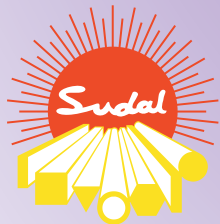


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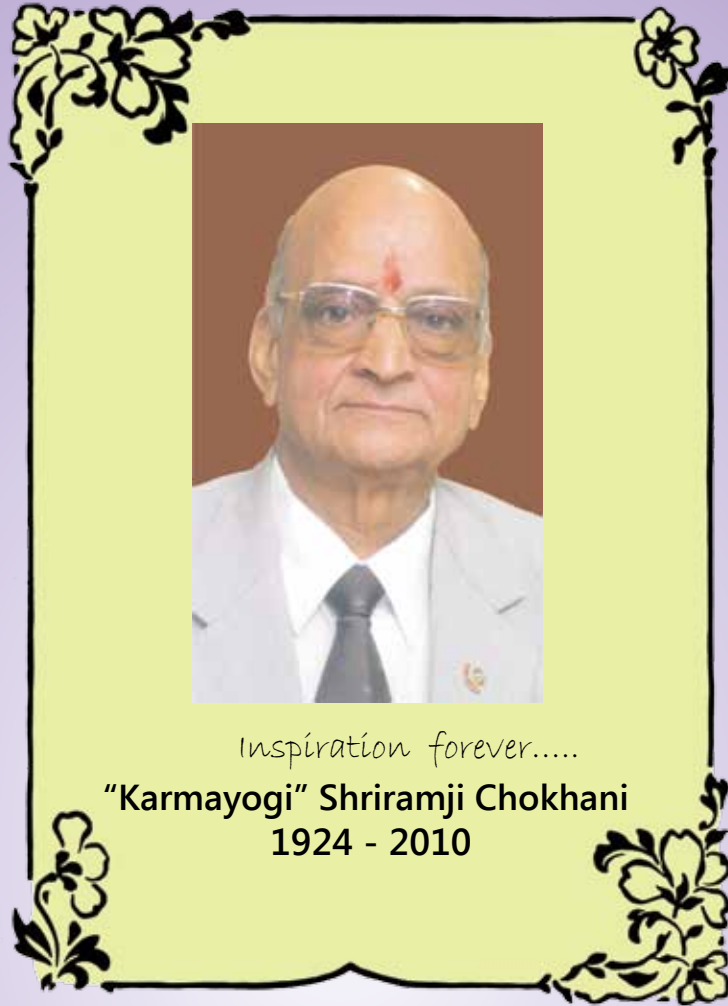
INDUSTRIES LIMITED



sustaining growth...



33rd
Annual Report
2011-12



- : Five Presses in operation
- : Three Strategies for growth
- : Single point Agenda of *Sustaining growth...*

Sudal Industries Limited

Late Shri Shriram Chokhani

– Founder & Promoter Director

BOARD OF DIRECTORS

Shri Chaitan Maniar – *Chairman*

Shri Sudarshan Chokhani – *Managing Director*

Shri Shyantanu Chokhani – *Jt. Managing Director*

Shri Deokinandan Ajitsaria

Shri Manoj Shah

Shri Dinesh Shah

COMPANY SECRETARY

Shri Kiran Inamdar

Company Secretary & V.P. [Corporate Services]

MANAGEMENT TEAM

Shri Mukesh Ashar – *Chief Financial Officer*

Shri George Varghese – *G M [Operations]*

Shri Shrikant Kulkarni – *Works Manager*

Shri Rajendra Shah – *Chief Marketing Officer*

Shri Kishore Dulla – *Commercial Manager*

STATUTORY AUDITORS

Lodha & Co.

Chartered Accountants,

Karim Chambers, 40, Ambalal Doshi Marg,
Mumbai-400 023.

SOLICITORS & ADVOCATES

India Law Alliance,

F-8, Laxmi Mills, Shakti Mills Lane,
Mumbai-400 011.

BANKERS

Syndicate Bank, Mumbai.

REGISTERED OFFICE & PLANT

A-5, MIDC, Ambad Industrial Area,
Mumbai-Nashik Highway,
Nashik-422 010 [Maharashtra]
Tel No : +91-253-6636200/201
Email : nashik@sudal.co.in

CORPORATE OFFICE

26A, Nariman Bhavan,
227, Nariman Point, Mumbai-400 021.
Tel No : +91-22-61577100/177
E-mail : mumbai@sudal.co.in

REGISTRAR & SHARE TRANSFER AGENT

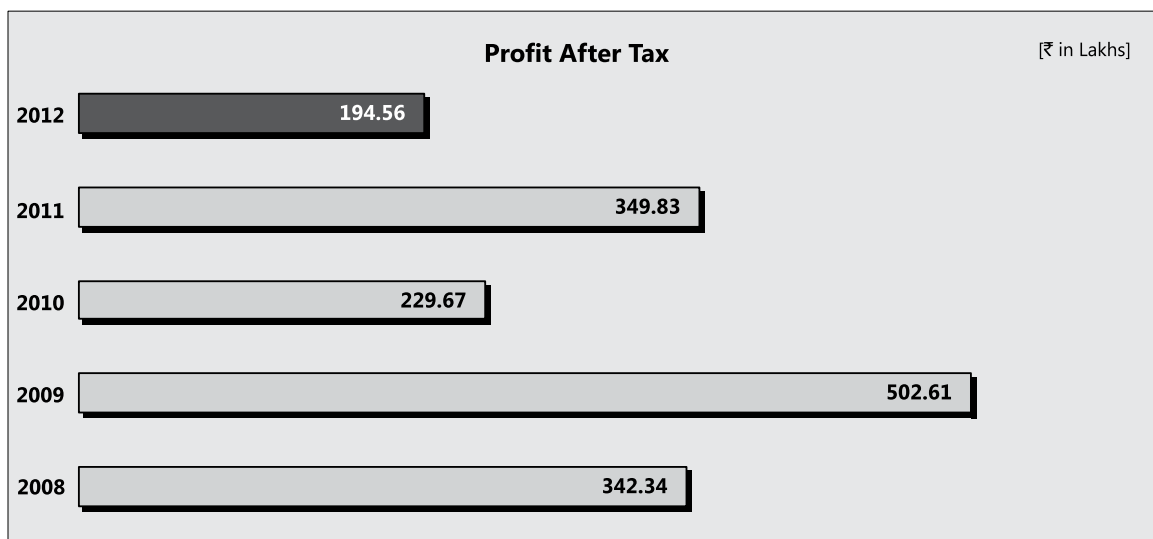
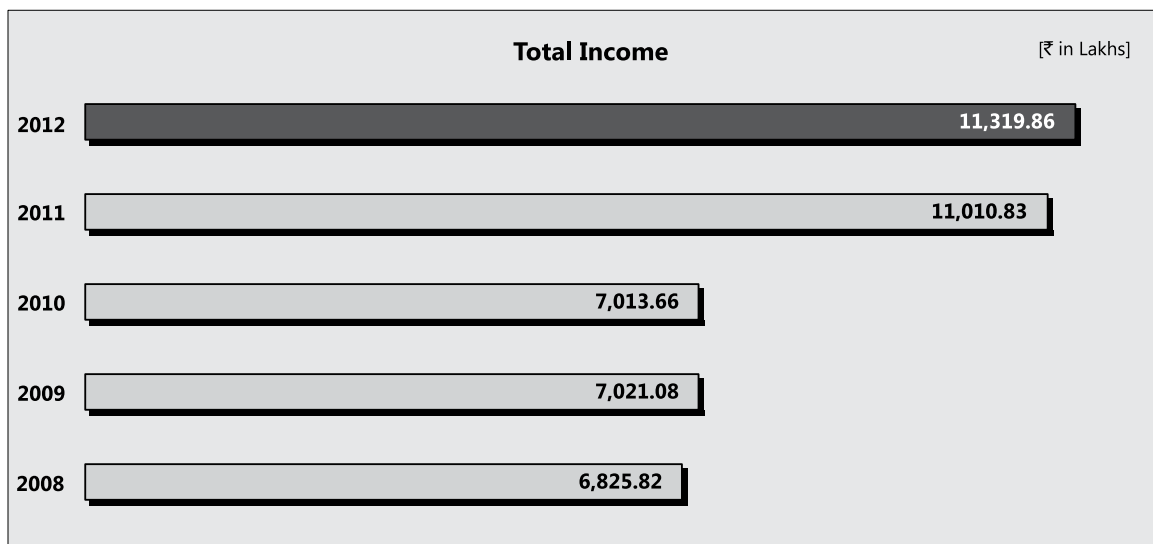
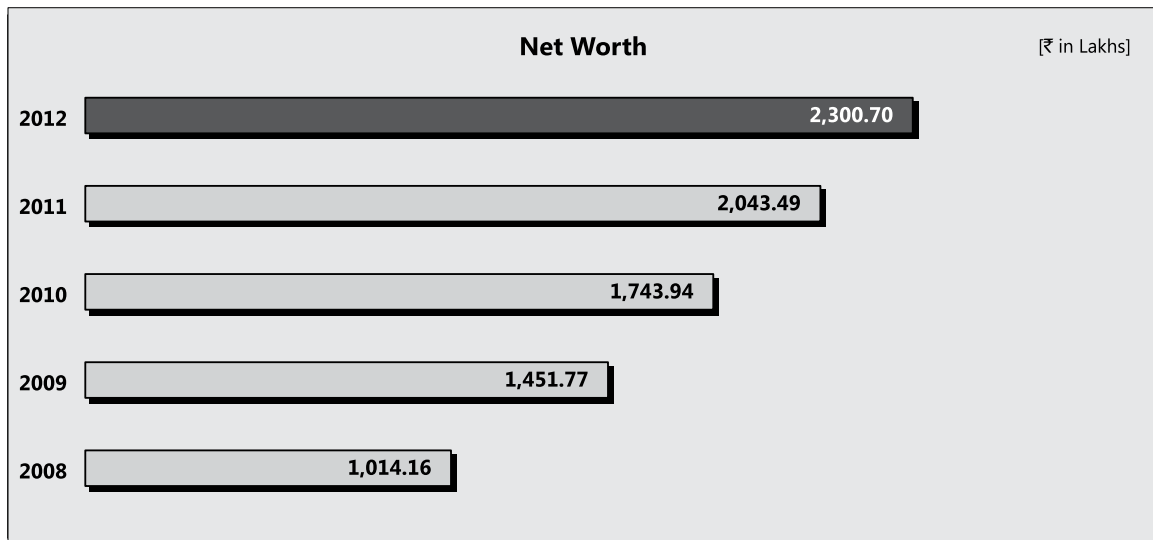
Sharepro Services [India] Private Limited
13 AB, Samitha Warehousing Complex,
2nd Floor, Saki Naka Telephone Exchange Road,
Saki Naka, Andheri [East], Mumbai-400 072.
Tel No : 91-22-67720300/67720400
Fax No : 91-22-28591568
Email : sharepro@shareproservices.com

CONTENTS	Page No.
– Notice	3
– Directors' Report	7
– Management Discussion and Analysis	13
– Corporate Governance Report	16
– Auditors' Report	25
– Annexure to Auditors' Report	26
– Balance Sheet	28
– Statement of Profit & Loss	29
– Cash Flow Statement	30
– Notes to Financial Statements	31
– Five Years Financial Highlights	46
– Nomination Form	47
– E Communication Registration Form	49
– Attendance Slip/Proxy Form	51

Thirty Third Annual General Meeting is on

Saturday, September 29, 2012, at 3.00 p.m. at
Hotel Sai Palace, Mumbai-Nashik Highway,
CIDCO, Nashik-422010 [Maharashtra].

Sudal Industries Limited



Notice

NOTICE IS HEREBY GIVEN THAT THE **THIRTY THIRD ANNUAL GENERAL MEETING** OF THE MEMEBERS OF **SUDAL INUSTRIES LIMITED** WILL BE HELD ON **SATURDAY, SEPTEMBER 29, 2012** AT **3.00 P. M.** AT HOTEL SAI PALACE, MUMBAI NASHIK HIGHWAY, CIDCO, NASHIK-422010, MAHARASHTRA TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at and the Statement of Profit and Loss for the year ended March 31, 2012 and the Report of the Directors' and the Auditors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Sudarshan Chokhani, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Shyantanu Chokhani, who retires by rotation and being eligible, offers himself for re-appointment.
5. To pass the following Resolution as Ordinary Resolution :

"RESOLVED THAT pursuant to Section 224 of the Companies Act, 1956 m/s Lodha & Co., Chartered Accountants, Firm Registration No. 301051E be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as agreed upon by the Board of Directors and the Auditors, in addition to the remuneration to service tax and actual out of pocket expenses incurred in connection with audit of the Accounts of the Company for the financial year ending March 31, 2013."

SPECIAL BUSINESS :

6. To consider and, if thought fit, to pass, with or without modification[s], the following resolution as an **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 198[4], 269, 309 and 310, and other applicable provisions, if any, of the Companies Act, 1956 ["the Act" as amended or re-enacted from time to time] read with the provisions of Schedule XIII to the Act and in terms of the Articles of Association of the Company and as per the recommendation of the Remuneration Committee, approval of the shareholders of the Company be and is hereby accorded to appointment of Mr. Sudarshan Chokhani as Managing Director of the Company for a period of three years from September 01, 2012 to August 31, 2015 on the terms and conditions as determined by the Board of Directors of the Company with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and payment of remuneration to Mr. Sudarshan Chokhani, Managing Director of the Company from time to time in such manner as may be agreed to between the Board of Directors and the said Mr. Sudarshan Chokhani.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year during the currency of tenure of Mr. Sudarshan Chokhani, Managing Director of the Company, he shall be paid remuneration at the same substantive level as specified in the Explanatory Statement attached hereto and that such remuneration shall be treated as the Minimum Remuneration payable to him in accordance with Part II of Section II of Schedule XIII to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such agreements, documents and instruments as may be required from time to time for giving effect to the above resolution and matters related thereto."

