W

HITESH R. SHAH
PARTNER
Membership No. 104795

Mumbai, July 25, 2012

SIMMONDS MARSHALL LIMITED

Consolidated Balance Sheet as at March 31, 2012

Particulars	Note No.	As at March 31, 2012 ₹ in Lakhs
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	2	224.00
(b) Reserves and surplus	3	2,812.24
		3,036.24
2 Minority Interest		4.10
3 Non-current liabilities		
(a) Long-term borrowings	4	1,339.09
(b) Deferred tax liabilities (Net)	5	163.82
(c) Other long-term liabilities	6	12.43
		1,515.34
4 Current liabilities		
(a) Short-term borrowings	7	1,669.34
(b) Trade payables	8	1,064.53
(c) Other current liabilities	9	460.46
(d) Short-term provisions	10	103.14
		3,297.47
	TOTAL	7,853.15
B ASSETS		
1 Non-current assets		
(a) Fixed assets	11	
(i) Tangible assets		2,027.81
(ii) Intangible assets		263.25
(iii) Capital work-in-progress		-
(iv) Intangible Asset under Development		16.68
		2,307.74
(b) Non-current investments	12	12.79
(c) Long-term loans and advances	13	61.98
(d) Other Long-term assets	14	23.12
		2,405.63
2 Current assets		
(a) Inventories	15	2,214.39
(b) Trade receivables	16	2,488.70
(c) Cash and cash equivalents	17	551.89
(d) Short-term loans and advances	18	187.25
(e) Other current assets	19	5.29
		5,447.52
	TOTAL	7,853.15
NOTES TO THE ACCOUNTS	1	
The accompanying notes including other explanatory information form an integral part of the financial statements.		

As per our report attached of even date

For S H R & CO

Chartered Accountants
FRN: 120491W

Hitesh R Shah
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

} Directors

N D BHARUCHA

CFO & Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2012

Particulars	Note No.	For the year ended March 31, 2012 ₹ in Lakhs
1 Revenue from operations (gross)		10,245.74
Less: Excise duty		(903.78)
		<u>9,341.97</u>
2 Other income	20	21.24
3 Total revenue (1+2)		<u>9,363.21</u>
4 Expenses		
(a) Cost of materials consumed	21	4,101.21
(b) Purchases of traded goods		51.63
(c) Changes in inventories of finished goods and work-in-progress	22	(66.95)
(d) Employee benefits expense	23	1,254.86
(e) Finance costs	24	343.49
(f) Depreciation and amortisation expense		164.86
(g) Other expenses	25	2,303.39
5 Total expenses		<u>8,152.49</u>
6 Profit / (Loss) before tax (3 - 5)		<u>1,210.72</u>
7 Tax expense:		
(a) Current tax		357.04
(b) Deferred tax		47.78
(c) Short provision for tax adjustments in respect of earlier years		13.33
		<u>418.15</u>
8 Profit / (Loss) Before Minority Interest (6 - 7)		<u>792.57</u>
9 Less: Minority Interest		<u>0.10</u>
10 Profit / (Loss) for the period (8 - 9)		<u>792.47</u>
11 Earnings per share Basic & Diluted (₹):	30	7.08
12 Weighted Average Number of Equity Shares (Face Value of ₹ 2 each/-)		1,12,00,000
NOTES TO THE ACCOUNTS	1	
The accompanying notes including other explanatory information form an integral part of the financial statements.		

As per our report attached of even date

For S H R & COChartered Accountants
FRN: 120491W**Hitesh R Shah**
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

} Directors

N D BHARUCHA

CFO & Company Secretary

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

Particulars	For the year ended 31 March, 2012	
	₹ in Lakhs	₹ in Lakhs
A. Cash flow from operating activities		
Net Profit / (Loss) before tax		1,210.72
Adjustments for:		
Depreciation and amortisation	164.86	
Loss on sale of assets	3.91	
Finance costs	343.49	
Interest income	(11.47)	
Dividend income	(0.15)	
		<u>500.63</u>
Operating profit before working capital changes		1,711.35
Adjustments for:		
Inventories	(363.73)	
Trade receivables	(589.46)	
Loans and Advances	(44.80)	
Trade payables and other payables	395.49	
		<u>(602.50)</u>
Cash Flow Generated from Operation		1,108.85
Net income tax (paid)		(436.54)
Net cash flow from operating activities (A)		672.31
B. Cash flow from investing activities		
Purchase of Fixed Assets		(787.96)
Sale of Fixed Assets		6.22
Investments in Subsidiary		(406.01)
Interest Income		11.47
Dividend received		0.15
Amounts received from partnership firms		-
Net cash flow from investing activities (B)		(1,176.12)
C. Cash flow from financing activities		
Proceeds from issue of equity shares		-
Proceeds from Long Term Borrowings (net)		752.55
Short Term Borrowings (net)		300.52
Finance cost		(343.49)
Subsidy Received		0.67
Dividends paid		(56.00)
Tax on dividend paid		(17.08)
Net cash flow from financing activities (C)		637.17
Net increase in Cash and cash equivalents (A+B+C)		133.36
Cash and cash equivalents at the beginning of the year		418.53
Cash and cash equivalents at the end of the year		551.89

As per our report attached of even date

For S H R & CO
Chartered Accountants
FRN: 120491W

Hitesh R Shah
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

} Directors

N D BHARUCHA

CFO & Company Secretary

Notes forming part of the Consolidated Financial Statements for the year ended on March 31, 2012

Note Particulars

1 Significant Accounting Policies

1.1 Basis of Accounting and Preparation of Financial Statements

The financial statements are prepared under historical cost convention on the accrual basis of accounting in accordance with the generally accepted accounting principles, the applicable mandatory Accounting Standards and the relevant provisions of the Companies Act, 1956.

