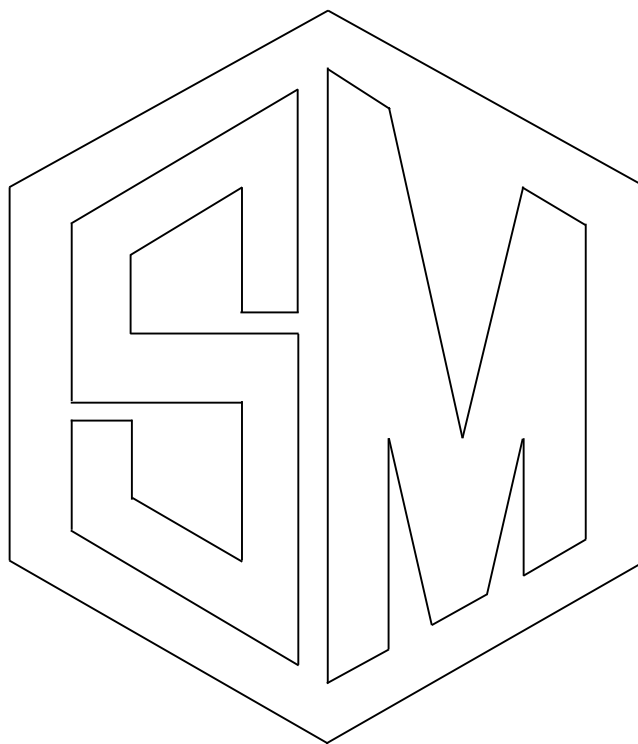


SIMMONDS MARSHALL LIMITED



51ST ANNUAL REPORT 2010-11

SIMMONDS MARSHALL LIMITED

SIMMONDS MARSHALL LIMITED

BOARD OF DIRECTORS

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

SECRETARY & CHIEF ACCOUNTANT

Mr. N. D. Bharucha

AUDITORS

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

BANKERS

Central Bank of India
Union Bank of India
The Zoroastrian Co-operative Bank Ltd.

ADMINISTRATIVE OFFICE

Apeejay Chambers
5, Wallace Street
Mumbai - 400 001.

REGISTERED OFFICE & FACTORY

Mumbai - Pune Road
Kasarwadi
Pune - 411 034.

REGISTRARS & SHARE TRANSFER AGENTS

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

SIMMONDS MARSHALL LIMITED

NOTICE:

NOTICE is hereby given that the FIFTY FIRST Annual General Meeting of the Members of Simmonds Marshall Limited will be held at Kwality Restaurant, Mumbai-Pune Road, MIDC, Chinchwad, Pune 411019 on Wednesday, the 28th September, 2011 at 12.00 Noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the Profit & Loss Account for the year ended March 31, 2011, the Balance Sheet as on that date and the Auditors' Report thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Farokh K. Banatwalla who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. C. B. Bambawale who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following Resolutions:

6. AS A SPECIAL RESOLUTION:

"RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, the consent of the Members be and is hereby accorded pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 for appointment of Mr. S. J. Marshall as Chairman of the Company for a period of 3 [Three] years w.e.f. October 1, 2011 at a consolidated remuneration not exceeding Rs. 2,50,000/- p.m."

"FURTHER RESOLVED THAT specific powers be and are hereby given to the Board of Directors of the Company to decide his remuneration from time to time within the overall ceiling not exceeding Rs. 2,50,000/- p.m. and is hereby specifically approved with liberty to the board of the Company to alter and vary the terms and conditions in such manner as may be agreed to between the Board and Mr. S. J. Marshall so as not to exceed the limits as specified in Schedule XIII read with other applicable provisions, if any, of the Act or any amendments thereto or enactment thereof."

"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution."

SIMMONDS MARSHALL LIMITED

“FURTHER RESOLVED THAT the Board be and is hereby authorised to fix, alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits mentioned above and the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time and further in the event of sufficient profits in any year during the tenure of his appointment to pay maximum permissible remuneration as provided in Section 198 of the Companies Act, 1956.”

MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II or Part II of Schedule XIII computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act, 1956 as in force for the time being or as amended in the future.

7. AS A SPECIAL RESOLUTION:

“RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such

approvals, consents, and sanctions, the consent of the Members be and is hereby accorded pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 for appointment of Mr. N. S. Marshall as Managing Director of the Company for a period of 3 [Three] years w.e.f. October 1, 2011 at a consolidated remuneration not exceeding Rs. 2,50,000/- p.m.”

“FURTHER RESOLVED THAT specific powers be and are hereby given to the Board of Directors of the Company to decide his remuneration from time to time within the overall ceiling not exceeding Rs. 2,50,000/- p.m. and is hereby specifically approved with liberty to the board of the Company to alter and vary the terms and conditions in such manner as may be agreed to between the Board and Mr. N. S. Marshall so as not to exceed the limits as specified in Schedule XIII read with other applicable provisions, if any, of the Act or any amendments thereto or enactment thereof.”

“FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution.”

“FURTHER RESOLVED THAT the Board be and is hereby authorised to fix, alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits mentioned above and the

SIMMONDS MARSHALL LIMITED

limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time and further in the event of sufficient profits in any year during the tenure of his appointment to pay maximum permissible remuneration as provided in Section 198 of the Companies Act, 1956.”

MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II or Part II of Schedule XIII computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act, 1956 as in force for the time being or as amended in the future.

8. AS A SPECIAL RESOLUTION:

“RESOLVED THAT in supercession to all earlier resolutions and subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, the consent of the Members be and is hereby accorded pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions, if any, of the

Companies Act, 1956 for appointment of Mr. I. M. Panju as Whole time Director of the Company on fresh terms for a period of 3 [Three] years w.e.f. October 1, 2011 at a consolidated remuneration not exceeding Rs. 2,50,000/- p.m.”

“FURTHER RESOLVED THAT specific powers be and are hereby given to the Board of Directors of the Company to decide his remuneration from time to time within the overall ceiling not exceeding Rs. 2,50,000/- p.m. and is hereby specifically approved with liberty to the board of the Company to alter and vary the terms and conditions in such manner as may be agreed to between the Board and Mr. I. M. Panju so as not to exceed the limits as specified in Schedule XIII read with other applicable provisions, if any, of the Act or any amendments thereto or enactment thereof.”

“FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution.”

“FURTHER RESOLVED THAT the Board be and is hereby authorised to fix, alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits mentioned above and the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time and further in the event of sufficient profits in any year during the

SIMMONDS MARSHALL LIMITED

tenure of his appointment to pay maximum permissible remuneration as provided in Section 198 of the Companies Act, 1956.”

MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II or Part II of Schedule XIII computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act, 1956 as in force for the time being or as amended in the future.

By the Order of the Board

N. S. MARSHALL
Managing Director

Registered Office:
Mumbai Pune Road
Kasarwadi
Pune 411 034

Dated: July 30, 2011

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself and the proxy need not be a Member.
2. The Register of Members, and the Share Transfer Books of the Company, shall remain closed from 22nd September, 2011 to 28th September, 2011 both days inclusive.
3. The dividend, if declared, will be paid on and from the date of 3rd October, 2011 to the Members whose names stand in the Register of Members as on closing of business hours on 21st September, 2011.
4. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
5. Members are requested to expeditiously intimate any change in their registered addresses to the Company.
6. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
7. Registrar and Transfer Agents:

The Company has appointed M/s. Sharex Dynamic (India) Pvt. Ltd., Unit No. 1, Luthra Industrial Estate, Andheri Kurla Road, Andheri East, Mumbai-400 072 as registrars and transfer agents of the Company. All correspondence in relation to transfer of shares, etc., as well as request for dematerialisation of shares be made to the registrars.

SIMMONDS MARSHALL LIMITED

8. Explanatory Statement Under Section 173 of The Companies Act, 1956 is attached to this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

Item Nos. 6-8:

Mr. S. J. MARSHALL is Chairman, Mr. N. S. MARSHALL is Managing Director and Mr. I. M. PANJU is Whole-time Director of the Company.

It is proposed to re-appoint Mr. S. J. MARSHALL as Chairman, Mr. N. S. MARSHALL as Managing Director and Mr. I. M. PANJU as Whole-time Director of the Company and pay them remuneration as per the provisions contained in Schedule XIII of the Companies Act, 1956 for a period of 3 [Three] years w.e.f. October 1, 2011.

It is also proposed to give liberty to the Board of Directors to vary the terms so that in the event of Company earning sufficient profits in any year, the Company can pay maximum permissible remuneration as provided in Section 198 of the Companies Act, 1956.

Looking at the time and other efforts put in by Mr. S. J. MARSHALL, Mr. N. S. MARSHALL and Mr. I. M. PANJU and the experience they have, the Board recommends the resolutions be passed by the members of the Company.

Necessary disclosures as provided in Section-B to Part-II of Schedule-XIII of the Companies Act, 1956 are as follows:

1. The above revision and change in terms have been cleared by a Resolution passed by the Remuneration Committee.
2. The Company has not defaulted on any Debts or Debentures or Interest payable thereon.
3. The Resolutions proposed above are Special Resolutions and the appointments are for a period of not exceeding 3 years.
4. The other Informations:

I. GENERAL INFORMATION:

- a) The Company is an existing Company and is doing business since incorporation. The Company is engaged in manufacturing of Industrial Fasteners.
- b) Date of expected date of commencement of commercial production – Not applicable as the Company is an existing Company.
- c) In case of new companies, expected date of commencement of activities- Not applicable as the Company is an existing Company.
- d) Financial Performance- The Company achieved a net profit of Rs.12,75,48,217/-.
- e) Export performance- Rs.6,45,28,112/-.
- f) Foreign investments or collaboration, if any. Not Applicable.