Registered Office :

A-5, MIDC, Ambad Industrial Area,
Mumbai-Nashik Highway, Nashik-422 010

Place : Mumbai

Date : May 31, 2012

By Order of the Board of Directors
For **Sudal Industries Limited**

Kiran Inamdar
Company Secretary

NOTES :

- [a] **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY DULY COMPLETED AND SIGNED MUST, HOWEVER BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF MEETING. Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.**
- [b] The Explanatory Statement pursuant to Section 173 [2] of the Companies Act, 1956, in respect of the special business under Item No. 6 set out above and the relevant details in respect of Item No. 3 and 4 as set out above to be transacted at the Annual General Meeting, pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange, are annexed hereto.
- [c] The documents referred to in the proposed resolutions are available for inspection by the members at the Registered office of the company during 10 a.m. to 5 p.m. on all days except Saturdays, Sundays and public holidays till the conclusion of the Annual General Meeting.
- [d] As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members/Proxies should bring the enclosed Attendance Slip duly filled in, for attending the Meeting along with the Annual Report.
- [e] The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, September 18, 2012 to Saturday, September 29, 2012 [both days inclusive] in connection with the Annual General Meeting and for the purpose of payment of dividend, if approved by the Members.
- [f] The dividend as recommended by the Board of Directors if approved at the Annual General Meeting, will be paid on or after October, 25, 2012 to those Shareholders whose names appear in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agent on or before September 17, 2012 and whose names appear as beneficial owners in the list of Beneficial Owners as furnished By National Securities Depository Limited and Central Depository Services [India] Limited in respect of the shares held in Demat form for this purpose.
- [g] The Ministry of Corporate Affairs has taken a Green Initiative in Corporate Governance by issuing Circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can register the same by submitting duly filled in E Communication Registration Form enclosed at the end of this report. The Members holding shares in electronic form are requested to register their email addresses with their Depository Participants only. Even after registering for E Communication the shareholders of the Company are entitled to receive such communication in physical mode upon request.
- [h] The Company is presently using National-ECS [NECS] for dividend remittance. Members holding Shares in physical form are requested to notify/send the following to the Company's Registrar and Transfer Agent at: Sharepro Services [India] Private Limited, Unit : Sudal Industries Limited, 13AB, Samhita Warehousing Complex, 2nd Floor, Saki Naka Telephone Exchange Lane, Off Andheri-Kurla Road, Saki Naka, Andheri [East], Mumbai-400 072 or Sharepro Services [India] Private Limited, 92, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai-400 021 at the earliest but not later than September 17, 2012
- any change in their address/Bank mandate/Bank details; and
 - Particulars of their bank account, in case the same have not been sent earlier.
- [i] Members holding shares in the electronic mode are requested to inform any changes in address/Bank mandate directly to their respective Depository Participants. The address/Bank mandate as Furnished to the Company by the respective Depositories viz., NSDL and CDSL will be printed on the Dividend Warrant.
- [j] Members desirous of making a nomination in respect of their shareholding in the Company, as Permitted under Section 109A of the Companies Act, 1956 are requested to send the Same to the office of Registrar and Share Transfer Agent of the Company. Nomination form is enclosed at the end of this Report.
- [k] Members seeking any information or clarification on the Annual Report are requested to send their written queries to the Company at Registered Office at least two weeks prior to the date of the meeting to enable the Company to compile the information and provide replies at the meeting.

Registered Office :

A-5, MIDC, Ambad Industrial Area,
Mumbai-Nashik Highway, Nashik-422 010

Place : Mumbai**Date : May 31, 2012**

By Order of the Board of Directors
For **Sudal Industries Limited**

Kiran Inamdar
Company Secretary

Annexure to Notice

EXPLANATORY STATEMENT pursuant to Section 173[2] of the Companies Act, 1956 setting out all the material facts pertaining to the Special Resolution.

ITEM NO. 6 :

The present tenure of the Managing Director Shri Sudarshan Chokhani, who is also the promoter of the company, is due to expire on August 31, 2012.

For more than three decades the Company is a highly reputed manufacturer of Aluminium Extrusions. The performance of the Company during the last five years has shown remarkable improvement. Sudal has plans to accelerate its pace of growth. The Three dimensional growth is planned through capacity expansion, increase in market share and manufacture of high value margin items in the sales mix. The demand is increasing in Domestic market compared to the export market. The Company does not have any Foreign Collaboration.

Shri Sudarshan Chokhani's appointment as Managing Director of the Company shall be for a period of three years with effect from September 01, 2012 on the terms and conditions mentioned herein.

Shri Sudarshan Chokhani is a Commerce Graduate and completed his further study in EDP from Mumbai University. He has wide exposure to and knowledge of global, industrial and business management practices. His experience of more than Four decades in the aluminium and Allied metal business would immensely benefit the Company. The Board is of the opinion that his re-appointment as Managing Director would be more appropriate and in the best interest of the Company.

With Shri Chokhani's active involvement, vision, able leadership and guidance as the Managing Director, the Company shall be better placed to further excel the performance of the Company more successfully.

He shall perform his duties and exercise powers to manage the affairs of the Company under the guidance, direction, supervision and control of the Board of Directors of the Company.

The Company has embarked upon ambitious plans including enhancement of its extrusion capabilities which is expected to substantially increase the Company's turnover and profitability.

Considering his key role in the Company's ongoing and future endeavors, and having regard to the above and keeping in mind the comparable level of remuneration, in accordance with the recommendation of the Remuneration Committee, the Board of Directors have thought it prudent and desirable to appoint Shri Sudarshan Chokhani as Managing Director for a period of three years with terms and conditions as per the provisions of Schedule XIII of the Companies Act, 1956.

The proposed remuneration and terms and conditions of appointment of the Managing Director is given in the resolution. The draft agreement was approved and adopted.

Name	Mr. Sudarshan Chokhani, Managing Director
Period	September 01, 2012 to August 31, 2015
Salary	Upto ₹ 2,50,000 per month
Commission	Such amount which together with the annual salary and perquisites, will not exceed 5% of the Net Profit as computed under Section 198/349 of the Act at the end of each financial year during the tenure of the Managing Director.

Other Perquisites :

- [a] Gratuity payable in accordance with the rules of the Company or as per the Gratuity Act amended from time to time, and the value of such benefits shall not be included in the computation of limits for the remuneration or perquisites.
- [b] Free use of the Company's car for business and free telephone facility at residence are not considered as perquisites. No personal long distance calls on telephone calls are allowed.
- [c] Re-imburement of all entertainment and traveling and out of pocket expenses actually and properly incurred for the business purpose of the Company.

Other Terms :

- [1] The Managing Director shall not be entitled to receive the Director's Sitting fees for attending the meetings of the Board of Directors or any committee thereof as appointed by the Board or under any statute.
- [2] If at any time, the Managing Director ceases to be a Director of the Company due to any reason or cause, he shall cease to be the Managing Director in terms of the agreement.
- [3] The pecuniary relationship of the Managing Director is to the extent of the transactions being carried out with the related parties in the ordinary course of Business.
- [4] The agreement to be entered into may be terminated by either party by giving to the other party three months notice of such termination.

Memorandum of Interest :

Shri Sudarshan Chokhani is interested in his contract.

Shri Shyantanu Chokhani and Shri Deokinandan Ajitsaria Directors of the Company may be considered to be interested as they are related to Shri Sudarshan Chokhani.

None of the other Directors are concerned or interested in the appointment and payment of remuneration to Shri Sudarshan Chokhani.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE THIRTY THIRD ANNUAL GENERAL MEETING :

Item No. 3 and 4 [In pursuant to Clause 49 of the Listing Agreement]

Name of the Director	Shri Sudarshan Chokhani	Shri Shyantanu Chokhani
Date of Birth	June 04, 1954	December 20, 1990
Date of appointment	August 08, 1979	December 29, 2008
Director Identification Number	00243355	02444142
Qualification	B.Com., EDP	BBA [Nottingham University]
Expertise in specific Functional Areas	Business	Business
Directorship held in other public companies	Nil	Nil
Chairmanship/Membership of Committees across other public companies, if any.	1/2	Nil
Relationship between Directors inter-se	Related to two directors of the Company	Related to promoter and other director of the Company
Number of Equity Shares of ₹ 10 each held	933587	1218200

Registered Office :

A-5, MIDC, Ambad Industrial Area,
Mumbai-Nashik Highway, Nashik-422 010

Place : Mumbai

Date : May 31, 2012

By Order of the Board of Directors
For **Sudal Industries Limited**

Kiran Inamdar
Company Secretary

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the **Thirty Third Annual Report** on the business and operations together with the Audited Statement of Accounts of the Company for the year ended on March 31, 2012.

I. FINANCIAL RESULTS :

The financial performance of your Company for the year ended March 31, 2012 is summarized below :

[₹ in Lacs]

Particulars	2011-12	2010-11
Revenue from Operations [Net]	11319.86	11010.83
Earnings before interest, depreciation and tax	852.94	993.27
Less : Finance Costs	441.42	349.78
Less : Depreciation	165.05	103.41
Profit before tax	246.47	540.08
Less : Tax expense	51.91	190.24
Profit after tax	194.56	349.84
Opening balance in Statement of Profit and Loss	534.81	248.73
Amount available for appropriation	729.37	598.57
That the Directors recommend for appropriation as under:		
Proposed Dividend on Equity Shares	61.68	54.68
Tax on Proposed Dividend	10.02	9.08
Closing Balance in Statement of Profit and Loss	657.67	534.81

OPERATIONS AND RESULTS :

The ministry of Corporate Affairs [MCA] vide notification no. S.O. 447[E] dated February 28, 2011 amended the existing schedule VI to the Companies Act, 1956. The Revised Schedule VI is applicable from financial year commencing from April 1, 2011. The Financial Statements of your Company for the year ended March 31, 2012 have been prepared in accordance with the Revised Schedule VI and accordingly the previous year's figures have been reclassified/regrouped to conform to this year's Classification.

Net Revenue from Operation increased slightly to ₹ 11319.86 Lacs as compared to net revenue of ₹ 11010.83 Lacs. Net profit for the current year is ₹ 194.56 Lacs [Excluding the octroi refund of ₹ 138.31 Lacs received/receivable for Financial Year under review directly credited to Capital reserve account; previous year ₹ Nil] as against ₹ 349.97 Lacs in the previous year. Higher depreciation, high finance cost and increase in costs of production were the main cause of subdued profit during the current year.

II. DIVIDEND :

Your Directors recommend a dividend payment of ₹ 1.00 per equity share of ₹ 10 each for the financial year 2011-12. The dividend payment on equity shares will amount to ₹ 67.61 Lacs inclusive of tax on dividend of ₹ 9.43 Lacs which will be borne by the Company. The dividend would be Tax-free in the hands of the shareholders.

III. APPROPRIATION :

An amount of ₹ 122.86 Lacs is proposed to be retained in the Statement of Profit and Loss.

IV. BUSINESS REVIEW :

Your company has a mission to be the best in the business and continues to invest in building capacities. Operations of the third extrusion press are stabilised, the fourth & fifth extrusion presses have started and are expected to stabilize by the third quarter of the current year.

In the earlier year/s, the Company had announced to explore the viability of a Hotel project. Due to technical intricacies, it was decided by the Board to utilize the available land for installation of the fourth and fifth extrusion presses.

As explained in the previous year's report, land has been acquired at Gloschi near Nashik. Its utilization options shall be reviewed once the policies of the Government of Maharashtra are announced. The offshore wholly owned subsidiary company's activity at RAS Al Khaimah U.A.E. has been dropped. The Company has not taken/committed any capital exposure for the same.

In view of the above macro changes, the Board has initiated a expansion plan under "mega project" status declared by the Government of Maharashtra at Nardhana, District-Dhule which will have substantially higher capacity compared to the present plants. The details of this huge expansion is being worked out. Plans are afoot to complete this mega project within a period of three years from the zero date of starting it.

V. CAPACITY EXPANSION :

In view of growing demand in various user sectors, increasing applications, growth in per capita consumption, the Company has increased its manufacturing capacities and overall allied equipments along with upgrading existing facilities as well as installations of certain equipments to reduce quantity of energy consumption and reduce financial burden with optional consumption of energy. With five plants in operation, the company has a single point agenda of *sustaining growth*.

VI. LISTING OF SHARES :

The Companies securities are listed on the BSE Limited, Mumbai. The listing fees for the financial year 2012-13 have been duly paid.

VII. PUBLIC DEPOSITS :

The Company has not accepted deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and as such no amount of principal or interest was outstanding on the date of Balance Sheet.

VIII. CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Relevant information as required by Section 217 [1] [e] of the Companies Act, 1956 is given in Annexure I forming part of this report.

IX. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Pursuant to clause 49 [VI] of the Listing Agreement with the Bombay Stock Exchange, Management Discussion and Analysis Report is given in Annexure II forming part of this Annual Report.

X. CORPORATE GOVERNANCE :

In terms of Corporate Governance disclosures stipulated in clause 49 of the listing agreement with the Stock Exchange, details are provided in Annexure III. The certificate from the Company's Auditors confirming the compliance of conditions of Corporate Governance is also annexed, forming part of this Annual Report.

A declaration in regard to compliance with the Code of Conduct by the Directors and Senior Management personnel signed by the Managing Director forms part of the Annual Report.

XI. PARTICULARS OF EMPLOYEES :

Information prescribed under Section 217 [2A] of the Companies Act, 1956 read with Companies [Disclosure of particulars in the Report of Board of Directors] Rules, 1968, is annexed as Point 4 of Annexure-IV forming part of this Annual Report.

XII. DIRECTORS' RESPONSIBILITY STATEMENT :

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

- [1] In the preparation of the annual accounts, the applicable accounting standards have been followed with explanatory notes relating to material departures;
- [2] Appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and the Statement of Profit and Loss of the Company for the year ended March 31, 2012 and cash flow as on that date;
- [3] Proper and sufficient care has been taken for maintaining 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;
- [4] The annual accounts have been prepared on a going concern basis.

XIII. DIRECTORATE :

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Shri Sudarshan Chokhani and Shri Shyantanu Chokhani retire by rotation and being eligible, offer themselves for re-appointment. In terms of clause 49 of the listing Agreement with the Stock Exchange, relevant details of the directors to be re-appointed are provided as annexure to the notice of the Annual General Meeting.

Members approval is being sought for the re-appointment of Shri Sudarshan Chokhani as the Managing Director of the Company on the terms of appointment set out in explanatory statement annexed to the notice of the meeting.

XIV. AUDITORS :

M/s Lodha & Co., Chartered Accountants, Auditors of the Company are due to retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Statutory Auditors have submitted a certificate to your Company that they have subjected themselves for the peer review process of the Institute of Chartered Accountants of India for the Financial year 2011-12; and to the effect that the re-appointment, if made, would be within the limits prescribed under section 224 [1B] of the Companies Act, 1956. Your Directors recommend their re-appointment.