1.2 Principles of Consolidation

The financial statements of the subsidiary (partnership firm) used in the consolidation are drawn up to the same reporting dates as of the company.

The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the company and its subsidiary (partnership firm) have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses as per the financial statement of respective entities after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- ii) The difference between the cost of investment in the subsidiary (partnership firm), over the net assets at the time of acquisition of interest in the subsidiary is recognised in the financial statement as a Goodwill or Capital Reserve as the case may be.
- iii) Minority interest in the net assets of consolidated subsidiary (partnership firm) consists of the amount of capital attributable to the minority at the date on which investment are made by the company in the subsidiary (partnership firm) and further movements in their share in the capital, subsequent to the dates of investment.
- iv) Minority Interest's share of net profit of consolidated subsidiary (partnership firm) for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the company.

1.3 Use of estimates

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.4 Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any. All cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

1.5 Investments

Long term investments are carried at cost less other than temporary diminution in value, if any. Current investments are carried at lower of cost or fair market value.

1.6 Inventories

Inventories are valued at lower of cost or net realisable value.

- i) Cost of raw materials, stores & spare parts, packing materials and loose tools is arrived at on the basis of weighted average cost.
- ii) Work in process and finished goods include conversion costs in addition to landed cost of raw materials.
- iii) Scrap is valued at net realisable value.

1.7 Revenue Recognition

- i) Sale of goods is recognised on transfer of significant risk and reward of ownership. Export sales are accounted for on basis of the dates of bill of lading. Sales are net of trade discounts, sales tax, sales returns and remissions. Excise Duty recovered is presented as reduction from gross turnover.
- ii) Revenue from services is recognised when services are rendered.
- iii) Dividend is accounted when right to receive is established.
- iv) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- v) Export benefits under duty exemption scheme is being accounted in the year of exports.

1.8 Sale of Turnings, Borings and Pallets

Sale of turnings, borings and pallets coming out of the production line as scrap, is reduced while working out cost of raw materials.

1.9 Depreciation

Depreciation on assets is provided on Straight Line Method, pro-rata to the period of use, at rates and in the manner specified under the Schedule XIV of the Companies Act, 1956 over their useful life.

1.10 Foreign Currency Transactions

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transactions. Monetary items (i.e. receivables, payables, loans etc) denominated in foreign currency and outstanding at the Balance Sheet date are translated at the exchange rate prevailing on the date of balance sheet. Exchange difference arising on settlement and conversion of foreign currency transactions are recognised as income or expenses in the period in which they arise, except to the extent it results to long term monetary items.

During the year, consequent to the notification No.F.NO.17/133/2008 - CL V dated December 29, 2011 revising Accounting Standard (AS) 11 "The Effects of Change in Foreign Exchange Rates", the company has exercised the option in terms of paragraph 46A. Accordingly the exchange differences arising on settlement / translation of long term monetary items utilised for acquisition of fixed assets are adjusted to the carrying cost of fixed assets and depreciated over its remaining useful life.

Non-monetary items denominated in foreign currency are carried at the exchange rate in force at the date of the transaction.

In respect of forward contracts entered into to hedge foreign currency risks of existing assets and liabilities, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognised as income or expenses along with the exchange differences on the underlying assets / liabilities. Profit or loss on cancellations / renewals of forward contract is recognised during the year.

1.11 Employee benefits

- i) Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered.
- ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Profit & Loss Account.
- iii) Retirement benefit in form of gratuity, administered by Life Insurance Corporation of India, is a defined benefit obligation and is provided for on the basis of actuarial valuation as at Balance Sheet date. The actuarial gains and losses determined are recognised in the profit & loss account.

1.12 Borrowing costs

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take substantial period of time to get ready for the intended use are capitalised. Other borrowing costs are charged to the profit and loss account.

1.13 Taxation

Tax Expenses comprises of current tax and deferred tax.

Current Tax is provided on taxable income using applicable tax rates and tax laws.

The deferred tax for timing difference between the book and tax profits/losses for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of Balance Sheet date.

Deferred tax assets arising from the timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.

Advance Taxes and provision for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same governing taxation laws.

1.14 Impairment of Assets

The Company assesses at each balance sheet date for possible impairment in carrying value of assets based on external and internal sources of information and indications. In case of recoverable amount of assets / cash generating unit is less than carrying amount, impairment loss is recognised in the Profit & Loss Account for difference in carrying value of assets / cash generating units and recoverable amount.

