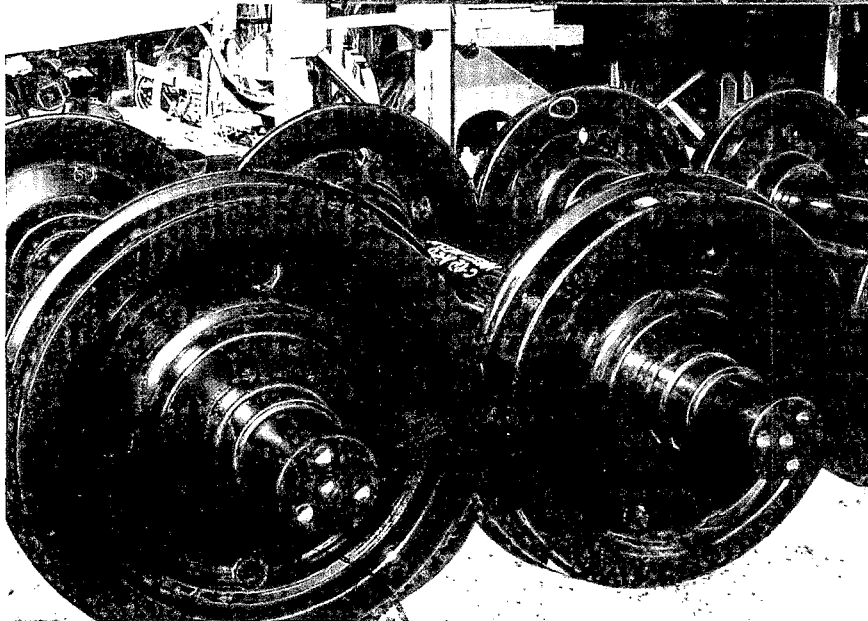
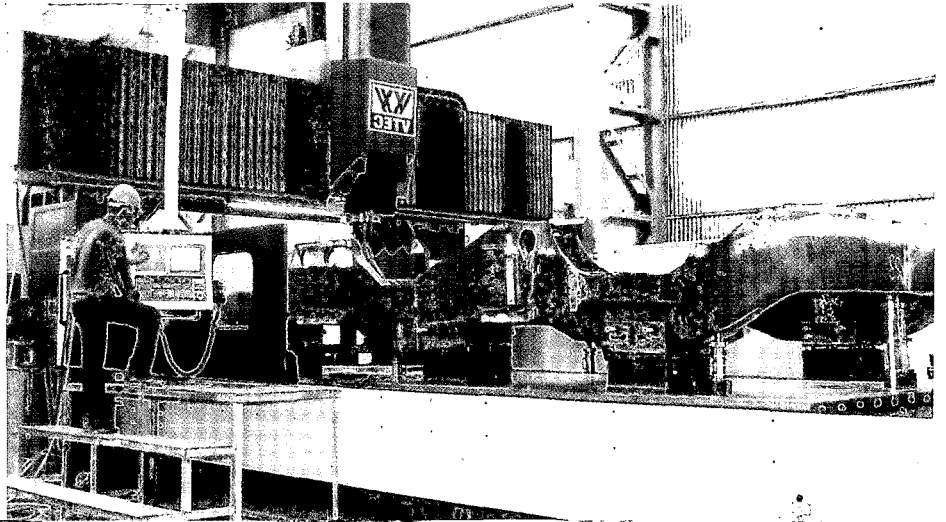


29TH
ANNUAL REPORT
2008-09



SIMPLEX CASTINGS LIMITED

Chairman Statements

Dear Shareholder,

On behalf of the Simplex Family, I welcome you on the occasion of our 29th Annual General Meeting.



During the year 2008-09, where the world economy was facing the period of recession, our economy has registered a growth of 6.7%, indicating our capability to fight with the worst situation and ability to survive in the unfavorable circumstances.

With great pleasure, we are presenting herewith our 29th Annual Report for the financial year 2008-09. In this report you may see that despite the global economic crisis, your Company has registered a satisfactory growth in its overall business performance.

Your Company has maintained its growth momentum in the financial year 2008-09. The Sales and other receipts for the year 2008-09 is Rs.175.36 crores as against Rs.150.41 crores for the last year registering an increase of 16.59% over the last year's figure.

As far as the profitability is concerned, your company has registered a significant growth in it. For the fiscal year 2008-09 the profit before tax was Rs. 14.12 crores and profit after tax was Rs. 9.12 crores, whereas these were Rs. 11.25 crores and Rs. 7.25 crores respectively in the last year thereby registering an increase of 25.51% and 25.79% over the last year's figures respectively.

Being one of the largest castings producer in India your Company has been moving on the way of growth and development year by year. In view of the favorable market for the casting products in future, your Company is continuously taking initiatives to increase its productivity and modernize its production process.

In the financial year 2008-09, in the Bhilai unit, foreseeing the growing fabrication business, your Company has constructed Shed for fabrication activities and also installed certain machineries for complete machining, boring, drilling, cutting purposes ie, for doing in- house fabrication activities. Now you can assume that your Company is able to do the complete fabrication work in house and has developed as a 'Fabricated Cast Component Builder'. Also we have installed Plano-Miller, Vertical Milling Machine, EOT crane for our day to day operation which results in improvement in performance and productivity.

In Urla unit we have installed 5MT Arc Furnance for melting steel / raw materials, Annealing Furnance for heat treatment of Castings. The Plano-Miller Machine & Radial Drill Machine have also been installed necessary for machining of our products. In addition to this, we have imported a CNC Plano-Miller from Vision Wide, Taiwan for complete machining mainly for Railway Truck Frames, Coco Bogies on a single platform. This resulted in saving of time & cost in the production and ensured the timely dispatch of finished goods. The goods machined in this machine ie (Plano Miller imported from Taiwan) are more accurate, ideal and meet highest degree of accuracy of customers requirement and hence reduce the chances of rejection and enhance our goodwill in the market.

In view of the growing Fabrication business, your Company has planned to develop a 'Technological Structure Fabrication Shop' to do Technological Structure fabrication. With the added facilities as aforesaid, we expect improvement in the performance and profitability of your Company in the future years.

In the Central Railway Budget for 2009-10, the Union Minister of Railway announced about modernization of 57 Railway stations of India, purchase of 18,000 wagons in the forthcoming year, which is welcome news for your Company.

Similarly in the Union Budget for 2009-10, the Finance Minister has announced to give major boost to Infrastructure sector specially Railways, highways, Urban development, Power etc. and since the Steel sector, Infrastructure, and Heavy Engineering Sectors are the major consumers of products of your Company, your company can try to grab the opportunities arising there from in future.

At present, We are not only concentrating on domestic market but also trying to explore more overseas market. With the existing facilities your Company has and with regular updation of manufacturing facilities research and development, we can reach the new horizon of success and growth.

Now I would like to place on record my sincere appreciation of the contribution of our employees / staffs at various levels and extend my sincere thanks to all the shareholders, bankers for supporting us, without which your company could not have prospered to this extent.

I convey my sincere gratitude to the Board of Directors for their whole hearted support towards the success of the Company.

Wishing all of you a very happy and prosperous year.

Thank You.

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

Kisan R. Choksey	Chairman
Shivji R. Shah	Member
Hashmukhlal S. Parikh	Member

REMUNERATION COMMITTEE

Kisan R. Choksey	Chairman
Hashmukhlal S. Parikh	Member
Rajendra A. Shah	Member

SHARE TRANSFER CUM INVESTOR'S GRIEVANCE**COMMITTEE**

Kisan R. Choksey	Chairman
Hashmukhlal S. Parikh	Member
Rajendra A. Shah	Member

BOARD OF DIRECTORS

Arvind S. Shah	Chairman
Moolchand R. Shah	Managing Director
Shailesh A. Shah	Director
Ketan M. Shah	Director
Kisan R. Choksey	Director
Shivji R. Shah	Director
Rajendra A. Shah	Director
Hashmukhlal S. Parikh	Director

COMPANY SECRETARY

Sandeep Kumar Mishra

STATUTORY AUDITORSM/s Taunki & Srikanth
Chartered Accountants**BANKERS**Bank Of Baroda
State Bank of India**REGISTRARS & TRANSFER AGENTS**Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai 400 078.**REGISTERED OFFICE**601/602A, Fair Link Centre,
Off Andheri Link Road, Andheri (West)
Mumbai - 400 053.**CORPORATE OFFICE**32, Shivnath Complex,
G. E. Road, Supela,
Bhilai - 490 023.**WORKS**5, Industrial Estate, Bhilai, Dist. Durg,
Chhatisgarh - 490 026.Urla Industrial Estate, Raipur,
Chhatisgarh - 492 001.

ISIN No. - INE 658D O1011

STOCK CODE : BSE 513472

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NOTICE

Notice is hereby given that the 29th Annual General Meeting of the members of Simplex Castings Limited will be held on 23rd September 2009 at 3.30 P. M. at Babasaheb Dhanukar Hall, Maharashtra Chamber of Commerce & Industry, Oricon House, 6th Floor, 12 K. Dubhash Marg, Fort, Mumbai – 400 001, to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended on 31st March 2009 and Balance Sheet as at that date and the Reports of Directors and Auditors thereon.
2. To declare a dividend for the year ended 31st March, 2009.
3. To appoint a Director in place of Shri Ketan M. Shah who retire by rotation and being eligible, offers himself for re-appointment.
4. To elect a Director in place of Shri Rajendra A. Shah who retire by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from conclusion of this meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

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

Sandeep Kumar Mishra
Company Secretary

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

Place : Mumbai
Date : 31st July, 2009

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Book of the Company will remain closed from 18th September, 2009 to 23rd September, 2009 (Both days inclusive)
3. Members are requested to immediately notify any change in their address to the Share Transfer Agent of the Company M/s Link Intime India Pvt. Ltd. In all correspondence with the Company, members are requested to quote their account / folio number.
4. A member desirous of getting any information on the account or operations of the Company is required to forward his / her queries to the Company atleast ten days prior to the meeting so that the required information can be made available at the meeting.
5. Members / Proxies should bring attendance slips herewith duly filled in for attending the Meeting.



6. As per the provisions of the Companies Act 1956, facility for making nominations is available for shareholders. Nomination forms can be obtained from Company's Registrar & Transfer Agents.
7. As measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the Meeting.

ANNEXURE TO ITEMS 3 & 4 OF THE NOTICE

Details of Directors seeking appointments/reappointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Shri Ketan M. Shah	Shri Rajendra A. Shah
Date of Birth	02.02.1966	05.03.1946
Date of Appointment on the Board	12.03.1993	31.07.2004
Qualification	B. E. (Mechanical) & M. B. A.	B. Sc., L.L.B. (Solicitor)
Expertise in Specific Areas	Marketing	Legal Aspects
List of other Companies in which Directorship held as on 31st March, 2009 (excluding Directorships in private, foreign companies and companies incorporated under section 25 of the Companies Act 1956)	Nil	Nil

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

Sandeep Kumar Mishra
Company Secretary

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

Place : Mumbai
Date : 31st July, 2009

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 29th Annual Report and Statement of Accounts of your Company, for the year ended on 31st March 2009.