SIMMONDS MARSHALL LIMITED

II. INFORMATION ABOUT THE APPOINTEE:

1. MR. S. J. MARSHALL:

- Mr. S. J. MARSHALL aged about 74 years has got an experience of over 51 years to his credit. He is an Economics Graduate. He started his career with the Company since inception and is looking after overall activities of the Company.
- Past Remuneration: Mr. S. J. MARSHALL was drawing remuneration of Rs. 12.11 lacs p.a.
- Remuneration proposed: As mentioned in the Resolution.
- Comparative remuneration profile with respect to industry etc: The remuneration proposed is very much competitive and is comparable with respect to Industry in which the Company operates.
- Mr. S. J. MARSHALL is promoter and Chairman of the Company.

2. MR. N. S. MARSHALL:

- Mr. N.S. MARSHALL aged about 35 years has got an experience of over 9 years to his credit. He is a qualified MBA and B Sc. Graduate. He started his career with Honeywell International, USA and is a Managing Director of your Company since 2003. He is responsible for the overall functioning of the Company including production, marketing and HR.

- Past Remuneration: Mr. N. S. MARSHALL was drawing remuneration of Rs.29.05 lacs p.a.
- Remuneration proposed: As mentioned in the Resolution.
- Comparative remuneration profile with respect to industry etc: The remuneration proposed is very much competitive and is comparable with respect to Industry in which the Company operates.
- Mr. N.S. MARSHALL is the Managing Director of the Company.

3. MR. I. M. PANJU:

- Mr. I. M. PANJU aged about 51 years has got an experience of over 25 years to his credit. He is qualified MBA and a Commerce Graduate. He started his career with T. L. Wilson & Associates, USA and is a Whole-time Director of your Company since 1988.
- Past Remuneration: Mr. I. M. PANJU was drawing remuneration of Rs.2.70 lacs p.a.
- Remuneration proposed: As mentioned in the Resolution.
- Comparative remuneration profile with respect to industry etc: The remuneration proposed is very much competitive and is comparable with respect to Industry in which the Company operates.
- Mr. I. M. PANJU is a Whole-time Director of the Company.

III. OTHER INFORMATION:

Comparative remuneration with respect to Industry, size of the Company etc. are not possible to be compiled as it is difficult to call and compile information from such industries. In this regard the Board is of the opinion that the proposed remuneration is not detrimental to the interest of the Company nor its other stakeholders.

IV. DISCLOSURE:

Necessary disclosures shall be made in the Directors Report annually and Shareholders will be provided all the necessary disclosures.

There is no Service Contract with the Managing or Whole-time Directors.

Mr. S. J. MARSHALL, Mr. N. S. MARSHALL and Mr. I. M. PANJU may be deemed to be interested in the respective resolutions as the respective resolutions are related to each of them.

Mr. S. J. MARSHALL and Mr. N. S. MARSHALL may be deemed to be interested in the resolution No. 5 & 6 as they are related to each other.

This Explanatory Statement along with the notice is and shall be deemed to be an abstract under Section 302 of the Companies Act, 1956.

SIMMONDS MARSHALL LIMITED

DIRECTORS' REPORT

TO THE MEMBERS OF SIMMONDS MARSHALL LIMITED.

Your Directors have pleasure in presenting their FIFTY FIRST Report together with the Audited Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS

	2009 - 10	
	Rupees	Rupees
Profit for the year	12,75,48,217	6,97,49,457
Less: Provisions for Tax		
Current Tax	4,23,00,000	2,35,00,000
Deferred Tax	(6,144)	34,57,617
Add: Profit brought forward from the Previous year	10,53,03,775	7,15,50,214
Less: Expenses relating to prior years	8,78,378	9,74,916
Less: Provision for Tax on Dividend	9,46,540	7,61,600
Less: Transfer to Special Reserve	1,30,00,000	53,00,000
Less: Transfer to Reserves & Surplus	17,01,33,218	10,53,03,775
Leaving a balance of	56,00,000	44,80,000

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

OPERATION:

The Indian Automotive Industry recorded highest ever sales in 2010-11 with all segments i.e. passenger cars, commercial vehicles and 2-wheelers showing strong growth. The Automotive Sector grew by 27% over the previous year.

This has made India the second fastest growing market after China. The commercial vehicle segment grew by a robust 33% this year and the 2 wheeler segment grew by 27% over last year. The Industry is expected to consolidate and

grow overall by 15% in 2011-2012 and beyond. Your Company's growth and performance are inextricably linked with this segment of Industry and it is hoped that the situation will improve further and your Company will achieve still better results.

The turnover during the year showed a marked improvement and was Rs. 71,16,41,553/- against Rs. 48,11,41,028/- in the previous year, registering an increase of 47.90% and the profitability has risen from Rs.6,97,49,457/- to Rs.12,75,48,217/- registering an impressive increase of 82.86%.

EXPORTS:

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

During the year under review, the Company exported goods worth F.O.B. Rs. 6,45,28,112/- against Rs.2,59,22,452/- in the previous year registering an impressive increase of 148.92%. The Company hopes to do even better on this front in the future.

ENVIRONMENT & ENERGY CONSERVATION:

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

PARTICULARS OF EMPLOYEES:

Information pursuant to Section 217(2A) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988 read with the Companies (Particulars of Employees) Rules, 1975 form part of this Report. However, as per the provisions of section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to the Shareholders of the Company, excluding the aforesaid information. Any Shareholder of the Company interested in obtaining a copy of the said statement may write to the Secretary & Chief Accountant, Apeejay Chambers, 5 Wallace Street, Fort, Mumbai 400 001.

DIRECTORS:

Mr. Farokh K. Banatwalla retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. C. B. Bambawale retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- appropriate accounting policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2011 and the profit and loss account for the year ended 31st March, 2011;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis.

SIMMONDS MARSHALL LIMITED

**SECRETARIAL COMPLIANCE
CERTIFICATE:**

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

AUDITORS:

M/s. SHR & Co., Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment as Auditors of the Company.

GREEN INITIATIVE:

Your Directors like to draw your attention to the recent Circular No.17/2011 dated 21.04.2011 and Circular No.18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs allowing paperless compliances and also service of notice/ documents (including annual report)

through electronic mode to its members. To support this green initiative of the Central Government in full measure, we hereby appeal and request to all those members who have not registered their e-mail addresses so far, to register their e-mail address in respect of electronic holdings with their concerned depository participants and / or with the Company.

ACKNOWLEDGEMENT:

The Directors wish to place on record the support received from its employees, banks, financial institutions, shareholders, customers and suppliers.

By the Order of the Board

N. S. MARSHALL
Managing Director

Dated: July 30, 2011

ANNEXURE TO DIRECTORS' REPORT**FORM - A**

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. POWER & FUEL CONSUMPTION :

	Current Year 2010-11	Previous Year 2009-10
NYLOC SELF LOCKING NUTS (INDUSTRIAL FASTNERS)		
1. Electricity		
(a) Purchased Units-Lakh KWH	24.90	15.53
Total Amount	153.63	93.73
Rate / Unit - Rs.	6.17	6.03
(b) Own Generation		
(i) Through Diesel Generation		Not Applicable
Unit per ltr. of Diesel Oil		
Cost / Unit		
(ii) Through Steam Turbine / Generator Unit		Not Applicable
Unit per ltr. of Fuel Oil / Gas		
Cost / Unit		
2. Coal (specify quality and where used)		Not Applicable
Quantity (Tonnes)		
Total Cost		
Average Rate		
3. Furnace Oil		Not Applicable
Quantity (K. Ltrs)		
Total Amount - Rs. Lakhs		
Average Rate - Rs. Per K. Ltr.		
4. Others / Internal Generation (Please Give Details)		Not Applicable
Quantity		
Total Cost		
Rate / Unit		

SIMMONDS MARSHALL LIMITED**B. CONSUMPTION PER UNIT OF PRODUCTION :**

Product	Electricity KWH/Tonne	Furnace Oil Ltrs./Tonne	Coal Kgs/Tonne
Industrial Self Locking Nuts			
Current Year	734.45		Not Applicable
Previous Year	689.65		Not Applicable

CONSERVATION OF ENERGY

Monitoring of power factor and steps to avoid wastage of energy is being done and is an on-going commitment.

FORM-B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT

We do not have a Research & Development Department. However, the Company regularly keeps in touch with technological developments pertaining to its product so that general improvements are implemented.

TECHNOLOGY ABSORPTION

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

FORM - C

FOREIGN EXCHANGE EARNINGS & OUTGO

EARNINGS

Efforts are being made to explore Foreign Market. The Company's F.O.B. Value of Exports were Rs. 6,45,28,112/- during the year ended 31st March, 2011.

The Company expects to maintain the steady growth in Exports.

OUTGO

The Foreign Exchange Outgo/Expenditure has been Rs. 19,51,91,824/- during the year ended 31st March, 2011.

