

16th ANNUAL REPORT 2011-12



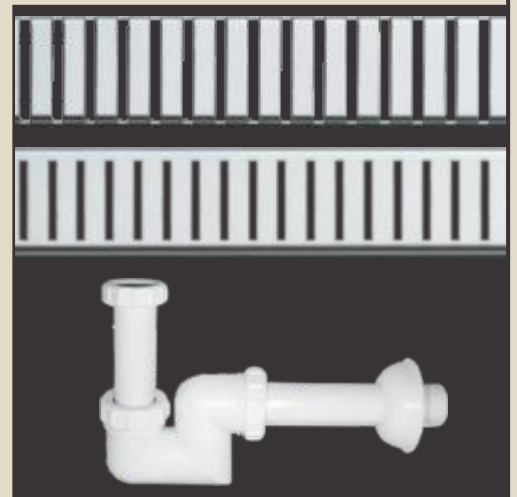
Team Work • Growth • Innovation

INTRODUCTION OF NEW PRODUCTS



Alca PLAST[®]

BATHROOM ACCESSORIES



THE VISION



With continuous growth in Indian infrastructure, Astral always introduce new innovative and cost effective products for its share. Our vision shall always to be one of the leading companies for the products & services to our customers, shareholders and community. Astral will approach the future with great enthusiasm and optimism.

THE CORE TEAM



Key Highlights

(₹In Lacs)

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Capacity (In M.T.)	11,800	25,968	30,867	48,432	65,496
Utilisation (In M.T.)	6,895	11,164	19,411	28,289	38,824
Sales	14,452.80	20,524.90	30,452.36	43,676.35	62,221.01
Less : Excise Duty	871.28	1,198.72	1,433.56	2,593.87	4,289.20
Net Sales	13,581.52	19,326.19	29,018.80	41,082.48	57,931.81
Other Operating Income	20.69	121.87	80.40	64.28	189.85
Total Income	13,602.21	19,448.05	29,099.20	41,146.76	58,121.66
Operating Profit (PBITD)	2,090.07	3,087.06	4,275.01	5,663.42	8,372.83
Non Operating Income	331.57	420.82	143.23	62.62	199.93
Interest	268.67	531.19	484.21	459.17	655.46
Gross Profit	2,152.97	2,976.69	3,934.04	5,266.87	7,917.30
Depreciation	326.06	617.49	860.43	1,071.92	1,337.75
Profit Before Tax & Exceptional Items	1,826.91	2,359.20	3,073.60	4,194.95	6,579.54
Exceptional Items (Exchange Gain/(Loss))	115.63	(733.67)	299.18	24.47	(1,542.97)
Profit Before Tax	1,942.53	1,625.53	3,372.78	4,219.42	5,036.57
Tax	234.49	165.02	557.34	794.97	992.62
Profit After Tax	1,708.05	1,460.51	2,815.45	3,424.45	4,043.95
Prior Year Adjustments	1.13	41.45	12.64	65.17	68.48
Net Profit	1,706.92	1,419.07	2,802.81	3,359.28	3,975.46
Paid Up Equity Capital	1,123.81	1,123.81	1,123.81	1,123.81	1,123.81
Reserve and Surplus *	6,740.85	8,028.46	10,568.78	13,633.80	17,315.39
Shareholders' Funds	7,864.65	9,152.26	11,692.59	14,757.60	18,439.20
Loans	3,215.52	3,903.35	4,040.06	3,113.37	6,354.89
Deferred Tax Liability (Net)	169.00	169.00	169.00	169.00	169.00
Capital Employed **	9,533.52	12,623.50	15,286.11	17,230.14	23,725.90
Gross Fixed Assets	5,008.53	9,372.32	11,121.16	13,798.71	20,236.72
Capital Work In Progress	1,715.76	601.15	615.54	809.84	1,237.18
Net Fixed Assets ***	3,993.24	7,763.31	8,662.67	10,400.96	15,505.43
Net Current Assets	5,540.12	4,854.92	6,618.17	5,791.00	7,228.58
Book Value (₹)	34.99	40.72	52.02	65.66	82.04
Earning Per Equity Share (₹) (F.V. of ₹5/- each)	7.59	6.31	12.47	14.95	17.69
Cash Earning Per Equity Share (₹) (F.V. of ₹5/- each)	9.05	9.06	16.30	19.72	23.64
Dividend (%)	10%	10%	20%	22.50%	22.50%
ROACE % (PBIT/Average Capital Employed)	18.89	22.29	24.47	28.24	34.35
PBITD/Average Capital Employed	22.38	27.87	30.63	34.83	40.89
ROANW(%) (PAT/Average Net Worth)	24.11	16.68	26.89	25.40	23.95
Debt : Equity (Long Term Debt/Total Net Worth)	0.22	0.42	0.31	0.38	0.42
Debt : Equity (Total Debt/Total Net Worth)	0.41	0.43	0.35	0.21	0.34

* Excluding Revaluation Reserves and reduneous Expenditure and Capital Work in Progress

*** Excluding Revaluation Reserves and Cacing miscellaneous expenditure

** Excluding Revaluation Reserves, Miscellapital Work in Progress.

Figures of Financial Year 2010-11 & 2011-12 are as per Revised Schedule VI.

CONTENTS

Particulars	Page No.
Company Information	01
Directors' Report	02
Report on Corporate Governance	08
Management Discussion and Analysis Statement	19
Auditors' Report	23
Balance Sheet	26
Profit & Loss Account	27
Significant Accounting Policies	29
Notes on Accounts	31
Consolidated Financial Statements	46
Statements under Section 212 of the Companies Act, 1956 relating to Subsidiary Companies	64
Subsidiary Company - ASTRAL BIOCHEM PRIVATE LIMITED	65
Subsidiary Company - ADVANCED ADHESIVES LIMITED	77

COMPANY INFORMATION

BOARD OF DIRECTORS : Mr. K.R. Shenoy - Chairman (Independent Director)
 Mr. Sandeep P. Engineer - Managing Director
 Mrs. Jagruti S. Engineer - Executive Director
 Mr. Pradip N. Desai - Independent Director
 Mr. Kyle A. Thompson - Non Executive Director

COMPANY SECRETARY : Ms. Zankhana V. Trivedi

CHIEF FINANCIAL OFFICER (CFO) : Mr. Hiranand A. Savlani

STATUTORY AUDITORS : **M/s. Deloitte Haskins & Sells**
 Chartered Accountants
 'Heritage', 3rd Floor,
 Near Gujarat Vidhyapith, Off Ashram Road,
 Ahmedabad-380 014, Gujarat, India.

REGISTERED & CORPORATE OFFICE : **"ASTRAL HOUSE"**
 207/1, B/h Rajpath Club, Off. S.G. Highway,
 Ahmedabad-380 059, Gujarat, India.
 Ph. No.: +91 79 66212000
 Fax No.: +91 79 66212121

REGISTRAR & SHARE TRANSFER AGENT : **Bigshare Services Private Limited**
 E-2/3, Ansa Industrial Estate,
 Sakivihar Road, Saki Naka,
 Andheri (E), Mumbai – 400 072.
 Ph. No.: +91 22 28470652
 Fax No.: +91 22 28475207

OUR BANKERS :

CORPORATION BANK Industrial Finance Branch, Ashram Road, Ahmedabad, Gujarat, India.	STANDARD CHARTERED BANK Abhijeet- II, Mithakhali Six Road, Ahmedabad, Gujarat, India.
IDBI BANK LIMITED Opp. Municipal Staff Quarters, Nr. Lal Bunglow, Off. C.G. Road, Ahmedabad, Gujarat, India.	HDFC BANK LIMITED Navrangpura Branch, Ahmedabad, Gujarat, India.

FACTORY LOCATIONS :

Gujarat Units		Himachal Pradesh Unit
Plot No. 1253 & 1264, Village: Santej, Taluka: Kalol, Dist.: Gandhinagar, Gujarat, India.	Survey No. 149/1, Dholka-Kheda Road, Rampur, Dholka, Gujarat, India.	Khasra No. 67-72, Village: Bated, P.O. Barotiwala, Dist.: Solan, Tehsil: Kasauli, Himachal Pradesh, India.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the **16th Annual Report** of the Company together with the Audited Statements of Accounts for the year ended on 31st March, 2012.