FINANCIAL RESULTS :

	Year Ended 31-03-2009	(Amt. Rs. Lacs) Year Ended 31-03-2008
Sales:Manufacturing	17,167.45	14950.19
Works Contract Receipt	209.18	--
Other Income	160.02	91.44
Total Receipts	<u>17536.65</u>	<u>15041.63</u>
Operating Profits(Before Int, Dep & Tax)	2753.45	2115.69
Less: Interest & Financial Charges	<u>971.03</u>	<u>641.39</u>
PBDT	1782.42	1474.30
Less: Depreciation	<u>370.79</u>	<u>349.62</u>
Profit before Tax	1411.63	1124.68
Provision for Tax	410.00	290.00
Provision for Fringe Benefit Tax	10.25	10.50
Deferred Tax Liability	<u>78.93</u>	<u>99.32</u>
Net Profit after Tax	912.45	724.86
Balance from previous year	<u>758.02</u>	<u>484.76</u>
Balance Available	1670.47	1209.62
Add : Credit of earlier years/excess Provision written back	1.50	-
	<u>1671.97</u>	<u>1209.62</u>
Less: Debit of earlier years / Short IT Provision	<u>5.28</u>	<u>46.58</u>
Profit Available for Appropriation	<u>1666.69</u>	<u>1163.04</u>
Proposed Dividend	<u>119.68</u>	<u>89.76</u>
Tax on proposed Dividend	<u>20.34</u>	<u>15.26</u>
Transfer to General Reserve	<u>482.74</u>	<u>300.00</u>
Surplus Carried forward	<u>1043.92</u>	<u>758.02</u>

DIVIDEND:

The Board of Directors of the Company in their meeting held on 31st July' 2009 has recommended a dividend @ 20%, ie Rs 2/- per equity shares of the Company for the financial year ended on 31st March' 2009 .

PERFORMANCE REVIEW:

The sales and other Income for the financial year 2008 - 2009 were Rs.17536.64 lacs as against Rs. 15041.63 lacs for the year 2007 - 2008, registering an increase of 16.59% over the last year's figure.

The Profit before tax was Rs.1411.63 lacs and Profit after tax was Rs. 912.45 lacs for the financial year under review as against Rs. 1124.68 lacs and Rs. 724.86 lacs of the last year, an improvement by 25.51% and 25.88% over the last year's respective figures.

FUTURE PROSPECTS:

The potential of our Casting products is encouraging in Railways & Power Sectors. Your Company has also started equipment fabrication and doing prestigious work with Plant builders. This area has also good prospects as all steel plants are in expansion mode. In view of the above your Company is comfortable in getting the necessary orders for next few years to come.

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

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

PUBLIC DEPOSITS:

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

**MANAGEMENT DISCUSSION AND ANALYSIS:**

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

INDUSTRIAL RELATIONS:

Your Company believes that the success of any organization very much depends upon the quality of its man power and their inter relationships, so that they could work with collective interest, for a common goal, which is maximization of value of the organization. Your Company is regularly trying to strengthen the inter relationship among the employees. The relation between the management and the employees and inter relationship among them remained cordial throughout the financial year.

PARTICULARS OF EMPLOYEES:

Information as per Section 217(2A) of the Companies act, 1956 read with the Companies (Particulars of employees) Rules 1975 as amended forming part of Director's Report are as under:

Name	Designation	Age (Years)	Remuneration	Qualification	Experience	Date of Commencement employment	Previous employment
G. Gopal Swamy	Director (Operations & Development)*	62 yrs.	24,18,333/-	B. E. (Mech.), PGDIM, FIE.	40 yrs	22.04.2008	Arcellor Mittal China

* Pursuant to the respective Clause of Articles of Association, appointed as Non Member of the Board of Directors.

BOARD OF DIRECTORS:

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

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- In the preparation of the annual accounts for the year 2008-09, the applicable accounting standards have been followed and that there are no material departures.
- They have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of Company at the end of the financial year, and of the profit of the Company for the period ended on 31st March, 2009.
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- They have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Company's auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the listing agreement is annexed hereto.

AUDITORS:

M/s Taunk & Srikanth, Chartered Accountants, who are the Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting. It is proposed to re-appoint them for the financial year 2009-2010. They have under section 224(1B) of the Companies Act, 1956, furnished the certificate of their eligibility for re-appointment:

AUDITORS REPORT:

The observations made by the Auditor is self-explanatory and, hence, do not require any further explanations.

ACKNOWLEDGEMENTS:

Your Directors wish to convey their appreciation to Government and Semi-Government departments, Financial Institutions, Bankers, Shareholders and all other persons whose continued support has been a source of strength to the Company. Your Directors also wish to convey their sincere appreciation to every employee of the Company for their valuable contribution and continuous support towards the growth of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 31st July, 2009

Shailesh A. Shah
Executive Director

Moolchand R. Shah
Managing Director

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

a) Measures Taken:

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

1. Introduction of VVVF Drives on Plano Millers,
2. Retrofittings of CNC Vertical Milling Machines make 'Droop and Rein' thereby resulting in saving of energy and controlling of demand.

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

1. HT Capacitor Bank and APFC Panel installed for power factor correction and reduction in maximum demand.
2. Feeder Capacity increased by laying parallel cable to reduce voltage drop and power loss.
3. VVVF Drive installed in some application.
4. Auxilliary Transformer replaced by higher capacity to reduce loading on Transformer.
5. Some motors are replaced by lower KW rating motors based on viability to reduce consumption.
6. To ensure optimum power consumption in Arc Furnaces (most power intensives loads) economic auto regulation (tuning) done on regular basis.

b) Measures Proposed:

- i) In Bhilai Unit - Automation of Annealing Furnance, Retrofittings of Plano - Millers and Introduction of Screw type Rotary Compressor in Foundry shop.
- ii) In Urla Unit - Addition of Small L. T. Capacitors in different Induction Motors, Upgradation of manually operated heat treatment furnances into Semi Automatic Operation, Provisions of Variable Frequency Drives in higher capacity EOT Cranes and Replacement of Tubelight fittings with T-5 fittings.

c) Impact of the Measures:

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

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

1. ELECTRICITY

a) Purchased Unit (Kwh in '000)

Total Amt. (Rs./Lacs)

Rate/Unit (Rs./Kwh)

b) Own Generation

1) Through Diesel Generators

2) Through Steam Turbine/Generator

2. Coal (Specify Quality & Where used)

3. A) FURANCE OIL

Qty.(K.Ltr.)

Total Amt. (Rs./Lacs)

Avg. Rate/Rs.Kltr.

B) OTHERS

Qty.(K.Ltr.)

Total Amt. (Rs. in Lacs)

Avg. Rate/Rs.Kltr.

	2008-2009	2007-2008
a) Purchased Unit (Kwh in '000)	24782.80	24054.34
Total Amt. (Rs./Lacs)	1016.64	911.10
Rate/Unit (Rs./Kwh)	4.10	3.79
b) Own Generation		
1) Through Diesel Generators	NIL	NIL
2) Through Steam Turbine/Generator	NIL	NIL
2. Coal (Specify Quality & Where used)	NIL	NIL
3. A) FURANCE OIL		
Qty.(K.Ltr.)	1110.74	1068.677
Total Amt. (Rs./Lacs)	279.18	221.56
Avg. Rate/Rs.Kltr.	25.13	20.73
B) OTHERS		
Qty.(K.Ltr.)	NIL	NIL
Total Amt. (Rs. in Lacs)	NIL	NIL
Avg. Rate/Rs.Kltr.	NIL	NIL
B. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity (KWH/Ton)	1255	1212
Furnace Oil (Ltr./Ton)	56	54

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

In the financial year 2008 - 09, your Company has introduced Cored Wire through automatic wire feeder instead of manual feeding.

B. FOREIGN EXCHANGE EARNING AND OUTGO:

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

	Current Year	(Rs. In Lacs) Previous Year
Foreign Exchange used:	73.81	53.93
Foreign Exchange Earned: Export of goods on FOB basis	1462.76	2091.62



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

BUSINESS OVERVIEW

In the fiscal year 2008-09, despite the global recession scenario, and the slowdown in the manufacturing sector, the Indian economy has registered a growth of around 6.7%, against the growth rate of 8.6% in the previous fiscal year.

In the last quarter i.e. January - March 2009, when the most developed economies were fighting with the economic downturn, our economy had registered the growth of around 5.8%, showing the healthy status of our economy and puts India among the top most growing nations.

The manufacturing sector, being key driver for the country's economic growth registered a shortfall of 1.4% in the last quarter of year 2008-09, pulling down the GDP growth to 5.8% from 8.6% a year ago. For the entire fiscal year, the manufacturing sector grew by 2.4% as against 8.2% in the previous year 2007-08.

However accelerated data from various manufacturing segments such as 'Steel and Cement' indicates that the downfall in manufacturing sector is gradually improving and highlights the Indian Economy's strength.

India, being one of the fastest growing economy of the world, is emerging as the global manufacturing hub. It has all the requisite skills in product, process and capital engineering and designing of equipments, due to which it has attracted vast foreign technological orders.

According to the analysis conducted by the United Nations Industrial Development Organisations based on the data of the year 2007 as mentioned in the International Year book of Industrial Statistics 2009, in the manufacture of Electrical Machinery and Apparatus, India ranked fifth, it holds sixth position in basic metals category and 12th in Machinery and Equipments and Motor Vehicles.

As reported by Modern Casting Census in the year 2007, the global casting production increased moderately to 95 million tones, registering an increase of 4% over the previous year 2006.

As per the recent data available for the year 2007, India produced 7.8 million tones of Castings, registered a growth of around 8% over the last year's figure and since last five years, your Country has more than doubled the production of castings. Now India has occupied the fourth position in Global Casting production, where as China has the top position with the production of 31.3 million tones of casting.

Your Company being one of leading casting producer of India, will keep maintaining its growth momentum in view of the growing demand for castings by Railways, Engineering Sector, Steel sector, and other Infrastructure sector.

INDUSTRY STRUCTURE & DEVELOPMENT

Metal casting companies are often at the heart of the economy in the communities where they reside. As per the recent data available, India belongs to the top five Metal Casting producing countries of the whole World. Your Company is one of the Leading Casting Producer of India. Your Company deals with wide range of casting products and can cast any metal casting from the range of 150 kg to 25 ton. Your Company regularly takes initiatives to modernize its production process and improves productivity and add new items.

In the financial year 2008-09, your Company has installed the following major facilities in the Bhilai Unit:

1. Plano – Miller:- This is very helpful in machining, milling activities with utmost accuracy. In view of the rising level of demand of casting products, this is one of the most vital machine for completing the milling and machining activities fast.
2. Lathe Machine:- It is a high speed multi purpose machine, used for different jobs like drilling, boring, etc.
3. Weigh Bridge:- This is for weighment of vehicles carrying goods. Before installing this facility, we use to do this from outside. By installing this facility the chances of variation in weighment of goods may be reduced.
4. CNC Flame Cutting Machine:- This is mainly for Fabrication activities used for the purpose of Gas cutting of our products.
5. Vertical Milling Machine:- Currently the Company has a few Vertical Milling Machines. This one shall improve the milling and machining operation of the Company.
6. EOT Crane:- It is helpful in carrying heavy goods.

Similarly the following are the major developments in Urla Unit;

1. 5 Ton ARC Furnance:- This has been installed for melting of steel scrap and other raw materials necessary for manufacturing steel castings in the range of 500 kg to 4 tons.
2. Annealing Furnance:- This furnance has been installed for heat treatment of Castings.
3. Plano – Miller Machine:- This machine is for milling activities of different products.
4. Radial Drill Machine:- This machine has been installed for doing drilling operations in the products.
5. Planner:- It is a multipurpose machine. It can do the whole machining activities. Before installing this in the unit, we used to do machining activities from outside. By installing this in the factory, we can do machining activities by our own resulting in reduction in cost of machining and time in completion of finished goods.
6. Transformer:- This has been installed for controlling the voltage necessary for operation of the unit.