1.15 Provision and contingent liabilities

- i) Provision in respect of present obligation arising out of past events is made in accounts when reliable estimates can be made of the amount of obligation and it is probable that an outflow of resources will be required to settle the obligation.
- ii) Contingent liabilities are disclosed by way of note to the financial statements after careful valuation by the management of the facts and legal aspects of matter involved. Contingent Assets are not recognised in the financial statements.

SIMMONDS MARSHALL LIMITED

NOTE 2: SHARE CAPITAL

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Authorised 5,00,00,000 Equity shares of ₹ 2 each (Previous Year 5,00,00,000 Equity shares of ₹ 2 each)	1,000.00
	<u>1,000.00</u>
(b) Issued, Subscribed and fully paid up 1,12,00,000 Equity shares of ₹ 2 each (Previous Year 1,12,00,000 Equity shares of ₹ 2 each)	224.00
TOTAL	<u>224.00</u>

2.1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2012	
	No. of Shares	₹ in Lakhs
Equity Shares		
Shares outstanding at the Beginning of the year	1,12,00,000	224.00
Changes during the year	-	-
Shares outstanding at the end of the year	<u>1,12,00,000</u>	<u>224.00</u>

2.2: Terms / Rights attached to shares:

The Company has only one class of equity shares having a par value of ₹ 2 per shares. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

2.3: Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2012	
	No. of Shares	%Holding
Equity Shares		
Navroze S Marshall	14,05,215	12.55
Shiamak J Marshall	14,89,765	13.30
Maki S Marshall	15,82,725	14.13
Kamal I Panju	7,17,155	6.40
Kayan J Pandole	7,10,655	6.35
Clover Technologies Pvt. Ltd.	14,02,890	12.53

NOTE 3: RESERVES AND SURPLUS

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Securities Premium Account	
Opening balance	154.00
Add : Amount received during the year	-
TOTAL	154.00
(b) General Reserve	
Opening balance	239.00
Add: Transferred from statement of Profit and Loss	130.00
TOTAL	369.00
(c) Surplus as per Statement of Profit & Loss	
Balance brought forward	1,701.34
Add: Profit for the year	792.47
Less: Share of Profit of Partnership Firm	9.49
	782.98
Less: Dividends proposed to be distributed to equity shareholders (₹ 0.50 per share)	56.00
Tax on dividend	9.08
Transferred to General Reserve	130.00
TOTAL	2,289.24
TOTAL	2,812.24

The Board of Directors at its meeting held on July 25, 2012 has recommended a final dividend of ₹ 0.50 per equity share. This proposal is subject to approval of shareholders at the ensuing Annual General Meeting.

NOTE 4: LONG TERM BORROWINGS

Particulars	As at March 31, 2012 ₹ in Lakhs
I. Secured	
(A) Term loans	
(i) Rupee Loan From Banks	
(a) Under Consortium	
1 Zoroastrian Cooperative Bank Ltd.	47.14
2 Union Bank of India	73.67
3 ICICI Bank Limited	120.00
4 Central Bank of India	-
(b) Others	
1 Zoroastrian Co.op. Bank Ltd.	129.53
2 ICICI Bank Limited	5.45
3 HDFC Bank Ltd	3.45
(ii) Foreign Currency Loan (ECB) - ICICI Bank Limited	596.91
(B) From other parties	
Vehicle Loan	21.98
	998.13
Less: Current maturities of long-term debt (Refer Note 9)	173.00
	825.13
II. Unsecured	
(i) Loans and advances from related parties	513.96
	513.96
TOTAL	1,339.09

SIMMONDS MARSHALL LIMITED

4.1: Additional information to secured / unsecured

The long term portion of term loans are shown under long term borrowings under the current liabilities as per disclosure requirement of the Revised Schedule VI

4.2: Details of securities and Terms of payment

1. Under Consortium - 4 (I) (A) (i) (a)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
(i) Zorostrian Co.op. Bank Ltd.	47.14	-	-	-	47.14
(ii) Rate of Interest	13.50%-14%	-	-	-	
(iii) Union Bank of India	38.11	23.63	11.93	-	73.67
(iv) Rate of Interest	13.50%	13.50%	13.50%	-	
(v) ICICI Bank Limited	-	-	120.00	-	120.00
(vi) Rate of Interest	-	-	13.75%	-	
				TOTAL	240.82
(vii) Details of Security					
First pari passu charge over present and future movable fixed assets of the company i.e. plant and machineries, equipments and entire block of assets other than specific assets financed by respective banks.					
All loans are secured against the personal guarantee of Chairman.					
Loan form ICICI is secured against the personal guarantee of Managing Director.					

2. Others -4 (I) (A) (i) (b)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
(i) Zorostrian Co.op. Bank Ltd.	23.64	23.21	82.67	-	129.53
(ii) Rate of Interest	13%-13.50%	10.50%	13.50%	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of plant & machineries and vehicles acquired under the specific facility granted by the Bank.					
All loans are secured against the personal guarantee of Chairman.					

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
ICICI Bank Limited	-	5.45	-	-	5.45
(ii) Rate of Interest	-	9.29%-9.32%	-	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted by the Bank.					

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
HDFC Bank Limited	3.45	-	-	-	3.45
(ii) Rate of Interest	11%	-	-	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted by the Bank.					