1. FINANCIAL HIGHLIGHTS

The Standalone Financial Results for the year ended on 31st March, 2012 are as follows: (₹ In Lacs)

Particulars	Financial Year	
	2011-12	2010-11
Net Sales/Income from Operations	57,931.81	41,082.48
Other Operating Income	189.85	64.22
Total Income	58,121.66	41,146.70
Total Expenditure	49,748.84	35,483.29
Profit Before Depreciation, Interest and Tax	8,372.82	5,663.41
Finance Cost	655.46	459.17
Depreciation	1,337.75	1,071.92
Profit Before Exceptional Items	6,379.61	4,132.32
Other Non-Operating (Income) Expenses/Exceptional Items	1,343.05	(87.15)
Profit Before Tax	5,036.56	4,219.47
Provision for Taxation (Including Prior Year Adjustment)	1,061.10	860.14
Net Profit for the year	3,975.46	3,359.33

2. DIVIDEND

- During the year under review, Interim Dividend of ₹ 0.50 per share was declared and paid.
- The Board of Directors of the Company has recommended a Final Dividend of ₹ 0.625 per share for the FY 2011-2012 subject to the approval of the members at the ensuing Annual General Meeting. The Final Dividend, if approved, will be paid to the eligible members within the period stipulated by the Companies Act, 1956.
- The Final Dividend will absorb ₹ 140.48 Lacs in addition to the Interim Dividend of ₹ 112.38 Lacs paid during the year under review and the Dividend Distribution Tax payable on Final Dividend by the Company will amount to ₹ 22.79 Lacs in addition to the Dividend Distribution Tax of ₹ 18.23 Lacs already paid on Interim Dividend.

3. FINANCIAL AND OPERATIONAL REVIEW

- During the year under review, your Company has continued its growth momentum and has crossed a landmark figure of ₹600 Crores in Sales (Gross).
- Net sales amounted to ₹579.32 Crores as compared to ₹410.82 Crores in the previous year, recording a growth of 41%.
- The EBDITA has increased by 48% from ₹56.63 Crores to ₹83.73 Crores.
- Net Profit has increased by 18% from ₹33.59 Crores to ₹39.75 Crores.
- Export Sales of your Company during the year under review amounted to ₹659.13 Lacs.
- Earnings per share (basic) amounted to ₹17.69 per Share, as against ₹14.95 per Share in the previous year.

4. PROJECT IMPLEMENTATION AND PERFORMANCE REVIEW

We are pleased to inform you that during the year under review-

- Your Company has increased its installed Capacity by 35.23% from 48,432 M.T. to 65,496 M.T. by creating an additional Capacity at its Dholka Plant involving a Capex outflow of ₹53.43 Crores.
- Your Company has utilized its Capacity to the tune of 38,824 M.T. as against the last year's figure of 28,289 M.T. which shows a growth of 37%.
- Your Company has incurred Capital Expenditure to the tune of ₹11.06 Crores towards the Corporate Office and purchase of new Office at Satyam Corporate Square situated just opposite to Company's Corporate House, in the Registration District-Ahmedabad & Sub-District of Ahmedabad-3 (Memnagar).

- Your Company has commenced the trial commercial production of Bendable Pipes for the first time in the world with the technical support of Lubrizol during the month of May-2012 with Capacity of **1,100 M.T.**

5. CREDIT RATING

During the year under review, the Company has been able to maintain the following Credit Ratings from CRISIL for its various Bank facilities. :

Sr. No.	Facility	Rating
1	Cash Credit Limit	A/Stable (Reaffirmed)
2	Long Term Loan	A/Stable (Reaffirmed)
3	Letter of Credit	A1 (Reaffirmed)
4	Bank Guarantee	A1 (Reaffirmed)

6. INVESTMENT IN JOINT VENTURE COMPANY IN KENYA

The Company's total Investment in Ordinary Shares of M/s. Astral Technologies Limited, the Kenyan Joint Venture Company as on the 31st March, 2012 amounts to ₹193.21 Lacs for 31.90% ownership interest in Joint Venture Company.

7. SUBSIDIARY COMPANIES

Astral Biochem Private Limited:

During the year under review, there was no activity in the said Subsidiary Company.

Advanced Adhesives Limited:

During the year under review, the Company has commenced commercial production of PVC Solvent Cement on a royalty sharing arrangement with IPS-Corporation of USA. This being the first year of operation, the Company's growth will be seen from current financial year onwards. However, the Company was able to generate revenue of ₹259.93 Lacs and EBDITA of ₹32.10 Lacs which reflects a reasonably good EBDITA Margin of 12.35% during the year under review inspite of very low utilization of Capacity.

8. CONSOLIDATED FINANCIAL STATEMENTS

The Shareholders may refer to the Statement under Section 212 of the Companies Act, 1956 and information on the Financial Statements of Subsidiary Companies appended to the above Statement under Section 212 of the Companies Act, 1956 in this Annual Report, for further information on the Subsidiaries.

The Consolidated Financial Statements, in terms of Clause 32 of the Listing Agreement and in terms of Accounting Standard 21 issued by the Institute of Chartered Accountants of India (ICAI) also form part of this Annual Report.

9. MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Management Discussion and Analysis Statement which is required under the Listing Agreement with the Stock Exchanges is given in **Annexure – D** to the Directors' Report.

10. CORPORATE GOVERNANCE

A separate Report on Corporate Governance, along with Auditors' Certificate relating thereto is given in **Annexure – C** to the Directors' Report.

11. INSURANCE

The Fixed Assets and Stocks of the Company are adequately insured.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- the Directors have selected such Accounting Policies and have applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
- the Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the Provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts have been prepared on a going concern basis.

13. RESIGNATION OF DIRECTOR

During the year under review, Mr. Nimish Dalal has resigned from the Board of Directors of the Company w.e.f. August 31, 2011 on account of his personal pre-occupations.

The Board of Directors of the Company places on record its deep appreciation for the valuable services rendered by Mr. Nimish Dalal during his tenure as the Director on the Board of the Company.

14. DIRECTORS - RETIRING BY ROTATION

Pursuant to Article 157 of the Articles of Association of the Company, Mr. K. R. Shenoy is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The requisite particulars in respect of Director seeking reappointment is given in Corporate Governance Report which is given in **Annexure C** to the Directors' Report.

15. STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells, the Statutory Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The retiring Auditors have furnished a Certificate of their eligibility for re-appointment under Section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue.

16. APPOINTMENT OF COST AUDITOR

The Government of India, Ministry of Corporate Affairs, Cost Audit Branch vide its Order dated January 24, 2012 bearing no. F.No. 52/26/CAB-2010 has directed all Companies to which the Companies (Cost Accounting Records) Rules, 2011 apply, to get their cost accounting records, in respect of each of its financial year commencing on or after April 1, 2012 and for every financial year thereafter, audited by a Cost Auditor. In compliance with the said directive, the Company has appointed M/s. V. H. Savaliya & Associates, Cost Accountants, Ahmedabad, having Membership No. 13867 as the Cost Auditors for the purpose of conduct of Cost Audit of the Cost Accounting Records of the Company for the Financial Year 2012-2013.

17. PARTICULARS OF EMPLOYEES

The list of Employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is provided in **Annexure-A** to the Directors' Report.

18. DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of Section 217(1)(e) with respect to Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo, pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in the **Annexure-B** to the Report.

19. ACKNOWLEDGMENTS

Your Company has maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinted efforts of the employees have enabled your Company to remain at the forefront of the Industry. The Directors place on record their sincere appreciation for significant contributions made by the employees through their dedication, hard work and commitment towards the success and growth of the Company. The Directors wish to thank Specialty Process LLC., U.S.A for the technical and financial support extended to the Company throughout the journey of the Company. The Management would like to express its deep appreciation for the support extended by Corporation Bank, Standard Chartered Bank, IDBI Bank, HDFC Bank and other agencies working with the Company.

For, **Astral Poly Technik Limited**

Sandeep P. Engineer
Managing Director

Place : Ahmedabad
Date : May 22, 2012

For, **Astral Poly Technik Limited**

Jagruti S. Engineer
Executive Director

Annexures to Directors' Report

ANNEXURE - A

Statement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended and forming part of the Directors' Report for the year ended 31st March, 2012.

Sr. No.	Name	Age	Qualification	Date of Commencement of Employment	Designation/ Nature of Duties	Experience in Years	Remuneration (₹)	Last Employment held with Designation
1	2	3	4	5	6	7	8	9
(A) Employed throughout the year and was in receipt of remuneration which in the aggregate was not less than ₹60,00,000/- p.a.								
1	Mr. Sandeep P. Engineer	51	B.E. (Chemical)	25.03.1996	Managing Director	28 Years	63,50,000/-	NA
(B) Employed for a part of the year and was in receipt of remuneration which in the aggregate was not less than ₹5,00,000/- p.m.								
----- Nil -----								

ANNEXURE - B

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is set out hereunder.

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measure Taken:

Energy conservation continues to be the key focus area of your Company. The Company is making continuous effort for energy conservation. Effective measures have been taken to monitor consumption of energy during the process of manufacture.

(b) Additional investment and proposal for reduction of consumption of energy: Nil

(c) Impact of the above measures:

The impact of the measures taken has been positive.