The aforesaid facilities shall be helpful in increasing the productivity and improving the performance. The various products of our Company due to lack of timely milling, machining activities lying in stock and can't be dispatched in time resulting in higher inventory turnover period. By installing the machineries for milling, drilling, and for complete machining facilities, your Company can reduce the cycle time of production, resulting in better turnover and profitability.

Further more in the financial year 2009 – 10, your Company has planned to install certain Machineries like Planner, Radial drill Machine, Lathe Machine, certain pollution control devices and to develop certain Infrastructure facilities in your Bhilai manufacturing unit. Similarly in Raipur unit,



your Company has planned to make investment in certain facilities, a few of them are EOT crane, Main Shed, Fetting Accessories etc. These investments have been planned to improve the overall productivity of your Company.

OPPORTUNITIES & THREATS

As per the recent study conducted by leading economic indicators, there will be an upward trend in the Indian economy, due to growth in the manufacturing sector in coming years. Despite the economic slowdown all over the world, the manufacturing sector of India has marked its presence all over the world. In the period of global economic recession, your Company is regularly receiving orders from its Customers and currently it has orders worth more than Rs. 150 crs in hand. This indicates the growing demand of our products. Further more, the growing demand of Casting equipments by Iron and Steel sector, Engineering Sector shall have a positive impact on your Company.

Metal casting is one of the most energy-intensive Industry. Approximately 55% of energy costs are consumed in melting. Mould making, core making, heat treatment and post-cast operations also use significant energy. Research to improve these operations and reduce melting requirements will help the industry to save energy, reduce cost of production, and improve competitiveness.

OUTLOOK

Metal Castings are very vital for all sector of the economy. Metal Casting Industry plays a key role in the development of other Industrial sectors. The Casting Industry has grown largely mainly in response to the demands from the Railways, the automotive sector and engineering sector.

In order to grab the opportunities and face the challenges, your Company has installed some modern machineries in the year 2008 - 09 and also in the year 2009 - 10, your Company is regularly taking initiatives to install some more machineries to enhance the productivity and to build up advance infrastructural facilities for the employees for their welfare.

RISKS & CONCERNS

In today's scenario, the Industries dealing with the metal casting industry asks for the products which meets the highest level of customer's requirements. To meet the requirement of our valued customers, your Company has installed some modern machineries like Plano - Miller as discussed earlier with which we can produce the goods fast, which will be more accurate & specific with the customer's requirement and mitigate the chances of rejection.

Further, other aspects with which every manufacturing company is affected, is the unexpected movement in the prices of materials, fuels and their availability. Your Company is also cautious about this and always tries to keep sufficient stock of raw materials fuels etc. in stock. Further more the cost of finance, frequent movement in foreign exchange rate is also a core area of concern for your Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

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

Internal control systems are periodically reviewed by the Audit Committee to keep it updated and at par with the requirement of the organization.

FINANCIAL PERFORMANCE

The financial performance of the Company has shown growing trend in the fiscal year 2008-09.

Total Revenue

Total Income of the Company for the financial year 2008-09 comprises of Net Sales, work contract receipt and other income amounts to Rs. 175.37 crores registering an increase of 16.59% over last year's figure.

Profit before Tax

Profit before tax for the year under review is Rs. 14.12 crores registered an increase of 25.51% over the last year's figure.

Profit after Tax

Profit after tax for the year under review is Rs. 9.12 crores registered an increase of 25.79% over the last year's figure.

Earning per Share

Earning per share for the year under review is Rs. 15.25 as compared to Rs. 12.11 for the last year.

Net Worth

Net worth of the Company for the financial year 2008-09 is Rs. 46.72 crores as against Rs. 39.56 crores of last year.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Company as well as the employees have maintained cordial relations throughout the year. Your Company has a balanced structure of technical as well as non technical, permanent as well as contractual personnel. The management is regularly appraising the performance of its employees, providing feedback wherever necessary to improve their performance and productivity.

CAUTIONARY STATEMENT

Some of the statements in this report, particularly those relate to Management Discussion and Analysis may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ materially from those, in the event of changes in the assumptions/market conditions.



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance.

The term 'Corporate Governance' implies the system of governance encompassing practices, policies, processes and people means to secure the interest of the stakeholders, creditors, bankers, customers and other persons dealing with the Company by controlling the activities of the management with a view to establish transparency, equity and ethics in its day to day business.

The Company's philosophy on Corporate Governance is based on the objective of securing transparency in all facets of operations wherever required, ensuring timely disclosure of all material facts required under various laws applicable, promoting ethical conduct in its day to day functioning of the organization, securing compliance with all applicable laws, maximizing shareholders' return, strengthening customers' relation, promoting employees' interest by creating opportunities for them, and establishment of professionalism and integrity with in the organization.

The essence of securing compliance with the practices of Corporate Governance strengthens the relationship of the organization with its Stakeholders, Bankers, Customers, Suppliers etc. dealing with it.

The statutory requirements of the meeting of the Board of Directors and its Committees have been complied with. All the directors have been furnished with adequate notice and agenda with full details. Decisions at the meetings have been taken unanimously.

2. Board of Directors

The Board of Directors of the Company consists of eight Directors. The details of composition and categories of Directors are as follows.

Table 1

Sr. No.	Name of the Director	Category
1	Shri. Arvind S. Shah	Chairman
2	Shri. Moolchand R. Shah	Managing Director
3	Shri. Shailesh A. Shah	Executive Director
4	Shri. Ketan M. Shah	Executive Director
5	Shri. Kisan R. Choksey	Independent Director
6	Shri. Shivji R. Shah	Independent Director
7	Shri. Hasmukhlal S. Parikh	Independent Director
8	Shri. Rajendra A. Shah	Independent Director

During the financial year 2008-2009, the Board of Directors met five times. Details of Board Meeting, Audit Committee, Remuneration Committee and Share Transfer -Investor Grievance Committee Meetings held during the financial year 2008-2009 are given below.

Table 2

Meeting of	Date of the Meeting	Total members	Attendance by number of members.
Board of Directors	26.04.2008	8	8
	30.07.2008	8	5
	25.09.2008	8	7
	25.10.2008	8	4
	30.01.2009	8	7
Audit Committee	26.04.2008	3	3
	30.07.2008	3	2
	25.10.2008	3	2
	30.01.2009	3	3
Remuneration Committee	Nil	-	-
Share Transfer cum Investors Grievance Committee	Nil	-	-

The details of attendance of each Director at the Board, Audit Committee, Remuneration Committee, Investors' Grievances Committee Meeting and last AGM held during the financial year 2008-2009 and details of number of outside directorships and committee position held by each of the Directors are given below.



Table – 3

Sr. No.	Name	Attendance at Board & Committee Meeting					Outside Directorship & Committee position			
		No. of Board Meetings attended	No. of Audit Committee Meetings attended	No. of Remuneration Committee Meetings attended	No. of Share Transfer Grievance Committee Meeting attended	Annual General Meeting Yes-attended No-Did not attend	Directorship		Committee position	
							Member	Chairman	Member	Chairman
1	Shri.Arvind S. Shah	3	2	-	-	Yes	5	-	-	-
2	Shri.M. R. Shah	3	2	-	-	Yes	6	-	-	-
3	Shr.Shailesh A Shah	4	3	-	-	Yes	5	-	-	-
4	Shri.Ketan M. Shah	4	3	-	-	Yes	3	-	-	-
5	Shri.H. S. Parikh	5	4	-	-	Yes	3	-	3	5
6	Shri.Kisan R.Choksey	5	4	-	-	Yes	2	-	-	-
7	Shri R. A. Shah	5	-	-	-	Yes	-	-	-	-
8	Shri S. R. Shah	2	2	-	-	No	2	-	-	-

3. Audit Committee

The Audit Committee consists of three Independent Directors, Shri K. R. Choksey is the Chairman of the Committee, and other members of the committee are Shri H. S. Parikh and Shri S.R. Shah.

The details of the Audit committee meeting held during the financial year under review and attendance by each of the members is as shown earlier in the Table 2 & 3.

The Audit Committee has been constituted to meet the provisions of section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

This Committee has been constituted to review and supervise the reporting activity with a view to provide accurate, timely and adequate disclosure, to review the internal control system and perform other functions as may be assigned to it by the Board and as required under the Companies Act, 1956 and Clause 49, of the Listing Agreement.

4. Remuneration Committee

The Board has constituted the Remuneration Committee of the Company under the Chairmanship of Shri K. R. Choksey and membership of Shri H. S. Parikh, & Shri Rajendra A. Shah, Independent Directors of the Company.

This Committee has been constituted to review and recommend the remuneration policy of the Company and to recommend the revision in salary structure of Directors.

The details of remuneration paid to Executive Directors during the financial year 2008-2009 are given below:

Table 4

Particulars	Shri. Arvind S. Shah Chairman	Shri. Moolchand R. Shah Managing Director	Shri. Shailesh Shah Executive Director	Shri. Ketan M. Shah Executive Director
Salary	24,00,000	24,00,000	21,00,000	21,00,000
Benefit	-	-	-	-
Allowance & perquisites	8,35,220	8,35,220	5,61,212	7,08,176
Bonus	8,400	8,400	8,400	8,400
Pension	-	-	-	-
Fixed Component				
Contribution to PF Superannuation & Gratuity	9,360	9,360	9,360	9,360
Performance link incentive	-	-	-	-
Commission	-	-	-	-
Service Contract	-	-	-	-
Notice period	-	-	-	-
Severance fee Rs.	-	-	-	-
Stock Option Rs.	-	-	-	-
Total	32,52,980	32,52,980	26,78,972	28,25,936



The details of sitting fees & remuneration paid to the Non- Executive Directors during the financial year 2008-2009 are given below. Non-Executive Directors are not entitled for any remuneration other than the sitting fees.

Table 5

Sr. No.	Name of the Non-Executive Directors	Sitting Fees	Other elements of remuneration
1	Shri. Hasmukhlal S. Parikh	32,000	Nil
2	Shri. Ketan R. Choksey	32,000	Nil
3	Shri. Rajendra A. Shah	20,000	Nil
4	Shri Shivji R. Shah	16,000	Nil

5. Share Transfer cum Investors Grievance Committee

The Board has constituted the Share Transfer cum Investors' Grievance Committee of the Company under the Chairmanship of Shri K. R. Choksey and membership of Shri H. S. Parikh & Shri R. A. Shah. In the financial year under review, the meeting of the Committee has not been held.

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

As on March 31, 2009 there were no request pending for transfer of shares.

6. General Body Meetings

The details of the location and time of General Meetings during last three years are given in table.

Table - 6

Year	Location	Date & Time	Whether any Special Resolution passed
2005-2006	Cultural Hall, Yashwant Rao Chavan Pratishthan, Gen. J. Bhosale Marg, Nariman Point, Mumbai - 400 021	25.09.2006 at 4.30 P.M.	No
2006-2007	Babasaheb Dhanukar Hall, Maharashtra Chamber of Commerce & Industry Oricon House, 6th Floor, 12-K Dubhash Marg, Fort, Mumbai - 400 001	20.09.2007 at 2.30P.M.	Yes
2007-2008	Babasaheb Dhanukar Hall, Maharashtra Chamber of Commerce & Industry Oricon House, 6th Floor, 12 K Dubhash Marg, Fort, Mumbai - 400 001	25.09.2008 at 3.00 P.M.	Refer to 'Note'

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

7. Disclosures

No transaction of material nature have been entered into by the Company with its promoters, directors, their relatives or management or subsidiaries etc., that may have potential conflict with the interest of the Company.