3. Foreign Currency Loan (ECB) - 4 (I) (A) (ii)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
ICICI Bank Limited	-	89.54	179.07	328.30	596.91
(ii) Rate of Interest	LIBOR + 5%				
(ii) Details of Security					
Secured by first and exclusive charge on plant & machineries funded under the ECB. Each amount disbursed under ECB shall be repaid in 20 quarterly instalment and repayments will start after the moratorium period of 18 months from the date of first disbursement.					
All loans are secured against the personal guarantee of Chairman and Managing Director.					

4. From other parties - 4 (I) (B)

Particulars	Maturity Period from the date of Balance Sheet (₹ in Lakhs)				TOTAL
	1 - 2 years	2 - 3 years	3 - 5 years	5 years and Above	
Vehicle Loan	-	-	21.98	-	21.98
(ii) Rate of Interest	-	-	11.00%	-	
(ii) Details of Security					
Secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted by the Bank.					

NOTE 5: DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2012 ₹ in Lakhs
Deferred Tax Liability	
Opening Balance	116.04
Difference between accounting and tax depreciation	47.78
	<u>163.82</u>
Deferred Tax Assets	
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-
Tax effect of items constituting deferred tax assets	-
	<u>-</u>
TOTAL	163.82

NOTE 6: OTHER LONG TERM LIABILITIES

Particulars	As at March 31, 2012 ₹ in Lakhs
Unsecured	
Others - Loan against Vehicles	12.43
TOTAL	12.43

NOTE 7: SHORT-TERM BORROWINGS

Particulars	As at March 31, 2012 ₹ in Lakhs
Secured	
(a) Loans repayable on demand	
From Banks Rupee Loan	774.30
From Banks Foreign Currency Loan	795.04
Others	100.00
TOTAL	1,669.34

SIMMONDS MARSHALL LIMITED

7.1: Details of Security: For Rupee Loan

- (i) Working capital loans are secured against hypothecation of raw materials, finished goods, stores & spares, book debts etc. and entire block of assets (both present & future) in favour of consortium of banks on pari pasu other than specific assets financed by respective banks.
- (ii) All loans are secured against the personal guarantee of Chairman.

7.2: Details of Security: For Foreign Currency Loan

- (i) Working capital loans are secured against hypothecation of raw materials, finished goods, stores & spares, book debts etc. and entire block of assets (both present & future) in favour of consortium of banks on pari pasu other than specific assets financed by respective banks.
- (ii) All loans are secured against the personal guarantee of Chairman.

NOTE 8: TRADE PAYABLES

Particulars	As at March 31, 2012 ₹ in Lakhs
Trade payables:	
Due to Micro, Small & Medium Enterprises	140.67
Others	923.86
TOTAL	1,064.53

On the basis of information available with the company regarding total amount due to suppliers as covered under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2012 amounts to ₹ 140.67 lakhs (2010 - 11 ₹ 144.64 lakhs). Since there were no overdues beyond the credit period extended to the company which is less than 45 days, no liability for payment of interest and related disclosures under the said Act, arose. This has been relied upon by the auditors.

NOTE 9: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Current maturities of long-term debt (Refer Note 4)	173.00
(b) Interest accrued but not due on borrowings	4.62
(c) Interest accrued and due on borrowings	6.24
(d) Unpaid dividends	12.71
(e) Other payables	
(i) Tax Deducted at source and other statutory dues	77.30
(ii) Employee Related Liabilities	137.93
(iii) Other current liabilities	21.20
(iv) Advances from customers	13.55
(v) Premium Payable on outstanding Forward Contract	13.91
TOTAL	460.46

NOTE 10: SHORT-TERM PROVISIONS

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Provision for employee benefits	
Provision for gratuity (Net) (Refer Note 26)	22.15
	<u>22.15</u>
(b) Provision - Others:	
(i) Provision for Income Tax (Net)	15.91
(ii) Provision for proposed equity dividend	56.00
(iii) Provision for tax on proposed dividend	9.08
	<u>80.99</u>
TOTAL	103.14