SIMMONDS MARSHALL LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE

AUTHORISED SHARE CAPITAL : RS. 10,00,00,000/-.

PAID UP SHARE CAPITAL: RS. 2,24,00,000/-.

The Members

M/s. SIMMONDS MARSHALL LIMITED

Mumbai-Pune Road

Kasarwadi

Pune - 411 034.

We have examined the registers, records, books and papers of **M/s. SIMMONDS MARSHALL LIMITED** [the Company] as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on **MARCH 31, 2011**. In our opinion and to the best of my information and according to the examinations carried out by us and explanations furnished to us by the Company and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **ANNEXURE - 'A'** to this Certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as required with the Registrar of Companies or other authorities as prescribed under the Act and the rules made hereunder wherever applicable **AS PER ANNEXURE – 'B'**.
3. The Company being a Limited Company, Comments not required.
4. The Board of Directors duly met 4 [Four] times during the aforesaid Financial Year i.e. on 23/04/2010, 30/07/2010, 22/10/2010 and 31/01/2011 and in respect of each meeting proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members during the financial year.
6. The Company held its Annual General Meeting during the year in time i.e. on September 29, 2010 and in respect of which proper notice was given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not given or advanced any amount as defined in Section 295 of the Companies Act, 1956.

SIMMONDS MARSHALL LIMITED

9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has entered necessary particulars in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has issued duplicate share certificates during the financial year and necessary compliances of the Act were made.
13. The Company has:
 - i. delivered all the certificates on allotment of Shares in accordance with the provisions of the Companies Act, 1956.
 - ii. duly complied with the requirements of Section 217 of the Act.
 - iii. other clauses are not applicable.
14. The Board of Directors of the Company is duly constituted.
15. The Company has appointed/re-appointed Managing Director/Whole Time Director during the financial year and necessary compliances of the Act were made.
16. The company has not appointed any Sole Selling Agents during the financial year.
17. The company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Equity Shares during the financial year under review.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares/debentures does not arise during the financial year under review.

SIMMONDS MARSHALL LIMITED

22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has complied with the provisions of Section 293 (1) (d) of the Act.
25. The Company has complied with the provisions of Section 372A of the Act.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to Name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment has been imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was regular in depositing the Provident Fund dues with the prescribed authorities.

For **GMJ & Associates**
Company Secretaries

Sd/-

[MAHESH SONI]
Partner
FCS : 3706 ; COP : 2324.
Place: Mumbai.
Date: July 30, 2011.

SIMMONDS MARSHALL LIMITED

ANNEXURE 'A' TO THE SECRETARIAL COMPLIANCE CERTIFICATE

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

DETAILS OF REGISTERS MAINTAINED:

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

ANNEXURE 'B' TO THE SECRETARIAL COMPLIANCE CERTIFICATE

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

DETAILS OF FORMS FILED WITH THE REGISTRAR OF COMPANIES:

Sr. No.	Document / Under Section	Filed on in time	Whether filed	Whether additional fee paid
1.	Annual Return U/s.159 Form 20B	09/11/2010	Yes	No
2.	Balance Sheet & P&L A/c. U/s. 210 Form 23AC/23ACA	20/10/2010	Yes	No
3.	Sec. Coml. Cert. U/s. 383A Form 66	20/10/2010	Yes	No

For **GMJ & Associates**
Company Secretaries

Sd/-

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

Place: Mumbai.
Date: July 30, 2011.

AUDITORS' REPORT

**TO THE MEMBERS OF
SIMMONDS MARSHALL LIMITED**

1. We have audited the attached Balance Sheet of **SIMMONDS MARSHALL LIMITED** as at March 31, 2011 and also the Profit and Loss Account and Cash Flow Statement of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
 - c. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. in our opinion and to the best of our information and according to the explanations given to us, the said

SIMMONDS MARSHALL LIMITED

accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
- (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

For S H R & CO.

Chartered Accountants
FIRM No. 120491W

HITESH R. SHAH

PARTNER
Membership No. 104795

Mumbai, dated July 30, 2011

ANNEXURE TO THE AUDITORS' REPORT

**(ANNEXURE REFERRED TO IN
PARAGRAPH 3 OF OUR REPORT OF
EVEN DATE ON THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2011 OF SIMMONDS
MARSHALL LIMITED)**

- i. (a) The Company is in process of updating its records showing particulars, including quantitative details and situation of fixed assets;
- (b) According to information and explanations provided to us the company has decided to carry out the physical verification of fixed assets over a period of five years instead of three years as originally envisaged, in a phased manner which in our opinion is reasonable having regard to the size of the company and nature of its business. As explained to us, necessary adjustments in respect of discrepancies if any, noticed will be made in the books on such verification and updation of fixed assets records.
- (c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern.
- ii. (a) As explained to us, inventory have been physically verified during the year by the management, except for inventory lying with outside parties, for which confirmations have been obtained from them.
- (b) In our opinion and according to the information and explanation given

**ANNEXURE TO THE
AUDITORS' REPORT (contd.)**

to us, the procedures followed by the management for physical verification of inventory, are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.

- (c) On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of its inventory. Discrepancies which were noticed on physical verification of inventory as compared to book records have been properly dealt with in the books of account.
- iii. (a) According to the information and explanations given to us, the Company has granted advance in the nature of loan to a firm covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs. 50,000/- and the year-end balance of such loan is NIL.
- (b) According to the information and explanations given to us, the Company has taken unsecured loans from Companies, firms and other parties covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs. 1,78,60,000/- and the year-end balance of such loans aggregates to Rs. 92,10,000/-. There are five parties including Companies and firms covered in the register maintained u/s 301 of the Companies Act, 1956 from whom Company has taken loans.
- (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken from Companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (d) There is no stipulation as to repayments of principal amount in respect of aforesaid loans. The Company is regular in payment of interest.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal controls.
- v. (a) According to the information and explanations given to us, we are of the opinion that during the year, the particulars of contracts/arrangements that need to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in register maintained u/s 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 have been made at prices which are reasonable having

SIMMONDS MARSHALL LIMITED

regard to prevailing market prices at the relevant time.

vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A and 58 AA of the Companies Act, 1956, and the rules framed thereunder during the year. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.

vii. The Company has no formal internal audit system as such, but its control procedures and systems ensure reasonable internal checking of its financial and other records.

viii. We have broadly reviewed the cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not

made detailed examination of records with a view to determine whether they are accurate.

ix. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as mentioned above as at March 31, 2011 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty or Cess outstanding on account of any dispute except as mentioned below:

Name of the Statute	Financial Year	Forum where matter is pending	Amount (Rs)
Income Tax	2005 – 2006	Commissioner of Income Tax (Appeal)	23,01,730
	2006 – 2007		21,13,698
Income Tax	2009 – 2010	Assessing Officer	32,10,643
Professional Tax	2007 – 2008	Commissioner of Profession Tax (Appeal)	4,58,375

SIMMONDS MARSHALL LIMITED

- x. The Company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- xi. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
- xiv. The Company does not deal or trade in shares, securities, debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- xvi. As informed to us, the term loans were applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us on an overall examination of Balance Sheet and Cash Flows of the Company, we report that the Company has not utilised funds raised on short-term basis for long term investment.
- xviii. According to the information and explanations given to us, the Company has not made preferential allotment of shares during the year.
- xix. The Company did not issue any debentures during the year.
- xx. The Company has not raised any money through a public issue during the year.
- xxi. Based on the audit procedures performed and information and explanations give by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **S H R & CO.**
Chartered Accountants
FIRM No. 120491W

HITESH R. SHAH
PARTNER
Membership No. 104795

Mumbai, dated July 30, 2011

SIMMONDS MARSHALL LIMITED

BALANCE SHEET			
AS AT MARCH 31, 2011			
	Schedule No.	Rupees	As at 31-3-2010 Rupees
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	2,24,00,000	2,24,00,000
Reserves and Surplus	2	<u>20,94,33,218</u>	<u>13,16,03,775</u>
		23,18,33,218	15,40,03,775
LOAN FUNDS			
Secured Loans	3	18,89,17,458	12,78,18,477
Unsecured Loans		<u>92,10,000</u>	<u>92,60,000</u>
(Refer to Note No. 3 of Schedule 18)		19,81,27,458	13,70,78,477
Deferred Tax Liability (Net)			
(Refer to Note No. 17 of Schedule 18)		<u>1,16,03,923</u>	<u>1,16,10,067</u>
TOTAL		<u>44,15,64,599</u>	<u>30,26,92,319</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	21,88,90,864	19,08,80,583
Less: Depreciation		<u>8,87,58,942</u>	<u>7,56,67,976</u>
		13,01,31,922	11,52,12,607
Capital Work in Progress		<u>24,35,101</u>	—
Net Block		<u>13,25,67,023</u>	<u>11,52,12,607</u>
INVESTMENTS			
CURRENT ASSETS, LOANS & ADVANCES	5	12,79,468	12,79,468
Inventories	6	17,42,99,586	12,12,62,142
Sundry Debtors	7	17,02,05,195	12,22,17,623
Cash and Bank Balances	8	3,68,63,134	1,39,41,962
Loans and Advances	9	<u>2,06,40,694</u>	<u>88,80,172</u>
		40,20,08,609	26,63,01,899
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	10	7,68,28,374	6,43,53,732
Provisions	11	<u>1,74,62,127</u>	<u>1,57,47,923</u>
		9,42,90,501	8,01,01,655
NET CURRENT ASSETS		<u>30,77,18,108</u>	<u>18,62,00,244</u>
TOTAL		<u>44,15,64,599</u>	<u>30,26,92,319</u>
NOTES TO THE ACCOUNTS			
	18		
The schedules referred to herein form an integral part of Balance Sheet			
As per our report attached of even date			
For SHR & Co. CHARTERED ACCOUNTANTS FIRM NO. 120491W	N. D. BHARUCHA Secretary & Chief Accountant	N. S. MARSHALL I. M. PANJU C. B. BAMBAWALE F. K. BANATWALLA S. C SARAN	Managing Director Directors
HITESH R. SHAH PARTNER MEMBERSHIP NO. 104795			
Mumbai, July 30, 2011			