(d) Total energy consumption and energy consumption per unit of production:

A. Power & Fuel Consumption		2011-12	2010-11
1. (a) Electricity			
(i) Purchase (Unit)		2,02,57,001	1,61,67,706
(ii) Total Amount (₹ in Lacs)		1,400.35	958.72
(iii) Rate/ Unit (₹)		6.91	5.93
(b) Own Generation			
(i) Through Diesel Generation (kWh)-			
LDO (Ltrs)		95,800	1,12,000
Total Amount (₹ in Lacs)		41.30	44.25
Average Rate (₹/Ltrs)		43.11	39.51
(ii) Through Steam Turbine Generator		Nil	Nil
Unit			
Unit per Ltr. of fuel			
Oil/Gas cost per Unit			
2. Coal and Lignite		Nil	Nil
(i) Quantity (Tones)			
(ii) Total cost (₹)			
(iii) Average Rate (₹/Tones)			
3. Furnace Oil		Nil	Nil
(i) Quantity (Ltrs)			
(ii) Total Cost (₹)			
(iii) Average Rate (₹/Ltrs)			
4. Other/Internal Generation		Nil	Nil
(i) Fuel			
Quantity (K. Ltrs)			
Total Cost (₹)			
Rate/K. Ltr. (₹)			
(ii) L. P. G.			
Quantity (Kgs.)			
Total Cost (₹)			
Rate/Kg (₹)			

B. Consumption Per Unit of Production	Standard	2011-12	2010-11
1. Electricity (KWH) (Total production during the year was M.T. previous year)	There are many sizes of pipes and fittings hence it is difficult to measure and standardise	-	-
2. Furnace Oil (Ltrs)	Nil	-	-
3. Coal Lignite	Nil	-	-
4. Other	Nil	-	-

B. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION**Research & Development (R & D)****1. Specific areas in which R & D was carried out by your Company**

Your Company lays considerable emphasis on quality maintenance and Product enhancement. The Company is continuously trying to develop more and more Products in its R & D Center. Last year your Company has spent ₹60.23 Lacs for its ultramodern R & D center at its Plant located at Santej-near Ahmedabad and the Company is now in a position to carry out a lot of R & D activities in-house.

Further yours is the only Company in India which has NSF approved Plant.

2. Benefits derived as a result of the above R & D

Your Company's efforts in quality maintenance and Product enhancement have resulted in development of Products which provide better quality at a lower cost of production. Further, your Company will be eligible for Export of these approved Products to the developed markets.

3. Future plan of action

Your Company will continue to exercise utmost care in maintaining the quality of its Products and will endeavor to upgrade the Products and their range.

4. Expenditure on R & D

Your Company is regularly incurring R & D expenses. During the year under review, your Company has spent ₹27.81 Lacs on R & D expenses and the cost of equipment purchased for R & D is shown under the head of Plant & Machineries and Laboratory Equipment. The said expenditures are tabled below:

(₹ in Lacs)

Expenditure on R & D	2011-12
(a) Capital Expenditure	60.23
(b) Revenue Expenditure	27.81
Total (a+b)	88.04
(c) Total R & D expenditure as a percentage of turnover	0.15%

Technology Absorption, Adaptation and Innovation

Your Company has imported a latest machine from US for manufacturing of Bandable Pipe and that machine will be first of its kind on the globe which will use CPVC compound and alluminium for manufacturing of composite pipe.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO**Total Foreign Exchange Used and Earned**

(₹ in Lacs)

Particulars	2011-12	2010-11
(a) Total Foreign Exchange Used	20,676.27	14,540.10
(b) Total Foreign Exchange Earned	659.13	659.83

For, **Astral Poly Technik Limited**

Sandeep P. Engineer
Managing Director

Place : Ahmedabad
Date : May 22, 2012

For, **Astral Poly Technik Limited**

Jagruiti S. Engineer
Executive Director

ANNEXURE-C

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

I. CORPORATE GOVERNANCE PHILOSOPHY

Your Company believes in adopting the best Corporate Governance practices, based on the following principles in order to maintain transparency, accountability and ethics:

- Recognition of the respective roles and responsibilities of the management;
- Independent verification and assured integrity of financial reporting;
- Protection of Shareholders' right and priority for investor relations; and
- Timely and accurate disclosure on all material matters concerning operations and performance of your Company.

Keeping the above in mind, your Company is fully committed to conduct its affairs in a fair and transparent manner and to enhance Shareholders value while complying with the applicable Rules and Regulations. We are in compliance with all the requirements of the Corporate Governance Code, enshrined in Clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS

Composition

The Board of your Company consists of 5(Five) Directors as on 31st March, 2012, out of which 2(two) are Executive Directors and 3(Three) are Non-executive Directors. The Chairman of the Board is Non-Executive Independent Director and 1/3 of the Board is independent. The Composition of the Board is in compliance with the requirements of Clause 49 of the Listing Agreement entered into with Stock Exchanges. All the Directors have certified to us that they are not members of more than 10(ten) Committees and do not act as Chairman of more than 5(five) Committees across all the Companies in which they are Directors.

The composition of the Board of Directors as on 31st March, 2012 is as follows:

Name of the Director	Category	Total No. of Directorship	Total No. of Membership of the Committees of Board		Total No. of Chairmanship of the Committees of Board	
			Membership in Audit/Investor grievance Committee	Membership in other Committees	Chairmanship in Audit/Investor grievance Committee	Chairmanship in other Committees
Mr. K. R. Shenoy	Independent Chairman	1	2	2	2	2
Mr. Sandeep P. Engineer	Managing Director	5	2	-	-	-
Mrs. Jagruti S. Engineer	Executive Director	4	-	-	-	-
Mr. Kyle A. Thompson	Non Executive Director	1	-	-	-	-
Mr. Pradip N. Desai	Independent Director	3	2	2	-	-

Notes:

1. While considering the total number of Directorships, Directorships in Private Companies and Section 25 Companies have also been included. Further, memberships in various Committees include all Committees whether mandatory in terms of Listing Agreement or otherwise.

Details of Board Meetings held during the Financial Year 2011-2012

During the Financial Year 2011-2012, the Board of Directors of your Company met 4 (Four) times on **20/05/2011, 04/08/2011, 05/11/2011 and 07/02/2012.**

Dates of Board Meetings and Attendance at the Board Meetings and the last Annual General Meeting

The Board of Directors met 4(Four) times in the Financial Year 2011-2012 and the details of attendance of each Director at Board Meetings held in Financial Year 2011-2012 and the last Annual General Meeting are as under:

Name of Director	Dates of Board Meetings and Attendance of each director at Board Meetings					Attendance at the last AGM held on August 4, 2011
	20/05/2011	04/08/2011	05/11/2011	07/02/2012	Total No. of Board Meetings Attended	
Mr. K. R. Shenoy	Yes	Yes	Yes	Yes	4	Yes
Mr. Sandeep P. Engineer	Yes	Yes	Yes	Yes	4	Yes
Mrs. Jagruti S. Engineer	Yes	Yes	Yes	Yes	4	Yes
Mr. Kyle A. Thompson	No	No	No	No	Nil	No
Mr. Pradip N. Desai	Yes	Yes	Yes	Yes	4	Yes

Code of Conduct for Board & Senior Management Personnel

Your Company has adopted a Code of Conduct for Board Members & Senior Management Personnel and the declaration from the Managing Director, stating that all the Directors and the Senior Management Personnel of the your Company have affirmed compliance with the Code of Conduct has been included in this Report. The Code has been posted on your Company's website www.astralcpvc.com.

Profile of Directors seeking appointment / re-appointment**(a) Mr. K. R. Shenoy**

Aged 69 years, is an M.Sc. (Statistics) from Mumbai University. He possesses experience of 37 years in the banking sector. He was the Chairman and CEO of the Lakshmi Vilas Bank Limited, Karur, Tamil Nadu till 2002. He has also served in various positions and retired as an Executive Director of Corporation Bank in 1997. He has also served in the RBI during the period 1965-1973 as a Statistical Assistant (3 Years) and Staff Officer Grade-A (5 Years). Presently he is a Director of an NGO in Bangalore and a member of Executive Committee of Bhartiya Vidya Bhavan, Mangalore.

3. COMMITTEES OF BOARD**(I) AUDIT COMMITTEE****Terms of Reference**

The broad terms of reference of the Audit Committee include the following as has been mandated in Clause 49 of Listing Agreement and Section 292A of Companies Act, 1956:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Appointment, removal and terms of remuneration of Internal Auditors.
- Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 1. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
 2. Changes, if any, in Accounting Policies and practices and reasons for the same;
 3. Major accounting entries involving estimates based on the exercise of judgment by Management;
 4. Significant adjustments made in the financial statements arising out of Audit findings;
 5. Compliance with Listing and other Legal requirements relating to the financial statements;
 6. Disclosure of any related party transactions;
 7. Qualifications in the draft Audit Report.

- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Monitoring the use of the proceeds of the initial public offering of the Company.
- Reviewing with the Management performance of Statutory and Internal Auditors and adequacy of the internal control systems.
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit.
- Discussions with Internal Auditors on any significant findings and follow up thereon.
- Reviewing Internal Audit Reports in relation to internal control weaknesses.
- Reviewing management letters / letters of internal weaknesses issued by the Statutory Auditors.
- Reviewing the findings of any internal investigation by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors, before the Audit commences, about the nature and scope of Audit as well as Post-Audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors.