XV. COST AUDIT :

Pursuant to the provisions of Section 233B of the Companies Act, 1956, The Central Government has prescribed Cost Audit for the Company. Based on the recommendation of the Audit Committee, Shri Hemant V. Shah, Cost Accountant has been appointed as the Cost Auditor of the Company for the financial year 2011-12 to Conduct the audit of the cost records of the Company.

XVI. ACKNOWLEDGEMENT :

Your Directors take this opportunity to thank and place on record their appreciation for the services rendered by the officers, staff and workers of the Company at all levels for their dedicated efforts during the year to improve the performance of the Company. Your Directors sincerely convey their appreciation to the bankers, primary metal suppliers and other business associates, regulatory authorities, customers, vendors and shareholders for their continued trust and confidence reposed in the Company.

For and behalf of the Board of Directors

Place : Mumbai
Date : May 31, 2012

Chaitan Maniar
Chairman

Annexure - I : to Directors' Report

Information 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 and forming part of the Directors' Report for the year ended March 31, 2012.

[A] CONSERVATION OF ENERGY :

[I] Measures taken to conserve energy:

- [a] Installed 2 nos. 300HP VFD to 2 nos. 270HP pump motors.
- [b] Installed 100HP & 150HP VFD to 75HP and 125HP pump motor.
- [c] Replaced 250W lamps with 200W electronic ballast lamps.
- [d] Replaced 100W sodium vapour lamps with 20W LED lamps.
- [e] Replaced 10HP slat conveyor with 2HP roller table assemblies.
- [f] Replaced press 270HP mai pump motor with 75HP x 2 induction motors. Installed 100HP VFD for motor.
- [g] Relining/proper insulation of billet heating furnace.

[II] Additional Investment Proposed :

- [a] Installation of air control valve at air line of billet heating furnace.
- [b] Automation of billet heater-III temperature controlling system by plc.
- [c] Installation of VFD for 40HP auxiliary pump motor.
- [d] Energy Audit for plant.
- [e] Replace multi burner system by low pressure single burner system for plant IV Billet Heating Furnace.

[III] Impact of [A] and [B] Above :

Will reduce maximum demand, electricity consumption, furnace oil consumption, LPG consumption and increase efficiency, reduce cost and improve recovery and quality.

FORM – A

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

Various energy conserving/saving measures at all points of Conservation of Energy is an ongoing Process and the Company has taken the appropriate steps to save energy wherever possible.

	Current year 2011-12	Previous year 2010-11
A. Power and Fuel Consumption :		
1. Electricity		
[a] Purchased Units	47,15,923	45,26,310
Total Amount [₹]	3,03,74,734	2,59,89,165
Av. Rate/Unit [₹]	6.50	5.79
[b] Own Generation		
[i] Through Diesel Generator [Units]	—	—
Unit/Ltrs. of Diesel Oil	—	—
Costs/Units [₹]	—	—
[ii] Through Steam Turbine/Gas		
Unit-KWH	—	—
Unit/Kg.	—	—
Cost/Unit [₹]	—	—
2. Gas		
Purchased units [Kgs]	5,44,476	4,38,204
Total Cost [₹]	2,75,33,896	1,82,94,565
Cost per Kg.	50.57	41.75
3. Coal [Specify quality and where used]		
Quantity [Tonnes]	—	—
Total Cost	—	—
Average Cost	—	—
4. Furnace Oil		
Quantity [Ltrs.]	7,40,485	7,88,910
Total Amount [₹]	2,79,77,932	2,03,67,222
Average Rate [₹/ltr.]	37.78	25.82
5. Other [Internal Generation]		
Quantity	—	—
Total Cost	—	—
Rate/Unit	—	—
B. Consumption per ton of production :		
Electricity [Units]	737.70	674.75
Furnace Oil [Ltrs.] [for casting]		
Aluminium Billets	93.54	101.87
Alloy	—	—
Coal [Specify Quality]	—	—
Others [Specify]	—	—

[B] TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

1. Efforts in brief made towards absorption, adaptation and innovation. : Absorbed and adapted new process Adaptation and innovation Technology & equipments/material by visits to foreign suppliers/experts.
2. Benefit derived as a result of the above efforts i.e. Product improvement, Cost reduction, Product development, import substitution etc. : The achievements were made in product development & cost reduction by energy saving.
3. In case of imported technology [imported during the last 5 years reckoned from the beginning of the financial year] following information to be furnished.
 - [a] Technology imported : No Technology Imported
 - [b] Year of import : —
 - [c] Has technology been fully absorbed : —
 - [d] If not fully absorbed areas where reason therefore and future plans of action. : —

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF ABSORPTION OF RESEARCH AND DEVELOPMENT [R&D] :

1. Specific area in which R&D carried out by the Company : Furnace capacity augmentation
2. Benefit derived : [i] Improvement in Quality of finished products and new products development
[ii] Capacity has been augmented with bigger finish cut saw.
3. Future plan of action : [i] Modification of gas Billet Heater by designing two rows of Billets heating under one single burner to reduce gas consumption.
[ii] Capacity augmentation by changing the saw in-feed & out feed table of press line.
[iii] Installation of VFD against fixed volume pump on press line electrical saving.
4. Expenditure in R & D :

		[₹ in lacs]
Capital		58.08
Recurring		11.18
	TOTAL	69.26

Total R & D expenditure as a percentage of turnover 0.61% [Approx.]

[C] FOREIGN EXCHANGE EARNINGS & OUTGO :

The Company is exploring the possibility of export of its products. However exports are not competitive compared to domestic markets.

The required information in respect of foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended 31st March, 2012.

For and behalf of the Board of Directors

Place : Mumbai
Date : May 31, 2012

Chaitan M. Maniar
Chairman

Annexure - II : to the Directors' Report Management Discussion and Analysis

We submit herewith the Management Discussion and Analysis Report on the Company's business for the year ended March 31, 2012. We have attempted to include discussion on all specified matters to the extent relevant, or within limits that in our opinion are imposed by the Company's competitive position.

1. INDUSTRY STRUCTURE :

The year 2011-12 has been a year of several challenges on the domestic front. The business environment during the year was characterized by regulatory uncertainty, rising inflation, spiriling fuel prices, increasing interest rates and volatility of both—raw material prices and prices of finished goods. The worse appears to be far from over, uncertainty remains about the recovery's nature and pace due to bewildering new environment in which little is certain though everybody thinks that we are in a bottomout situation. The on going crisis on the global front has made business more challenging in terms of precise forecast and planning, timely execution and driving down the manufacturing costs.

During the year under review the Indian economy recorded a lower growth rate of ~6.50%. The uncertainties prevailing at the beginning of the year were further aggravated in the third and fourth quarter of the year. A greater focus on removing the structural barriers to manufacturing growth would provide a much needed boost to GDP growth. The challenges still remain.

2. COMPANY OVERVIEW :

In such prevailing uncertain environment, Your Company has made the best use of available resources and abilities to be prepared to seize the emerging opportunities in future. The Third Extrusion press has stabilized production during the year. Successful trial runs have been undertaken for the fourth and the Fifth press at the end of the year and they are expected to be stabilized by the third quarter of FY 2013. Policies and plans have been implemented for strict financial discipline and concentration on high margin products. Consolidation and further growth plans are being formulated for execution over the next three years.

3. OPPORTUNITIES :

Your Company is consolidating its pre-eminent position in aluminum extrusion manufacturing space. "To exceed customers' expectations and to delight them with best services and quality products" is the company's mission under execution. With substantial increase in Casting capacity, we are being "future ready" to seize every opportunity that will arise. We have been vigilant to use this hard times to retrospect, to concentrate and to strengthen our competitive advantage. All out efforts were made/are being made to enhance capabilities and increase efficiencies. With a single point agenda of "sustaining growth" extensive plans thereof are afoot to benefit from the expected emerging demand patterns in the industry.

The per capita consumption of aluminum in India is approximately 1.5 kgs compared to 32.5 kgs in most of the developed countries, This scenario offers tremendous scope for growth. Traditionally in India, Aluminum extrusions are conventionally used by power, electrical, transportation, packaging, consumer durables, construction, building systems, defense, PSU's, railways, switchgears, automobiles, infrastructure industry. "Aluminum extrusions" with its many inherent qualities like light weight, corrosion resistance, eco friendly, aesthetics, molding versatility, extremely viable alternative to wood, etc. scores over other metals. Everyday Aluminum extrusions are finding enlarged applications by the present user industries and fresh applications by the potential new users. With the expansion of capacities in the user industries demand for aluminum extrusion is also estimated to grow at more than 8–10% per annum. Also with advancement of technology, aluminum extrusions industry is having very promising future.

Your Company continues to enjoy increasing confidence from its valued customers spread across various industries for providing quality products and efficient delivery logistics in place.

4. THREATS, RISKS AND CONCERNS :

The Company's products are primarily sold in the domestic market. The increase in raw material prices, competition from established and emerging players, foreign exchange fluctuations and increase in other input costs are major areas of risks and concerns. Your Company is aware about business risks and risk management and accordingly from time to time takes effective steps to mitigate/minimize its impact and ensure continuity and business development in line with the mission and vision of the Company.

The Company has adequate insurance coverage of all its assets. The compliance of safety norms and requirements as prescribed by different government agencies are duly fulfilled.

5. OUTLOOK :

In spite of all the inherent risks in the environment present today, the Outlook for 2012-13 is full of opportunities. FY 2012-13 is the beginning of the first year of the twelfth plans of the Government of India, which aims at faster, sustainable and inclusive growth. Focus on domestic demand growth recovery is one of the objectives identified for the same. With expansion being implemented and streamlined, the Company is committed and hopeful of much better performance for the next couple of years. The immediate plan for 2012-2013 is to utilize expanded capacity to full, to effectively manage resources, to optimize cost and to secure a large share of the domestic market.

6. INTERNAL CONTROL AND THEIR ADEQUACY :

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The internal audit department provides assurance on the adequacy and effectiveness of your company's risk management, monitors effective control over the accounting systems alongwith check over day to day operations of the Company and governance processes. In addition the services of outside audit firms are also taken. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee at their meetings reviews the adequacy and effectiveness of the Company's internal control environment and monitor the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and system.

7. DIVERSIFICATION & NEW VALUE ADDED PRODUCTS :

Development of extruded sections for sophisticated end users in an ongoing drive undertaken by the company in its growth journey. The down-stream activity is also on constant follow up for improvement.

8. TOTAL QUALITY MANAGEMENT :

The Company is re-certified for Management System ISO 9001 : 2008 certification, ISO/TS 16949 : 2009, and also SA 8000:2008 FOR SOCIAL RESPONSIBILITY.

It has also received certificates from T.U.V. NORD INDIA LTD., for I.S.O.14001-2004 STANDARD [ENVIRONMENTAL MANAGEMENT SYSTEM AND I.S.O. 18001-2007 STANDARD [OHASAS-OCCUPATIONAL HAZARDS SAFETY ASSESSMENT SERIES SYSTEM] and EnMS 50001:2011 for Quality Systems].

9. RISK MANAGEMENT/HEALTH, SAFETY, SOCIAL ACCOUNTABILITY, ETC :

Risk management is an integral part of the business process and as part of business policy, the Company gives due importance to the risk identification and control in various functional areas. A risk management framework is in place, which is periodically reviewed by the Board of Directors.

The Company is taking due care and steps in respect of pollution control, safety, health etc. Its certification is under process. The Company has received certification for SA 8000.

10. HUMAN RESOURCES AND INDUSTRIAL RELATIONS :

Employer-employee relations continued to remain cordial during the year. Technical and Safety Training and development of employees continue to be an area of prime importance and such programmes were held periodically to enhance workers knowledge and skills particularly in view of capacity expansion undertaken. Wages Agreement with workers has been renewed on May 06, 2012 upto March 31, 2015.

11. SEGMENT – WISE/PRODUCT – WISE PERFORMANCE :

Your Company's business activity falls within a single primary business segment viz. Aluminum extrusions. As such there are no separate reportable segments as per Accounting Standard-17 [AS-17] issued by the Institute of Chartered Accountants of India.

12. CORPORATE SOCIAL RESPONSIBILITY :

Your Company believes that growth has not only to be profitable and competitive, but also sustainable in a socially relevant way. Your company has volunteered to provide relief to local communities residing nearby the factory when in distress. During the year your Company has undertaken the following CSR initiatives at Nashik :

- [a] Managing "Sudal Welfare Center" for which a Doctor has been appointed and on daily basis 40 to 50 poor and needy people from the Society are checked free of charge/cost with medicines.
- [b] One drinking water connection of MIDC has been provided by your Company for needy and poor people who are residing in the vicinity of our Plant.
- [c] your Company is also associated with The National Association for the Blind [NAB] Nashik and we provide relief to blind people by giving them job work, etc.
- [d] Every year your Company arranges Blood Donation Camp in Company's Premises for Social cause in association with M/s Arpan Blood Bank, Nashik.
- [e] Every year your Company arranges a celebration programme to felicitate and give awards to the children of employees who have passed SSC examination.
- [f] Every year your Company welcomes to Sai Yatri [People] on the Sudal Gate with Snacks, Tea & Coffee.
- [g] Every year your Company is arranging "Ganesh utsav festival" and celebrate it with active participation of employees & other people residing in the neighbourhood of the plant.
- [h] Every year your Company is undertaking Tree plantation in company premises.

13. SAP :

The SAP system facilitates internal control procedures and timely reports which is effective in MIS within the organisation.

For and behalf of the Board of Directors

Place : Mumbai
Date : May 31, 2012

Chaitan M. Maniar
Chairman



Annexure-III : to the Directors' Report Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Your company is practicing the principles of good corporate governance and believes in Fairness, transparency and accountability in all facets of its operations. It follows sound systems to support healthy business operations and endeavors continuous improvements. Your company has complied with all the regulations stipulated by SEBI in the code of corporate governance.

The Board of Directors of the Company has adopted the code of conduct for its members and senior management covering company's value, principles, behavioral ideals, integrity, ethical conduct whereby interest of the Company is taken care.

2. BOARD OF DIRECTORS :

1. COMPOSITION :

The Board of Directors comprises of :

- One Managing Director [Promoter group]; One Joint Managing Director [Promoter group]
- One Director – Independent – Related; Three Non-Executive Directors – Independent

The details of the Directors being re-appointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Clause 49[V][G] of the Listing Agreement, are mentioned in the Notice to the Annual General Meeting, forming part of the Report.