The company has complied with the requirement of regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital market, nor have any penalty / strictures been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities on such matters, for the last three years.

The Company has not so far established 'Whistle Blower Policy'. No person has been denied access to the audit committee.

8. Means of Communication.

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

9. General Shareholders Information.

a) 29th Annual General Meeting	
Date	23rd September, 2009
Time	3.30 P.M
b) Book Closure	18.09.2009 to 23.09.2009 (both days inclusive)



c) Financial Calendar	Tentative Schedule
(i) Unaudited Financial Result for quarter ending 30.06.2009	July 2009
(ii) Unaudited Financial Results for half year/ quarter ending 30.09.2009	October 2009
(iii) Unaudited Financial Results for quarter ending 31.12.2009	January 2010
(iv) Unaudited results for quarter ending 31.03.2010	April 2010
d) Listing of Equity Shares	Stock Exchange - Mumbai, Indore, Kolkata, Delhi
e) Stock Code	513472 (BSE)
a) Trading Symbol at all Stock Exchange	Simplex Cast
b) ISIN Number in NSDL & CDSL	INE658D01011

f) Market Price Data

The high and low prices recorded on Bombay Stock Exchange

Month	High (Rs.)	Low (Rs.)	BSE Sensex (High)	BSE Sensex (Low)	Volume of Share Transferred
April 08	87.75	68.05	17480.74	15297.96	1,78,750
May 08	81.00	65.00	17735.70	16196.02	59,603
June 08	73.00	45.00	16632.72	13405.54	1,05,845
July 08	55.00	43.00	15130.09	12514.02	61,827
August 08	58.80	49.00	15579.78	14002.43	67,742
September 08	56.80	35.15	15107.01	12153.55	68,670
October 08	42.00	25.00	13203.86	7697.39	45,673
November 08	36.40	24.50	10945.41	8316.39	58,005
December 08	39.80	23.50	10188.54	8467.43	55,735
January 09	39.70	27.50	10469.72	8631.60	73,222
February-09	39.40	26.15	9724.87	8619.22	49,366
March 09	32.45	27.35	10127.09	8047.17	47,834

g. Registrar & Transfer Agent

M/s. Link Intime India Pvt. Ltd.,

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

Tel. : 022- 25963838 Fax : 022- 25946969

h. Share Transfer System

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

i) Distribution of Shareholding as on 31.3.2009

Shareholding of nominal value of		Share Holders		Detail of Shares		
Rs.	Rs.	Number	%	No. of Shares	Amount	%
Upto	5,000	4769	89.88	704051	70,40,510	11.77
5,001 -	10,000	285	5.37	235764	23,57,640	3.94
10,001 -	20,000	108	2.03	160062	16,00,620	2.67
20,001 -	30,000	42	0.79	106894	10,68,940	1.79
30,001 -	40,000	18	0.34	64587	6,45,870	1.08
40,001 -	50,000	9	0.17	42050	4,20,500	0.70
50,001 -	1,00,000	21	0.40	147304	14,73,040	2.46
1,00,001 -	& above	54	1.02	4523488	4,52,34,880	75.59
TOTAL		5306	100.00	5984200	59,84,20,000	100.000

**j. Shareholding Pattern as on 31.3.2009**

Sr. No.	Category	No. of Shares	(%) Shareholding
1.	Promoters/ Persons acting in concert	35,27,407	58.95
2.	Financial Institutions Bank & Mutual Fund	24,485	0.41
3.	Corporate Bodies	2,76,610	4.62
4.	NRI, Foreign National, OCBs & FIIS	1,73,342	2.90
5.	Indian Public	19,70,807	32.93
6.	Clearing Member	9,549	0.16
7.	Trust	2,000	0.03
	TOTAL	59,84,200	100.000

k. Dematerialisation of Share & Liquidity

The Company has arrangement with National Securities Depository Ltd. (NSDL) as well as the Central Depository Services (India) Ltd., (CDSL) for demat facility and about 75.92% of the share capital of the Company is held in demat mode as on 31.3. 2009 .

Shares of the Company as on 31.3. 2009 were actively traded on Bombay Stock Exchange and hence have good liquidity.

l. Outstanding GDRs/ADRs/Warrants

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

m. Plant Location

1) 5 Industrial Estate, Bhilai, Dist. Durg, Chhattisgarh – 490 026
Telephone No. 0788 – 2382031 / 32

2) Urla Industrial Estate, Raipur, Chhattisgarh – 492 001
Telephone No. 0771 – 2323805 / 2323483 Fax No. 0771 – 2324090

n. Address for Correspondence:

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

o. E-mail id of Compliance Officer: cs@simplexcastings.com**10. Delisting of Securities:**

The delisting application to Delhi Stock Exchange and M. P. Stock Exchange are pending before their respective delisting committees.

11. Code of Conduct Ethics for Directors and Senior Management Personnel

The code of conduct has been circulated to all the members of the Board and senior management personnel of the Company and compliance of the same has been affirmed by them. A declaration signed by the Chairman of the Company is given below;

I, hereby affirm that:

The Company has obtained from all the members of the Board and Senior, management personnel of the Company an affirmation that they have complied with the Code of Conduct for the financial year 2008-2009.

(Moolchand R. Shah)
Managing Director

12. CEO/CFO Certification:

CEO/CFO certification pursuant to clause 49(V) of the Listing Agreement is enclosed at the end of this section.

13. Auditors Certificate on Corporate Governance

As required by Clause 49 of the Listing Agreement, the Auditors Certificate is given as an Annexure to the Directors Report.



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
SIMPLEX CASTINGS LIMITED

We have examined the Compliance of Conditions of Corporate Governance by Simplex Castings Limited for the year ended on 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

We state that no investors grievances are pending for a period exceeding 1 month against the company as on 31st March, 2009 as per the records maintained by the Registrars and Share Transfer Agents of the Company and presented to the Shareholders/Investors Grievance Committee.

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

For TAUNK & SRIKANTH
Chartered Accountants

(N. K. Taunk)
Partner

Membership no. 30421

Place : Bhilai
Date : 3rd August, 2009.



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

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

Dear Sirs,

CEO/CFO CERTIFICATION

We, Moolchand R. Shah, Managing Director with D. G. M. (Finance) of the Company hereby certified to the Board that:

- a) We, have reviewed financial statements and the cash flow statement for the year 2008-2009 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any Material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) They are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent or illegal of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reportings and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that:
 - i) There has not been any significant change in the internal control over financial reporting during the year under review.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements and,
 - iii) To the best of our knowledge and belief, there was no instance of any significant fraud during the year with the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **SIMPLEX CASTINGS LIMITED.**

(P. M. Turate)
D.G.M. (Finance)

(Moolchand R. Shah)
Managing Director

Date : 23rd July, 2009.
Place: Bhilai

**AUDITORS' REPORT**

To,

The Members of
SIMPLEX CASTINGS LIMITED,

We have audited the attached Balance Sheet of **SIMPLEX CASTINGS LIMITED** as at 31st March, 2009 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we state that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of Account as required by law, have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet and the Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representation from the directors as on 31st March, 2009, and taken on records by the Board of Directors in their meeting, we report that, none of the directors is disqualified as on 31st March, 2009 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956:
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies, and other Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009
 - (ii) in the case of the Profit & Loss Account, of the profit for the year ended on that date and
 - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For TAUNK & SRIKANTH
(Formerly N. K. TAUNK & CO.)
Chartered Accountants

(N.K. Taunk)
Partner

Membership No. 30421

Place : Bhilai

Dated : 3rd August, 2009.



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our report of even date)

- i) In respect of its Fixed Assets:-
- The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - In our opinion the company has not disposed of substantial part of the fixed assets during the year and the going concern status of the company is not affected.
- ii) In respect of its Inventories:-
- As explained by the management, the Inventories have been physically verified by the management during the year.
 - In our opinion and according to the information and explanation given to us the procedures of physical verification of stocks followed by the management were found to be reasonable and adequate in relation to the size of the company and nature of business.
 - In our opinion and according to the information and explanations given to us the company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stock and book records were not significant and the same have been properly dealt with in the books of account.
- iii) In respect of the loans, secured and unsecured, granted or taken by the company to/from companies, firms and other parties covered in the register maintained u/s 301 of the Companies Act, 1956:-
- The company has not granted any loans, secured or unsecured loan to companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956, and accordingly clause iii(b), iii(c) and iii(d) of paragraph 4 of the Order are not applicable to the company.
 - The company has taken loan from three companies covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of loan taken was the same at Rs. 92.56 lacs. (Clause 4(iii)(e) of the Order)

In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loan has been taken from companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956, were prima facie not prejudicial to the interest of the company.(Clause 4(iii)(f) of the Order)

According to the information and explanations given to us, there is no stipulation as to repayment of principal and interest, eventhough interest is credited to the respective party's account at the year end. (Clause 4(iii)(g) of the Order)
- iv) In our opinion and according to the information and explanation given to us during the course of our audit, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchases of stores, raw-materials, plant & machinery, equipments and other assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- v) In respect of the transaction covered u/s 301 of the Companies Act 1956:-
- To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained u/s 301 of the Companies Act, 1956 have been so entered.
 - In our opinion and according to the information given to us the transactions made in pursuance of the contracts or arrangements entered in the register maintained u/s 301 of the Companies Act,1956 aggregating during the year to Rs.5,00,000/- or more in respect of any party were made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.



- vi) The company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA or any other relevant provisions of the Act and the rules made thereunder are applicable.
- vii) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- viii) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products manufactured by the company.
- ix) In respect of statutory dues:-
- a) According to the information and explanations given to us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other dues have generally been regularly deposited with the appropriate authorities barring slight delay in few cases. According to the information and explanations given to us no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2009 for a period of more than six months from the date of becoming payable.
- b) The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl No	Name of Statute	Nature of Dues	Forum where dispute is pending	Period	Amount in lacs
1	Central Excise Act	Excise Duty	High Court, Bilaspur	2003-04	1.72
			Central Excise & Service Tax Appellate Tribunal (CESTAT)	2003-04	0.80
			Commissioner (Appeals)	2005-06	4.75
2.	Central Sales Tax Act Chatisgarh Commercial Tax Act	CST Tax CGST Entry Tax	Dy. Commissioner (Appeals)	2004-05	6.03
					39.97
					3.78
3.	Income Tax Act	Income Tax	Appellate Tribunal ---do---	2001-02	3.65
				2004-05	3.62

- x) The company does not have accumulated losses and has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to financial institutions/banks. The Company has not issued any debentures.
- xii) In our opinion and according to the information and explanation given to us no loans or advances have been granted by the company on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
- xiv) In our opinion and according to the information and explanation given to us the company is not dealing in or trading in shares, securities and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xv) The company has not given guarantee for loans taken by others from banks or financial institutions.
- xvi) In our opinion and on the basis of information and explanation given to us, the term loans were applied for the purpose for which they were obtained.



- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that the company has utilised Rs.151.32 lacs raised from short term sources towards long-term investment.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- xix) In our opinion and according to the informations and explanations given to us the company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xx) During the period covered by our audit report, the company has not raised any money by way of public issue.
- xxi) In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For TAUNK & SRIKANTH

(Formerly N. K. TAUNK & CO.)