Note 11: FIXED ASSETS

OWNED	Gross block							Accumulated depreciation and impairment				Net block Balance as at March 31, 2012
	Balance as at April 1, 2011 ₹ in Lakhs	Adjustments (Assets of Subsidiary as at January 1, 2012) ₹ in Lakhs	Additions ₹ in Lakhs	Disposals ₹ in Lakhs	Subsidy ₹ in Lakhs	Effect of foreign currency exchange differences ₹ in Lakhs	Balance as at March 31, 2012 ₹ in Lakhs	Balance as at April 1, 2011 ₹ in Lakhs	Depreciation / amortisation expense for the year ₹ in Lakhs	Eliminated on disposal of assets ₹ in Lakhs	Balance as at March 31, 2012 ₹ in Lakhs	
A. TANGIBLE ASSETS												
(a) Land	-	8.71	-	-	-	-	8.71	-	-	-	-	8.71
(b) Buildings	188.58	0.66	5.37	-	-	-	194.61	34.96	6.43	-	41.39	153.22
(c) Plant and Equipment	1,618.90	76.16	763.23	-	(0.68)	5.83	2,463.44	730.41	116.57	-	846.98	1,616.47
(d) Furniture and Fixtures	34.39	0.54	3.20	-	-	-	38.13	12.81	2.21	-	15.02	23.11
(e) Vehicles	220.20	10.98	0.52	(16.00)	-	-	215.70	51.36	21.05	(5.87)	66.54	149.16
(f) Office equipment	29.22	1.23	4.04	-	-	-	34.49	16.01	1.67	-	17.68	16.81
(g) Others (specify nature)												
(1) Electrical Installations	59.90	1.06	-	-	-	-	60.96	15.27	4.24	-	19.51	41.45
(2) Computers	37.71	0.47	13.44	-	-	-	51.62	26.78	5.94	-	32.72	18.90
Total Tangible Assets	2,188.90	99.79	789.80	(16.00)	(0.68)	5.83	3,067.65	887.60	158.11	(5.87)	1,039.84	2,027.81
B. INTANGIBLE ASSETS												
Goodwill	-	270.00	-	-	-	-	270.00	-	6.75	-	6.75	263.25
Total Intangible Assets	-	270.00	-	-	-	-	270.00	-	6.75	-	6.75	263.25
Total Fixed Assets	2,188.90	369.79	789.80	(16.00)	(0.68)	5.83	3,337.65	887.60	164.86	(5.87)	1,046.59	2,291.06
C Capital Work-in-Progress												
D Intangible Asset under Development												
												16.68
												2,307.74

SIMMONDS MARSHALL LIMITED

NOTE 12: NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2012 ₹ in Lakhs
Investments (At cost):	
A. Trade	
Unquoted	
(a) Investment in equity instruments of associates 131051 (2010 - 2011: 131051) shares of ₹ 10 each fully paid up in Formex Private Limited	11.79
(b) Investment in partnership firms (Refer Note below) Less: Share of Profit of Partnership Firm	9.49 9.49
B Non Trade :	
Unquoted	
4000 (2010 - 2011: 4000) shares of ₹ 25 each fully paid up in Zoroastrian Cooperative Bank Limited	1.00
TOTAL	12.79
Aggregate amount of unquoted investments	12.79

Note: Other details relating to investment in partnership firms

Name of the firm	As at March 31, 2012	
	Total capital ₹ in Lakhs	Share of each partner in the profits of the firm
1 Partnership Firm STUD INDIA	431.58	
(The company has acquired 99% share in the said partnership w.e.f from January 1, 2012)		
Name of the Partners		
Simmonds Marshall Limited		99%
Navroze Marshall		1%
	431.58	100%

NOTE 13: LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ in Lakhs
Unsecured, considered good	
(a) Capital Advance	9.03
(b) Security deposits & Other Deposit	29.50
(c) Other loans and advances	
(i) Advance Tax (Net of Provision)	5.54
(ii) Value Added Tax	9.12
(iii) Central Excise	5.76
(iv) Professional Tax	1.03
(v) Loans to Employees	2.00
TOTAL	61.98

NOTE 14: OTHER LONG TERM ASSETS

Particulars	As at March 31, 2012 ₹ in Lakhs
Trade Receivable	21.23
Prepaid Expenses	1.89
TOTAL	23.12

NOTE 15: INVENTORIES

(At lower of cost or net realisable value)

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Raw materials	607.50
Goods-in-transit	128.67
	<u>736.17</u>
(b) Work-in-progress	438.72
(c) Finished goods	316.34
Goods-in-transit	13.64
	<u>329.98</u>
(d) Stores and spares	5.88
Goods-in-transit	0.10
	<u>5.98</u>
(e) Others	
(i) Tools	692.44
Goods-in-transit	10.46
	<u>702.90</u>
(ii) Packing Material	0.64
Goods-in-transit	-
	<u>0.64</u>
TOTAL	2,214.39

NOTE 16: TRADE RECEIVABLES

Particulars	As at March 31, 2012 ₹ in Lakhs
Unsecured, Considered Good	
Outstanding exceeding six months	39.76
Unsecured, considered good	2,448.94
TOTAL	2,488.70

SIMMONDS MARSHALL LIMITED

NOTE 17: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Cash and cash equivalents	
(i) Balances with Banks	282.99
(ii) Cash in Hand	0.17
(b) Other Bank Balances	
(i) Margin Money Deposit	256.04
(ii) Unclaimed Dividend Accounts	12.69
TOTAL	551.89

NOTE 18: SHORT-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Loans and advances to related parties	30.65
	<u>30.65</u>
(b) Other Loans and Advances	
(i) Loans to Employees	1.60
(ii) Prepaid expenses	59.57
(iii) CENVAT Recoverable	66.41
(iv) Advances to Trade Payable	26.13
(v) Others	2.89
	<u>156.60</u>
TOTAL	187.25

NOTE 19: OTHER CURRENT ASSETS

Particulars	As at March 31, 2012 ₹ in Lakhs
(a) Interest accrued on deposits	5.29
TOTAL	5.29

NOTE 20: OTHER INCOME

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
Interest Income	11.47
Dividend income	0.15
Net gain on foreign currency transactions and translation	-
Other non-operating income	0.13
Share of Profit from Partnership Firm	9.49
TOTAL	21.24