The names of the Directors, nature of Directorship, number of board meetings attended during the year and the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies are as under :

Name of the Director	Nature of Directorship	Directorships in other public limited companies	Memberships of other Committee[s]		Attendance	
			Chairman	Member	At the Board Meetings	At the Last AGM
Shri Sudarshan Chokhani	Managing Director [Promoter group]	–	01	02	06	Yes
Shri Shyantanu Chokhani	Jt. Managing Director Related [Promoter group]	–	–	–	01	Yes
Shri Deokinandan Ajitsaria	Non Executive – Related – Independent	–	–	02	01	No
Shri Chaitan Maniar	Chairman – Non Executive – Independent	14	01	09	04	No
Shri Manoj Shah	Non Executive – Independent	00	01	02	06	Yes
Shri Dinesh Shah	Non Executive – Independent	–	–	03	06	Yes

2. MEETINGS OF THE BOARD OF DIRECTORS :

During the year 2011-2012, Six [6] meetings of the Board of Directors were held and the maximum time gap between two [2] meetings did not exceed four [4] months. The Date[s] of which meeting[s] were held are :

- | | |
|--------------------|---------------------------|
| [1] April 29, 2011 | [4] October 29, 2011 |
| [2] May 28, 2011 | [5] November 16, 2011 and |
| [3] July 29, 2011 | [6] January 31, 2012 |

3. THE BOARD COMMITTEES :

I. AUDIT COMMITTEE :

Terms of Reference :

The terms of reference of this Committee cover the matters specified under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. In brief, these are :

To oversee the Company's financial reporting process and disclosure of its financial information; to recommend the appointment of Statutory Auditors and Internal Auditors; to review and discuss with the Auditors all aspects of internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal control system, major accounting policies, practices and entries; compliance with Accounting Standards and Listing agreement with the Stock Exchange and other legal and regulatory requirements concerning financial statements; to review the reports of the Company's Internal Auditors and to discuss with them any significant findings for follow-up action thereon; to review the financial statements audited by the Statutory Auditors as also to review financial and risk management policies and practices.

Composition and Attendance of Audit Committee :

During the year the Committee met Four times. The date[s] on which the meeting[s] were held [1] April 29, 2011; [2] July 29, 2011, [3] October 29, 2011 and [4] January 31, 2012

Name of the Director	Category	No. of Meetings attended
Shri Manoj Shah	Independent – N E D [Chairman]	4
Shri Sudarshan Chokhani	Jt. Managing Director – [Member]	4
Shri Deokinandan Ajitsaria	Independent – N E D Related – [Member]	1
Shri Dinesh Shah	Independent – N E D [Member]	4

N E D : Non Executive Director

The necessary quorum was present at the meetings.

All members of the Board Audit Committee are financially literate and have relevant finance and/or audit exposure.

At least One Audit Committee Meeting was held every quarter.

The Company Secretary acts as the Secretary of the Audit Committee.

The CFO acts as the coordinator of the Committee.

The Chairman of the Audit Committee Shri Manoj Shah was present at 32nd Annual General Meeting held on August 27, 2011.

II. REMUNERATION COMMITTEE :

Terms of reference :

[1] Reviewing the overall compensation policy, service agreements and other employment conditions of Managing Director/Joint Managing Director/Staff.

[2] Reviewing the performance of the Managing Director[s] and recommending to the Board the quantum of annual increments and annual commission.

Composition and Attendance of Remuneration Committee :

During the year 2011-2012, the Committee did not meet.

The Composition of Remuneration Committee Meeting during the year was as under :

Name of the Director	Category
Shri Manoj Shah	Independent – N E D [Chairman]
Shri Sudarshan Chokhani	Managing Director – [Member]
Shri Deokinandan Ajitsaria	Independent – N E D Related – [Member]
Shri Dinesh Shah	Independent – N E D [Member]

N E D : Non Executive Director

During the year 2011-12, No meeting of the Remuneration Committee was held.

The Company Secretary acts as the Secretary of the Remuneration Committee.

III. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE :**Terms of Reference :**

To specifically look into complaints relating to transfer of shares, non-receipt of annual report, dividend warrants, etc. received from investors, redress them and to improve the efficiency in investors' service, wherever possible.

Composition of the committee :

The Committee comprises of Three Directors, namely,

Name of the Director	Category
Shri Sudarshan Chokhani	Managing Director – [Chairman]
Shri Manoj Shah	Independent – N E D [Member]
Shri Dinesh Shah	Independent – N E D [Member]

N E D : Non Executive Director

During 2011-2012, Nineteen Meetings of the Committee were held. The Company received total 30 complaints during the year 2011-12 which were disposed off and no complaint is pending at the year end.

The Company Secretary acts as the Secretary of the said Committee and he is also the Compliance Officer.

As per the revised Clause 47 [F] of the listing agreement of the BSE the e-mail ID of the Company Secretary is inamdar@sudal.co.in

IV. SHARE TRANSFER COMMITTEE :**Terms of Reference :**

The Company has share transfer committee with the following terms of reference :

- [a] Transfer/transmission/transposition of shares;
- [b] Consolidation/splitting of shares;
- [c] Issue of duplicate share certificates, sub division/consolidation, rematerialized, defaced shares, review of shares dematerialized and all other related matters.

Composition of the committee :

Name of the Director	Category
Shri Sudarshan Chokhani	Managing Director – [Chairman]
Shri Manoj Shah	Independent – N E D [Member]
Shri Dinesh Shah	Independent – N E D [Member]

N E D : Non Executive Director

The Committee met Nineteen times during the year.

4. REMUNERATION OF DIRECTORS :

[Rupees in thousands]

Name of the Director	Sitting Fees	Salary [Basic + HRA]	Perquisites & Allowances	PF Contribution	Commission	Total
Shri Sudarshan Chokhani	–	3000.00	–	–	–	3000.00
Shri Shyantanu Chokhani	–	3000.00	–	–	–	3000.00
Shri Deokinandan Ajitsaria	3.00	–	–	–	–	3.00
Shri Chaitan Maniar	12.00	–	–	–	–	12.00
Shri Manoj Shah	54.00	–	–	–	–	54.00
Shri Dinesh Shah	54.00	–	–	–	–	54.00

5. COMPLIANCE OFFICER :

Shri Kiran G. Inamdar
Company Secretary
also the Compliance officer

Corporate Office :
26A, Nariman Bhavan,
227, Nariman Point, Mumbai-400 021
Telephone No : +91-22-61577110
Fax No : +91-22-22022893
E-mail : inamdar@sudal.co.in

6. DISCLOSURES :**I. RELATED PARTY TRANSACTIONS :**

The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, or relatives that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note 38 to the accounts in the Annual Report.

II. STATUTORY COMPLIANCE, PENALTIES AND STRUCTURES :

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 last three years.

III. CODE OF CONDUCT :

The Company has adopted a Code of Conduct for the Directors and Senior Management Personnel of the Company.

IV. LISTING AGREEMENT COMPLIANCE :

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement as amended till date.

V. RISK MANAGEMENT :

The Company has since reviewed the risk based control system and evolved a procedure for risk assessment and timely rectification which arise due to operational, financial and compliance risk across all the business operations. These control procedures and system will ensure that the Board is periodically informed of the material risks faced by the Company and the steps taken by the Company to mitigate those risks.

VI. ALLOTMENT OF EQUITY SHARES DURING THE YEAR :

The Company has allotted Equity Shares on Conversion of Optionally Fully Convertible Warrants during the year as per details given below :

Date of Allotment	No. of Shares Allotted	Authorised Capital	Paid-up Capital
May 28, 2011	3,50,000	6,00,00,000	5,81,78,180

Shares allotted on conversion of 3,50,000 OFC Warrants out of 12,00,000 OFC Warrants issued at ₹ 23.25 each.

VII. LISTING APPROVAL FROM BSE :

Final listing and trading permission from BSE was received on June 17, 2011 for 3,50,000 Equity Shares issued and allotted on conversion of OFCW.

VIII. BOARD PROCEDURE :

The Company has established procedures to enable its Board to review compliance of all laws applicable to the Company as well as steps taken to rectify instances of non-compliance.

7. MEANS OF COMMUNICATION :

Timely disclosure of information on business and financial performance of the Company is an integral part of good governance. Your Company disseminates information about its operations, business and financial performance to Stock Exchange. The Quarterly/Half yearly/Annual results are declared within the stipulated period from the end of such respective period.

The Quarterly Unaudited Financial results and Audited Annual results are normally published "Free Press Journal" [English] Mumbai Edition and "Navshakti" [Marathi], Mumbai Edition.

Updates and developments impacting the business and financials together with Data on Shareholding pattern etc. are made available to the BSE Limited, Mumbai in the form which enable them to place them on their website i.e. www.bseindia.com.

8. LISTING :

The Equity Shares of the Company are listed on the BSE Limited, Mumbai.

9. GENERAL MEETINGS :

Details of Annual General Meetings :

[a] The particulars of last three Annual General Meetings of the Company are as under :

Financial Year	Date	Time	Venue
2010-2011	August 27, 2011	3:00 p.m.	} Hotel Sai Palace, Mumbai-Nashik Highway, CIDCO, Nashik-422 010.
2009-2010	September 25, 2010	3:30 p.m.	
2008-2009	July 18, 2009	3:30 p.m.	

[b] The particulars of special resolution passed in the last three Annual General Meeting are as under :

Financial Year	No. of Special Resolutions
2010-2011	One
2009-2010	One
2008-2009	One

10. DETAILS OF DIRECTORS SEEKING REAPPOINTMENT :

As required under Clause 49 IV [(G) [i]] particulars of Directors seeking Appointment/reappointment are given in the Explanatory Statement annexed to the Notice of Annual General Meeting to be held on September 29, 2012.

11. GENERAL SHAREHOLDERS INFORMATION :

Date of Incorporation	:	August 08, 1979
Corporate Identity Number [CIN]	:	L21541MH1979PLCO21541
Registered Office and Plant	:	A-5, MIDC, Ambad Industrial Area, Mumbai-Nashik Highway, Nashik-422 010 [Maharashtra] Tel No : +91-253-6636200/201 E-mail : nashik@sudal.co.in
Corporate Office [Address for Correspondence]	:	26A, Nariman Bhavan, 227, Nariman Point, Mumbai-400 021 Tel No : +91-22-61577100/177 E-mail : mumbai@sudal.co.in
Day and Date of the Annual General Meeting	:	Saturday, September 29, 2012
Time and Venue of the Annual General Meeting	:	3.00 p.m. at Hotel Sai Palace, Mumbai-Nashik Highway, CIDCO, Nashik-422 010 [Maharashtra]
Date of Book Closure	:	From September 18, 2012 to September 29, 2012 [both days inclusive]
Date and Time of Receipt of Proxy	:	September 27, 2012 before 3.00 p.m.
Financial Calendar: 2012-2013	:	April 1, 2012 to March 31, 2013
First Quarter ending June 30, 2012	:	4th Week of July, 2012
Second Quarter ending September 30, 2012	:	4th Week of October, 2012
Third Quarter ending December 31, 2012	:	4th Week of January, 2013
Fourth Quarter ending March 31, 2013	:	2nd Week of May, 2013

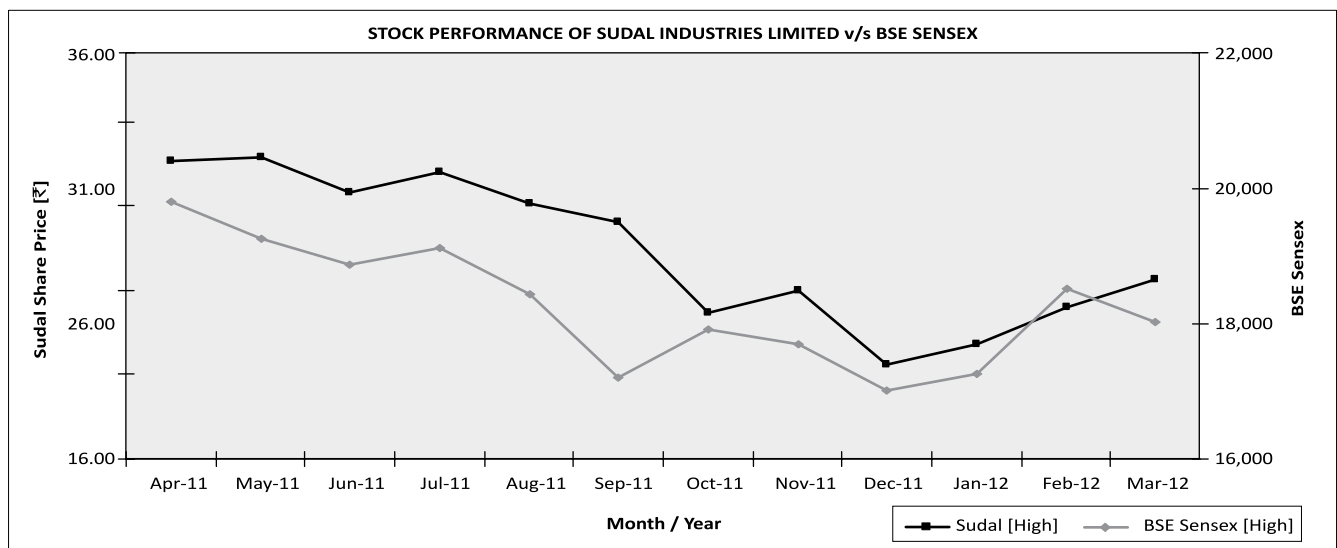
Listing on Stock Exchange	:	BSE Limited 25th Floor, P. J. Towers Dalal Street, Mumbai-400 001 Tel No : +91-22-22721233/34 Fax No : +91-22-26598347/48 Website : www.bseindia.com The Annual Listing fee for 2011-2012 have been duly paid.
BSE Stock Code	:	506003
International Security Identification Number [ISIN] Code	:	INE 618D01015
Dividend Payment/Credit date	:	On or after October 25, 2012
Outstanding Optionally Fully Convertible Warrants	:	NIL

12. MARKET PRICE DATA :

Monthly High/Low of the market price of equity shares of the Company at the BSE Limited [BSE], during each month for the year ended March 31, 2012 is as under :