The Chief Financial Officer and the representatives of the Statutory Auditors and Internal Auditors are invited to attend the meetings of the Audit Committee from time to time.

Composition, Meetings and Attendance

The Audit Committee of your Company has been constituted as per the requirements of Clause 49 of Listing Agreement. The Chairman of the Audit Committee is an Independent Director and two-thirds of the members of the Audit Committee are Independent Directors. During the Financial Year 2011-2012, the Audit Committee met 4 (four) times on **20/05/2011, 04/08/2011, 05/11/2011 and 07/02/2012**.

The composition of the Audit Committee as on 31st March, 2012 and the attendance of the members in the meetings held during the Financial Year 2011-2012 is as follows:

Name of the Member	Designation	No. of meetings attended
Mr. K.R. Shenoy	Chairman	4
Mr. Sandeep P. Engineer	Member	4
Mr. Pradip N. Desai	Member	4

The Company Secretary of the Company acted as the Secretary to the Audit Committee.

(ii) INVESTORS' GRIEVANCE COMMITTEE

Terms of Reference

The broad terms of reference of the Investors' Grievance Committee are to supervise and ensure the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of Shares and Debentures;
2. Redressal of Shareholder and Investor complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared Dividends etc;
3. Issue of duplicate / split / consolidated Share Certificates;
4. Allotment of Shares;
5. Review of cases for refusal of transfer / transmission of Shares and Debentures;
6. Reference to Statutory and Regulatory authorities regarding Investor Grievances; and
7. To otherwise ensure proper and timely attendance and redressal of Investor's queries and Grievances.

Composition, Meetings and Attendance

The Investors' Grievance Committee of your Company consists of 3 (three) Directors. The Chairman of the Investors' Grievance Committee is a Non-Executive Independent Director. During the Financial Year 2011-2012, Investors' Grievance Committee met 4 (four) times on **20/05/2011, 04/08/2011, 05/11/2011 and 07/02/2012**.

The composition of the Investors' Grievance Committee as on 31st March, 2012 and attendance of the members in the meetings held during the Financial Year 2011-2012 is as follows :

Name of the Member	Designation	No. of meetings attended
Mr.K.R.Shenoy	Chairman	4
Mr.Sandeep P.Engineer	Member	4
Mr.Pradip N.Desai	Member	4

Name and Designation of Compliance Officer

Ms. Zankhana V.Trivedi, Company Secretary, is the Compliance Officer of the Company.

Status of Investors' Complaints

The status of Investors complaints as on 31st March, 2012 is as follows :

Number of complaints as on April 01, 2011	Nil
Number of complaints received during the year ended on March 31, 2012	5
Number of complaints resolved up to March 31, 2012	5
Number of complaints pending as on March 31, 2012	Nil

The complaints received were mainly in the nature of non-receipt of Annual Report and non-receipt of dividend warrants. None of the complaints were pending for a period of more than one month.

There were no pending requests for transfer of shares of the Company as on March 31, 2012.

4. GENERAL BODY MEETINGS

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

Financial Year	Date Time Venue
2010-2011	August 4, 2011 at 11.00 a.m. at Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad-380059.
2009-2010	August 9, 2010 at 11.00 a.m. at Karnavati Banquet Hall, Karnavati Club, S.G. Highway, Ahmedabad-380058.
2008-2009	July 27, 2009 at 11.00 a.m. at the Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad-380059.

Details of special resolutions passed in Previous Three AGMs.

Details of the Special Resolutions passed in last three Annual General Meetings are as follows :

Financial year	Particulars of Special Resolutions passed
2010-2011	Revision in remuneration payable to Relative of the Executive Director of the Company.
2009-2010	Nil
2008-2009	Revisions in terms of appointment of the Managing Director.

The Company was not required to pass any Resolution by means of Postal ballot during the Financial Year 2011-2012.

No Special Resolution is proposed to be conducted through postal ballot at the ensuing Annual General Meeting of the Company.

No Extra Ordinary General Meeting was held during the Financial Year 2011-2012.

5. DISCLOSURES
(a) Disclosure on materially significant related party transactions

There were some related party transactions during the Financial Year 2011-2012 and the same do not have potential conflict with the interest of the Company at large. The details of related party transactions as per Accounting Standard – 18 are included in the notes to the accounts of Auditors' Report.

(b) Details of non-compliance with regard to capital market

The Equity Shares of the Company got listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) with effect from March 20, 2007. The Company has complied with all the requirements of Listing Agreement as well as the Regulations and Guidelines prescribed by the Securities and Exchange Board of India (SEBI). The Company has complied with Clause 38 of the Listing Agreement with respect to payment of Listing fees to the Exchanges and Annual Custodial Fees to the Depositories for the year 2012-2013.

There were no penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other Statutory Authority on any matter related to Capital Markets during last year.

(c) Disclosure of Accounting treatment

There is no deviation in following the treatments prescribed in the Accounting Standard in preparation of financial statements for the year 2011-2012.

(d) Board disclosures – risk management

The Board members of the Company have been appraised about the risk assessment and minimization procedures intended to be adopted. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimization procedures is an ongoing progress and the Board members are periodically informed of the status.

(e) Details of remuneration and pecuniary benefits to the Directors

(₹ In Lacs)

Name of the Director	Salary	Perquisites	Sitting Fees	Others	Total
Mr. K.R. Shenoy	-	-	-	2.00	2.00
Mr. Sandeep P. Engineer	63.50	-	-	-	63.50
Mrs. Jagruti S. Engineer	17.25	-	-	-	17.25
Mr. Kyle A. Thompson	-	-	-	-	-
Mr. Pradip N. Desai	-	-	-	-	-
Total	80.75	-	-	2.00	82.75

Notes:

- There are no pecuniary relationships or transactions of the Non-Executive Directors Vis-à-Vis Company as mentioned above.
- The Members of the Company at its Annual General Meeting held on August 4, 2011 had approved the reappointment of Mrs. Jagruti S. Engineer as an Executive Director of the Company w.e.f. May 20, 2011.
- The Board of Directors of the Company vide its circular resolution dated January 23, 2012 had approved the reappointment of Mr. Sandeep P. Engineer, as Managing Director on revised terms w.e.f. February 1, 2012 for a period of three years subject to the approval of the Members of the Company.

4. The Managing Director shall be entitled to an incentive payment at the rate of 1% (One percent) of Net Profits of the Company in addition to the salary, increment and reimbursement of expenses, if the Company registers an increase in Net Profits by 15% (Fifteen percent) or more in that year as compared to the Net Profits of the previous accounting year, which however would be applicable from the Financial year 2012-2013.

None of the Directors except the Managing Director shall be entitled to such an Incentive.

5. Your Company has Service Contract with-
- Mr. Sandeep P. Engineer, the Managing Director of the Company from February 1, 2012 to January 31, 2015 and said Contract may be terminated by issuing a written notice of 90 days by the party terminating the office to the other party. In the event of termination of office of Managing Director before the expiration of tenure thereof, Managing Director shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 318 of the Companies Act, 1956. The said Contract is renewable.
 - Mrs. Jagruti S. Engineer, the Executive Director of the Company from May 1, 2011 to April 30, 2014. There are no provisions regarding Termination of Contract and Severance Fees. The said Contract is renewable.
6. No Stock Option Schemes have been introduced by the Company.
7. The shareholding of Directors as on 31st March, 2012 is as under:

Details of Shareholding of Directors

Sr. No.	Name of Director	Shareholding	%
1	Mr. K.R. Shenoy	Nil	Nil
2	Mr. Sandeep P. Engineer	47,34,282	21.06
3	Mrs. Jagruti S. Engineer	18,28,682	8.14
4	Mr. Kyle A. Thompson	Nil	Nil
5	Mr. Pradip N. Desai	77,142	0.34

(f) Certification from CEO and CFO

The requisite certification from the Managing Director and Chief Financial Officer required to be given under Clause 49(V) has been placed before the Board of Directors of the Company and is being reproduced hereunder for your reference.

CEO and CFO Certification

To,
The Board of Directors
Astral Poly Technik Limited

We, Mr. Sandeep P. Engineer, Managing Director and Mr. Hiranand A. Savlani, Chief Financial Officer of the Company, hereby certify that :

- (a) We have reviewed the Financial Statement and the Cash Flow Statement for the year 2011-2012 and that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee :
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For, **Astral Poly Technik Limited**

Sandeep P. Engineer
Managing Director

Place : Ahmedabad
Date : May 22, 2012

For, **Astral Poly Technik Limited**

Hiranand A. Savlani
Chief Financial Officer

Place : Ahmedabad
Date : May 22, 2012

g) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the Listing Agreement

The Company has complied with all the mandatory requirements as mandated under Clause 49 of Listing Agreement. A Certificate from the Statutory Auditors of the Company to this effect has been included in this Report.

(h) Whistle Blower Policy

The Company does not have a Whistle Blower Policy.