NOTE 21: COST OF MATERIALS CONSUMED

Particulars	As at March 31, 2012 ₹ in Lakhs
Opening stock	588.42
Add: Purchases	4,381.07
	<u>4,969.49</u>
Less: Scrap Sales	132.11
	<u>4,837.38</u>
Less: Closing stock	736.17
TOTAL	<u>4,101.21</u>

NOTE 22: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
Inventories at the end of the year:	
Finished goods	329.98
Work-in-progress	438.72
	<u>768.70</u>
Inventories at the beginning of the year:	
Finished goods	294.04
Work-in-progress	407.71
	<u>701.75</u>
TOTAL	<u>(66.95)</u>

NOTE 23: EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
Salaries and wages	955.85
Contributions to provident and other funds	108.35
Staff welfare expenses	190.66
TOTAL	<u>1,254.86</u>

NOTE 24: FINANCE COSTS

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
(a) Interest expense	288.07
(b) Other borrowing costs	55.42
TOTAL	<u>343.49</u>

SIMMONDS MARSHALL LIMITED

NOTE 25: OTHER EXPENSES

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
Consumption of stores and spare parts	90.33
Consumption of tools	415.12
Consumption of packing materials	70.80
Power and fuel	198.22
Job Work Charges	654.67
Rent	161.29
Repairs and maintenance	
Buildings	1.80
Machinery	60.77
Others	<u>36.55</u>
	99.12
Insurance	14.61
Rates and taxes - excluding Taxes on Income	
Excise	17.34
Others	<u>3.25</u>
	20.59
Communication	15.68
Travelling and conveyance	79.42
Printing and stationery	14.40
Freight and forwarding	214.97
Sales commission	20.28
Donations and contributions	6.27
Legal and professional	109.57
Directors Fees	0.20
Net loss on foreign currency transactions and translation	20.45
Loss on fixed assets sold	3.91
Provision for estimated loss on derivatives	13.91
Prior period items	12.47
Miscellaneous expenses	<u>67.11</u>
TOTAL	<u>2,303.39</u>

NOTE 26: DISCLOSURE RELATING TO EMPLOYEE BENEFIT - AS PER REVISED AS 15**(i) Defined Contribution Plan**

During the year ended March 31, 2012, the company has recognised the following amounts in the profit and loss account

	For the year ended March 31, 2012 ₹ in Lakhs
Employer's contribution to Provident Fund & Family Pension Fund	59.50
Employer's contribution to Superannuation Fund	8.53

(ii) Defined Benefit plan

A. The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on term not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with Life Insurance Corporation of India.

B. Details of defined benefit plan as per actuarial valuation report of LIC of India as at March 31, 2012 is as under :

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
Components of employer expense	
Current service cost	19.70
Interest cost	20.66
Expected return on plan assets	(22.53)
Actuarial losses/(gains)	21.01
Total expense recognised in the Statement of Profit and Loss	38.84
Actual contribution and benefit payments for year	
Actual benefit payments	(36.58)
Actual contributions	44.02
Net asset / (liability) recognised in the Balance Sheet	
Present value of defined benefit obligation	292.73
Fair value of plan assets	270.58
Funded status [Surplus / (Deficit)]	(22.15)
Net asset / (liability) recognised in the Balance Sheet	(22.15)
Change in defined benefit obligations (DBO) during the year	
Present value of DBO at beginning of the year	267.16
Current service cost	19.70
Interest cost	20.66
Actuarial (gains) / losses	21.80
Benefits paid	(36.58)
Present value of DBO at the end of the year	292.73

SIMMONDS MARSHALL LIMITED

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
Change in fair value of assets during the year	
Plan assets at beginning of the year	239.82
Acquisition adjustment	-
Expected return on plan assets	22.53
Actuarial gain / (loss)	0.79
Actual company contributions	44.02
Benefits paid	(36.58)
Plan assets at the end of the year	270.58
Actuarial assumptions	
Discount rate	8.5%
Expected return on plan assets	9.25%
Salary escalation	5%
Composition of the plan assets is as follows:	
Government bonds	
PSU bonds	
Equity mutual funds	
Others - Insurer Managed Funds	100%

The expected rate of return on the plan assets is based on the average long term rate of return expected on investments of the Fund during the estimated term of the obligations. The actual return on plan assets is ₹ 23.31 lakhs.

The assumption of the future salary increase, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.

Experience Adjustments

Present value of Defined Benefit Obligation as at March 31, 2012	292.73
Fair Value of Plan Assets as at March 31, 2012	270.58
Funded status [Surplus/(Deficit)]	(22.15)
Experience adjustment on Plan Liabilities	(22.15)
Experience adjustment on plan Assets	-

NOTE 27: SEGMENT REPORTING AS - 17

The Company's business activity falls within a single primary business segment, viz. manufacture of Industrial Fasteners such as nuts, bolts etc. As such there are no separate reportable segments as per Accounting Standard 17.