Period	SIL Price Data		BSE Sensex / Index	
	High [₹]	Low [₹]	High	Low
2011 –April	33.60	28.55	19811.14	18976.19
May	33.90	27.95	19253.87	17786.13
June	31.75	27.30	18873.39	17314.38
July	33.00	27.45	19131.70	18131.86
August	31.10	21.90	18440.07	15765.53
September	30.00	23.40	17211.80	15801.01
October	24.70	22.20	17908.13	15745.43
November	26.00	19.35	17702.26	15478.69
December	21.60	18.10	17003.71	15135.86
2012 –January	22.80	17.75	17259.97	15358.02
February	25.00	20.00	18523.78	18061.55
March	26.60	20.00	18040.69	16920.61

BSE closing market price as at **March 31, 2012 – ₹ 22.85**



13. DISTRIBUTION OF EQUITY SHAREHOLDING AS AT MARCH 31, 2012 :

No of shares held	Number of shareholders	% of shareholders	Aggregate shares held	% of shareholding
1 - 500	9803	94.532	8,46,622	14.552
501 - 1000	319	3.076	2,50,874	4.312
1001 - 2000	115	1.109	1,73,622	2.984
2001 - 3000	41	0.395	1,07,596	1.849
3001 - 4000	29	0.280	1,02,525	1.762
4001 - 5000	13	0.125	62,705	1.078
5001 - 10000	26	0.251	2,07,069	3.559
10001 and above	24	0.231	40,66,805	69.903
TOTAL	10,370	100.000	58,17,818	100.000

14. SHAREHOLDING PATTERN AS AT MARCH 31, 2012 :

Category	Number of shareholders	No. of shares held	% of shareholding
Indian Promoters/Relatives	07	30,93,000	53.17
Banks	01	50	0.00
Foreign Corporate Bodies	01	3,25,300	5.03
Corporate Bodies	88	2,92,756	5.59
Indian Public	10,238	20,76,041	35.68
NRI's/OCB's	35	30,671	0.53
TOTAL	10,370	58,17,818	100.00

15. REGISTRAR AND TRANSFER AGENT :

[For physical and Demat]

Sharepro Services [India] Private Limited
 13 AB, Samitha Warehousing Complex,
 2nd Floor, Saki Naka Telephone Exchange Road,
 Saki Naka, Andheri [East], Mumbai-400 072
 Tel No. : 91-22-67720300/67720400
 Fax No. : 91-22-28591568
 E-mail : sharepro@shareproservices.com

16. SHARE TRANSFER SYSTEM :

Share Transfers in physical form are to be lodged with Sharepro Services [India] Private Limited; Registrar and Transfer Agent at the above mentioned address. The transfers are normally processed within 30 days from the date of receipt if the relevant documents are complete in all respect. Share Transfer Committee approves the transfers.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant [DP] regarding change of address, change of Bank/Bank Account number, nomination, etc.

17. DEMATERIALISATION OF SHARES :

As per Notification issued by SEBI, with effect from June 26, 2000, the shares of the Company are required to be traded in dematerialized form and are available for trading under both the Depository systems in India – NSDL and CDSL.

As at March 31, 2012, 5147392 shares of the Company constituting 88.48% of the subscribed and paid up capital stand dematerialized.

18. DEMAT & PHYSICAL SHARES :

Particulars	As at March 31, 2012	%
No. of Shares held at NSDL	1203159	20.68
No. of Shares held at CDSL	3944233	67.80
No. of Shares held in Physical form	670426	11.52
Total	5817818	100.00

19. DEPOSITORY SERVICES :

Shareholders may write to our RTA or to their respective Depositories for guidance on depository services.

20. ADDRESS FOR CORRESPONDENCE WITH DEPOSITORY :

National Securities Depository Limited [NSDL] Trade world, "A" Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013 Telephone No. : 022-24994200 Fax [Fascimile] : 022-24972993/24976351 E-mail : info@nsdl.co.in Website : www.nsdl.co.in	Central Depository Services [India] Limited [CDSL] Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai-400 001 Telephone No. : 022-22723333 Fax [Fascimile] : 022-22723199/22722072 E-mail : investors@cdslindia.com Website : www.cdslindia.com
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For and behalf of the Board of Directors

Place : Mumbai
Date : May 31, 2012

Chaitan M. Maniar
Chairman

Annexure - IV**Statement of Particulars under section 217[2A] of the Companies Act, 1956 read with the Companies [Particulars of employee] Rules 1975 for the year ended March 31, 2012 and forming part of the Director's Report.**

Employed throughout the financial year

S. No.	Name	Designation	Qualification [s]	Age	Date of commencement of employment	Total experience	Nature of employment whether contractual or otherwise	Nature of duties of the employee	Gross remuneration ₹	Previous employment/ Designation
1	Sudarshan S. Chokhani	Managing Director	B.Com., AMP in Financial Management	58	Nov. 01, 1988	37	Contract	General Management	30,00,000	Nil
2.	Shyantanu S. Chokhani	Joint Managing Director	B.B.A., [U.K.]	21	Nov. 01, 2010	—	Contract	General Management	30,00,000	Nil

- Notes: 1. Shri Sudarshan S. Chokhani is a relative of the following Directors :
[a] Shri Deokinandan O. Ajitsaria and [b] Shri Shyantanu S. Chokhani.
2. Shri Shyantanu S. Chokhani is a relative of the following Directors :
[a] Shri Sudarshan S. Chokhani [b] Shri Deokinandan O. Ajitsaria.
3. Remuneration includes salary, taxable value of perquisites.

For and behalf of the Board of Directors

Place : Mumbai
Date : May 31, 2012

Chaitan M. Maniar
Chairman

Declaration of compliance of the Code of Conduct

I hereby declare that pursuant to provisions of clause 49 [1] [D] [II] of the listing agreement all the Directors and Senior Management Personnel have affirmed compliance with the code of conduct adopted by the Company and confirmation to that effect has been received for the year 2011-2012.

Place : Mumbai
Date : May 31, 2012

For **Sudal Industries Limited**
Sudarshan S. Chokhani
Managing Director

CEO/CFO Certification

As required under sub clause V of Clause 49 of the listing agreement with the Stock Exchange, we have certified to the Board that for the financial year ended March 31, 2012 the Company has complied with the requirements of the said sub-clause.

Place : Mumbai
Date : May 31, 2012

For **Sudal Industries Limited**
Sudarshan S. Chokhani
Managing Director
Mukesh V. Asher
Chief Financial Officer (CFO)

Secretarial Compliance Certificate

This is to certify that Sudal Industries Limited having its Registered Office at A-5 MIDC, Ambad Industrial Area, Mumbai-Nashik Highway, Nashik, Maharashtra has complied with all the Statutory requirements and maintained all books/records required under the Companies Act, 1956 and also complied with the requirements prescribed by SEBI and all the other applicable Statutes and rules there under, to the best of the knowledge of the undersigned.

Place : Mumbai
Date : May 31, 2012

For **Sudal Industries Limited**
Kiran G. Inamdar
Company Secretary

Auditors' Certificate on Corporate Governance under Clause No. 49 of The Listing Agreement with Stock Exchange

To The Members of
Sudal Industries Limited

We have examined the compliance of conditions of 'Corporate Governance' by Sudal Industries Limited for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. 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 based on 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.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances was pending for a period of one month against the Company as per the records maintained by the Company

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

Place : Mumbai
Date : May 31, 2012

For **LODHA & CO.**
Chartered Accountants
Firm Reg. No. 301051E
A. M. Hariharan
Partner
Membership No. 038323

Auditors' Report

To The Members of
SUDAL INDUSTRIES LIMITED

We have audited the attached Balance Sheet of SUDAL INDUSTRIES LIMITED as at March 31, 2012, the Statement of Profit & Loss and also the 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.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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 [hereinafter referred to as the 'Act'], we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph [3] above, we report that :

- [a] We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- [b] In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- [c] The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- [d] In our opinion, the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211[3C] of the Act, to the extent applicable;
- [e] On the basis of written representations received from the Directors, as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a Director in terms of Section 274 [1][g] of the Act;
- [f] In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Significant Accounting Policies and accompanying notes give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India :
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - ii. in the case of the Statement of Profit & Loss, of the profit of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **LODHA & CO.**
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 038323

Place : Mumbai
Date : May 31, 2012

Annexure To The Auditors' Report

Annexure referred in paragraph 3 of our report of even date to the members of SUDAL INDUSTRIES LIMITED on the Financial Statements as at and for the year ended March 31, 2012.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that :

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable considering the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such physical verification. No substantial part of fixed assets was disposed off during the year.
2. [a] The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit is being verified by the management with reference to confirmations or statements of account or subsequent receipt of goods.
[b] The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
[c] The Company is maintaining proper records of inventory. The discrepancies noticed on verification of inventory between the physical stock and book records were not material and have been properly dealt with in the books of account.
3. As informed, the Company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and explanations given to us, and having regard to the fact that some of the items purchased are of special nature and in respect of which suitable alternative sources do not exist for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods. During the course of our audit, no major weaknesses have been noticed in the internal control system.
5. According to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements that need to be entered into the register required to be maintained under Section 301 of the Act.
6. The Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and Rules framed there under.
7. The Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209[1] [d] of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. However, we are not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
9. [a] According to the information and explanations given to us and according to the books and records as produced and examined by us, the 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 material statutory dues as applicable have generally been regularly deposited by the Company during the year with the appropriate authorities and there were no arrears as at March 31, 2012 for a period of more than six months from the date they became payable.
[b] According to the records of the Company and the information and explanations given to us by the management, there are no dues of Sales tax/Income tax/Excise duty/Wealth tax/Custom duty/Cess which have not been deposited on account of disputes.
10. The Company does not have accumulated losses as at 31st March, 2012 and has not incurred a cash loss during the financial year ended on that date. The Company had not incurred cash loss in the immediate preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.
12. In our opinion and according to the information and explanations given to us, based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4[xiii] of the Companies [Auditor's Report] Order 2003 is not applicable to the Company.
14. In our opinion, during the year, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. 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.
16. According to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
18. The Company has made preferential allotment of 12,00,000 Optionally Fully Convertible ["OFC"] Warrants to one of the promoters. Out of which, the Company has converted 12,00,000 OFC warrants into 12,00,000 equity shares of ₹ 10 each at a premium of ₹ 13.25 each [conversion during the year of 3,50,000 OFC warrants into 3,50,000 equity shares]. Considering the price norms prescribed by SEBI have been followed, in our opinion price at which shares have been issued is not prejudicial to the interest of the Company.
19. The Company has not issued any debentures during the year or in the recent past.
20. The Company has not raised any money by way of public issue during the year or in the recent past.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **LODHA & CO.**
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 038323

Place : Mumbai
Date : May 31, 2012

BALANCE SHEET AS AT MARCH 31, 2012

[Amount in ₹]

Particulars	Note No.	As at March 31, 2012		As at March 31, 2011	
I. EQUITY AND LIABILITIES :					
[1] Shareholders' Funds					
[a] Share Capital	1	5,81,78,180		5,46,78,180	
[b] Reserves and Surplus	2	17,18,91,499		14,76,36,386	
[c] Money received against Share Warrants		—		20,34,375	
			23,00,69,679		20,43,48,941
[2] Non-current liabilities					
[a] Long-term Borrowings	3	6,15,38,228		2,82,14,636	
[b] Deferred Tax Liabilities [Net]	4	2,62,91,673		1,97,24,247	
[c] Other Long Term Liabilities	5	3,00,00,000		3,00,00,000	
			11,78,29,901		7,79,38,883
[3] Current Liabilities					
[a] Short-term Borrowings	6	8,44,05,886		7,49,55,073	
[b] Trade Payables	7	24,41,02,815		16,65,22,026	
[c] Other Current Liabilities	8	4,37,78,531		2,86,93,165	
[d] Short Term Provisions	9	2,29,60,651		3,39,38,347	
			39,52,47,883		30,41,08,611
Total			74,31,47,463		58,63,96,435
II. ASSETS :					
[1] Non-current Assets					
[a] Fixed Assets					
[i] Tangible Assets	10	29,42,97,983		18,70,02,225	
[ii] Intangible Assets		—		—	
[iii] Capital Work-in Progress		3,55,25,474		2,76,06,721	
[iv] Intangible Assets under Development		32,87,867		23,62,216	
[b] Non-current Investments	11	4,500		1,000	
[c] Long-term Loans and Advances	12	19,18,927		20,61,448	
			33,50,34,751		21,90,33,610
[2] Current Assets					
[a] Inventories	13	17,23,90,696		14,64,62,854	
[b] Trade Receivables	14	15,93,69,249		17,37,40,012	
[c] Cash and Bank Balances	15	5,70,968		3,95,163	
[d] Short-term Loans and Advances	16	4,87,02,269		3,67,84,538	
[e] Other Current Assets	17	2,70,79,530		99,80,258	
			40,81,12,712		36,73,62,825
Total			74,31,47,463		58,63,96,435
Significant Accounting Policies	A				
Accompanying Notes forming an integral part of the Financial Statements	B [1 to 40]				

As per our attached report of even date

For **Lodha & Company**
Chartered Accountants**A.M. Hariharan**
Partner

Mumbai : May 31, 2012

For and on behalf of the Board of Directors

Sudarshan S. Chokhani
Managing Director**Mukesh V. Ashar**
Chief Financial Officer

Mumbai : May 31, 2012

Manoj O. Shah
Director**Kiran G. Inamdar**
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
MARCH 31, 2012**

[Amount in ₹]

Particulars	Note No.	For the year ended March 31, 2012		For the year ended March 31, 2011	
I. REVENUE :					
[a] Revenue from Operation [Net]	18	1,13,18,61,618		1,10,05,89,830	
[b] Other Income	19	1,24,483		4,92,841	
Total Revenue			1,13,19,86,101		1,10,10,82,671
II. EXPENSES :					
Cost of Materials Consumed	20	89,58,81,827		87,57,95,801	
Changes in Inventories of Finished Goods/ Work in Progress	21	[1,15,40,184]		[1,30,55,194]	
Employee Benefits Expense	22	3,66,88,266		3,78,00,854	
Finance Costs	23	4,41,41,600		3,49,78,409	
Depreciation and amortisation Expense	24	1,65,05,342		1,03,41,375	
Other Expenses	25	12,56,62,550		10,12,14,307	
Total Expenses			1,10,73,39,401		1,04,70,75,552
III. Profit before Exceptional Items and Tax [I-II]			2,46,46,700		5,40,07,119
IV. Exceptional Items			—		—
V. Profit Before Tax [III-IV]			2,46,46,700		5,40,07,119
VI. Tax Expenses :					
Current Tax			51,61,512		1,68,10,000
Taxation for Earlier Year			[16,06,982]		[11,30,856]
Deferred Tax			65,67,426		33,44,627
MAT Credit			[49,31,250]		—
VII. Profit for the year [V -VI]			1,94,55,994		3,49,83,348
VIII. Earnings per Share of Face Value of ₹ 10 each					
Basic			3.38		6.96
Diluted			3.38		6.51