Chartered Accountants

(N.K. Taunk)

Partner

Membership No. 30421

Place : Bhilai

Dated : 3rd August, 2009

**BALANCE SHEET AS ON 31ST MARCH, 2009**

	Schedule No.	Current Year Rs.	Previous Year Rs.
SOURCES OF FUNDS :			
A) Shareholders' Funds			
a) Share Capital	I	59,842,000	59,842,000
b) Reserves & Surplus	II	407,367,667	335,744,612
		<u>467,209,667</u>	<u>395,586,612</u>
B) Loan Funds			
a) Secured Loans	III	458,354,728	488,340,918
b) Unsecured Loans	IV	65,383,761	65,951,882
		<u>523,738,489</u>	<u>554,292,800</u>
C) Deferred Tax Liability (Net) (Refer Note 17 of Sch-XVIII)		50,244,122	42,351,026
Total :		<u>1,041,192,278</u>	<u>992,230,438</u>
APPLICATION OF FUNDS :			
A) Fixed Assets	V		
a) Gross Block		1,108,289,446	994,496,917
b) Less: Depreciation		566,152,645	533,271,720
c) Net Block		542,136,801	461,225,197
d) Capital Work in Progress		17,488,574	30,802,252
		<u>559,625,375</u>	<u>492,027,449</u>
B) Investments	VI	964,897	920,810
C) Current Assets, Loans & Advances	VII		
a) Inventories		308,462,695	321,890,690
b) Sundry Debtors		425,337,694	432,911,028
c) Cash & Bank Balance		33,276,754	28,808,973
d) Other Current Assets		3,164,850	1,573,461
e) Loans & Advances		158,685,090	172,629,234
		<u>928,927,083</u>	<u>957,813,386</u>
Less : Current Liabilities & Provisions	VIII		
a) Current Liabilities		330,947,647	372,479,385
b) Provisions		117,377,430	86,051,822
		<u>448,325,077</u>	<u>458,531,207</u>
Total :		<u>1,041,192,278</u>	<u>992,230,438</u>

Significant Accounting Policies - XVII

Notes forming part of Accounts - XVIII

As per our attached report

For and on behalf of the Board

For **TAUNK & SRIKANTH**
Chartered Accountants**Moolchand R. Shah**
Managing Director**(N. K. TAUNK)**
Partner
Membership No. 30421
Bhilai : 3rd August, 2009**Sandeep Kumar Mishra**
Company Secretary**Shailesh A. Shah**
Executive Director

Mumbai : 31st July, 2009



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule No.	Current Year Rs.	Previous Year Rs.
INCOME :			
Sales (Net)	IX	1,919,299,536	1,695,779,255
Less : Excise Duty		202,554,408	200,759,903
		1,716,745,128	1,495,019,352
Works Contract Receipt (TDS Rs. 2,55,845 (Pr. Yr. Rs.Nil)		20,917,914	--
Other Income	X	16,001,654	9,144,431
Increase / (Decrease) in Stock	XI	50,139,365	22,431,860
TOTAL : (A)		1,803,804,061	1,526,595,643
EXPENDITURE :			
Consumption of raw-materials; Components, Spares & Stores	XII	1,036,455,680	869,189,210
Payments & Other benefits to employees.	XIII	73,911,053	61,431,743
Manufacturing & Other Expenses	XV	405,090,855	384,405,126
Work Contract Expenses	XV	13,000,949	--
Financial Charges	XVI	97,103,113	64,139,447
Depreciation		42,822,520	40,883,969
Less: Trf. from Reval. Reserve		5,743,478	5,921,586
		37,079,042	34,962,383
TOTAL : (B)		1,662,640,692	1,414,127,909
PROFIT BEFORE TAX	(A-B)	141,163,369	112,467,734
Less: Provision for Current Tax		41,000,000	29,000,000
Provision for Fringe Benefit Tax		1,025,000	1,050,000
Deferred Tax Liability/(Asset) (Refer Note 17 of Sch-XVIII)		7,893,096	9,932,218
PROFIT AFTER TAX		91,245,273	72,485,516
Balance b/f.from last year		75,801,990	48,476,456
		167,047,263	120,961,972
Add: Credits of earlier year/excess provision written back		149,588	--
		167,196,851	120,961,972
Less: Debits of earlier year/Short IT prov.		528,367	4,658,160
PROFIT AVAILABLE FOR APPROPRIATION		166,668,484	116,303,812
Proposed Dividend @ 20% (15%)		11,968,400	8,976,300
Tax on Proposed Dividend		2,034,030	1,525,522
Transfer to General Reserve		48,274,576	30,000,000
SURPLUS CARRIED TO BALANCE SHEET		104,391,478	75,801,990
Significant Accounting Policies - XVII			
Notes forming part of Accounts - XVIII			

As per our attached report.

For and on behalf of the Board

For TAUNK & SRIKANTH
Chartered Accountants

Moolchand R. Shah
Managing Director

(N. K. TAUNK)
Partner
Membership No. 30421
Bhilai : 3rd August, 2009

Sandeep Kumar Mishra
Company Secretary

Shailesh A. Shah
Executive Director

Mumbai : 31st July, 2009



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULE - I**SHARE CAPITAL :**A) **AUTHORISED :**

7500000 Equity Shares
of Rs. 10/- each.
TOTAL :

75,000,000

75,000,000

75,000,00075,000,000B) **ISSUED :**

6093000 Equity Shares
of Rs.10/- each.

60,930,000

60,930,000

C) **SUBSCRIBED & PAID UP :**

5984200 Equity Shares of
Rs. 10/- each fully paid-up.

59,842,000

59,842,000

TOTAL :

59,842,00059,842,000**NOTE:**

Above 5984200 Equity Shares include 650000 shares issued for consideration other than cash and 2400000 shares allotted as fully paid Bonus Shares by capitalisation of General Reserve.

SCHEDULE - II**RESERVES & SURPLUS :**1. **Capital Reserves :**

As per last Balance Sheet

625,258

625,258

2. **Revaluation Reserve :**

As per last Balance Sheet

58,205,264

64,126,850

Add : Transfer from Fixed Assets

502,469

--

58,707,733

64,126,850

Less :Transfer to General Reserve

1,725,424

--

: Transfer to Profit & Loss A/c

5,743,478

7,468,902

5,921,586

51,238,831

58,205,264

3. **Share Premium Account :**

As per last Balance Sheet

51,112,100

51,112,100

4. **General Reserve :**

As per last Balance Sheet

150,000,000

120,000,000

Add : Transfer from Revaluation Reserve

1,725,424

--

151,725,424

120,000,000

Add : Transfer from Profit & Loss A/c

48,274,576

30,000,000

200,000,000150,000,0005. **Profit & Loss Account**

TOTAL :

104,391,478

75,801,990

407,367,667335,744,612


SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2009

	Current Year Rs.	Previous Year Rs.
SCHEDULE - III		
SECURED LOANS :		
1. From Banks :		
i) Cash Credit	76,194,163	79,874,659
ii) Export Packing Credit	=	72,448,433
iii) W. C. D. L.	257,731,805	203,658,121
iv) Stand-by Line of Credit	22,661,242	--
v) Term Loan (Amount repayable within one year Rs. 31,564,800/- Pr. Yr. Rs. 26,400,000/-).	99,746,102	127,952,279
vi) Vehicle Loan	1,475,359	3,025,284
vii) Accrued Interest on Term Loans	546,057	1,382,142
	<u>458,354,728</u>	<u>488,340,918</u>
NOTES :		
1) Loans from Banks (State Bank of India (SBI) and Bank of Baroda (BOB)) under Cash Credit facilities and Stand by Line of Credit are secured by 1st Pari Passu charge by way of Hypothecation / Pledge of entire Current Assets including Raw-Materials, Stock-in-Process, Finished Goods, Stores & Spares at factory premises or such other places as may be approved by bank and assignment of Book Debts both present and future and 2nd Pari-passu charge on the entire Fixed Assets (existing & proposed) of the company by way of hypothecation/ mortgage.		
2) Term Loans from Banks (State Bank of India (SBI) & Bank of Baroda (BOB)) are secured by 1st Pari Passu charge by way of Equitable Mortgage of factory leasehold land located at Bhilai and Urla including hypothecation of Plant & Machineries and entire existing and proposed Fixed Assets of the company and 2nd Pari-passu charge on the entire Current Assets of the company by way of hypothecation/pledge.		
3) Vehicle Loan from Banks are secured by Hypothecation of respective vehicles purchased under the loan.		
SCHEDULE - IV		
UNSECURED LOANS :		
1. From Shareholders	46,924,606	39,197,474
From Companies	9,256,256	7,730,594
3. From Others	3,560,438	1,174,025
	<u>59,741,300</u>	48,102,093
Interest accrued & due thereon	--	4,533,122
	59,741,300	<u>52,635,215</u>
4. Security Deposits	729,967	356,797
5. M.P.A.K.V.N. - Loan A/c : (Interest free loan under Sales Tax Deferment Scheme for Unit in Industrial Growth Centre.) (Amount repayable within one year - Rs. 49,12,494/- - previous year Rs.79,69,255/-)	4,912,494	12,959,870
	<u>65,383,761</u>	<u>65,951,882</u>

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2009

**SCHEDULE - V
FIXED ASSETS:**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31/3/2008	Add./ Adj. during the year	Ded./ Adj. during the year	Total As on 31/3/2009	Up to 31/3/2008	Adju./ Dedn.	Provided during the year	Total up to 31/3/2009	As on 31/03/2008	As on 31/03/2009
Tangible Assets										
1. Land	23211990	1569820	-	24781810	-	-	-	-	23211990	24781810
2. Building	180768055	28923382	-	209691437	68211216	-	5561441	73772657	112556839	135918780
3. Plant & Machinery	543608016	87593302	11300000	619901318	264005540	9939141	23725046	277791445	279602476	342109873
4. Mould Boxes	84178704	3429603	-	87608307	73678124	-	3207243	76885367	10500580	10722940
5. Patterns	99428547	-	-	99428547	91159270	-	2480783	93640053	8269277	5788494
6. Office Equipments	5878076	538776	-	6416852	2926474	-	457155	3383629	2951602	3033223
7. Furniture & Fixtures	7217276	277059	-	7494335	3735248	-	646368	4381616	3482028	3112719
8. Computers	15823097	1033409	-	16856506	12416956	-	1555640	13972596	3406141	2883910
9. Vehicles	26501343	1659578	65000	28095921	15149825	2454	3191445	18338816	11351518	9757105
10. Jigs & Fixtures	24818	-	-	24818	24818	-	-	24818	-	-
Sub Total	986639922	125024929	11365000	1100299851	531307471	9941595	40825121	562190997	455332451	538108854
Intangible Assets										
11. Software	832156	132600	-	964756	208039	-	241189	449228	624117	515528
12. Know-how	7024839	-	-	7024839	1756210	-	1756210	3512420	5268629	3512419
Sub-Total	7856995	132600	-	7989595	1964249	-	1997399	3961648	5892746	4027947
Total	994496917	125157529	11365000	1108289446	533271720	9941595	42822520	566152645	461225197	542136801
Prev. Year : Rs.	824034404	172119892	1657379	994496917	493815096	1427345	40883969	533271720	330219308	461225197
Work in Progress :										
Building									1567666	1250245
Plant & Machinery									13134434	11323551
Advances on Capital A/c									16100152	4914778
									30802252	17488574
									492027449	559625375
									GRAND TOTAL	





SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2009.