Note 28: RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18**Related party transactions****A. Details of related parties**

Description of relationship	Names of related parties
Subsidiaries	STUD INDIA - Partnership Firm
Associate Company	Formex Private Limited
Key Management Personnel (KMP)	Mr.S.J.Marshall (Chairman) Mr. N.S. Marshall (Managing Director) Mr. I. M. Panju (Whole-Time Director)
Relatives of KMP	Mrs. M. S. Marshall Mrs. K. I. Panju Mrs. K. J. Pandole
Company in which KMP / Relatives of KMP can exercise significant influence	Desmet Ballestra (India) Pvt. Ltd. Diamtools Pvt. Ltd. Jiji Marshall Trading Co. Pvt. Ltd. J. N. Marshall & Co. (Steel Dept.) J. N. Marshall & Co. - Custom House Clearing Agents J. N. Marshall & Co. (Engg. Dept.) J. N. Marshall Engineering Pvt. Ltd. J. N. Marshall Pvt. Ltd. Marshall Real Estates & Investment Corporation Powair Automation Equipments Pvt. Ltd. S.J. Marshall Trading Co. Pvt. Ltd. Spirax Marshall Ltd.

B. Related Party Transactions

	2011 - 12 ₹ in Lakhs
(i) Associate Company	298.77
Outstanding balance as on 31.03.2012	Dr 29.28
(ii) Key Management Personnel & Relatives	
(a) Remuneration	67.56
(b) Interest	15.77
(c) Payment for Services	0.45
Outstanding balance as on 31.03.2012	Cr. 345.59
(iii) Enterprises in which Key Management Personnel have significant influence	
(a) Payment for Services	53.66
(b) Purchase of Materials	0.29
(c) Payment of Interest	7.68
(d) Payment of Rent / Rates & Taxes	163.00
(e) Receipt for share of expense	5.40
Outstanding balance as on 31.03.2012	Cr. 194.69

There are no write offs/write back of any amounts for any of the above parties.

SIMMONDS MARSHALL LIMITED

NOTE 29: LEASE TRANSACTIONS

The Company's significant leasing arrangements are in respect of operating lease for premises and Vehicles. The period of agreement is generally for one year and is renewable by mutual consent. The aggregate lease rental expense are ₹ 164.74 lakhs.

Total of future minimum lease rent payable is as follows :

Period	₹ in Lakhs
Payable within one year	166.03
Payable within 1 - 5 years	70.94

NOTE 30 : EARNINGS PER SHARE

Particulars	For the year ended March 31, 2012 ₹ in Lakhs
Earnings per share	
Net profit / (loss) for the year attributable to the equity shareholders	792.47
Weighted average number of equity shares	1,12,00,000
Par value per share	2.00
Basic and diluted Earning per share (₹)	7.08

NOTE 31: CONTINGENT LIABILITIES & COMMITMENTS NOT PROVIDED FOR

Particulars	As at March 31, 2012 ₹ in Lakhs
(i) Other money for which the Company is contingently liable	
(a) Bills Discounted	22.57
(b) Bonds given against import of machineries under EPCG scheme & Advance License	1,132.14
(c) Income Tax	-
(d) Excise	5.76
(e) Professional Tax	4.58
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	9.23

NOTE 32: DERIVATIVE FINANCIAL INSTRUMENTS

Derivative contracts entered into by the company and outstanding as on March 31, 2012

(i) (i) For hedging Currency and Interest Rate Related Risks

Nominal amounts of derivative contracts entered into by the company and outstanding as on March 31, 2012 amount to ₹ 1360.77 lakhs. Category wise break up is given below:

Particulars	Currency	As at March 31, 2012 ₹ in Lakhs
Forward Contract	USD	15.00
	₹ in Lakhs	767.35

The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at Balance Sheet date are as follows:

Particulars	Currency	As at March 31, 2012 ₹ in Lakhs
Receivables	GBP	28.13
	USD	18.88
	EURO	4.30
Payables	USD	503.97
	GBP	15.76
	JY	29.93
ECB Loan and Interest Payable	USD	599.94

NOTE 33: OPENING & CLOSING STOCKS OF GOODS MANUFACTURED BY THE COMPANY:

Particulars	As at March 31, 2012 ₹ in Lakhs
NUTS & BOLTS	
Opening Stocks as at April 1, 2011	294.04
Closing Stocks as at March 31, 2012	329.98

NOTE 34: SALE OF GOODS MANUFACTURED AND TRADED BY THE COMPANY

Particulars	As at March 31, 2012 ₹ in Lakhs
NUTS & BOLTS	9,019.84
STUD	232.68
SALE OF GOODS TRADED BY THE COMPANY:	
Hexagonal Bolts	89.45
TOTAL	9,341.97

SIMMONDS MARSHALL LIMITED

NOTE 35: PURCHASE OF GOODS TRADED BY THE COMPANY

Particulars	As at March 31, 2012 ₹ in Lakhs
Hexagonal Bolts	51.63

NOTE 36: RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	As at March 31, 2012 ₹ in Lakhs
Steel	3,683.14
Nylon Inserts	15.77
Nylon Moulding Powder	11.73
Plating Materials	74.25
Cage Clips, etc.	316.31
TOTAL	4,101.20