SIMMONDS MARSHALL LIMITED

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

	Schedule No.	Rupees	2009-10 Rupees
INCOME			
Sale of Goods		77,99,42,609	50,19,44,115
Less: Excise Duty		6,83,01,056	2,08,03,087
		<u>71,16,41,553</u>	<u>48,11,41,028</u>
Miscellaneous Income	12	25,66,838	30,66,426
		<u>71,42,08,391</u>	<u>48,42,07,454</u>
EXPENDITURE			
Variation in Stocks	13	(2,55,50,725)	1,45,95,406
Raw Materials and Components	14	34,88,64,903	21,52,18,974
Payments to and Provisions for Employees	15	9,73,76,691	7,32,78,456
Other Expenses	16	12,98,42,954	7,82,96,632
Depreciation		1,31,03,266	1,13,85,189
Finance Charges	17	2,30,23,085	2,16,83,340
		<u>58,66,60,174</u>	<u>41,44,57,997</u>
PROFIT BEFORE TAX		<u>12,75,48,217</u>	<u>6,97,49,457</u>
Less : PROVISIONS FOR TAX			
Current Tax		4,23,00,000	2,35,00,000
Deferred Tax (Net)		(6,144)	9,79,381
(Refer to Note No. 17 of Schedule 18)			
NET PROFIT CARRIED FORWARD		8,52,54,361	4,52,70,076
Less : Expenses relating to prior year		8,78,378	9,74,916
Profit after taxation and prior period adjustments		<u>8,43,75,983</u>	<u>4,42,95,160</u>
Add : Profit brought forward from Previous Year		10,53,03,775	7,15,50,215
Amount available for appropriation		<u>18,96,79,758</u>	<u>11,58,45,375</u>
APPROPRIATIONS			
Proposed Dividend on Equity Shares		56,00,000	44,80,000
Provision for Tax on dividend		9,46,540	7,61,600
Transfer to General Reserve		1,30,00,000	53,00,000
Balance Carried to Reserves & Surplus		<u>17,01,33,218</u>	<u>10,53,03,775</u>
		<u>18,96,79,758</u>	<u>11,58,45,375</u>
Basic and diluted earning per share (Rs.)		7.53	4.21
Nominal value of Equity shares (Rs.)		2.00	2.00
(Note No.16 of Schedule 18)			

NOTES TO THE ACCOUNTS

18

The schedules referred to herein form an integral part of the Profit & Loss Account

As per our report attached of even date

For SHR & Co.
CHARTERED ACCOUNTANTS
FIRM NO. 120491W

N. D. BHARUCHA
Secretary & Chief
Accountant

N. S. MARSHALL
I. M. PANJU
C. B. BAMBAWALE
F. K. BANATWALLA
S. C. SARAN

Managing Director
Directors

HITESH R. SHAH
PARTNER
MEMBERSHIP NO. 104795

Mumbai, July 30, 2011

SIMMONDS MARSHALL LIMITED

SCHEDULE 4 : FIXED ASSETS											
	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at April 1, 2010	Additions	Deductions	As at March 31, 2011	As at April 1, 2010	On Deductions	For the Year	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Factory Premises	1,74,27,506	8,29,585	—	1,82,57,091	24,89,957	—	5,88,402	30,78,359	1,51,78,732	1,49,37,549	
Warehouse	6,00,959	—	—	6,00,959	3,97,466	—	20,072	4,17,538	1,83,421	2,03,493	
Plant & Machinery	14,69,21,853	1,49,68,472	—	16,18,90,325	6,32,01,372	—	98,39,503	7,30,40,875	8,88,49,450	8,37,20,481	
Vehicles	1,25,85,424	94,34,622	—	2,20,20,046	35,41,097	—	15,94,325	51,35,422	1,68,84,624	90,44,327	
Office Equipments	25,96,692	3,88,573	63,000	29,22,265	14,54,548	12,300	1,59,087	16,01,335	13,20,930	11,42,144	
Computers	34,23,970	3,47,224	—	37,71,194	22,86,904	—	3,91,284	26,78,188	10,93,006	11,37,066	
Electrical Installations	46,66,211	13,23,456	—	59,89,667	11,87,651	—	3,39,083	15,26,734	44,62,933	34,78,560	
Furniture & Fixtures	26,57,968	7,81,349	—	34,39,317	11,08,981	—	1,71,510	12,80,491	21,58,826	15,48,987	
Total	19,08,80,583	2,80,73,281	63,000	21,88,90,864	7,56,67,976	12,300	1,31,03,266	8,87,58,942	13,01,31,922	11,52,12,607	
Previous Year	17,21,82,665	1,87,55,041	57,123	19,08,80,583	6,43,12,027	29,240	1,13,85,190	7,56,67,976	11,52,12,607	—	
Capital Work in progress	—	24,35,101	—	24,35,101	—	—	—	—	24,35,101	—	
Total	19,08,80,583	3,05,08,382	63,000	22,13,25,965	7,56,67,976	12,300	1,31,03,266	8,87,58,942	13,25,67,023	11,52,12,607	

SIMMONDS MARSHALL LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET		
	31-3-2011 Rupees	As at 31-3-2010 Rupees
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED :		
5,00,00,000 Equity Shares of Rs. 2/- each (Previous Year 5,00,00,000)	10,00,00,000	10,00,00,000
	<u>10,00,00,000</u>	<u>10,00,00,000</u>
ISSUED AND SUBSCRIBED		
1,12,00,000 Equity Shares of Rs. 2/- each fully paid-up (Previous Year 1,12,00,000 Equity Shares of Rs. 2/- each)	2,24,00,000	2,24,00,000
	<u>2,24,00,000</u>	<u>2,24,00,000</u>
of the above Shares:		
63,590 Equity Shares of Rs. 2/- each allotted as fully paid-up pursuant to a contract without payments being received in cash in earlier year. (Previous Year 63,590 equity shares of Rs. 2/- each)		
5,50,000 Equity Shares of Rs. 2/- each allotted as fully paid by way of Bonus Shares by capitalisation of General Reserve in earlier year. (Previous Year 5,50,000 equity shares of Rs. 2/- each)		
7,00,000 Equity Shares of Rs. 2/- each allotted on preferential basis to the Promoters group at a premium in earlier year. (Previous Year 7,00,000 equity shares of Rs. 2/- each)		

SIMMONDS MARSHALL LIMITED

	31-3-2011 Rupees	As at 31-3-2011 Rupees	31-3-2010 Rupees	As at 31-3-2010 Rupees
SCHEDULE 2 : RESERVES & SURPLUS				
GENERAL RESERVE				
Per Last Balance Sheet	1,09,00,000		56,00,000	
Add : Transfer from Profit & Loss Account	<u>1,30,00,000</u>		<u>53,00,000</u>	
		2,39,00,000		1,09,00,000
Share Premium Account				
As per last Balance Sheet	1,54,00,000		—	
Add: Amount received during the year	—		<u>1,54,00,000</u>	
		1,54,00,000		1,54,00,000
Profit and Loss A/c.		<u>17,01,33,218</u>		<u>10,53,03,775</u>
		<u>20,94,33,218</u>		<u>13,16,03,775</u>
SCHEDULE 3 : SECURED LOANS FROM BANKS				
(A) TERM LOAN FROM BANKS (Refer note (i) & (iii) Includes repayable within one year Rs. 1,47,34,653 (2009-10: Rs. 1,26,42,732)		4,29,66,172		4,53,14,955
(B) WORKING CAPITAL LOAN: (Refer note (ii) & (iii)		13,68,82,107		7,92,39,185
(C) VEHICLE LOAN (Secured against vehicles) Includes repayable within one year Rs. 34,06,296 (2009-10: Rs. 25,10,064)		90,69,179		32,64,337
		<u>18,89,17,458</u>		<u>12,78,18,477</u>
NOTE :				
(i) Term loans are secured against hypothecation of all movable plant and machineries, equipments and entire block of assets of the company (both present and future) in favour of consortium of banks on pari pasu basis, other than specific assets financed by respective banks.				
(ii) Working capital loans are secured by hypothecation of raw materials, finished goods, stores & spares, book debts etc. and entire block of assets (both present & future) in favour of consortium of banks on pari pasu basis, other than specific assets financed by respective banks.				
(iii) All loans are secured against the personal guarantee of Chairman.				