6. MEANS OF COMMUNICATION TO SHAREHOLDERS

(a) Quarterly / Annual Results

The Quarterly / Annual Results and Notices as required under Clause 41 of the Listing Agreement are normally published in the Leading Daily News Paper "The Economic Times" in English and Local Language, i.e. Gujarati editions.

(b) Posting of information on the website of the Company

The Quarterly / Annual Results of the Company, Shareholding pattern, Code of Conduct for Board and Senior Management and the official news releases are posted on the website www.astralcpvc.com.

7. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report is provided as **Annexure-D** to the Director's Report.

8. GENERAL SHAREHOLDERS' INFORMATION**(a) Annual General Meeting (Proposed): Sixteenth Annual General Meeting**

Day and date	August 13, 2012
Time	11.00 a.m.
Venue	The Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad-380 059

(b) Financial Year 2012-2013

Financial Year	April 1 to March 31
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(c) Board Meetings for approval of Quarterly Results

Quarter	Tentative Date of Announcement of Board Meeting [F.Y.2012-2013]
Ist Quarter Results	August 13, 2012
IIInd Quarter Results	November 14, 2012
IIIrd Quarter Results	February 14, 2013
IVth Quarter Results	May 15, 2013

Annual Results for financial year ended
March 31, 2013

: Within 6 months of the close of financial Year

Annual General Meeting for the year 2012-2013 : In accordance with Section 166 of
the Companies Act, 1956

(d) Book Closure Date

The Share Transfer Book and Register of Members will remain closed from August 1, 2012 to August 13, 2012 (Both days inclusive).

(e) Dividend Payment Date

The Dividend for the year ended March 31, 2012 will be paid to the members whose names will appear on the Register of Members of the Company on the date of AGM.

(f) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges in India since March 20, 2007:

1.	The Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.
2.	National Stock Exchange Limited (NSE) "Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

The Company has paid Annual Listing fees to the above Stock Exchanges for the Current Financial Year 2012-2013.

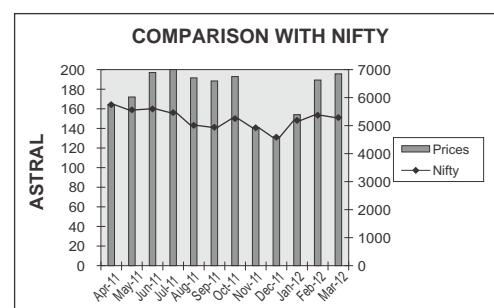
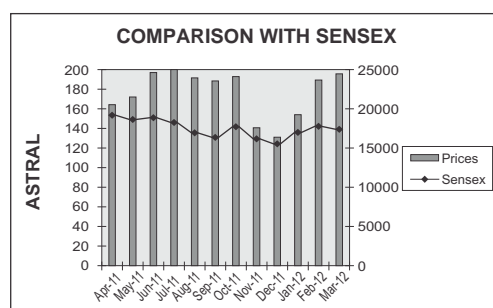
(g) Stock Code

The Bombay Stock Exchange Limited (BSE)	532830
The National Stock Exchange of India Limited (NSE)	ASTRAL
International Security Identification Number (ISIN) for Equity Shares held in Demat form with NSDL and CDSL	INE006I01020

(h) Stock Market Data

(In ₹)

MONTH	BSE		NSE	
	High	Low	High	Low
April, 2011	171.00	165.00	170.50	165.55
May, 2011	176.50	172.00	176.40	171.75
June, 2011	199.00	192.10	198.75	192.80
July, 2011	207.00	200.00	206.00	198.50
August, 2011	190.00	181.20	190.00	182.00
September, 2011	191.90	183.25	192.00	182.50
October, 2011	193.95	189.00	193.45	190.20
November, 2011	147.90	137.35	147.60	138.20
December, 2011	135.00	126.25	137.45	126.20
January, 2012	155.10	152.00	158.00	153.00
February, 2012	196.00	185.00	188.85	185.00
March, 2012	199.00	193.00	198.40	188.40


(i) Registrar and Share Transfer Agents

All the work relating to the Share registry for Shares held in Physical form as well as Shares held in Electronic Form (Demat) is being done at one single point at Bigshare Services Private Limited.

The detailed address is as under :

BIGSHARE SERVICES PRIVATE LIMITED

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400072,

Tel: 022-28470652 Fax No. 022-28475207, E-mail : ipo@bigshareonline.com

Website: www.bigshareonline.com, **Contact person:** Mr. N.V.K. Mohan

(j) Share Transfer System

The Shares of Company are compulsorily traded in dematerialized form. Shares received in Physical Form are transferred within a period of 30 days from the date of lodgment subject to documents being valid and complete in all respects. The request for dematerialization of Shares are also processed by the R&T agent within stipulated period and uploaded with the concerned Depositories. In terms of Clause 47(c) of the Listing Agreement, Company Secretary in Practice examines the records and processes of Share transfers and issues half yearly Certificate which is being sent to the Stock Exchanges.

(k) Distribution of Shareholding

The distribution of Shareholding of the Company as on 31st March, 2012 is as follows:

No. of Equity Shares Held	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Capital
Upto 5000	6,049	96.51	23,74,537	10.56
5001-10000	116	1.85	8,23,956	3.67
10001-20000	45	0.72	6,83,334	3.04
20001-30000	17	0.27	4,28,886	1.91
30001-40000	9	0.14	3,25,019	1.45
40001-50000	5	0.08	2,25,680	1.00
50001-100000	10	0.16	8,60,004	3.83
100001- and above	17	0.27	1,67,54,696	74.54
Total	6,268	100.00	2,24,76,112	100.00

(l) Shareholding Pattern

The Shareholding Pattern of the Company as on 31st March, 2012 is as follows :

Category	No of Shares	% of Total Capital
Promoters (including persons acting in concert)	1,43,43,232	63.82
Foreign Institutional Investors	9,90,178	4.41
Non-resident Indians/Overseas Corporate Bodies	5,60,303	2.49
Private Corporate Bodies	13,08,428	5.82
Resident Indians	52,73,971	23.46
Total	2,24,76,112	100.00

(m) Shares in Suspense Account

As per Clause 5A of the listing agreement total 100 shares are lying in the Escrow Account in the name of **BIGSHARE SERVICES PRIVATE LIMITED - ESCROW ACCOUNT-ASTRAL POLYTEKNIK LTD - IPO** with IDBI Bank having **DP ID IN300450 13481768** and voting rights on these Shares shall remain frozen till the rightful owner of such Shares claims the Shares.

(n) Dematerialization of Shares and Liquidity

As on March 31, 2012, 99.87% of the total Equity Shares were held in dematerialized form with National Securities Depository Ltd [NSDL] and Central Depository Services Limited [CDSL].

The details of which are as under :

Sr. No.	Mode of Holding	No. of Shares	% of Total Capital
1.	NSDL	2,03,41,221	90.50
2.	CDSL	21,06,485	9.37
3.	Physical	28,406	0.13
	TOTAL	2,24,76,112	100.00

(o) **GDRs/ADRs/Warrants or Convertible Instruments outstanding as on the date of this Report : Nil**

(p) **Plant Location :**

Gujarat Units		Himachal Pradesh Unit
Plot No. 1253 & 1264, Village: Santej, Taluka: Kalol, Dist: Gandhinagar, Gujarat, India.	Survey No. 149/1, Dholka-Kheda Road, Rampur, Dholka, Gujarat, India.	Khasra No. 67-72, Village: Bated, P.O. Barotiwala, Dist: Solan, Tehsil: Kasauli, Himachal Pradesh, India.

(q) **Address for Correspondence**

Shareholders' correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned at point (i).

Shareholders may also contact Company Secretary at the Registered Office of the Company for any assistance.

Registered Office

"ASTRAL HOUSE",
207/1, B/h. Rajpath Club, Off S.G. Highway,
Ahmedabad - 380 059, Gujarat, India

Tel. No. : +91 79 66212000, **Fax No. :** +91 79 66212121

Email : info@astralcpvc.com **website :** www.astralcpvc.com

For, **Astral Poly Technik Limited**

Sandeep P. Engineer
Managing Director

Place : Ahmedabad
Date : May 22, 2012

For, **Astral Poly Technik Limited**

Jagruti S. Engineer
Executive Director

DECLARATION

To,

The Members,

Astral Poly Technik Limited

I, Sandeep P. Engineer, Managing Director of **Astral Poly Technik Limited** hereby declare that, as of March 31, 2012, all the Board Members and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

For, **Astral Poly Technik Limited**

Place : Ahmedabad
Date : May 22, 2012

Sandeep P. Engineer
Managing Director

ANNEXURE - D**MANAGEMENT DISCUSSION AND ANALYSIS STATEMENTS****Industry Structure and Developments**

According to All India Plastic Manufacturers Association (AIPMA), India's plastic consumption in 2010 stood at 9mn tonnes and has been growing at an annual average rate of 12%. With its true potential, consumption is all set to reach 12.5mn tonnes in 2012, which will make India the 3rd largest consumer of plastics by 2012 after US and China (expected consumption by then – USA: 39mn tonnes and China: 31mn tonnes). Further, the consumption is expected to reach 18.9mn tonnes by 2015.