	Current Year Rs.	Previous Year Rs.
SCHEDULE - VI		
INVESTMENT (At Cost) :		
LONG TERM INVESTMENTS		
(a) In Government Securities : Unquoted		
7 Years National Saving Certificates deposited with Superintendent, Central Excise, Bhilai.	29,750	29,750
NSC deposited with Sales Tax Dept. S. R. Post Master, Raipur	5,000 1,060	5,000 1,060
(b) Non Trade Investment :		
<u>Quoted</u> (Fully paid equity shares) 7200 Equity Shares of Rs.10/- each of Industrial Development Bank of India. (Incl 2700 Bonus) (M.V. as on 31.03.2009 Rs. 326,880/- - previous year Rs.6,41,160/-)	585,000	585,000
(c) SBI MF- Magnum Comma Funds		
24956 (22044) Units of Rs. 10/- each (M.V. as on 31.03.2009 Rs. 255,300/- Previous Year Rs. 413,325/-)	274,087	230,000
(d) Investment in the Capital of partnership firm (Refer Note 8 of Sch. XVIII)		
	70,000	70,000
TOTAL :	<u>964,897</u>	<u>920,810</u>
SCHEDULE - VII		
CURRENT ASSETS, LOANS & ADVANCES :		
A. CURRENT ASSETS :		
1. Stock in Trade :		
(As per inventory taken, valued and certified by the management) Refer note G of Schedule XVII for valuation)		
a) Raw-materials, Components, Stores & Spares	127,811,040	191,378,400
b) Semi-finished goods	150,730,000	111,288,600
c) Finished goods	29,389,870	19,223,690
d) Works Contract in Progress	531,785	--
	<u>308,462,695</u>	<u>321,890,690</u>
2. Sundry Debtors :		
(unsecured considered good unless otherwise stated).		
a) Debts outstanding for a period exceeding 6 months.	71,052,846	62,632,931
b) Other Debts	<u>354,284,848</u>	<u>370,278,097</u>
(refer Note 9 of Schedule - XVIII)	425,337,694	432,911,028
3. Cash & Bank Balance		
a) Cash in hand	302,998	70,013
b) Balance with scheduled Bank		
i) in time deposit	*22,557,549	*20,500,000
ii) in current account	<u>10,416,207</u>	<u>8,238,960</u>
	33,276,754	28,808,973
4. Other Current Assets		
Income receivable	3,164,850	1,573,461



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2009

		Current Year Rs.	Previous Year Rs.
B. LOANS AND ADVANCES :			
Advances recoverable in cash or in kind or values to be received (unsecured and considered good by the Directors.) (refer note no.11 of Schedule-XVIII)	31,478,594		59,123,782
Advance Income Tax (Incl FBT)	91,432,455		69,219,404
Other deposits (S.D.)	26,378,303		29,099,713
Balance with Excise/Sales Tax Dept.	<u>9,395,738</u>		<u>15,186,335</u>
		<u>158,685,090</u>	<u>172,629,234</u>
TOTAL :		<u>928,927,083</u>	<u>957,813,386</u>
* Time Deposits of Rs. 22,557,549/- with the Banks are endorsed and pledged with State Bank of India & Bank of Baroda towards :			
i) Security for Bank Guarantees against EMD/Performances/Advances		12,500,000	9,021,462
ii) Margin Money for Letter of Credit		10,057,549	11,478,538
TOTAL :		<u>22,557,549</u>	<u>20,500,000</u>
SCHEDULE - VIII			
CURRENT LIABILITIES & PROVISIONS :			
A. Current Liabilities :			
Advances from Customers		72,345,298	38,749,765
Sundry Creditors			
- Micro, Small & & Medium Enterprise (Refer note 13 of schedule xviii)			
- Other	163,822,253		259,046,795
		<u>163,822,253</u>	<u>259,046,795</u>
Liabilities for Expenses		85,209,253	67,716,321
Other Liabilities		8,622,853	6,257,773
Unpaid Dividend		947,990	708,731
		<u>330,947,647</u>	<u>372,479,385</u>
B. Provisions :			
i) For Proposed Dividend		11,968,400	8,976,300
ii) For Tax on Dividend		2,034,030	1,525,522
iii) For Fringe Benefit Tax (net of payment)		2,875,000	1,050,000
iv) For Taxation		100,500,000	74,500,000
		<u>117,377,430</u>	<u>86,051,822</u>
TOTAL : (A + B)		<u>448,325,077</u>	<u>458,531,207</u>

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2009. As informed by management these amounts shall be paid to the said fund as and when they become due.


SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2009

	<u>Current Year</u> Rs.	<u>Previous Year</u> Rs.
SCHEDULE - IX		
SALES :		
Sale of Goods	1,917,269,126	1,683,200,481
Job Contract Receipts (TDS Rs. 52,043/- Pre. Yr. 91,332/-)	2,030,410	12,365,326
Sale of Services	-	213,448
TOTAL :	<u>1,919,299,536</u>	<u>1,695,779,255</u>
SCHEDULE - X		
OTHER INCOME :		
Miscellaneous Receipts	1,601,721	1,326,454
Dividend Income (Gross)	58,487	10,800
Profit on Sale of Assets	-	182,466
Excise Duty Refund / Sales Tax Refund	1,411,184	-
Exchange Rate Fluctuation	-	211,393
Interest (Gross) (TDS Rs. 1,694,383/- Pre. Yr. Rs. 886,454/-)	7,617,796	4,023,556
Sale of DEPB Licence	5,312,466	3,389,762
TOTAL :	<u>16,001,654</u>	<u>9,144,431</u>
SCHEDULE - XI		
INCREASE/DECREASE IN STOCK :		
Closing Stock :		
- Semi Finished goods	150,730,000	111,288,600
- Finished goods	29,389,870	19,223,690
- Work Contract in Progress	531,785	-
	(A) <u>180,651,655</u>	<u>130,512,290</u>
Opening Stock :		
- Semi Finished goods	111,288,600	91,951,860
- Finished goods	19,223,690	16,128,570
	(B) <u>130,512,290</u>	<u>108,080,430</u>
INCREASE/(DECREASE) :	(A-B) <u>50,139,365</u>	<u>22,431,860</u>
SCHEDULE - XII		
CONSUMPTION OF RAW-MATERIALS, COMPONENTS, SPARES & STORES. :		
Opening Stock	191,378,400	117,500,110
Add : Purchase (TCS Rs. Nil- Pre. Yr. Rs. 144,800/-)	972,888,320	943,067,500
	<u>1,164,266,720</u>	<u>1,060,567,610</u>
Less : Closing Stock	127,811,040	191,378,400
NET CONSUMPTION	<u>1,036,455,680</u>	<u>869,189,210</u>



SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULE - XIII**PAYMENT & OTHER BENEFITS TO EMPLOYEES**

	Current Year Rs.	Previous Year Rs.
Salaries, Wages & Bonus	63,777,734	52,386,412
Contribution to PF & FPF	3,415,018	3,214,589
Gratuity	775,135	1,445,157
Welfare Expenses	5,943,166	4,385,585
TOTAL :	73,911,053	61,431,743

SCHEDULE - XIV**MANUFACTURING & OTHER EXPENSES :**

Testing/Laboratory Charges	2,168,056	305,476
Off Loading/Contract Labour Charges	122,112,272	105,792,559
Power & Fuel	102,410,420	92,003,733
Freight, Forwarding & Handling Charges	46,858,622	59,547,567
Repairs & Maintenance		
- Buildings	3,854,456	3,773,065
- Plant & Machinery	37,675,158	37,884,851
- Vehicles	3,720,522	3,307,447
- Other Assets	5,099,156	4,650,530
Rent, Rates & Taxes	4,585,804	1,651,661
Insurance	2,657,846	2,589,504
Printing & Stationery, Postage & Telegram, Telephone, Telex etc.	4,166,852	4,116,894
Legal, Professional & Consultancy Fee.	3,111,042	2,759,168
Advertisement, Sales Promotion, Subscription & Membership Fees	2,864,928	2,270,802
Donation	1,243,617	1,309,968
Travelling & Conveyance Expenses (Including Directors Travelling Rs. 1,467,705/- Previous year Rs. 993,500/-)	9,678,058	10,693,181
Commission	25,186,091	8,825,341
Payment to Auditors :		
- Audit Fees	275,000	275,000
- For Tax Audit	25,000	25,000
- Other Services	54,000	54,000
- Out of Pocket Expenses	8,425	1,950
Directors Remuneration	362,425	355,950
Sales Tax/Excise Duty	12,010,868	9,367,506
Miscellaneous Expenses	820,797	4,364,085
Liquidated Damages (Net)	872,334	744,901
Loss on Sale of Assets	9,909,910	28,090,937
	927,140	-
TOTAL :	405,090,855	384,405,126

SCHEDULE - XV**WORKS CONTRACT EXPENSES :**

Purchases and Other Expenses (Including Salary & Wages, Freight, Selling expenses etc. but excl. Depreciation) (Net)	13,000,949	-
TOTAL :	13,000,949	-

SCHEDULE - XVI**FINANCIAL CHARGES :**

Interest to Bank & Others :		
-Fixed Period Loans	12,198,217	9,653,391
-Others	66,729,912	45,204,563
Bank Commission	78,928,129	54,857,954
	18,174,984	9,281,493
TOTAL :	97,103,113	64,139,447



SCHEDULE - XVII

SIGNIFICANT ACCOUNTING POLICIES :

(A) Basis of Accounting

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

(B) Revenue Recognition

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

(C) Capital Subsidy

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

(D) Fixed Assets & Depreciation**Gross Block**

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

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

Depreciation

* The Company provides depreciation under written down value method (at rates prescribed under Schedule XIV of Companies Act, 1956) except in the case of Building and Plant & Machineries in which case depreciation is provided as per straight line method pursuant to section 205(2)(b) of Companies Act, 1956.

* In the case of revalued assets, the additional charge of depreciation pertaining to revaluation amount is withdrawn from the Revaluation Reserve and adjusted to the depreciation charged in accounts.

* Depreciation on addition to or sale/discardment of assets is calculated prorata from the date of such additions or upto the date of sale/discardment as the case may be.

* Intangible Assets are stated at cost of acquisition less accumulated amortisation. Computer Software (Purchase cost, User licence fees etc.), Technical Know-how are amortised over a period of 4 years. Amortisation is done on Straight Line Method.

(E) Impairment of Assets

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

F) Investments

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

(G) Inventory

* Raw and Packing Materials are valued at cost or market value whichever is lower. Cost includes taxes and duties other than credits under CENVAT.

* Finished and Semi finished goods are valued at lower of cost and net realisable value. They include cost of conversion and other costs incurred in bringing them to their present condition. Stock against cancelled orders or without any sale orders are suitably depreciated as market value is not ascertainable

* Machinery Spares & Tools are valued at lower of cost or market value.