SIMMONDS MARSHALL LIMITED

	31-3-2011 Rupees	As at 31-3-2011 Rupees	31-3-2010 Rupees	As at 31-3-2010 Rupees
SCHEDULE 5 : INVESTMENTS				
Long Term - Unquoted (At Cost)				
NON-TRADE :				
4000 (Previous year 4000) Shares @ Rs. 25/- each of Zoroastrian Co-op. Bank Ltd.		1,00,000		1,00,000
TRADE :				
131051 (Previous year 131051) Shares @ Rs.10/- each of Formex Pvt. Ltd.		<u>11,79,468</u>		<u>11,79,468</u>
		<u>12,79,468</u>		<u>12,79,468</u>
SCHEDULE 6 : INVENTORIES				
(As valued and certified by the Chairman)				
Stores & Spare Parts - at cost		6,11,427		4,68,554
Packing Materials - at cost		2,71,635		33,736
Loose Tools - at cost		5,51,66,043		4,59,42,264
Stock in Trade :				
Raw Materials - at cost	5,88,41,041		4,09,58,873	
Work in Process - at cost	3,00,05,838		2,01,90,356	
Finished Goods - at lower of cost or net realisable value	<u>2,94,03,602</u>		<u>1,36,68,359</u>	
		<u>11,82,50,481</u>		<u>7,48,17,588</u>
		<u>17,42,99,586</u>		<u>12,12,62,142</u>
Includes stock - in - transit - Rs.75,52,190 (P.Y. Rs.80,95,504) Lying with third parties - Rs.28,99,945 (P.Y. Rs.7,13,273)				
SCHEDULE 7 : SUNDRY DEBTORS				
(Unsecured, considered good)				
Debts exceeding six months		36,77,278		32,88,441
Other Debts		<u>16,65,27,917</u>		<u>11,89,29,182</u>
		<u>17,02,05,195</u>		<u>12,22,17,623</u>
SCHEDULE 8 : CASH AND BANK BALANCES				
With Scheduled Banks on Current Account		2,28,62,970		58,39,938
on Time Deposits		1,40,00,164		81,02,024
(Earmarked against Import Letter of Credits & Bank guarantees)		<u>3,68,63,134</u>		<u>1,39,41,962</u>

SIMMONDS MARSHALL LIMITED

	As at 31-3-2011 Rupees	As at 31-3-2010 Rupees
SCHEDULE 9 : LOANS AND ADVANCES		
(Unsecured, considered good)		
Deposits	31,33,749	19,50,084
Advances recoverable in cash or in kind or for value to be received	1,73,80,711	68,90,054
Balance with Excise Authorities on Current Account	45,170	4,164
Interest Accrued on Time Deposits	81,064	35,870
	<u>2,06,40,694</u>	<u>88,80,172</u>
SCHEDULE 10 : CURRENT LIABILITIES		
Sundry Creditors (Note 9 of Schedule 18)		
Due to Micro, Small & Medium Enterprises	1,44,64,075	47,53,149
Due to others	6,14,07,158	5,89,98,403
Unclaimed Dividend	9,57,141	6,02,180
	<u>7,68,28,374</u>	<u>6,43,53,732</u>
SCHEDULE 11 : PROVISIONS		
Gratuity Liability	27,33,532	59,10,763
Taxes (Net)*	74,20,455	45,95,560
Proposed Dividend	56,00,000	44,80,000
Provision for Tax on Dividend	17,08,140	7,61,600
	<u>1,74,62,127</u>	<u>1,57,47,923</u>
* Provision of Tax is net-off Advance Tax of Rs. 9,58,79,545/- (Previous year - Rs. 5,64,04,440/-)		

SIMMONDS MARSHALL LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT	2010-11 Rupees	2009-10 Rupees
SCHEDULE 12 : MISCELLANEOUS INCOME		
Interest on Deposits Tax Deducted at Source : Rs. 45,605/- (Previous Year Rs. 29,392/-)	6,30,107	1,69,552
Other Income	1,13,714	4,81,780
Profit on Sale of Fixed Assets	—	1,76,131
Dividend Received	15,000	15,000
Difference in Foreign Exchange (Net)	18,08,017	22,23,963
	<u>25,66,838</u>	<u>30,66,426</u>
SCHEDULE 13 : VARIATION IN STOCKS		
OPENING STOCKS		
Work-in-Process	2,01,90,356	2,61,81,090
Finished Goods	1,36,68,359	2,22,73,031
	<u>3,38,58,715</u>	<u>4,84,54,121</u>
LESS : CLOSING STOCKS		
Work-in-Process	3,00,05,838	2,01,90,356
Finished Goods	2,94,03,602	1,36,68,359
	<u>5,94,09,440</u>	<u>3,38,58,715</u>
	<u>(2,55,50,725)</u>	<u>1,45,95,406</u>

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	2010-11 Rupees	2009-10 Rupees
SCHEDULE 14 : RAW MATERIALS AND COMPONENTS COST		
Opening Stock	4,09,58,873	3,03,61,502
Add : Purchases	37,30,69,474	23,02,06,804
	<u>41,40,28,347</u>	<u>26,05,68,306</u>
Less: Sale of Turnings, Borings and Bar Ends	83,70,011	55,78,848
	<u>40,56,58,336</u>	<u>25,49,89,458</u>
Less: Closing Stock	5,88,41,041	4,09,58,873
	<u>34,68,17,295</u>	<u>21,40,30,585</u>
Opening Stock (Trading Items)	—	—
Add: Trading Purchase	20,47,608	11,88,389
Less: Closing Stock (Trading Items)	—	—
	<u>20,47,608</u>	<u>11,88,389</u>
	<u>34,88,64,903</u>	<u>21,52,18,974</u>
SCHEDULE 15 : PAYMENTS TO AND PROVISIONS FOR EMPLOYEES		
Salaries, Wages and Bonus	7,39,81,546	5,20,48,641
Contribution to Provident & Other Funds	47,96,577	40,58,601
Contribution to Group Gratuity-cum-Life Assurance Scheme with Life Insurance Corporation of India	15,97,955	31,35,108
Staff Welfare	1,70,00,613	1,40,36,106
	<u>9,73,76,691</u>	<u>7,32,78,456</u>

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	2010-11 Rupees	2009-10 Rupees
SCHEDULE 16 : OTHER EXPENSES		
Stores Consumed	71,38,639	48,35,239
Loose Tools Consumed	3,51,07,599	2,02,09,642
Power & Fuel	1,66,06,493	1,05,24,843
Commission on Sales	21,04,116	10,83,175
Rent	88,08,550	1,50,000
Insurance	12,75,447	12,36,898
Packing and Forwarding Charges	2,23,11,413	1,30,02,992
Repairs & Maintenance to:		
Plant & Machinery	38,15,880	23,04,247
Others	28,93,474	19,54,814
Building	5,44,635	—
Printing & Stationery	11,71,267	9,28,973
Auditors' Remuneration: (Refer Note 11 of schedule 18)	5,32,311	3,71,783
Travelling & Conveyance	76,04,599	60,47,411
Advertisement	3,40,793	2,87,772
Postage, Telephone & Telegram	15,14,084	14,04,197
Legal & Professional Charges	50,74,666	47,73,573
Miscellaneous Expenses	65,91,843	40,05,852
Directors' Fees	22,000	28,000
Loss on Sale of Fixed Assets	40,700	—
Chairman's Remuneration:	22,83,840	17,82,015
Salary, Commission and Contribution to Provident and Other Funds [inclusive of expenditure on perquisites amounting to Rs. NIL (Previous Year Rs. NIL)]		
Wholetime Director's Remuneration:	3,65,391	3,65,391
Salary, Commission and Contribution to Provident and Other Funds [inclusive of expenditure on perquisites amounting to Rs. NIL (Previous Year Rs. NIL)]		
Managing Director's Remuneration:	36,95,214	29,99,815
Salary, Commission and Contribution to Provident and Other Funds [inclusive of expenditure on perquisites amounting to Rs. NIL (Previous Year Rs. NIL)]		
	<u>12,98,42,954</u>	<u>7,82,96,632</u>
SCHEDULE 17 : FINANCE CHARGES		
Interest on Bank Term Loan	58,42,507	59,21,500
Finance Charges	1,20,640	2,58,260
On Others Includes Rs. 4,43,741/- paid to Directors, (Previous Year - Rs. 11,34,069/-)	1,43,77,598	1,36,05,610
Bank Charges	26,82,340	18,97,970
	<u>2,30,23,085</u>	<u>2,16,83,340</u>

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SCHEDULE 18 : NOTES TO THE ACCOUNTS

1. Significant Accounting Policies :
 - (a) Basis of Accounting:

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

Fixed Assets are capitalised at cost inclusive of inward freight, duties, taxes and installation expenses.
 - (c) Investments:

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

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

 - i) Cost of raw materials, stores and spare parts, packing materials and loose tools is arrived at on the basis of weighted average cost.
 - ii) Work-in-process and finished goods include conversion cost in addition to landed cost of raw materials.
 - iii) Scrap is valued at net realisable value.
 - (e) Revenue Recognition:
 - i) Revenue from sale is recognised when significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of trade discounts, sales tax, sales returns and remissions. Excise Duty recovered is presented as reduction from gross turnover.
 - ii) Revenue from services is recognised when services are rendered.
 - iii) Dividend and interest income is accounted when right to receive is established.
 - iv) Export benefits under duty exemption scheme is being accounted in the year of exports.
 - (f) Sale of Turnings, Borings and Bar ends:

Sale of turnings, borings and bar ends coming out of the production line as scrap, is reduced while working out cost of raw materials.
 - (g) Depreciation:

Depreciation on assets acquired prior to Public Issue of Shares/Debentures in 1986, is continued to be provided on Written Down Value at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, whereas on assets acquired and brought into use after 1986, depreciation is provided on Straight Line Method at rates and in the manner specified under the said Schedule.
 - (h) Retirement Benefits:
 - i) Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered.
 - ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Profit & Loss Account. Retirement benefit in form of gratuity, administered by Life Insurance Corporation of India is a defined benefit obligation and is provided for on the basis of actuarial valuations at Balance Sheet date. The actuarial gains and losses determined are recognised in the Profit and Loss Account.
 - (i) Foreign Currency Transactions:

The transactions in foreign currency are accounted at the exchange rate prevailing at the date of the transaction. Realised gains and losses on settlement of foreign currency transactions are recognised in the Profit & Loss Account. Foreign currency assets & liabilities at the year end are translated at year-end exchange rates, and resultant exchange difference is recognised in the Profit & Loss Account.
 - (j) Taxation:

Provision for taxation comprises of current tax and deferred tax.
Current Tax is provided on taxable income using applicable tax rates and tax laws.
The deferred tax for timing difference between the book and tax profits/losses for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of Balance Sheet date.
Deferred tax assets arising from the timing differences are recognised to the extent there is virtual certainty that assets can be realised in future.

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- (k) Impairment of Assets:
The Company assesses at each balance sheet date for possible impairment in carrying value of assets based on external and internal sources of information and indications. In case of recoverable amount of assets/cash generating unit is less than carrying amount, impairment loss is recognised in the Profit & Loss Account, for difference in carrying value of assets/cash generating units and recoverable amount.
- (l) Provision and contingent liabilities:
i) Provision in respect of present obligation arising out of past events is made in accounts when reliable estimates can be made of the amount of obligation and it is probable that an outflow of resources will be required to settle the obligation.
ii) Contingent liabilities are disclosed by way of note to the financial statements after careful evaluation by the management of the facts and legal aspects of matter involved.

	As at 31-3-2011 Rupees	As at 31-3-2010 Rupees
2. (i) Contingent Liabilities not provided for:		
(a) Bills discounted with Banks	2,33,68,092	1,24,99,379
(b) Bonds given by the company against import of machineries under EPCG scheme	8,91,24,000	6,19,24,000
(ii) Income Tax	44,15,428	44,15,428
(iii) Excise	5,76,293	5,76,293
(iv) Profession Tax	4,58,375	—
(v) Capital Commitments	2,82,26,810	—
3. Unsecured Loans include Loan from Directors	42,70,000	42,70,000
The Company has relied on various case laws and accordingly it has not considered the amount received from directors as deposits covered under Companies Deposit Acceptance Rule, 1975.		
4. Capital Work in Progress shown in Fixed Asset Schedule includes hardware of Rs. 7,67,353/- and license to use software and related expenses of Rs. 16,67,748/- pending implementation of ERP programme for smooth and efficient running of its business.		
5. In compliance with Accounting Standards-2 (AS-2) revised, excise duty liability estimated at Rs. 34,34,359/- (2009-2010 : Rs.18,76,086) on finished goods lying in factory premises has been loaded on the valuation of Finished goods. However, it has no impact on the Profit and Loss Account. The Excise duty of Rs. 15,58,273/- related to the difference between the closing stock and opening stock is charged to Profit & Loss Account under the head Miscellaneous expenses.		
6. In the opinion of the management, inventories continue to have a realisable value of at least amount at which they are stated in Balance sheet.		
7. Balance of Sundry Debtors, Loans & Advances and Sundry Creditors balances are subject to confirmations, verification and adjustments necessary upon reconciliation thereof. Pending adjustments on confirmations, if any, it is shown as good in nature.		
8. Advances due from Private Company/Firms/Concerns in which the Directors of the Company are Directors/Partners/Proprietors/Members:		
Desmet Ballestra India Pvt. Ltd. (Maximum balance Rs.)	39,755 (1,69,050)	37,871 (1,28,041)
J. N. Marshall & Co. (Engineering Dept.) (Maximum balance Rs.)	— (50,000)	— —
J. N. Marshall & Co. Customs House Clearing Agents (Maximum balance Rs.)	— (6,82,460)	2,36,719 (3,03,744)
Formex Pvt. Ltd. (Maximum balance Rs.)	10,12,811 (10,12,811)	— —

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9. On the basis of information available with the company regarding total amount due to suppliers as covered under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2011 amounts to Rs. 1,44,64,075 (2009 - 10 Rs. 7,67,193). Since there were no overdues beyond the credit period extended to the company which is less than 45 days, no liability for payment of interest and related disclosures under the said Act arose. This has been relied upon by the auditors.

10. Managerial Remuneration

	2010 - 11 Rupees	2009 - 10 Rupees
(A) Salary and Allowances	38,46,960	33,80,400
Commission	13,39,554	7,47,486
Contribution to Provident, Superannuation and Gratuity Fund	11,57,931	10,19,335
Perquisites	—	—
	<u>63,44,445</u>	<u>51,47,221</u>

The managerial remuneration stated above does not include sitting fees of Rs.22,000/- (2009-10 Rs.28,000/-) paid to Non Executive Directors.

(B) Computation of Net Profit under section 349 of the Companies Act, 1956 and Commission payable to the Directors.

	2010 - 11 Rupees	2009 - 10 Rupees
Remuneration to Chairman, Managing Director and Whole-time Director is paid as per Section 198 of the Companies Act, 1956	63,44,445	51,47,221
COMPUTATION OF MANAGERIAL COMMISSION ON PROFITS IN ACCORDANCE WITH SECTION 198 AND 349 OF THE COMPANIES ACT, 1956:		
i) Profit before taxation as per Profit & Loss Account	12,75,48,220	6,97,49,457
ii) Add back:		
a) Directors' Fees	22,000	28,000
b) Managerial Remuneration	<u>63,44,445</u>	<u>51,47,221</u>
	63,66,445	51,75,221
	13,39,14,665	7,49,24,678
Add/(Less): Loss/(Profit) on sale of fixed assets as per Accounts (Net)	<u>40,700</u>	<u>(1,76,131)</u>
iii) Sub Total	13,39,55,365	7,47,48,547
iv) Profit on which commission is to be based	13,39,55,365	7,47,48,547
v) Total Commission to the Chairman (Whole Time Director) and the Managing Director @ 1% of (iv) above	13,39,554	7,47,486
vi) Therefore Provided in the accounts	13,39,554	7,47,486

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	2010 - 11 Rupees	2009 - 10 Rupees
11. Auditor's Remuneration		
Audit Fees	1,80,000	1,80,000
Tax Audit Fees	12,500	12,500
In-Other-Capacity	35,000	77,606
Out of Pocket Expenses & Service Tax	63,811	32,677
Limited Review Certification fees	12,000	12,000
M VAT Audit Fees	45,000	22,000
Representation before I.T./S.T./P.T. Authorities	1,84,000	35,000
	<u>5,32,311</u>	<u>3,71,783</u>
12. "Employee Benefits" are as follows:		
"Accounting Standard - 15" "Employee Benefits"		
i. Defined Contribution Plan :		
During the year ended March 31, 2011, the Company has recognised the following amounts in the Profit and Loss Account :		
Employer's contribution to Provident fund & Family Pension Fund	44,94,684	39,39,670
Employer's contribution to Superannuation Fund	7,42,063	6,51,491
ii. Defined Benefit Plan :		
A. The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on term not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with Life Insurance Corporation of India.		
B. Details of defined benefit plan : As per actuarial valuation report of LIC of India as at March 31, 2011 is as under:		
Particulars		
i. Components of employer expense		
a). Current Service cost	11,32,014	8,71,095
b). Interest Cost	19,24,792	17,02,204
c). Expected return on Plan assets	(18,08,296)	(14,70,350)
d). Curtailment cost/(Credit)	—	—
e). Settlement cost/(Credit)	—	—
f). Past Service Cost	—	—
g). Actuarial Losses / (Gains)	6,69,896	23,13,746
h). Effect of the limit in Para 59(b) of AS 15	—	—
i). Total Expenses	19,18,406	34,16,695
Note: The Company has recognised expense of Rs.19,18,406 (2009-10 Rs.34,16,695) in its Profit & Loss Account.		