As far as global consumption is concerned, Asia has been the world's largest consumer for several years, accounting for about 30% of global consumption. Next to Asia is North America with 26%, followed by Western Europe with 23%. Worldwide plastic consumption is expected to grow at an average rate of 5% until 2015.

As per the Vision 2015 set by the Government of India

	2010	2015
Consumption 15% CAGR (Mn Tonnes)	9	18.90
Per Capita Consumption (Kg)	8	16
Plastic Industry Turnover (₹ Bn)	850	1332
Employment Generation (No.in Mn)	3.6	7
Processing Machine	84,836	1,25,636

(Source: CIPET)

From the above you can see that there is enormous potential of growth of plastic industries in India.

Opportunities and Threats :

As per the estimates of All India Plastic Manufacture's Association (AIPMA), the domestic consumption has been growing at 10% to 12% CAGR over the last decade. This will make India the third largest Country in the world in plastic consumption after US and China.

About 70 percent of PVC Products manufactured are in unorganized sector. At the same time organized sector is also picking up at a rapid pace and this according to us will be the biggest advantage to your Company because of the continuous Brand building exercise done by Astral.

As you are aware that we always believe in creating the capacity first and then think of the market. Plenty of opportunities are available in this Country but we have to be innovative and creative and serve the market with new Products which will help the Company to continuously maintain its growth momentum.

During the current year, your Company has increased the capacity from **48,432** M.T. to **65,496** M.T. This shows the confidence of management that ASTRAL Products are widely accepted in the market. Astral always looks for opportunities for developing and launching new Products every year.

Last year, the Company launched Column Pipe, Solvent Cement (PVC) and during the current year the Company is planning to launch the Bendable Pipe and Blazemaster Pipe.

Moreover, your Company strongly focuses on the creation of "Strong Branding" as it believes that only the Brand can carry the organization to greater heights. Your Company therefore invests in Brand creation. The main objective of the campaign is to reach out to dealers and plumbers and create awareness and credibility among the major stakeholders. Astral will continue to spend on Print Media, Exhibitions and other forms of Branding for enhancing its Brand Image across the Country.

Increasing imports/ local production of CPVC/PVC raw material, a derivative of crude and the fluctuations in the exchange rate of foreign currency could affect the profitability of the Company. Volatility in crude prices will also affect the raw material cost of PVC/CPVC resin. However, so far your Company has been able to manage the exchange risk and price fluctuation risk in a balanced way. During the last financial year, Company was able to increase the operating margin inspite of significant fluctuation in the Raw Material Price and Exchange Price.

Outlook :

As per the AIPMA India's per capita plastic consumption has increased from 1 kg to 8 kgs in 2010 which will double to 16 kg by 2015 considering 15% CAGR growth. From this we can estimate that if the Country's consumption is going to double in next five years, your Company will grow faster than the Country's growth as our base is still very low looking to the over-all consumption of the Country.

As per Cushman & Wakefield research, the pan India cumulative residential demand is estimated to stand at approximately 4.25mn units in FY14, a CAGR of 15% from FY11-FY14. About 60% of estimated demand is expected to be spread across the top 7 cities of NCR, Mumbai, Pune, Bengaluru, Chennai, Hyderabad & Kolkata, with metropolitan cities of NCR and Mumbai accounting for 40% of total demand. This fast paced growth trajectory in construction sector will automatically create a constant and growing demand for plumbing Products such as CPVC, PVC, bendable and other Products.

The Management of your Company further opines that not only the new construction, which will create a lot of demand for plumbing pipes but also the replacement demand, which is growing at a good pace, will help the Company to expand rapidly. Metallic pipes will become a thing of the past over a period of time and polymer will dominate most of the market because of plenty of advantages compared to the metal Products.

Your Company which manufactures world class CPVC Products at its NSF approved plants has immense opportunities for accelerated growth. Your Company always endeavors to achieve a rate of growth which is superior to that of its competitors and the market in general. Your Company has a bouquet of Products which are not restricted to only few applications so much so that it is in a position to provide the complete solution to any construction scheme. Your Company's product range covers Under Ground, Above Ground, Hot Water, Cold Water, Waste Water, Solar Water, Sewage Water, Rain Water etc. In short, for all applications of water, Astral has a Product available. Once the Fire Application is introduced during the current financial year, as now it is already approved by BIS, your Company will be the first Company in the Country to provide all solutions from one source.

Further we are happy to introduce the Bendable (CPVC Aluminum CPVC) pipe for the first time in the world for commercial application. The production of the said pipe has already started at the Santej Plant of your Company and we are quite confident that this pipe will be widely accepted by the Multi Storied Buildings segment and for the Solar Application.

Your Company has Clients from different Sectors which include Hospitals, Academic Institutes, Resorts, Clubs, Government Sectors, Construction Houses, Technology Parks, Industries, Hotels, Commercial Complexes, Corporate Houses etc.

Your Company believes in increasing the efficiency in operations and bringing innovative Products in the market thereby building sustainable competitiveness and edge over others. The main thrust of the Company is on Product innovation and diversification. Besides it, your Company also tries to reduce cost of production to make its Products more competitive without sacrificing the quality of product. As a part of cost reduction efforts, your Company is continuously increasing the production of value added Products at its Himachal Pradesh Unit which is enjoying the benefits of Excise Duty, Concessional Power and Income Tax.

International alliance with various Companies always helps your Company to bring new and innovative Products to India at competitive price. Your Company has already put up a facility for manufacturing the Solvent Cement by its Subsidiary Company "Advanced Adhesives Ltd". During the year under review, the Advanced Adhesives Limited has commenced commercial production of PVC Solvent Cement through Royalty sharing arrangement with IPS-Corporation of USA. This being the first year of operation, the Company's growth will be seen from current financial year onwards.

Your Company has successfully commenced commercial production at its Dholka Manufacturing Unit and is planning to manufacture PVC-SWR Products and PVC Foam Core Products at its Plant.

Looking to ASTRAL's growth and potentiality of the plumbing market, ASTRAL is exploring new areas for setting up its production facilities to enhance production volume in the market.

Distribution Network is very important in our Industry. Your Company is continuously focusing on it and is gradually expanding the same. Your Company plans to reach its Products to every nook and corner of the Country. Your Company's Products command great respect due to its superior quality, range and service.

Our Joint Venture Company at Kenya has already started production recently and will slowly pick up the sales in East Africa and in turn Astral India will also increase its sales of fittings in coming days. This will add to our present export revenues from the neighboring Countries.

Risk and Concerns :**Foreign Exchange Risk**

Being significantly dependent on imports and loans in foreign currency, your Company is exposed to the risk of fluctuations in exchange rate of foreign currency. Appropriate decisions are taken for hedging the exposure from time to time based on the market scenario. However, the volatility is increasing day by day which has elevated the risk.

Raw Material Prices

Since significant part of the raw material is imported, any increase in the import price or fluctuations in currency may affect the margins of your Company. Further, the price of raw material is to some extent, linked to the International Crude Price, which may affect the price of raw material. However your Company has been successfully managing this risk for the past several years. Whenever the revision in raw material prices is on the higher side, it is passed on to the customers.

Internal Control and their adequacy :

Your Company has adequate Internal Control Systems and Procedures commensurate with the size of the Company and its nature of business. The independent Internal Auditors continuously review the adequacy and effectiveness of the internal control systems vis-a-vis on – going operation of the Company, which provides reasonable assurance of adequacy and effectiveness, control, governance and risk management procedure to the Audit Committee. The recommendations of Internal Auditors and the Audit Committee are followed up effectively for implementation.

Financial Performance :

An overview of the financial performance is given in the Directors' Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems.

Human Resources :

Your Company continues to maintain constructive relationship with its employees with a positive environment so as to improve efficiency. The industrial relations at plants were cordial. Your Company places great value to the commitment, competence and vigour shown by its employees in all aspects of business. Your Company confirms its commitment to take initiative to further align its HR policies in order to meet the growing needs of the business.

Your Company has employee focus in the sense that it provides fulfillment, stretch and opportunity for development of its employees at all levels. It is because of the considerable skill and motivation of the employees, that your Company is able to deliver performance satisfaction. Your Board would like to express its sincere appreciation and gratitude to all employees on behalf of the Stakeholders of your Company, who benefit from their hard work.

Cautionary Statement :

Some of the statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable Laws and Regulations.

Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in economic conditions affecting demand, supply and price movements in the domestic and overseas markets in which your Company operates, changes in the Government Regulations, Tax Laws and other Statutes or other incidental factors.

The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future.