As per our attached report of even date

For **Lodha & Company**
Chartered Accountants

A.M. Hariharan
Partner

Mumbai : May 31, 2012

For and on behalf of the Board of Directors

Sudarshan S. Chokhani
Managing Director

Mukesh V. Ashar
Chief Financial Officer

Mumbai : May 31, 2012

Manoj O. Shah
Director

Kiran G. Inamdar
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

[Amount in ₹]

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Exceptional Items and Tax Adjusted for :		2,46,46,700		5,40,07,119
Depreciation	1,65,05,342		1,03,41,375	
Loss on Sale of Fixed Assets	—		[16,750]	
Interest Expenditure	4,41,41,600		3,49,78,409	
		6,06,46,942		4,53,03,034
Operating Profit before Working Capital Changes		8,52,93,642		9,93,10,153
Adjustments for :				
Trade and Other Receivables	1,43,70,763		[5,30,35,042]	
Trade Payables including Advance received from customers	7,58,92,053		8,84,84,061	
Loans & Advances	[1,52,92,179]		[1,24,85,956]	
Inventories	[2,59,27,842]		[3,10,15,644]	
		4,90,42,795		[80,52,581]
Cash generated from Operations		13,43,36,437		9,12,57,572
Direct Taxes Paid [Net]		[1,02,08,690]		[1,12,38,345]
NET CASH FLOW FROM OPERATING ACTIVITIES		12,41,27,747		8,00,19,227
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Purchase of Fixed Assets including CWIP & Pre-operative Expenses		[13,91,45,469]		[5,70,13,763]
Investments		[3,500]		—
Sale of Fixed Assets		—		40,888
NET CASH USED IN INVESTING ACTIVITIES		[13,91,48,969]		[5,69,72,875]
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from issue of Share Capital		61,03,125		78,46,875
Borrowings [Net]		5,66,32,196		1,00,38,463
Interest Paid		[4,10,25,707]		[3,49,78,409]
Dividend Paid [includes Tax on Dividend]		[67,61,614]		[58,70,597]
NET CASH USED IN FINANCING ACTIVITIES		1,49,48,000		[2,29,63,668]
Net Increase/Decrease [-] in Cash and Cash Equivalents [A+B+C]		[73,222]		82,684
Opening Balance of Cash and Cash Equivalents		1,41,890		59,206
Closing Balance of Cash and Cash Equivalents		68,668		1,41,890

Notes :

1. The above Cash Flow Statement has been prepared by using the indirect method as per Accounting Standard 3.
2. Previous year's figures have been regrouped/rearranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For **Lodha & Company**
Chartered Accountants

A.M. Hariharan
Partner

Mumbai : May 31, 2012

For and on behalf of the Board of Directors

Sudarshan S. Chokhani
Managing Director

Mukesh V. Ashar
Chief Financial Officer

Mumbai : May 31, 2012

Manoj O. Shah
Director

Kiran G. Inamdar
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

OVERVIEW :

Incorporated in the state of Maharashtra in 1979, the Company was originally named Sudarshan Aluminium Industries Limited. In April 1994, the name of the Company was changed to Sudal Industries Limited.

The Company is in the business of manufacturing of Aluminium Extrusions, Aluminium Alloys, Down Stream Products.

A. SIGNIFICANT ACCOUNTING POLICIES :

1. GENERAL :

The financial statements are prepared on the basis of historical cost convention, and on the accounting principles of a going concern.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable Accounting Standards prescribed by the Companies [Accounting Standards] Rules, 2006 to the extent applicable.

All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

2. USE OF ESTIMATES :

The preparation of financial statements in conformity with Generally Accepted Accounting Principles [GAAP] requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

3. FIXED ASSETS :

[a] Leasehold Land, Buildings, Plant and Machinery and Electrical Installations are stated at revalued amounts less depreciation.

[b] Other Assets are stated at cost less depreciation.

4. IMPAIRMENT OF ASSETS :

In accordance with AS-28 on 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each Balance Sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss is recognized in the Statement of Profit and Loss.

5. INVESTMENTS :

Long term investments are stated at cost.

6. VALUATION OF INVENTORIES :

[a] Inventories are valued at the lower of the cost and net realizable value. Cost is assigned on FIFO basis. Obsolete, defective and unserviceable stocks are provided for.

[b] Finished goods and work-in-process include cost of conversion and other costs incurred in bringing the inventories to their present location and condition excluding aluminium scrap which is valued at estimated cost.

[c] Dies being a specialised item [included in stores & spares inventories] are valued on the basis of valuation of such stocks at the year end carried out by a government approved valuer considering its residual useful life and replacement value.

7. DEPRECIATION/AMORTISATION :

[a] Value of Leasehold Land is amortized over the period of lease i.e. 95 years.

[b] On vehicles, Furniture and Fixtures and Office Equipments, depreciation is provided on written down value method at the rate and in the manner specified in Schedule XIV to the Companies Act, 1956.

[c] On Buildings, Plant and Machinery and Electrical Installation, depreciation is provided on straight line method in the manner referred in the note [d] below:

[i] in respect of assets acquired upto April 01, 1987, depreciation has been provided at the rate corresponding to the rate applicable under the Income Tax Rules as in force at the time of acquisition of such assets;

[ii] in respect of addition/deletions made on or after April 02, 1987, at the rate and in the manner specified in the Schedule XIV to the Companies Act, 1956.

[iii] in respect of addition made by way of revaluation of certain fixed assets, on the basis of future estimated life to this assets.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**8. ACCOUNTING FOR TAXES ON INCOME :**

- [a] Provision for Income Tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.
- [b] Provision for Fringe Benefit Tax has been made in respect of employee benefits and other specified expenses as determined under the Income Tax Act, 1961.
- [c] Deferred tax resulting from timing difference between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to reverse. Deferred tax assets are recognised and carried forward only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Credit Entitlement in respect of Minimum Alternate Tax [MAT] is considered on management estimation of regular taxation in future.

9. SALES AND OTHER OPERATING INCOME :

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers. Sales are inclusive of packing charges recovered and conversion job income is accounted for on the completion of the job.

10. TRANSLATION OF FOREIGN CURRENCY :

- [a] Transactions in foreign currency are recorded at the rate of exchange in force at the date of transaction.
- [b] Foreign currency assets and liabilities except those for acquisition of fixed assets as at the end of the year are translated at the exchange rates prevailing at the date of the Balance Sheet and resultant gains/losses are recognised in the Statement of Profit and Loss.
- [c] Foreign currency liability relating to acquisition of fixed assets is stated at the prevailing rate of exchange at the year end and the resultant gains/losses are adjusted to the cost of assets.

11. EMPLOYEE BENEFITS :

- [a] Contributions towards provident fund are made under defined contribution retirement benefit plans for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. The contributions are charged to Profit and Loss account in the respective year.
- [b] Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation which is not funded and is provided for on the basis of the actuarial valuation made at the end of each financial year.
- [c] Short term compensated absences are provided for based on estimates. Long Term compensated absences are provided for based on actuarial valuation made at the end of each financial year.
- [d] Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

12. BORROWING COSTS :

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Statement of Profit and Loss.

13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that made, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation that the likelihood of outflow resources is remote, no provision or disclosure is made.

14. GOVERNMENT GRANTS :

Grants and subsidies from the government are recognized if the following conditions are satisfied :

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants or subsidies given with reference to the total investment in an undertaking or setting up of new industrial undertaking is treated as capital receipt and credited to capital reserve. The said capital reserve will not be available for distribution of dividend nor is considered as deferred income.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2012**

B. NOTES ON ACCOUNTS:

[Amount in ₹]

Particular	As at March 31, 2012	As at March 31, 2011
Note : 1		
SHARE CAPITAL :		
Authorised :		
60,00,000 Equity Shares of ₹ 10 each	6,00,00,000	6,00,00,000
Issued :		
59,20,012 [P Y 55,70,012] Equity Shares of ₹ 10 each	5,92,00,120	5,57,00,120
Subscribed and paid-up :		
58,17,818 [P Y 54,67,818] Equity Shares of ₹ 10 each	5,81,78,180	5,46,78,180
Total	5,81,78,180	5,46,78,180
Particular	As at March 31, 2012 No. of Shares	As at March 31, 2011 No. of Shares
[a] Details of shareholding more than 5% :		
1. Sudarshan Shriram Chokhani	9,33,587	7,16,300
2. Shyantanu Sudarshan Chokhani	12,18,200	8,68,200
3. Sudal Enterprises Private Limited	7,90,488	7,90,488
4. Reynolds International Inc.	3,25,300	4,25,300
[b] The reconciliation of the number of shares outstanding and the amount of Share Capital is set out below :		
Balance as at the beginning of the year	54,67,818	50,17,818
1. Shares issued pursuant to a contract without payment being received in cash	—	—
2. Shares issued as fully paid up bonus shares	—	—
3. Shares issued as fully paid up pursuant to scheme of amalgamation	—	—
4. Initial Public Offer	—	—
5. Rights Issue	—	—
6. Allotment on conversion of Optionally Fully Convertible Warrants	3,50,000	4,50,000
Balance as at the end of the year	58,17,818	54,67,818
[c] Right attached to Equity Shares :		
[i] The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote only.		
[ii] The Company has not issued aggregate number and class of shares as fully paid up pursuant to contract[s] without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceeding the Balance Sheet date.		
[iii] In the event of liquidation, the equity shareholders are eligible to receive the remaining Assets of the Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exist currently.		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

[Amount in ₹]

Particulars	As at March 31, 2012		As at March 31, 2011	
NOTE : 2				
RESERVES AND SURPLUS :				
Revaluation Reserve :				
Balance as at the beginning of the year	8,02,42,876		8,67,42,841	
Less : Transferred to Profit and Loss Account	[64,99,965]		[64,99,965]	
Balance as at the end of the year		7,37,42,911		8,02,42,876
Capital Reserve :				
Balance as at the beginning of the year	—		—	
Add : State Government Subsidy for expansion of capacity - Octroi duty refunded/refundable	1,38,31,330		—	
Balance as at the end of the year		1,38,31,330		—
[Refer Significant Accounting Policy No. 14]				
Securities Premium Account :				
Balance as at the beginning of the year	1,39,12,500		79,50,000	
Add : Received during the year	46,37,500		59,62,500	
Balance as at the end of the year		1,85,50,000		1,39,12,500
Profit and Loss :				
Balance as at the beginning of the year	5,34,81,010		2,48,73,630	
Add : Profit during the year	1,94,55,994		3,49,83,348	
	7,29,37,004		5,98,56,978	
Less : Proposed dividend	[61,67,818]		[54,67,818]	
Less : Dividend Distribution Tax on above	[10,01,928]		[9,08,150]	
Balance as at the end of the year		6,57,67,258		5,34,81,010
Total		17,18,91,499		14,76,36,386
NOTE : 3				
LONG TERM BORROWINGS :				
Term Loans				
Secured :				
[a] From Banks	5,84,91,079		1,84,22,304	
[b] Vehicle Loan	9,09,559		24,68,803	
		5,94,00,638		2,08,91,107
Unsecured :				
[a] From Banks	6,24,800		29,02,900	
[b] Intercompany Deposits	15,12,790		44,20,629	
		21,37,590		73,23,529
[For terms and condition – Refer Note No. 28]				
Total		6,15,38,228		2,82,14,636
NOTE : 4				
DEFERRED TAX LIABILITIES :				
Deferred Tax Liabilities :				
Depreciation	3,01,85,898		2,35,59,781	
Total Deferred Tax Liabilities		3,01,85,898		2,35,59,781
Deferred Tax Assets :				
Gratuity	33,44,682		31,61,879	
Others	5,49,543		6,73,655	
		38,94,225		38,35,534
Total		2,62,91,673		1,97,24,247

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2012**

[Amount in ₹]

Particulars	As at March 31, 2012		As at March 31, 2011	
NOTE : 5				
OTHER LONG TERM LIABILITIES :				
Supplier's credit from Associates		3,00,00,000		3,00,00,000
Total		3,00,00,000		3,00,00,000
NOTE : 6				
SHORT TERM BORROWINGS :				
Secured				
[For terms and condition – Refer Note No. 28]				
From Bank				
Working Capital Loan		8,44,05,886		7,49,55,073
Total		8,44,05,886		7,49,55,073
NOTE : 7				
TRADE PAYABLES :				
Acceptances		18,13,86,102		8,65,76,022
Others		6,27,16,713		7,99,46,004
Total		24,41,02,815		16,65,22,026
NOTE : 8				
OTHER CURRENT LIABILITIES :				
Current maturities of Long Term Debts				
[a] Term Loan from Banks	2,81,52,400		1,21,99,100	
[b] Vehicle Loan	15,59,244		15,59,244	
[c] Inter corporate Deposits	51,51,221		72,46,730	
Interest accrued but not due		3,48,62,865		2,10,05,074
Unpaid Dividends		31,38,379		—
Other payables		5,01,300		2,52,273
Advance from Customers		17,68,255		20,16,685
		35,07,732		54,19,133
Total		4,37,78,531		2,86,93,165
NOTE : 9				
SHORT TERM PROVISIONS :				
Provision for Employee Benefits		1,11,38,294		1,09,16,226
Provision for Income Tax		50,60,743		1,66,46,153
Proposed Dividend		58,17,818		54,67,818
Provision for Corporate Dividend Tax		9,43,796		9,08,150
Total		2,29,60,651		3,39,38,347

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

NOTE : 10 FIXED ASSETS

[Amount in ₹]