(H) Borrowing Cost

Borrowing costs that are attributable to the acquisition, production or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

**(I) Excise & Customs Duty**

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

(J) Foreign Exchange Transactions

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

(K) Retirement Benefits

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

(L) Export incentives are accounted for on cash basis**(M) Research and Development Expenditure**

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

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

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

(O) Taxation

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

(P) Provisions & Contingent Liabilities

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

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



SCHEDULE XVIII

NOTES ON ACCOUNTS :

1. Contingent Liabilities :

(Rs. in lacs)
Previous Year

	Current Year	Previous Year
a) i) Bank Guarantees (includes expired BGs-Rs.1.00 lacs - Pre. Yr. Rs. Nil)	1796.31	995.59
ii) Letters of Credit Times deposits pledged with banks agst. (a-i) above	1135.35 125.00	2295.71 90.21
b) Excise/Service Tax matters	7.27	55.45
c) Sales Tax matters	49.78	-
d) Income Tax matters	7.27	18.71
e) Penalties for late deliveries/liquidated damage in respect of contracts are accounted for as and when claims are received and accepted. Aggregate amount of possible claims as at the year end is not ascertained.		
f) Pursuant to the judgement of the State Industrial Court, Raipur, on the labour case relating to strike declared in the year 1990, the Company has been directed to pay compensation to the retrenched workers amounting to Rs.82.80 lacs in total. However the company has obtained a stay against the said order from the High Court, Bilaspur vide order dated 28.11.2001, on account of a petition contending the order which is yet to be heard. Since the management is hopeful of favourable decision, no provision has been made in the accounts for the said liability of Rs. 82.80 lacs.		
g) Pursuant to the interim judgement of the Honourable High Court, Bilaspur in the case relating to levy of Terminal Tax by Municipal Corporation, Bhilai, the Company has been directed to deposit 50% of the tax demand for the period upto 31st December, 2001 subject to which the balance 50% has been stayed. Accordingly the company deposited Rs.5.83 lacs on 14.02.02. However the said amount covers about 50% of the full liability (100%) upto 31.03.2005. The petition is yet to be heard. However from 2005-2006 onwards the company is making a provision / payment only for 50% of the tax liability for the respective year on the basis of the interim judgement. Since the management is hopeful of favourable decision no provision is being made in the accounts for the balance 50% of the liability.		

2. Interest on Investments under lien & custody of Government Departments and Export Incentives, the quantum of which are unascertainable with reasonable certainty, continue to be accounted for on Cash basis.

3. a) Sales include sale of scrap / surplus raw materials from manufacturing units. Sales and Job work receipts are exclusive of :

i) Sales Tax Rs. 5,71,16,936/- (Previous Year Rs. 5,01,04,198/-)

b) Sales of goods include direct & indirect exports as under;

- Direct Exports Rs. 14,67,53,945/- (Previous Year - Rs.21,93,74,162/-)

- Indirect Exports Rs. 38,322/- (Previous Year - Rs. 12,10,523/-)

4. During the year ending 31-03-2009 the company has generally worked on single shift. Hence depreciation has been provided on single shift basis.

5. Pursuant to Accounting Standard (AS) 28, as explained to us, there being no indication of impairment of assets, no loss has been recognised on this account by the company.

6. Sundry Debtors and other debit and credit balances are subject to confirmation.

7. Previous year's figures have been re-arranged & re-grouped wherever necessary to conform to the classifications and make them comparable with those of current year.



8. Information in respect of investment in Partnership firm :

a) Name of the firm : M/s Simplex Agricultural Farm, Simplex Colony, G.E Road, Malviya Nagar, Durg (C.G.)

b) Investment in the firm as on	31.03.2009	Rs. 70,000
	(31.03.2008)	Rs. (70,000)
c) Name of partners, their share in profit loss and contribution to capital of firm.	% of Profit	Capital
	<u>or loss</u>	<u>Rs</u>
i) Simplex Castings Ltd.	25	70,000
		(70,000)
ii) Simplex Engg. & Foundry Works Pvt. Ltd.	25	Nil
		(Nil)
iii) Sim Shah Estate & Trading Co. Pvt. Ltd.	50	1,40,000
		(1,40,000)
d) Total Capital of the firm	100	2,10,000
		(2,10,000)
e) Share of profit/loss from the firm for the year ended	31.03.2009	Nil
	(31.03.2008)	(Nil)

9. Debtors include dues from companies under the same management, as detailed below :

<u>Name of the Company</u>	<u>Current Year</u>	<u>Prev. Year</u>
	<u>Rs.</u>	<u>Rs.</u>
Sangam Forgings (P) Ltd.	4,63,53,976	1,35,86,173

10. Some of the Bank Balances are subject to reconciliation and balance confirmation.

11. Advances recoverable in cash or kind includes advances to companies / firms under the same management details of which are as follows :

<u>Name of the Company</u>	<u>Current Year</u>	<u>Prev. Year</u>
	<u>Rs.</u>	<u>Rs.</u>
Sangam Forgings (P) Ltd.	1,06,64,246	97,26,316

12. As per the accounting policy followed by the company the valuation of Finished Goods is inclusive of excise duty. Accordingly the value of Finished Goods in Profit & Loss A/c include the amount of excise duty. Correspondingly the amount of such duty on finished goods has been debited to Excise Duty Expenses in the Profit & Loss A/c with an equivalent credit amount carried forward in the Balance Sheet under the head "Liability for Expenses". As a result the effect of the same on the profit for the year is 'Nil'.

13. There are no Micro, Small & Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2009. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the information available with the Company.



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

I) PARTICULARS IN RESPECT OF GOODS MANUFACTURED :	INSTALLED CAPACITY	ACTUAL PRODUCTION
AT BHILAI :	MT	MT
i) Cast Iron Castings / Components Metallurgical Industry.	15000 (15000)	# 9120 (8955)
ii) Fabricated Equipments	1800 (--)	1035 (245)
iii) MS / Forging quality Ingots	1000 (1000)	-- (--)
AT URLA :		
i) Steel Castings, Special Alloy, Iron & SG Iron Castings.	10000 (10000)	8213 (9243)
ii) Equipment & Spares	500 (500)	-- (--)
iii) MS / Forging quality Ingots	15000 (15000)	1378 (1399)

- Includes production of 52.36 m/t (value Rs. 33.93 lacs) for internal use.

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

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

	Opening Stock		(M/T)	Sales Rs. in lacs	Closing Stock	
	(M/T)	Rs. in lacs			(M/T)	Rs. in lacs
Manufacturing :						
1) C.I.Castings and Equipments	80 (92)	41.54 (58.08)	8037 (8158)	5806.37 (5418.23)	254 (80)	161.98 (41.54)
2) Steel Castings & SG Iron Castings (Bhilai)			274 (588)	190.70 (275.64)		
3) Fabricated Equipments			798 (245)	990.44 (235.93)	5 (--)	4.61 (--)
4) Steel Castings, Special Alloy & SG Iron Castings	366 (192)	113.438 (50.21)	584 (9384)	9247.28 (7996.21)	113 (366)	103.11 (113.43)
5) MS / Forging quality Ingots	84 (117)	37.27 (52.99)	1362 (1402)	668.34 (752.91)	57 (84)	24.20 (37.27)
6) Raw-Material						
- Scrap/Pig Iron	3518 (2537)	797.33 (373.40)	663 (2)	187.38 (2.01)	1833 (3518)	379.06 (797.33)
- Steel	296 (153)	102.76 (53.64)	67 (330)	38.72 (109.65)	559 (296)	173.94 (102.76)
- Coke	81 (127)	9.12 (9.17)	3 (--)	0.24 (--)	67 (81)	6.95 (9.12)
- Others		1004.57 (738.79)		17.68 (33.83)		718.167 (1004.57)
7) Others - Services & Job - - Contract Receipts				20.30 (125.79)		

Note: Sales are exclusive of inter-unit transfers.



III) ANALYSIS OF RAW MATERIAL CONSUMED :

	(M/T)	Current Year Rs. in lacs	(M/T)	Previous Year Rs. in lacs
Iron Scrap (incl. Pig Iron)	9915	2435.22	9311	2012.69
Steel Scrap	10568	2237.00	12400	2853.55
Steel	1392	660.40	1173	446.19
Coke	929	140.87	913	76.24
Other Components, Consumables, Stores & spares		4891.07		3303.22
		<u>10364.56</u>		<u>8691.89</u>

Notes :

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

IV) ANALYSIS OF RAW-MATERIALS CONSUMED :

	Rs.in Lacs	% to total
Indigenously obtained	10157.39	98.00
	-(8453.49)	(97.26)
Imported at landed cost	207.17	2.00
	(238.40)	(2.74)
	<u>10364.56</u>	<u>100.00</u>
	<u>(8691.89)</u>	<u>(100.00)</u>

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

V) VALUE OF IMPORTS ON CIF BASIS :

	Current Year Rs.	Previous Year Rs. :
Raw Materials	1,72,43,532	1,88,12,338
Capital Goods - Machinery	5,05,27,014	7,07,75,297
	<u>6,77,70,546</u>	<u>8,95,87,635</u>

VI) DIRECTORS REMUNERATION :

	Current Year Rs.	Previous Year Rs. :
a) Salaries	90,00,000	67,50,000
b) Bonus	33,600	33,600
c) Contribution to P.F.	37,440	37,440
d) L T C	7,50,000	750,000
e) Medical (Policy)	97,328	1,08,966
f) House Rent Allowance	11,92,500	10,12,500
g) Others	9,00,000	6,75,000
Total	<u>120,10,868</u>	<u>93,67,506</u>

VII) EXPENDITURE IN FOREIGN CURRENCY :

	Current Year Rs.	Previous Year Rs. :
Travelling Expenses	9,25,579	24,67,665
Export Promotion Expenses	18,51,025	19,56,224
Project Expenses	21,86,750	-
Subscription & Membership	-	28,782
Consultancy	-	7,16,382
Machinery Repairs	24,17,499	2,24,082
Total	<u>73,80,853</u>	<u>53,93,135</u>

VIII) EARNINGS IN FOREIGN EXCHANGE :

	Current Year Rs.	Previous Year Rs. :
FOB value of Exports	14,62,75,659	20,91,62,381
	<u>14,62,75,659</u>	<u>20,91,62,381</u>

15. Earnings per share :

	Current Year Rs.	Previous Year Rs. :
a) Profit after tax per Profit & Loss A/c (Rs. in Lacs)	912.45	724.86
b) Weighted average number of equity shares outstanding	5984200	5984200
c) Basic and diluted earnings per share in rupees (face value - Rs. 10/- per share.)	15.25	12.11



16. Information on related party transactions as required by Accounting Standard - 18 for the year ended 31st March, 2009.
(Rs. in Lacs)

Name of Related Party	Company controlled by directors/relatives	Associates	Directors	Relatives of Directors
Sale of goods	679.19 (297.60)			
Conversion charges receipt	4.07 (4.56)			
Interest received	49.07 (20.40)			
Testing Charges Receipt	0.34 (0.87)			
Purchase of goods	168.78 (80.36)			
Processing of goods (expenses)	0.87 (-)			
Commission paid on order/sales	92.94 (76.94)			
Interest paid on loans/deposits	11.13 (9.57)		40.77 (24.99)	1.51 (1.68)
Rent paid	18.00 (4.50)			
Hire Charges Payment	0.80 (-)			
Remuneration			120.11 (93.68)	
<u>Outstanding as on 31.03.2009</u>				
Amount Receivable	464.41 (135.86)			
Amount Payable	41.50 (27.42)			
Advances (Loans)	106.64 (97.26)			
Unsecured Loans	92.56 (86.87)		340.79 (333.92)	24.13 (9.13)

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

Directors: S/Shri Arvind Shah, Moolchand. R. Shah, Ketan M Shah & Shailesh A. Shah

Relatives of Directors: Smt Jayshree S. Haria & Smt. Prabha M. Shah.