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	2010 - 11 Rupees	2009 - 10 Rupees
II. Actual Contribution and Benefits Payments for end of the year		
a). Actual benefits Payments	(10,70,864)	(21,04,693)
b). Actual Contributions	50,95,637	43,23,315
III. Net asset/(liability) recognised in the Balance Sheet as at end of the year		
a). Present Value of Defined Benefit Obligation	2,67,15,740	2,40,59,902
b). Fair Value of Plan Assets	2,39,82,208	1,81,49,139
c). Funded Status [Surplus/(Deficit)]	(27,33,532)	(59,10,763)
d). Unrecognised Past Service Costs	—	—
e). Net asset/(liability) recognised in the Balance sheet	(27,33,532)	(59,10,763)
IV. Change in Defined Benefit Obligation during the year		
a). Present value of Defined Benefit Obligation as at beginning of the year	2,40,59,902	2,12,77,550
b). Current Service Cost	11,32,014	8,71,095
c). Interest Cost	19,24,792	17,02,204
d). Curtailment cost/(Credit)	—	—
e). Settlement cost/(Credit)	—	—
f). Plan amendments	—	—
g). Acquisitions/Amalgamations	—	—
h). Actuarial Losses/(Gains)	6,69,896	23,13,746
i). Benefits paid	(10,70,864)	(21,04,693)
j). Present value of Defined Benefit Obligations as at end of the year	2,67,15,740	2,40,59,902
V. Change in Fair Value of Plan Assets during the year		
a). Plan assets as at beginning of the year	1,81,49,139	1,44,60,167
b). Acquisition/Amalgamation	—	—
c). Expected return on Plan Assets	18,08,296	14,70,350
d). Actuarial Gains/(Losses)	—	—
e). Actual Company Contributions	50,95,637	43,23,315
f). Benefits paid	(10,70,864)	(21,04,693)
g). Plan assets as at end of the year	2,39,82,208	1,81,49,139
VI. Actuarial Assumptions		
a). Discount Rate	8%	8%
b). Expected Return on plan assets	9.25%	9.25%
c). Salary Escalation Rate	4%	4%
VII. The expected rate of return on the plan assets is based on the average long term rate of return expected on investments of the Fund during the estimated term of the obligations. The actual return on plan assets is Rs. 18,08,296/-.		

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	2010 - 11 Rupees	2009 - 10 Rupees
VIII. The assumption of the future salary increase, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.		
IX. The major categories of Plan Assets as a percentage of the total plan assets		
a). Insurer Managed Funds	100%	100%
b). Others	0%	0%
c). Total	100%	100%
X. Experience Adjustments		
a). Present value of Defined Benefit Obligation as at March 31, 2011	2,67,15,740	2,40,59,902
b). Fair Value of Plan Assets as at March 31, 2011	2,39,82,208	1,81,49,139
c). Funded status [Surplus/(Deficit)]	(27,33,532)	(59,10,763)
d). Experience adjustment on Plan Liabilities	(6,69,896)	(23,13,746)
e). Experience adjustment on Plan Assets	—	—
13. The Company's business activity falls within a single primary business segment, viz. manufacture of Nyloc Self Locking Nuts (Industrial Fastners). As such there are no separate reportable segments as per Accounting Standard 17.		
14. RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18 RELATED PARTIES		
A. (i) Associate Enterprises: N.A.		
ii. Key Management Personnel		
Mr. S.J. Marshall (Chairman)		
Mr. N.S. Marshall (Managing Director)		
Mr. I.M. Panju (Whole-Time Director)		
iii. Relatives of Key Management Personnel		
Mrs. M.S. Marshall		
Mrs. K.I. Panju		
Mrs. K.J. Pundole		
iv. Enterprises in which Key Management Personnel have significant influence.		
Desmet Ballestra (India) Pvt. Ltd.		
Diamtools Pvt. Ltd.		
Jiji Marshall Trading Co. Pvt. Ltd.		
J. N. Marshall & Co. (Steel Dept.)		
J. N. Marshall & Co. - Custom House Clearing Agents		
J. N. Marshall & Co. (Engg. Dept.)		
J. N. Marshall Engineering Pvt. Ltd.		
J. N. Marshall Pvt. Ltd.		
Marshall Real Estate & Investment Corporation		
Powair Automation Equipments Pvt. Ltd.		
S. J. Marshall Trading Co. Pvt. Ltd.		
Spirax Marshall Ltd.		
v. Associate Company		
Formex Pvt. Ltd.		

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	2010-11 Rupees	2009-10 Rupees	
B.Related Party Transactions			
i. Associate Company			
Outstanding balance as on 31/03/2011	Dr. 10,12,811	Dr. 5,87,443	
ii. Key Management Personnel & Relatives			
(a) Remuneration	63,39,939	51,47,221	
(b) Interest	4,43,741	21,92,279	
(c) Payment for Services	90,000	90,000	
Outstanding balance as on 31.03.2011	Cr. 42,84,328	Cr. 42,81,124	
iii. Enterprises in which Key Management Personnel have significant influence			
(a) Payment for Services	57,17,239	29,79,360	
(b) Purchase of Materials	25,771	12,324	
(c) Payment of Interest	5,70,242	4,99,008	
(d) Payment of Rent / Rates & Taxes	90,65,046	3,52,648	
(e) Receipt for share of expense	5,40,000	5,40,000	
(f) Receipt for sales	—	—	
Outstanding balance as on 31.03.2011	Cr. 60,97,417	Cr. 57,76,049	
C. There are no write offs/write back of any amounts for any of the above parties.			
15. The Company's significant leasing arrangements are in respect of operating lease for premises and vehicles. The period of agreement is generally for one year and is renewable by mutual consent. The aggregate lease rental expense are Rs. 91,98,550/- (Previous year Rs.5,10,000/-) Total of future minimum lease rent payable is as follows:			
Period	Rupees		
Payable within one year	1,58,83,200/-		
Payable within 1 - 5 years	2,11,77,600/-		
16. Earning per share (EPS)			
(i) Profit for the year after tax (Rs.)	8,52,54,361	4,52,70,076	
(ii) Expenses relating to prior year	8,78,378	9,74,916	
(iii) Net profit attributable to Equity Shareholders	8,43,75,983	4,42,95,160	
(iv) Weighted Average number of equity shareholders	1,12,00,000	1,05,26,849	
(v) Basic and diluted earning per share (Rs.)	7.53	4.21	
(vi) Face value per equity shares (Rs.)	2/-	2/-	
17. In accordance with Accounting Standard-22, Accounting for taxes on Income, the Company has considered deferred taxes during the year: As at 31st March, 2011 the major components of deferred tax balances are set out below:			
	As on 01/04/2010 Rupees	Current Year Charge Rupees	As on 31/03/2011 Rupees
DEFERRED TAX LIABILITY			
Difference between accounting and tax depreciation	1,16,10,067	5,34,946	1,21,45,013
	<u>1,16,10,067</u>	<u>5,34,946</u>	<u>1,21,45,013</u>
DEFERRED TAX ASSET			
Bonus	—	(5,41,090)	(5,41,090)
	<u>—</u>	<u>(5,41,090)</u>	<u>(5,41,090)</u>
NET DEFERRED TAX LIABILITY	<u>1,16,10,067</u>	<u>(6,144)</u>	<u>1,16,03,923</u>

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18. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3, 4C AND 4D OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956 :

i) PARTICULARS IN RESPECT OF GOODS MANUFACTURED:

Class of Goods: Nyloc Self-Locking Nuts (Industrial Fastners)

Unit of Measurement	Metric Tonnes	Metric Tonnes
Licensed Capacity	20,000	2,400
Installed Capacity	5,500*	2,400*
Actual Production	24,36,33,179 Numbers (Equivalent to 3390.300 Metric Tonnes)	17,55,26,537 Numbers (Equivalent to 2251.860 Metric Tonnes)

*Installed Capacity is as certified by the Management and has not been verified by the Auditors, this being a technical matter.

	31-03-2011		31-03-2010	
	QUANTITY NUMBERS	VALUE RUPEES	QUANTITY NUMBERS	VALUE RUPEES

ii) OPENING & CLOSING STOCKS OF GOODS MANUFACTURED BY THE COMPANY:

Nyloc Self-Locking Nuts (Industrial Fastners)

Opening Stocks as at 01-04-2010	81,99,095	1,36,68,359	1,06,71,859	2,22,73,031
Closing Stocks as at 31-03-2011	1,20,93,740	2,98,31,906	81,99,095	1,36,68,359

Note: The Stocks are after adjusting excesses/shortages ascertained on physical verification and free samples.

iii) OPENING AND CLOSING STOCKS OF GOODS TRADED BY THE COMPANY:

Hexagonal Bolts

Opening Stocks	—	—	—	—
Closing Stocks	—	—	—	—

	31-03-2011		31-03-2010	
	QUANTITY NUMBERS	VALUE RUPEES	QUANTITY NUMBERS	VALUE RUPEES

iv) SALE :

a) SALE OF GOODS MANUFACTURED BY THE COMPANY:

Nyloc Self-Locking Nuts (Industrial Fastners)	23,95,93,334	70,84,60,475	17,60,82,401	47,98,18,459
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b) SALE OF GOODS TRADED BY THE COMPANY:

Hexagonal Bolts	—	—	19,16,900	13,22,569
Alloy Steel Wheel Nut	1,45,200	31,81,078	—	—
	<u>23,97,38,534</u>	<u>71,16,41,553</u>	<u>17,79,99,301</u>	<u>48,11,41,028</u>