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at April 01, 2011	Additions	Deductions/ Adjustments	As at March 31, 2012	As at April 01, 2011	For the year	Deductions/ Adjustments	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
Tangible Assets										
Leasehold Land	2,11,20,000	—	—	2,11,20,000	20,81,863	2,97,409	—	23,79,272	1,87,40,728	1,90,38,137
Freehold land*	11,41,040	15,69,188	—	27,10,228	—	—	—	—	27,10,228	11,41,040
Buildings	4,99,69,798	3,15,10,017	—	8,14,79,815	1,33,95,501	19,52,205	—	1,53,47,706	6,61,32,109	3,65,74,297
Plant and equipments	39,27,17,886	9,58,09,199	—	48,85,27,085	27,17,94,603	1,79,51,807	—	28,97,46,410	19,87,80,675	12,09,23,283
Furniture and Fixtures	24,97,526	1,10,074	—	26,07,600	20,86,255	81,227	—	21,67,482	4,40,118	4,11,271
Vehicles**	87,78,455	62,571	—	88,41,026	29,82,956	15,13,558	—	44,96,514	43,44,512	57,95,499
Office Equipments	1,01,94,031	12,40,016	—	1,14,34,047	70,75,333	12,09,101	—	82,84,434	31,49,613	31,18,698
Total	48,64,18,736	13,03,01,065	—	61,67,19,801	29,94,16,511	2,30,05,307	—	32,24,21,818	29,42,97,983	18,70,02,225
As at March 31, 2011	43,30,97,225	5,36,77,557	3,56,046	48,64,18,736	28,29,07,079	1,68,41,340	3,31,908	29,94,16,511	18,70,02,225	15,01,90,147
* During the year Free Hold Land of ₹ 8,97,500 purchased and application for transfer of title deed is being made in the name of the Company.										
** Note : Gross Block of Vehicles include, Gross Block ₹ 74,20,318 [P Y ₹ 74,20,318]; Accumulated depreciation ₹ 35,75,694 [P Y ₹ 22,32,592]; Net Block ₹ 38,44,624 [P Y ₹ 51,87,726] purchased on hire purchase basis. These vehicles are held in the name of the director/employees on behalf of the Company.										
[Amount in ₹]										
Capital Work in Progress :									As at March 31, 2012	As at March 31, 2011
Assets under installation/construction										
Plant & Machinery									1,16,52,237	1,45,57,007
Building Under Construction									2,11,38,785	1,25,23,414
Advances for Software									32,87,867	23,62,216
Advance for Freehold Land									30,000	5,26,300
Other Advances									27,04,452	—
Total									3,88,13,341	2,99,68,937

[Amount in ₹]

Particulars	As at March 31, 2012	As at March 31, 2011
NOTE : 11		
NON CURRENT INVESTMENTS :		
Equity Instruments [Long term unquoted and valued at cost]		
20 Shares of The Thane Janata Sahakari Bank Limited of ₹ 50 each	1,000	1,000
100 Shares of The Jankalyan Sahakari Bank Limited of ₹ 10 each	1,000	—
250 Shares of The Kalyan Janata Sahakari Bank Limited of ₹ 10 each	2,500	—
Aggregate cost of Unquoted Investments	4,500	1,000
NOTE : 12		
LONG TERM LOANS AND ADVANCES :		
Unsecured, considered good		
Deposit with Government/Semi Government authorities	4,27,379	6,92,379
Other Long Term Assets	13,83,481	12,91,002
Other Deposits	1,08,067	78,067
Total	19,18,927	20,61,448

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2012**

[Amount in ₹]

Particulars	As at March 31, 2012		As at March 31, 2011	
NOTE : 13				
INVENTORIES :				
[As taken, valued and certified by the Management]				
Raw Materials [including in transit ₹ 1,10,12,212; P Y ₹ 19,31,186]		2,18,55,197		1,64,66,278
Work in Process		5,35,99,872		4,05,99,305
Finished Goods		50,31,527		64,91,910
Stores & Spares		9,19,04,100		8,29,05,361
Total		17,23,90,696		14,64,62,854
NOTE: 14				
TRADE RECEIVABLES :				
Unsecured, Considered Good				
Outstanding over six months from the due date		44,50,689		23,76,528
Others		15,49,18,560		17,13,63,484
Total		15,93,69,249		17,37,40,012
NOTE: 15				
CASH AND BANK BALANCES :				
Cash and Cash Equivalentts				
Balances with Banks				
In Current Accounts		63,618		1,37,512
Cash on hand		5,050		4,378
Others				
In Dividend Accounts	5,01,300		2,52,273	
In Fixed Deposits [Lodged with Central Excise Dept., Nashik]	1,000		1,000	
Total		5,02,300		2,53,273
		5,70,968		3,95,163
NOTE: 16				
SHORT TERM LOANS AND ADVANCES :				
Unsecured, Considered Good				
Others		4,87,02,269		3,67,84,538
Total		4,87,02,269		3,67,84,538
NOTE: 17				
OTHER CURRENT ASSETS :				
Other Current Assets		2,70,79,530		99,80,258
Total		2,70,79,530		99,80,258

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

[Amount in ₹]

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
NOTE: 18				
REVENUE FROM OPERATIONS :				
Sale of Products				
Aluminium Extrusion	1,21,23,68,534		1,16,65,12,391	
Aluminium Alloys	71,12,119		2,38,63,379	
Less: Excise Duty	[10,79,45,599]		[10,59,27,220]	
		1,11,15,35,054		1,08,44,48,550
Sale of Services	57,07,776		64,33,451	
Less: Excise Duty	[91,926]		[5,25,402]	
		56,15,850		59,08,049
Other Operating Income				
Sale of Scrap	1,59,09,743		1,12,17,527	
Less: Excise Duty	[14,99,770]		[10,47,905]	
Miscellaneous Income	74,897		63,609	
Sundry Balances written back [net]	2,25,844		—	
		1,47,10,714		1,02,33,231
Total		1,13,18,61,618		1,10,05,89,830
NOTE: 19				
OTHER INCOME :				
Profit on Sale of Fixed Assets		—		16,750
Difference in Exchange		1,24,483		4,76,091
Total		1,24,483		4,92,841
NOTE: 20				
COST OF MATERIALS CONSUMED :				
Consumption of Raw Materials and Components				
Aluminium Ingots	22,29,44,923		22,74,09,136	
Aluminium Billets	58,41,86,810		49,97,04,217	
Aluminium Scrap	6,00,50,629		11,67,64,767	
Others	1,23,45,641		1,34,77,883	
		87,95,28,003		85,73,56,003
Stores and Spare parts consumed		1,63,53,824		1,84,39,798
Total		89,58,81,827		87,57,95,801
NOTE: 21				
CHANGES IN INVENTORIES OF FINISHED GOODS/WORK IN PROGRESS :				
Opening Stock [April 01, 2011]				
Finished Goods	64,91,910		20,59,600	
Work in Process	4,05,99,305		3,19,76,421	
		4,70,91,215		3,40,36,021
Closing Stock [March 31, 2012]				
Finished Goods	50,31,527		64,91,910	
Work in Process	5,35,99,872		4,05,99,305	
		5,86,31,399		4,70,91,215
		[1,15,40,184]		[1,30,55,194]

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2012**

[Amount in ₹]

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
NOTE: 22				
EMPLOYEE BENEFITS EXPENSE :				
Salaries, Wages and Bonus		3,06,28,622		2,97,42,019
Contribution to Provident Fund and Other Funds		30,56,967		27,53,137
Staff Welfare Expenses		19,49,500		20,01,028
Gratuity		10,53,177		33,04,670
Total		3,66,88,266		3,78,00,854
NOTE: 23				
FINANCE COST :				
Interest Expenses		3,93,36,385		3,14,52,235
Other Borrowing Cost		48,05,215		35,26,174
Total		4,41,41,600		3,49,78,409
NOTE: 24				
DEPRECIATION AND AMORTISATION EXPENSE :				
Depreciation and Amortisation		2,30,05,307		1,68,41,340
Less: Transferred from Revaluation Reserve [Refer Note No. 29]		[64,99,965]		[64,99,965]
Total		1,65,05,342		1,03,41,375
NOTE: 25				
OTHER EXPENSES :				
Power and Fuel		8,63,81,366		6,49,43,616
Labour Charges		63,84,062		81,03,088
Repairs and Maintenance Expenses				
Repairs to Building	3,49,531		4,51,047	
Repairs to Machinery	6,26,483		3,17,545	
Repairs – Others	23,47,879		21,22,691	
		33,23,893		28,91,283
Packing Charges		53,78,806		45,71,102
Rent		—		26,300
Insurance		3,05,248		2,51,226
Telephone and Postage		21,31,443		20,52,265
Travelling and Conveyance		29,80,403		27,84,027
Rebate and Discount		19,89,999		10,03,605
Commission and Brokerage		30,79,085		10,97,131
Directors' Meeting Fees		1,23,000		1,11,000
Legal and Professional		30,93,995		21,91,573
Auditors Remuneration		8,64,779		7,23,120
Rates and Taxes		5,34,839		5,17,893
Transportation		15,09,498		16,52,937
Retainership Charges		10,03,925		10,24,175
Miscellaneous Expenses		68,30,726		69,21,391
Increase/[Decrease] in Excise Duty on Closing Stock		[2,52,517]		3,48,575
Total		12,56,62,550		10,12,14,307

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

26. Contingent Liabilities :

Tax liability for pending 'C' Forms ₹ 16.94 Lakhs; [Previous year ₹ 28.98 Lakhs].

27. Commitment :

Estimate amount of contracts remaining to be executed on capital account ₹ 2,75,000; Previous year ₹ 40,75,435 and not provided for [net of Advances ₹ 30,000; Previous year ₹ Nil]

28. Secured Loans :

[a] Term Loan of ₹ 230 Lakhs [Interest @ PLR plus 1% p.a.] and Term Loan of ₹ 660 Lakhs [Interest @ Base rate plus 3.50% p.a.] are secured by way of equitable mortgage of all immovable properties and hypothecation of all movable assets which is equally repayable in 36 months and 48 months installments respectively and is also personally guaranteed by two directors of the Company.

[b] Non fund based limit utilised ₹ 1,814 Lakhs [Previous year ₹ 990 Lakhs] and Cash Credit [Interest @ Base Rate plus 3.25% per annum] are secured by hypothecation of stocks and book debts and is also personally guaranteed by two directors of the Company.

[c] Vehicle Loan [Interest @ 8.75% flat] are repayable over a period of 3 years and secured by hypothecation of Vehicle purchased their against.

Unsecured Loans:

Interest rate range between 15% to 16% and are repayable within 2 to 3 years.

29. [a] In the opinion of the Board, assets other than fixed assets and non current investment have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

[b] The accounts of trade receivable and payable and Loans and Advances are subject to formal confirmations/reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial due to the same.

30. Land, Building, Plant & Machinery and Electrical Installations were valued in the accounts on April 1, 1994. The same have been revalued on March 31, 2004 on the basis of reports of approved valuer/replacement cost basis using standards indices. The following revalued amount [net of withdrawals] remain substituted for the historical cost in the gross block of fixed assets.

[Amount in ₹]

Particular	As at March 31, 2012	As at March 31, 2011
Land	2,11,20,000	2,11,20,000
Building	2,74,53,375	2,74,53,375
Plant and Machinery	29,55,23,547	29,55,23,547
Electrical Installation	76,35,020	76,35,020

31. Auditors Remuneration include :

[Amount in ₹]

Particular	For the year ended March 31, 2012	For the year ended March 31, 2011
As Audit Fees	2,50,000	2,50,000
For Tax Audit	55,000	55,000
For Taxation matters	80,000	60,000
For Management Services	1,00,000	85,000
For Certification	3,10,258	2,28,000
Out of Pocket Expenses [excluding Service Tax]	69,521	45,120
	8,64,779	7,23,120

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

32. Earning per Share :

[Amount in ₹]

Particular	For the year ended March 31, 2012	For the year ended March 31, 2011
Profit as per Statement of Profit and Loss	1,94,55,994	3,49,83,348
Weighted average number of Equity Shares outstanding during the year [Nos.]	57,63,160	50,27,681
Add: Effect of dilutive warrants [Nos.]	—	3,50,000
Diluted weighted average number of Equity Shares outstanding during the year [Nos.]	57,63,160	53,77,681
Nominal value per Equity Shares	10.00	10.00
Basic earnings per share [₹]	3.38	6.96
Diluted earning per share [₹]	3.38	6.51

33. Research and Development Expenditure :

[Amount in ₹]

Particular	For the year ended March 31, 2012	For the year ended March 31, 2011
Capital Expenditure	58,08,908	—
Profit and Loss Account [Debited to respective expenses heads in the Statement of Profit and Loss]	11,18,591	4,38,192

34.