17. The major components of deferred tax assets and liabilities are as follows:

Deferred tax liabilities

Tax effect due to

Difference between written down value of assets under the Companies Act, 1956 and the Income Tax Act, 1961.

Total

Deferred tax assets

Tax effect due to -

Expenses allowable on payment basis

Total

Net Deferred Tax Liability

Incremental liability/(asset) charged to Profit & Loss

As at
31-03-2009

5,11,61,852
5,11,61,852

9,17,730

9,17,730

5,02,44,122
78,93,096

As at
31-03-2008

4,32,68,756
4,32,68,756

9,17,730

9,17,730

4,23,51,026

As per our attached report

For TAUNK & SRIKANTH

Chartered Accountants

(N. K. TAUNK)

Partner

Membership No. 30421

Bhilai : 3rd August, 2009

Sandeep Kumar Mishra

Company Secretary

Mumbai : 31st July, 2009

For and on behalf of the Board

Moolchand R. Shah

Managing Director

Shailesh A. Shah

Executive Director



CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2009 :

	2008-2009 Rs.	2007-2008 Rs.
A. Cash Flow from Operating Activities		
Net Profit before Tax and Extra-Ordinary items	141,163,369	112,467,734
Adjustments for :		
- Depreciation	37,079,042	34,962,383
- Interest	78,928,129	54,857,954
- (Profit)/Loss on Sale of Assets	927,140	(182,466)
- Dividend Income	(58,487)	(10,800)
Operating Profit before Working Capital changes	258,039,193	202,094,805
Adjustments for -		
(Increase) / Decrease in Inventory	13,427,995	(96,310,150)
(Increase) / Decrease in Debtors	7,573,334	(106,277,387)
Increase / (Decrease) in Liabilities	(41,770,997)	93,192,475
(Increase) / Decrease in Other Current Assets	34,565,806	(1,417,213)
Cash generated from Operation	271,835,331	91,282,530
Interest paid	(84,297,336)	(51,655,749)
Direct Taxes (incl FBT) paid	(36,875,871)	(33,768,632)
Cash Flow before Extra Ordinary Items	150,662,124	5,858,149
Receipts of Prior years	33,322	-
Payments of Prior years	(65,547)	(713,075)
Net Cash from Operating Activities	A 150,629,899	5,145,074
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(111,843,851)	(127,887,286)
Sale of Fixed Assets	1,115,000	412,500
Dividend Received	58,487	10,800
Decrease/(Increase) in Investments	(44,087)	-
Net Cash used in Investing Activities	B (110,714,451)	(127,463,986)
C. Cash Flow from Financing Activities		
Borrowings from Bank	605,997	86,729,922
Interest free loan from MPAKVN	(8,047,376)	(4,522,734)
Term Loan/Vehicle Loan Receipts / (Payments)	(29,756,102)	22,604,167
Increase / (Decrease) in Other Borrowings	12,012,377	10,363,288
Dividend Paid	(8,737,041)	(5,672,766)
Dividend Tax Paid	(1,525,522)	(1,017,015)
Net Cash from Financing Activities	C (35,447,667)	108,484,862
Net Increase (A + B + C)	4,467,781	(13,834,050)
Cash & Cash Equivalent on 01.04.2008 (Opening Balance)	28,808,973	42,643,023
Cash & Cash Equivalent on 31.03.2009 (Closing Balance)	33,276,754	28,808,973
NET INCREASE / (DECREASE)	4,467,781	(13,834,050)

As per our attached report

For and on behalf of the Board

For TAUNK & SRIKANTH
Chartered Accountants

Moolchand R. Shah
Managing Director

(N. K. TAUNK)
Partner
Membership No. 30421
Bhilai : 3rd August, 2009

Sandeep Kumar Mishra
Company Secretary
Mumbai : 31st July, 2009

Shailesh A. Shah
Executive Director



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

I. Registration Details

Registration No. : 67459 State Code : 11
 Balance Sheet Date : 31/03/2009

II. Capital Raised during the year :

(Amt. Rs. in Lacs)

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

III. Position of Mobilisation and Deployment of Funds :

-(Amt. Rs. in Lacs)

Total Liabilities	10411.92	Total Assets	10411.92
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Sources of Funds

Paid up Capital	598.42	Reserves & Surplus	4073.67
Secured Loans	4583.55	Unsecured Loans	653.84
Deferred Tax Liability (Net)	502.44		

Application of Funds

Net Fixed Assets	5596.25	Investments	9.65
Net Current Assets	4806.02	Accumulated Losses	0.00

IV. Performance of Company :

(Amt. Rs. in Lacs)

Turnover (Gross Revenue)	18038.04	Total Expenditure	16626.41
Profit Before Tax	1411.63	Profit After Tax	912.45
Earning per share Rs.	15.25	Dividend (%)	20.00

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

i.	Item Code No. (ITC Code)	84542002
	Product Description	Ingot Moulds
ii.	Item Code No. (ITC Code)	72241000
	Product Description	Alloy Steel Ingots
iii.	Item Code No. (ITC Code)	84179000
	Product Description	Parts of Industrial Furnaces and Ovens' -Door Bodies.

**SIMPLEX CASTINGS LTD.**

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

PROXY FORM

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

*Applicable for members holding shares in electronic form.

I/We _____
of _____ being Member(s)

of SIMPLEX CASTINGS LTD. hereto appoint _____

of _____ or failing him/her _____

of _____ as my/our proxy to vote for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Wednesday 23rd day of September, 2009 at 3.30 p.m. at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce & Industry, Orion House, 6th floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001 and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2009

Affix Rs. 1/- Revenue Stamp

Signed by the said _____

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

SIMPLEX CASTINGS LTD.

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

ATTENDANCE SLIPI hereby record my presence at the 29th Annual General Meeting of **SIMPLEX CASTINGS LTD.** held on Wednesday 23rd September, 2009 at 3.30 p.m. at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce & Industry, Orion House, 6th floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001.

Full Name of Member (In Block Letters) _____

Signature _____

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

*Applicable for members holding shares in electronic form.

Full Name of Proxy (In Block Letters) _____

Signature _____

- NOTE :
1. Member/ Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting.
 2. Member/ Proxyholder wishing to attend the meeting should bring his copy of the Annual Report for reference at the meeting..



NOTE

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Financial Performance the year at a glance

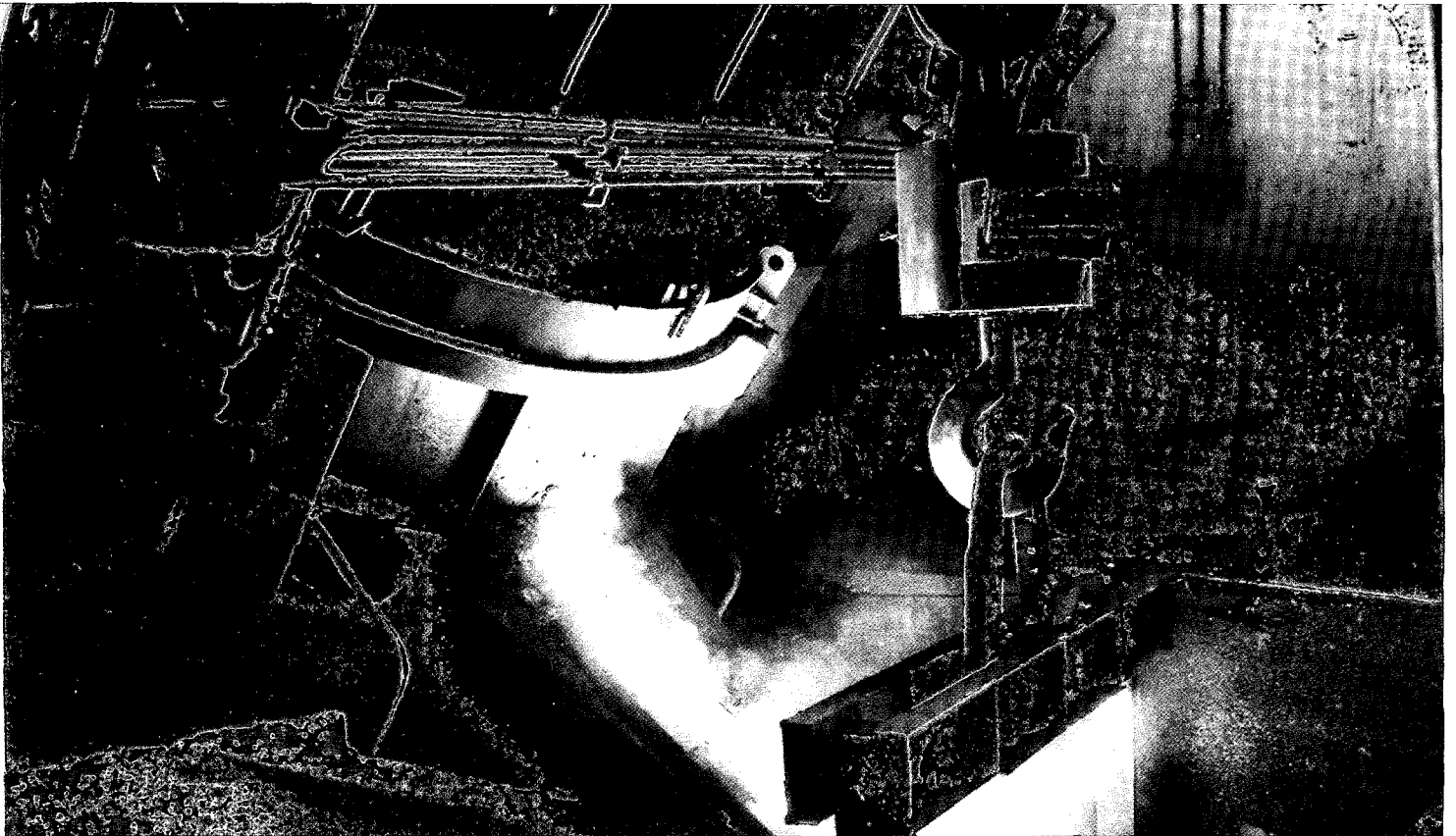
Rs. in lacs

	2008 - 09	2007 - 08
Gross Income	18038.04	15265.96
Profit before Interest, Depreciation & Tax	2753.45	2115.69
Interest & Financial Charges	971.03	641.39
Depreciation	370.79	349.62
Profit After Tax	912.45	724.86
Dividend	—	8976300
Earning Per Share		
Basic (Rs. per Share)	15.25	12.11
Diluted (Rs. per Share)	15.25	12.11
Financial Performance		
Fixed Assets	5596.25	4920.27
Investment	9.65	9.21
Cash and Cash Equivalent	332.77	288.09
Net Current Assets	4946.04	4992.82
Total Assets	10551.95	9922.30
Equity	598.42	598.42
Reserves	4073.67	3357.45
Net worth	4672.09	3955.87

Five years Performance at a glance

Rs in crores

	2004-05	2005-06	2006-07	2007-08	2008-09
Net Sales	100.07	108.41	135.14	149.50	173.76
Profit before Depreciation & tax	4.64	6.63	11.47	14.75	17.83
Profit before tax	2.11	3.87	8.58	11.25	14.12
Profit after tax	1.34	2.76	5.59	7.25	9.12



SIMPLEX CASTINGS LTD.

If undelivered please return to :

601/602 A, Fair Link Centre, Off Andheri Link Road, Andheri (West), Mumbai-400 053 (INDIA)

Website : www.simplexcastings.com