On behalf of the Board of Directors

Place : Ahmedabad
Date : May 22, 2012

Sandeep P. Engineer
Managing Director

Auditors' Certificate on Corporate Governance

To
The Members,
Astral Poly Technik Limited

We have examined the compliance of the conditions of Corporate Governance by **Astral Poly Technik Limited** for the year ended on **31st March, 2012**, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For, **Deloitte Haskins and Sells**
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : May 22, 2012

(**Gaurav J. Shah**)
Partner
(Membership No. 35701)

Auditors' Report

To
The Members,
Astral Poly Technik Limited

1. We have audited the attached Balance Sheet of **ASTRAL POLY TECHNIK LIMITED** ("the Company") as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (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 and 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 and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2012;
 - (ii) in the case of the Statement of Profit and 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.
5. On the basis of the written representations received from the Directors as on 31st March, 2012 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For, **Deloitte Haskins and Sells**
Chartered Accountants
(Registration No. 117365W)

(**Gaurav J. Shah**)
Partner
(Membership No. 35701)

Place : Ahmedabad
Date : May 22, 2012

Annexure to the Auditors' Report

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

- (i) Having regard to the nature of the Company's business/activities/result, clauses (x), (xii), (xiii) and (xiv) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (a) The Company has granted loans to three such companies during the year. At the year-end, the outstanding balances of such loans to three companies aggregated ₹ 545.17 Lacs and the maximum amount involved during the year was ₹ 750.16 Lacs.
 - (b) The rate of interest, if any, and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the Company.
 - (c) The receipts of principal amounts and interest have been as per stipulations.
 - (d) There are no overdue amounts during the year and hence the question of taking reasonable steps for recovery of principal amount and interest does not arise.
 - (e) The Company has not taken any loans, secured or unsecured from any such companies, firms or other parties.
- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of ₹ 5 Lacs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public.
- (viii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (ix) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- (x) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
 - Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2012 on account of dispute is given below:

Statute	Nature of Dues	Forum where matter is pending	Period to which the matter pertains	Amount involved (₹ in lacs)
The Income Tax Act	Income Tax	The Commissioner of Income Tax (Appeals), Ahmedabad.	2005-06	5.24
The Income Tax Act	Income Tax	The Commissioner of Income Tax (Appeals), Ahmedabad.	2007-08	154.18
The Income Tax Act	Income Tax	The Commissioner of Income Tax (Appeals), Ahmedabad.	2008-09	613.12

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xiii) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xv) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvi) The Company did not have any outstanding debentures during the year.
- (xvii) The Company has not raised any money by way of public issues during the year.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For, **Deloitte Haskins and Sells**
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : May 22, 2012

(**Gaurav J. Shah**)
Partner
(Membership No. 35701)

Balance Sheet as at 31st March, 2012

(₹ In Lacs)

Particulars	Note	As At 31st March, 2012	As At 31st March, 2011
I. EQUITY AND LIABILITIES			
Share Holders' Funds			
Share Capital	1	1,123.81	1,123.81
Reserves & Surplus	2	17,436.53	13,754.94
		18,560.34	14,878.75
Non Current Liabilities			
Long Term Borrowings	3	6,354.89	3,113.37
Deferred Tax Liability (Net)		169.00	169.00
		6,523.89	3,282.37
Current Liabilities			
Trade Payables	4	16,923.91	11,326.43
Other Current Liabilities	5	5,018.44	2,842.50
Short Term Provisions	6	479.35	318.44
		22,421.70	14,487.37
Total		47,505.93	32,648.49
II. ASSETS			
Non Current Assets			
Fixed Assets	7		
Tangible Assets		15,505.44	10,400.94
Capital Work In Progress		1,237.17	809.86
Non Current Investments	8	191.70	9.52
Long Term Loans and Advances	9	910.58	956.79
Other Non Current Assets	10	10.76	193.02
		17,855.65	12,370.13
Current Assets			
Inventories	11	12,551.73	8,618.49
Trade Receivables	12	10,249.07	7,841.31
Cash and Cash Equivalents	13	3,500.68	1,015.12
Short Term Loans and Advances	14	3,266.78	2,753.71
Other Current Assets	15	82.02	49.73
		29,650.28	20,278.36
Total		47,505.93	32,648.49
Significant Accounting Policies			
Notes on Accounts	1 to 37		

As per our report of even date

For and on behalf of the Board

For, **Deloitte Haskins & Sells**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Managing Director Executive Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 22, 2012

(Zankhana V. Trivedi)
Company Secretary
Place : Ahmedabad
Date : May 22, 2012

Statement of Profit and Loss for the Year ended on 31st March, 2012

(₹ In Lacs)

Particulars	Note	2011-12	2010-11
INCOME			
Revenue from Operations (Gross)	16	62,221.01	43,676.35
Less : Excise duty		4,289.20	2,593.87
Revenue from Operations (Net)		57,931.81	41,082.48
Other Income	17	389.77	126.90
Total		58,321.58	41,209.38
EXPENSES			
Cost of Materials Consumed	18	41,337.41	26,855.73
Purchase of Stock In Trade		1,996.62	2,607.72
Changes in Inventories of Finished Goods, and Stock In Trade	19	(2,280.16)	(34.28)
Employee Benefits Expenses	20	1,460.64	1,050.29
Finance Costs	21	2,198.43	434.70
Depreciation and Amortization Expenses	7	1,337.75	1,071.92
Other Expenses	22	7,234.33	5,003.83
Total		53,285.02	36,989.91
Profit Before Tax		5,036.56	4,219.47
Tax Expenses:			
Current Tax		992.62	794.97
Short Provision of Tax in Earlier Years		68.48	65.17
PROFIT FOR THE YEAR		3,975.46	3,359.33
Earnings Per Equity Share: (In ₹) (Face Value of ₹5/- each)			
Basic & Diluted	23	17.69	14.95
Significant Accounting Policies			
Notes on Accounts	1 to 37		

As per our report of even date

For and on behalf of the Board

For, **Deloitte Haskins & Sells**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Managing Director Executive Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 22, 2012

(Zankhana V. Trivedi)
Company Secretary
Place : Ahmedabad
Date : May 22, 2012

Cash Flow Statement for the Year ended on 31st March, 2012

(₹ In Lacs)

	Particulars	2011-12	2010-11
A	Cash flow from Operating Activities		
	Net Profit before tax and Extraordinary items	5,036.56	4,219.47
	Adjustments for :		
	Depreciation	1,337.75	1,071.92
	Finance Costs	1,691.35	459.18
	Provision for Doubtful debts	174.59	39.00
	Unrealised Foreign Exchange	606.66	(223.67)
	Loss/(Profit) on Sale of Fixed Assets	4.69	7.19
	Dividend From Current Investment	(1.60)	(3.29)
	Gain on Sale of Current Investment	(90.49)	(24.28)
	Interest Income	(93.46)	(29.16)
	Operating profit before Working Capital Changes	8,666.05	5,516.36
	Adjustments for :		
	(Increase)/Decrease in Inventories	(3,933.23)	(1,645.82)
	Increase in Trade & Other Receivables	(3,090.11)	(2,829.20)
	Increase/(Decrease) in Trade Payables	7,681.40	4,442.46
	Cash generated from Operations	9,324.11	5,483.80
	Direct Taxes Paid	(914.80)	(871.39)
	Net Cash from Operating Activities	8,409.31	4,612.41
B	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(6,448.78)	(2,721.98)
	Proceeds from the Sales of Fixed Assets	1.83	25.76
	Capital Work In Progress	(427.34)	(655.06)
	Increase/(Decrease) in Loans & Advances	194.99	22.90
	Interest Received	93.46	29.16
	Gain on Sale of Current Investment	90.49	24.28
	Dividend From Current Investment	1.60	3.29
	Increase in Investment in Subsidiary and Joint Venture	(182.18)	(4.25)
	Net Cash used in Investing Activities	(6,675.93)	(3,275.90)
C	Cash flow from Financing Activities		
	Dividend paid	(293.87)	(262.10)
	Interest	(1,691.35)	(459.18)
	Net proceeds from Borrowing	2,737.35	22.19
	Net Cash flow from Financing Activities	752.13	(699.09)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	2,485.51	637.42
	Cash and Cash Equivalents at the beginning of the year	1,015.12	377.76
	Effect of Foreign Exchange rate changes	0.05	(0.06)
	Cash and Cash Equivalents at the end of the year	3,500.68	1,015.12

- Notes:**
1. Cash and Cash Equivalents represents Cash and Bank Balances. (Refer Note no. 13)
 2. Fixed Deposits of ₹0.56 Lacs (Previous Year : ₹0.48 Lacs) are pledged with a bank towards Letters of Credit / Bank Guarantees.
 3. Cash and Cash Equivalents include ₹1.66 Lacs (Previous Year : ₹1.28 Lacs) of unclaimed dividend not available for use by the company.
 4. The previous year's figures have been regrouped wherever necessary.
 5. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report of even date