[Amount in ₹]

Particulars		For the year ended March 31, 2012		For the year ended March 31, 2011	
[a]	Value of Imports on CIF basis				
	Raw Material		34,92,928		4,30,23,746
	Capital Goods		1,16,52,237		17,19,080
	Components and Spare Parts		4,17,207		8,73,639
[b]	Expenditure in foreign currency:				
	Travelling Expenses		1,05,086		1,92,806
[c]	Earnings in foreign currency on account of :				
	Export on FOB Basis		1,52,521		—
[d]	Foreign Exchange Currency exposures not covered by derivative instruments as on March 31, 2012				
	Type of Instruments		Foreign Currency		Foreign Currency
	Currency Type		Indian Currency		Indian Currency
	Creditors for Goods		3,169	20,510	9,30,333
			2,08,438		

35. Cost of Materials Consumed :

Particulars	As at March 31, 2012		As at March 31, 2011	
	%	[Amount in ₹]	%	[Amount in ₹]
[a] Raw Material				
Imported Material	—	—	4.49	3,84,63,414
Indigenous Material	100.00	86,71,18,545	95.51	81,88,92,589
	100.00	86,71,18,545	100.00	85,73,56,003
[b] Spare parts and Components				
Imported Material	8.48	13,58,842	20.99	38,71,484
Indigenous Material	91.52	1,46,59,237	79.01	1,45,68,314
	100.00	1,60,18,079	100.00	1,84,39,798

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

36. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.
37. The Company is primarily engaged in the business of Manufacturing of Aluminium Extrusions and down stream/value added products and all the operations are located in India. Thus in terms of accounting standard "Segment Reporting" [AS-17], it is the only segment for reporting purpose.
38. Disclosures as required by Accounting Standard-18, on "Related Party Disclosure" are given below :
- [i] Associates with whom transactions have been entered during the year in the ordinary course of the business:
- Sudarshan Chokhani and Company
Shriram Chokhani and Company
Chhaganlal Sheokarandas and Company
- [ii] Key Management Personnel:
- Shri Sudarshan S. Chokhani
Shri Shyantanu S. Chokhani
- [iii] Relatives of Key Managerial Personned:
- Shri Deokinandan Ajitsaria [Brother in law of Shri Sudarshan S. Chokhani]

[Amount in ₹]

Particulars	Associates/Group Co's/Firms	Key Management Personnel	Total
[a] Transactions during the year:			
Purchase of goods			
Sudarshan Chokhani and Company	20,81,06,814 [17,38,53,405]	— [—]	20,81,06,814 [17,38,53,405]
Shriram Chokhani and Company	14,17,08,127 [11,21,76,921]	— [—]	14,17,08,127 [11,21,76,921]
Chhaganlal Sheokarandas and Company	— [2,34,23,895]	— [—]	— [2,34,23,895]
Purchase of Fixed Assets			
Chhaganlal Sheokarandas and Company	1,58,48,861 [—]	— [—]	1,58,48,861 [—]
Finance Charges			
Sudarshan Chokhani and Company	22,51,264 [17,69,137]	— [—]	22,51,264 [17,69,137]
Shriram Chokhani and Company	13,00,367 [15,78,524]	— [—]	13,00,367 [15,78,524]
Chhaganlal Sheokarandas and Company	— [7,82,718]	— [—]	— [7,82,718]
Managerial Remuneration			
Whole Time Directors	— [—]	60,00,000 [69,59,677]	60,00,000 [69,59,677]
Counter Guarantee given to bank	— [—]	39,68,48,156 [20,10,00,000]	39,68,48,156 [20,10,00,000]

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2012**

[Amount in ₹]

Particulars	Associates/Group Co's/Firms	Key Management Personnel	Total
[b] Balances with Related Parties as on 31.03.2012			
Current Liabilities			
Sudarshan Chokhani and Company	1,50,90,188 [1,97,73,853]	— [—]	1,50,90,188 [1,97,73,853]
Shriram Chokhani and Company	2,24,42,064 [1,73,26,398]	— [—]	2,24,42,064 [1,73,26,398]
Deposits Given			
Sudarshan Chokhani and Company	1,77,62,500 [1,77,62,500]	— [—]	1,77,62,500 [1,77,62,500]
Shriram Chokhani and Company	39,600 [39,600]	— [—]	39,600 [39,600]
Counter Guarantees given to Bankers by key management personnel	— [—]	43,00,00,000 [20,10,00,000]	43,00,00,000 [20,10,00,000]

Note:

- No amount pertaining to related parties has been provided for as doubtful. Also no amount has been written off/back.
- The related parties are as identified by the Company and relied upon by the Auditors.

39. **Loans and Advances in nature of loans :**

[Amount in ₹]

	Amount outstanding as on March 31, 2012	Maximum amount outstanding during the year
Loans where there is no interest or at an interest rate below that specified in the in the Companies Act,1956		
Employees [as per general rules of the Company]	13,83,481 [12,91,002]	14,06,072 [17,31,278]

- The Financial statements have been prepared in accordance with revised schedule VI.
- In view of commencement of commercial production of press IV and press V on July 01, 2011 & December 22, 2011 respectively, current year figures are not comparable with those of previous year. The previous year's figures have been re-grouped and/or re-arranged wherever necessary to conform to the current year's presentation.

Signatures to Notes 1 to 40 which form an integral part of the financial statements.

For and on behalf of the Board of Directors

Sudarshan S. Chokhani
Managing Director

Manoj O. Shah
Director

Mukesh V. Ashar
Chief Financial Officer

Kiran G. Inamdar
Company Secretary

Mumbai : May 31, 2012

MOCK DRILL UNDERTAKEN DURING THE YEAR





FIVE YEARS FINANCIAL HIGHLIGHTS

₹ in Lacs except for Ratios

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Summary of Operations					
Total Income	6,825.82	7,021.08	7,013.66	11,010.83	11,319.86
Profit before tax	346.10	445.73	583.96	540.07	246.47
Profit after tax	342.34	502.61	229.67	349.83	194.56
Dividends [incl. Tax]	—	—	58.71	63.76	67.61
Year end Financial Position					
Fixed Assets : Gross [incl. WIP]	4,076.75	4,287.15	4,597.30	5,163.88	6,555.33
Net	1,481.87	1,579.35	1,768.23	2,169.71	3,331.11
Investments	0.87	0.01	0.01	0.01	0.05
Non-Current Assets	—	66.28	—	—	—
Current Assets	559.84	3,116.62	2,728.05	3,694.24	4,100.32
Total Assets : Net	2,042.58	4,762.26	4,496.29	5,863.96	7,431.47
Represented by					
Share Capital [FV - ₹ 10 per share]	441.57	441.57	501.78	546.78	581.78
Reserves [Incl. Revaluation Reserve]	997.43	932.42	946.93	941.55	1,061.24
Share Warrants	—	—	46.50	20.34	—
Profit & Loss Account	(424.84)	77.78	248.73	534.81	657.67
Net Worth	1,014.16	1,451.77	1,743.94	2,043.49	2,300.70
Liabilities	1,028.42	3,310.49	2,751.35	3,820.47	5,130.77
Total Funds	2,042.58	4,762.26	4,495.29	5,863.96	7,431.47
Ratios					
Earning Per Share [₹]	7.75	11.38	5.13	6.96	3.38
Dividend Per Share [₹]	—	—	1.00	1.00	1.00*

*Proposed

**FORM 2B
NOMINATION FORM**

[Nomination under Section 109A of the Company's Act, 1956]

Sudal Industries Limited.

A-5, MIDC, Ambad Industrial Area,
Mumbai-Nashik Road, Nashik-422010, Maharashtra

Date : _____

Dear Sir,

RE : **NOMINATION**

I/We _____ and _____ the holder[s] of shares under Ledger Folio Number _____ of Sudal Industries Limited wish to make a nomination and do hereby nominate the following person in whom all rights of share[s] and/or Amount payable in respect of share[s] registered under the said folio shall vest in the event of my/our death. This nomination automatically supersedes the nomination, if any, given by me/us prior to the date herein above mentioned.

Name and Address of the Nominee

Name : _____

Address : _____

Date of Birth* : _____ [* to be furnished in case the nominee is a minor]

** the Nominee is a minor. I/We _____

_____ [Name and Address of the Guardian], to receive the share[s] and/or the amount payable in respect of share[s] in the event of my/our/minor's death during the minority of the nominee.

[** To be deleted if not applicable]

Name of the **First Holder** : _____

Address : _____

Date : _____ Signature : _____

Name of the **Second Holder** : _____

Address : _____

Date : _____ Signature : _____

Specimen Signature of the Nominee: _____

[To be attested by the Shareholder[s] _____ [Signatures of Shareholder[s]] _____

Signatures of Witnesses :

[1] Name and Address : _____

Date : _____ Signature : _____

[2] Name and Address : _____

Date : _____ Signature : _____

Instructions :

- [1] Please use separate form for each folio. Nomination is applicable to the folio, irrespective of the number of shares registered under the folio. Only One nomination per folio per instance would be entertained.
- [2] The Nomination can be made by individuals only applying/holding share[s] on their own behalf singly or jointly by all the Joint holders. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of a power of attorney cannot nominate.
- [3] If the Share[s] are held jointly, all the Joint Holders should sign the Nomination Form. Nomination Form will be valid only if it is signed by all the holder[s].
- [4] The Nominee shall not be a trust, society, body Corporate, partnership firm, Karta of Hindu Undivided Family, or a power of Attorney holder. A non-resident Indian can be a nominee on a re-patriation basis [subject to the approval of Reserve Bank of India as applicable.]
- [5] Nominations stands rescinded upon transfer of all the share[s] in a folio or on receipt of a subsequent Nomination Form.
- [6] Transfer of share[s] in favour of the nominee, on the death of the shareholder[s] shall be a valid discharge by the Company against the legal heirs.
- [7] The Form must be completed in all respects and duly witnessed by two witnesses. Incomplete form is not a valid Nomination.
- [8] Subject to Rules and Regulations as applicable from time to time.

Sudal Industries Limited Registered Office : A-5, MIDC, Ambad Industrial Area, Mumbai-Nashik Highway, Nashik-422 010, Maharashtra.

To,
Shri/Smt/Kum: _____

[Name and Address]

Dear Sir/Madam,

RE : **NOMINATION**

We Acknowledge receipt of Nomination made by you on _____ [date] in favour of Shri/Smt/Kum _____
aged _____ years in respect of your equity shares registered under folio no : _____

Yours Faithfully

Date : _____

Authorised Signatory

Sudal Industries Limited

Registered Office: A-5, M.I.D.C. Ambad Industrial Area, Mumbai-Nashik Highway, Nashik-422 010, Maharashtra.
Tel No : +91-253-6636200/201, Email : nashik@sudal.co.in

REQUEST FOR E – COMMUNICATION REGISTRATION

Dear Shareholder,

The Ministry of Corporate Affairs vide its circular Nos 12/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 commenced the "Green Initiative in Corporate Governance" thereby allowing paperless Compliances by Companies through electronic mode. Further, in line with recent circular ref no. CIR/CFD/DIL/2011 dated 05.10.2011 issued by the securities and Exchange Board of India [SEBI] and consequent changes in the listing agreement, Companies can send Annual Report in electronic mode to shareholders who have registered their email addresses for the purpose.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a Greener Environment. This is a golden opportunity for every shareholder at Sudal Industries Limited to contribute to the Corporate Social Responsibility initiative of the Company.

We therefore invite all the shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the attached registration form from our website www.sudal.co.in

Let's be part of this Green Initiative !

Please Note that as a member of the Company you will be entitled to receive all such communications in physical form, upon request.

With regards,

Kiran Inamdar

Company Secretary and Compliance Officer

E – COMMUNICATION REGISTRATION FORM

Folio No/DP ID and Client ID.....

Name of the 1st Registered Holder

Name of the Joint Holder[s]

Registered Address

E Mail ID [to be registered].....

I/We shareholder[s] of Sudal Industries Limited agree to receive communication from the Company in electronic Mode. Please register my above e-mail ID in your records for sending communication through e-mail.

Date

Signature

Note : Shareholder[s] are requested to keep the Company informed as and when there is any change in the e-mail Address.



Sudal Industries Limited

Registered Office: A-5, M.I.D.C. Ambad Industrial Area, Mumbai-Nashik Highway, Nashik-422 010, Maharashtra.

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING VENUE

Name of the Member		Folio No./DP Id.	
E-mail ID of the first Holder			
Name of the Proxy		No. of Shares	

I hereby record my presence at the **THIRTYTHIRD ANNUAL GENERAL MEETING** of the Company held on Saturday, September 29, 2012 at 3.00 p.m. at Hotel Sai Palace, Mumbai-Nashik Highway, CIDCO, Nashik-422 010, Maharashtra.

Signature of the Shareholder/Proxy

(TEAR HERE)

Sudal Industries Limited

Registered Office: A-5, M.I.D.C. Ambad Industrial Area, Mumbai-Nashik Highway, Nashik-422 010, Maharashtra.

PROXY

Folio No. DP ID: Client ID. No. of Shares held

I/We

of being a member/members of the above named Company,

hereby appoint.....of

or failing him.....of as my/our Proxy to attend and vote for me/us and on my/our behalf at the **THIRTYTHIRD ANNUAL GENERAL MEETING** of the Company, to be held on Saturday, September 29, 2012 at 3.00 p.m. at Hotel Sai Palace, Mumbai Nashik Highway, CIDCO, Nashik-422 010, Maharashtra or/and at any adjournment thereof.

Re. 1/-
REVENUE
STAMP

Signed this day of 2012

[Signature of the Shareholder across the stamp]

Note: The Proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company, A-5 MIDC, Ambad Industrial Area, Mumbai Nashik Highway, Nashik-422 010 Maharashtra, not less than FORTY-EIGHT HOURS before the commencement of the meeting.
A Proxy need not be a member of the Company.

: vision statement :

To make Sudal one of the premier Aluminium Extruders and preferred supplier of Quality Extrusions exceeding customer expectations in respect of Quality, Customer service and Competitiveness in India and abroad

: Mission statement :

To work together and achieve continuous improvement which will result in the profitable growth and financial strength of our Company

: Quality policy :

Dedicated to exceed customers expectation and devoted to customers delight SUDAL's business strategy is SERVICE, QUALITY and CUSTOMER RELATIONSHIP MANAGEMENT [CRM]

FORWARD LOOKING STATEMENT

We may from time to time make forward looking statements in our annual report to shareholders, in offerings, circulars and prospectus, in press release and other written materials and in oral statements made by our officers, Directors or employees to financial analyst, institutional investors, representatives of the media and others.

Examples of such forward looking statements may include :

- Projections of revenues, operating income, net income [loss], net income [loss] per share, capital expenditures, dividends, capital structure or other financial items or ratios;
- Statements of our plans or objectives;
- Changes in our regulatory environment;
- Statements about our future economic performance or that of the market place; and
- Statements of assumptions underlying such statements.

Words such as 'believe'; 'anticipate'; 'plan'; 'expect'; 'intend'; 'target'; 'estimate'; 'project'; 'predict'; 'forecast'; 'guideline'; 'should' and similar expressions are intended to identify forward looking statements but are not the exclusive means of identifying such statements. Forward looking statements involve inherent risks and uncertainties.

We caution you that a number of important factors could cause actual results to differ materially from the projections, plans, objectives, expectations, estimates and intentions expressed in forward looking statements. These factors, some of which are discussed above under "Risks Factors" include material changes in the performance or terms of our concessions, developments in legal proceedings, economic and political conditions and government policies in Sudal Industries Limited or elsewhere, inflations rates, exchange rates, regulatory developments, customer demand and competition.

We caution you that the foregoing list of factors is not exclusive and that eventualities related to other risks and uncertainties may cause actual results to differ materially from those expressed in forward looking statements.

Forward looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments.



Sustaining growth...

Corporate Office :

S u d a l

INDUSTRIES LIMITED

26 A, Nariman Bhavan,

227, Nariman Point,

Mumbai – 400 021

Tel No : +91-22-61577100 / 177

E-mail : mumbai@sudal.co.in



Registered Office :

A-5, M.I.D.C. Ambad Industrial Area,

Mumbai-Nashik Road,

Nashik – 422 010, Maharashtra

Tel No : +91-253-6635200 / 201

E-mail : nashik@sudal.co.in

This report is available online at

www.bseindia.com and

www.sudal.co.in