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	31-03-2011		31-03-2010					
	QUANTITY NUMBERS	VALUE RUPEES	QUANTITY NUMBERS	VALUE RUPEES				
v) PURCHASE :								
PURCHASE OF GOODS TRADED BY THE COMPANY:								
Hexagonal Bolts	—	—	19,16,900	11,88,389				
Alloy Steel Wheel Nuts	1,45,200	20,47,608	—	—				
	<u>1,45,200</u>	<u>20,47,608</u>	<u>19,16,900</u>	<u>11,88,389</u>				
vi) RAW MATERIALS AND COMPONENTS CONSUMED :								
	Unit							
a) Steel	Kgs.	40,93,476	31,63,70,284	26,95,015	18,74,15,843			
b) Nylon Inserts	Nos.	66,91,283	11,73,439	57,76,369	5,35,379			
c) Nylon Moulding Powder	Kgs.	4,474	7,76,337	3,203	5,16,584			
d) Plating Materials	Kgs.	1,30,129	67,83,147	1,15,878	59,65,528			
e) Cage Clips, etc.	Nos.	6,02,36,764	2,12,13,139	1,78,69,630	1,95,97,251			
			<u>34,63,16,346</u>	<u>21,40,30,585</u>				
NOTE: The Consumption figures shown above are after adjusting sale of turnings, borings and bar ends, process losses and excesses/shortages ascertained on physical verification.								
vii) VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES, SPARE PARTS AND COMPONENTS CONSUMED:								
	2 0 1 0 - 1 1				2 0 0 9 - 1 0			
	Raw Materials	% To Total Consumption	Stores, Spare Parts & Components	% To Total Consumption	Raw Materials	% To Total Consumption	Stores, Spare Parts & Components	% To Total Consumption
	Rupees		Rupees		Rupees		Rupees	
a) Imported	18,12,08,487*	52.00	—	—	11,08,17,598*	52.00	—	—
b) Indigenous	16,51,07,859*	48.00	71,38,639	100.00	10,32,12,987*	48.00	48,35,239	100.00
	<u>34,63,16,346</u>	<u>100.00</u>	<u>71,38,639</u>	<u>100.00</u>	<u>21,40,30,585</u>	<u>100.00</u>	<u>48,35,239</u>	<u>100.00</u>
*Sale of turnings, borings and bar ends has been allocated in proportion to the consumption of imported and indigenous steel.								
viii) C.I.F. VALUE OF IMPORTS :					2010-11 RUPEES		2009-10 RUPEES	
a) Raw Materials					15,59,32,377		10,02,26,876	
b) Loose Tools					2,57,68,545		1,38,46,974	
c) Capital Goods					1,01,07,150		1,03,89,042	
d) Trading Purchase					18,52,287		11,37,166	
e) Stores					—		64,996	
					<u>19,36,60,359</u>		<u>12,56,65,054</u>	

SIMMONDS MARSHALL LIMITED

	2010-11 RUPEES	2009-10 RUPEES
ix) EXPENDITURE IN FOREIGN CURRENCY:		
a) Foreign Travel	10,93,675	8,53,008
b) Repairs - Machinery	3,23,009	1,01,218
c) Commission on Exports	4,81,012	1,81,317
x) EARNINGS IN FOREIGN CURRENCY:		
a) Exports of Industrial Fastners calculated on F.O.B. Value	6,45,28,112	2,59,22,452
19. The Previous Year's figures have been re-grouped wherever necessary in order to conform the current year's classification.		
SIGNATURES TO SCHEDULES 1 TO 18		
As per our Report attached		
For SHR & Co. CHARTERED ACCOUNTANTS FIRM NO. 120491W	N. D. BHARUCHA Secretary & Chief Accountant	N. S. MARSHALL I. M. PANJU C. B. BAMBAWALE F. K. BANATWALLA S. C. SARAN
HITESH R. SHAH PARTNER MEMBERSHIP NO. 104795		} Managing Director Directors
Mumbai, July 30, 2011		

SIMMONDS MARSHALL LIMITED

**BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE AS PER SCHEDULE VI,
PART (IV) OF THE COMPANIES ACT, 1956.**

I. Registration Details	
Registration No.	11645
State Code	11
Balance Sheet Date	31/03/2011
II. Capital Raised during the year (Rs. in Thousands)	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Preferential Issue	NIL
Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds (Rs. in Thousands)	
<i>Source of Funds</i>	
Total Liabilities	441565
Total Assets	441565
Paid-up Capital	22400
Reserves and Surplus	209433
Secured Loans	188918
Unsecured Loans	9210
Deferred Tax Liability	11604
Net Fixed Assets	132567
Investments	1280
Net Current Assets	307718
Accumulated Losses	NIL
Miscellaneous Expenditure	NIL
IV. Performance of Company (Rs. in Thousands)	
Total Income	714208
Total Expenditure	586660
Profit Before Tax	127548
Profit After Tax and Adjustments	85254
Earning Per Share in Rs.	7.53
Dividend rate %	25%
V. Generic Names of Three Principal Products/Service of Company. (As per monetary terms)	
Item Code No. (Itc Code)	73181600
Product Description	N Y L O C S E L F - L O C K I N G N U T S

As per our Report attached

For SHR & Co.
CHARTERED ACCOUNTANTS
FIRM NO. 120491W

N. D. BHARUCHA
Secretary & Chief
Accountant

N. S. MARSHALL
I. M. PANJU
C. B. BAMBAWALE
F. K. BANATWALLA
S. C. SARAN

Managing Director
Directors

HITESH R. SHAH
PARTNER
MEMBERSHIP NO. 104795
Mumbai, July 30, 2011

SIMMONDS MARSHALL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010-11		2009-10	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		12,75,48,220		6,97,49,457
Adjustments for :				
Depreciation	1,31,03,265		1,13,85,189	
Loss/(Profit) on sale of Fixed Assets	40,700		(1,76,131)	
Finance Expense	2,30,23,084		2,16,83,340	
Interest Income	(6,30,107)		(1,69,552)	
Dividend Income	(15,000)		(15,000)	
Prior Period (Income)/Expense	—		—	
		<u>3,55,21,942</u>		<u>3,27,07,846</u>
		16,30,70,162		10,24,57,303
Operating Profit before Working Capital Changes				
Adjustments for :				
Trade and other receivables	(5,97,48,094)		(4,13,07,026)	
Inventories	(5,30,37,444)		5,12,280	
Trade payables	92,97,408		2,94,00,572	
		<u>(10,34,88,130)</u>		<u>(1,13,94,174)</u>
Cash generated from operations		5,95,82,032		9,10,63,129
Income taxes paid		(3,94,75,105)		(1,90,83,481)
Cash inflow before prior year income/(expenses)		2,01,06,927		7,19,79,648
Prior Year income/(expenses)		(8,78,378)		(9,74,916)
Net cash from/(used) in operating activities		<u>1,92,28,549</u>		<u>7,10,04,732</u>
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(3,05,08,381)		(1,87,55,041)
Sale of Fixed Assets		10,000		2,04,014
Interest received		6,30,107		1,69,552
Dividend received		15,000		15,000
Net cash from/(used) in investing activities		<u>(2,98,53,274)</u>		<u>1,83,66,475</u>
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital		—		1,68,00,000
Proceeds from borrowings		6,10,48,982		(3,65,44,071)
Finance Expenses		(2,30,23,084)		(2,16,83,340)
Dividend Paid		(44,80,000)		(25,20,000)
Income-Tax on Dividend		—		(4,28,274)
Net cash from/(used) in financing activities		<u>3,35,45,898</u>		<u>(4,43,75,685)</u>
Net increase/(decrease) in cash and cash equivalents		2,29,21,173		82,62,572
Cash and cash equivalents at beginning of year		1,39,41,962		56,79,390
Cash and cash equivalents at end of year		<u>3,68,63,135</u>		<u>1,39,41,962</u>

As per our Report attached

For SHR & Co.
CHARTERED ACCOUNTANTS
FIRM NO. 120491W

N. D. BHARUCHA
Secretary & Chief
Accountant

N. S. MARSHALL
I. M. PANJU
C. B. BAMBAWALE
F. K. BANATWALLA
S. C. SARAN

Managing Director

Directors

HITESH R. SHAH
PARTNER
MEMBERSHIP NO. 104795
Mumbai, July 30, 2011

SIMMONDS MARSHALL LIMITED

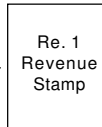
SIMMONDS MARSHALL LIMITED

PROXY FORM

(TO BE FILLED IN BLOCK LETTERS)

I/We _____
of _____ being
Member(s) of the above named Company hereby appoint _____
_____ of _____ or
failing him _____ of
_____ as my/our proxy of vote for me/
us and on my/our behalf at the Fifty First Annual General Meeting of the Company to be
held on Wednesday, September 28, 2011 at 12.00 noon and at any adjournment thereof

Register Folio No. _____ Signature _____



No. of Shares held _____

Proxies to be valid must be deposited at the Registered Office of the Company at
Mumbai-Pune Road, Kasarwadi, Pune - 411 034 not later than 12.00 noon on September 27, 2010.

Signed this _____ day of _____ 2011

SIMMONDS MARSHALL LIMITED

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL
(TO BE FILLED IN BLOCK LETTERS)

Full name of the Member/Joint Holder attending _____

Name of Proxy _____

I hereby record my presence at the FIFTY FIRST ANNUAL GENERAL MEETING of the
Company held at Kwaliti Restaurant, Mumbai-Pune Road, M.I.D.C., Chinchwad, Pune-
411019, on Wednesday, September 28, 2011 at 12.00 noon

Register Folio No. _____

No. of Shares held _____

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

SIMMONDS MARSHALL LIMITED

BOOK-POST

If undelivered please return to :

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit : Simmonds Marshall Limited

Unit No. 1, Luthra Industrial Estate

Andheri Kurla Road, Andheri East

Mumbai - 400 072.

Tel. : 2270 2485, 2264 1376

E-mail : sharexindia@vsnl.com