Note 37: DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS

Particulars	As at March 31, 2012 ₹ in Lakhs
Raw materials	
Imported *	1,924.84
% TO TOTAL CONSUMPTION	46.93
Indigenous *	2,176.36
% TO TOTAL CONSUMPTION	53.07
TOTAL	4,101.20
	100.00
* Sale of turnings, borings and pallets has been allocated in proportion to the consumption of imported and indigenous steel.	
Stores, Components & Spare Parts	
Imported	-
% TO TOTAL CONSUMPTION	-
Indigenous	90.33
% TO TOTAL CONSUMPTION	100.00
TOTAL	90.33
	100.00

NOTE 38: VALUE OF IMPORTS CALCULATED ON CIF BASIS

Particulars	As at March 31, 2012 ₹ in Lakhs
Raw materials	1688.08
Tools	386.70
Capital goods	598.88

NOTE 39: EXPENDITURE IN FOREIGN CURRENCY

Particulars	As at March 31, 2012 ₹ in Lakhs
Other matters	19.11

NOTE 40: EARNINGS IN FOREIGN CURRENCY

Particulars	As at March 31, 2012 ₹ in Lakhs
Export of goods calculated on FOB basis	870.55

NOTE 41: PAYMENTS TO AUDITORS

Particulars	As at March 31, 2012 ₹ in Lakhs
(i) Audit Fees	4.83
(ii) Tax Audit fees	0.25
(iii) For Review and Other Certification Work	2.85
(iv) For Representation Work	3.93
(v) Reimbursement of Expenses & Service Tax	1.43
TOTAL	13.29

NOTE 42: UNSECURED LOANS FROM DIRECTORS

The company has relied on various case laws and accordingly it has not considered the amount received from directors as deposits covered under Companies Deposit Acceptance Rule, 1975

NOTE 43

Capital Work in Progress shown in Fixed Assets schedule includes license to use software and related expenses of ₹ 16.68 lakhs (2010 - 2011 : ₹ 16.68 lakhs) pending implementation of ERP programme for smooth and efficient running of its business.

NOTE 44

In compliance with Accounting Standards-2 (AS-2) revised, excise duty liability estimated at ₹ 51.68 lakhs on finished goods lying in factory premises has been loaded on the valuation of Finished goods. However, it has no impact on the Profit and Loss Account. The Excise duty of ₹ 17.34 lakhs related to the difference between the closing stock and opening stock is charged to Profit & Loss Account under the head Rates and taxes - excluding Taxes on Income.

NOTE 45

In the opinion of the management, inventories continue to have a realisable value of at least amount at which they are stated in Balance sheet.

NOTE 46

Balance of sundry debtors, loans & advances and sundry creditors balances are subject to confirmations, verification and adjustments necessary upon reconciliation thereof. Pending adjustments on confirmations, if any, it is shown as good in nature.

SIMMONDS MARSHALL LIMITED

NOTE 47

The Company has acquired 99% share in the subsidiary (partnership Firm) w.e.f January 1, 2012. Accordingly financial statements of the subsidiary (partnership firm) for quarter ended March 31, 2012 have been consolidated with that of the company . This being the first year of consolidation of financial statements previous year figures are not incorporated.

NOTE 48

The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the consolidated financial statements.

As per our report attached of even date

For S H R & CO
Chartered Accountants
FRN: 120491W

Hitesh R Shah
Partner
M. No. 104795

Mumbai, July 25, 2012

S J MARSHALL

Chairman

N S MARSHALL

Managing Director

**I M PANJU
F K BANATWALLA
S C SARAN**

}

Directors

N D BHARUCHA

CFO & Company Secretary

SIMMONDS MARSHALL LIMITED

PROXY FORM

(TO BE FILLED IN BLOCK LETTERS)

I/We _____
of _____ being
Member(s) of the above named Company hereby appoint _____
_____ of _____ or
failing him _____ of
_____ as my/our proxy of vote for me/
us and on my/ our behalf at the Fifty Second Annual General Meeting of the Company to be held on
Wednesday, September 26, 2012 at 12:00 noon and at any adjournment thereof

Register Folio No. _____ Signature _____

Re. 1
Revenue
Stamp

No. of Shares held _____

Proxies to be valid must be deposited at the Registered Office of the Company at
Mumbai – Pune Road, Kasarwadi, Pune – 411 034 not later than 12:00 Noon on September 25, 2012.

Signed this _____ day of _____ 2012

SIMMONDS MARSHALL LIMITED

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

(TO BE FILLED IN BLOCK LETTERS)

Full Name of the Member/Joint Holder attending _____

Name of Proxy _____

I hereby record my presence at the FIFTY SECOND ANNUAL GENERAL MEETING of the Company
held at Kwaliti Restaurant, Mumbai – Pune Road, M.I.D.C., Chinchwad, Pune – 411 019, on
Wednesday, September 26, 2012 at 12:00 Noon

Register Folio No. _____

No. of Shares held _____

Members/Proxy's Signature
(To be signed at the time of
handing over the slip)

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Unit No. 1, Luthra Industrial Estate
Andheri Kurla Road, Andheri East
Mumbai - 400 072.
Tel.: 2270 2485, 2264 1376
E-mail : sharexindia@vsnl.com