For and on behalf of the Board

 For, **Deloitte Haskins & Sells**
Chartered Accountants

 (Sandeep P. Engineer) (Jagruti S. Engineer)
Managing Director Executive Director

 (Gaurav J. Shah)
Partner
Membership No.: 35701

 (Zankhana V. Trivedi)
Company Secretary

 Place : Ahmedabad
Date : May 22, 2012

 Place : Ahmedabad
Date : May 22, 2012

Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements have been prepared on a going concern basis under the historical cost convention, except in case of certain fixed assets which are re-valued, on accrual basis of accounting in accordance with the generally accepted accounting principles and applicable provisions of the Companies Act, 1956. Except where otherwise stated, the accounting principles are consistently applied.

b) Use of Estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP), requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c) Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of freight, duties, taxes, & incidental expenses related to acquisition/installation, adjusted by revaluation of Land in 2004-05.

d) Lease

Operating lease rentals are expensed with reference to lease terms and other considerations. There are no finance leases.

e) Impairment of Assets

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. Impairment is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

f) Depreciation

Depreciation is charged under Straight Line Method in accordance with the rates and manner as specified in Schedule XIV of the Companies Act, 1956.

g) Investments

Long Term investments are stated at cost less provision for diminution in value other than temporary, if any.

h) Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined on first-in first-out (FIFO) basis. The cost of finished goods comprises of raw materials, direct labour, other direct costs and related production overhead, but excludes interest expenses. Net realizable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

i) Revenue Recognition

Sales are recognized on transfer of significant risks and rewards of ownership to the buyer. Sales are net of trade discounts but exclude Excise duty and Sales Tax.

j) Cenvat

Cenvat (Central Value Added Tax) credit in respect of Excise, Custom and Service tax is accounted on accrual basis on purchase of eligible inputs, capital goods and services. The balance of cenvat credit is reviewed at the end of each year and amount estimated to be un-utilisable is charged to the Profit and Loss Account for the year.

k) Foreign Currency Transactions

Transactions denominated in foreign currencies are normally recorded at exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

The Company has not exercised the option for capitalization or amortization of exchange differences on long term foreign currency monetary items as provided by notification issued by the Ministry of Corporate Affairs.

Any income or expenses on account of exchange difference either on settlement or on translation are recognised in the Profit and Loss Account.

l) Borrowing costs

Borrowing costs relating to (i) funds borrowed for qualifying assets are capitalised up to the date the assets are put to use, and (ii) funds borrowed for other purposes are charged to the Profit and Loss Account.

m) Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods by applying tax rates that have been substantively enacted by the balance sheet date. Deferred tax assets are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

n) Research & Development Expenditure

Research and Development expenses of revenue nature are charged to the Profit and Loss Account and the expenditure on capital assets is added to the fixed assets.

o) Employee Benefits

Contributions to Provident Fund, a defined contribution scheme, is made to a government administered Provident Fund and is charged to the Profit and Loss account as incurred. The Company has no further obligations beyond its monthly contributions to this fund. Provision for gratuity, under a LIC administered fund, which is in the nature of defined benefit plan, is provided based on valuations, as at the balance sheet date, made by the independent actuaries. Termination benefits are recognised as expense as and when incurred.

Short Term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

p) Amortization of Miscellaneous Expenditure

Preliminaries Expenses are being written off equally over a period of ten years.

Share issue expenses are deducted from the balance of Securities Premium Account as per the permission of Section 78 of the Companies Act, 1956.

q) Provisions, Contingent Liabilities and Contingent Assets

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

Notes on Accounts for the Year ended on 31st March, 2012

1. SHARE CAPITAL

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Authorised Share Capital		
Equity Share Capital		
3,00,00,000 Equity Shares of ₹5/- each (3,00,00,000)	1,500.00	1,500.00
Issued, Subscribed & Fully Paid Share Capital		
Equity Share Capital		
2,24,76,112 Equity Shares of ₹5/- each fully paid up (2,24,76,112)	1,123.81	1,123.81
Total	1,123.81	1,123.81

- a) The Company has issued only one class of shares referred to as equity shares having a par value of ₹5/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All shares rank equally with regard to the Company's residual assets.
- b) The Company has issued Nil (Previous Year : 19,67,108 Equity Shares) Bonus Shares during the period of 5 years immediately preceding the Balance Sheet date.
- c) The amount of per share dividend recognised as distributions to equity shareholders during the year ended 31st March, 2012 is ₹1.125 (Previous Year: ₹1.125), subject to approval by shareholders in the ensuing Annual General Meeting.
- d) The details of shareholders holding more than 5% shares as at 31st March, 2012 and 31st March, 2011 is set out below.

Sr. No.	Name of Shareholders	As At 31st March, 2012	As At 31st March, 2011
1	Sandeep Pravinbhai Engineer - No. of Shares	47,34,282	34,75,448
	- % of Shares Held	21.06	15.46
2	Specialty Process LLC. - No. of Shares	31,64,482	31,64,482
	- % of Shares Held	14.08	14.08
3	Saumya Polymers Pvt. Ltd. - No. of Shares	31,51,634	31,51,634
	- % of Shares Held	14.02	14.02
4	Jagruti Sandeep Engineer - No. of Shares	18,28,682	18,28,682
	- % of Shares Held	8.14	8.14
5	Hansa Pravinbhai Engineer - No. of Shares	13,34,092	1,158
	- % of Shares Held	5.94	0.01
6	Tarlika Dalal - No. of Shares	-	13,32,934
	- % of Shares Held	-	5.93
7	Nimish Dalal - No. of Shares	-	12,58,834
	- % of Shares Held	-	5.60

Notes on Accounts for the Year ended on 31st March, 2012

2. RESERVES AND SURPLUS

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Capital Reserves		
As per Last Balance Sheet	40.00	40.00
Securities Premium Account		
As per Last Balance Sheet	3,890.73	3,890.73
General Reserves		
As per Last Balance Sheet	570.00	220.00
Add :- Transferred from Surplus in Statement of Profit & Loss	400.00	350.00
	970.00	570.00
Revaluation Reserves		
As per Last Balance Sheet	121.14	121.14
Surplus in Statement of Profit & Loss		
As per Last Balance Sheet	9,133.07	6,418.05
Add :- Profit For the Year	3,975.46	3,359.33
Amount Available for Appropriation	13,108.53	9,777.38
Less :- Appropriations		
Interim Dividend	112.38	112.38
Proposed Final Dividend	140.48	140.48
Dividend Tax	41.01	41.45
Transferred to General Reserve	400.00	350.00
	693.87	644.31
	12,414.66	9,133.07
Total	17,436.53	13,754.94

3. LONG TERM BORROWINGS

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Secured		
Term Loans from Banks		
In Rupee	408.43	649.46
In Foreign Currency	7,592.40	3,358.72
	8,000.83	4,008.18
Less :- Current Maturity of Long Term Loans	2,257.93	1,343.76
	5,742.90	2,664.42
Buyers Credit	670.86	410.74
Less :- Current Maturity of Long Term Buyers Credits	229.95	-
	440.91	410.74
Vehicle Loans	45.33	63.49
Less :- Current Maturity of Vehicle Loans	26.87	25.28
	18.46	38.21
Unsecured		
Buyers Credit	152.62	-
Less :- Current Maturity of Long Term Buyers Credits	-	-
	152.62	-
Total	6,354.89	3,113.37

- Term Loans Secured by way of first charge, in respect of all the current asset, both present and future, of the Company and Fixed assets, both present and future, and further secured by personal guarantees of Directors.
- Corporation Bank Term Loan of ₹ 2,477.13 Lacs (Previous Year : ₹ 2,469.30 Lacs) repayable within 72 months including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments. Repayable by February 2015.
- Standard Chartered Bank Term Loan of ₹ 359.38 Lacs (Previous Year : ₹ 646.88 Lacs) repayable within 60 months including initial moratorium period of twelve months from the date of first disbursement in sixteen quarterly equal instalments. Repayable by April 2013.

Notes on Accounts for the Year ended on 31st March, 2012

- iii. HDFC Bank ECB Loan of ₹3,561.60 Lacs (Previous Year : ₹ Nil) repayable within 66 months including initial moratorium period of twelve months from the date of first disbursement in eighteen quarterly instalments. Repayable by December 2016.
- iv. Standard Chartered Bank ECB Loan of ₹1,602.72 Lacs (Previous Year : ₹892.00 Lacs) repayable within 60 months including initial moratorium period of twelve months from the date of first disbursement in nine half yearly instalments. Repayable by March 2013.
- b) Vehicle Loans are Secured by way of hypothecation of respective motor vehicles purchased.
- i. Kotak Mahindra Prime Limited Vehicle Loan of ₹35.74 Lacs (Previous Year : ₹58.98 Lacs) repayable on monthly basis. Repayable by April 2014.
- ii. Axis Bank Limited Vehicle Loan of ₹7.11 Lacs (Previous Year : ₹ Nil) repayable on monthly basis. Repayable by July 2014.
- iii. Tata Motors Finance Limited Vehicle Loan of ₹2.48 Lacs (Previous Year : ₹4.51 Lacs) repayable on monthly basis. Repayable by April 2013.

4. TRADE PAYABLES

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Acceptances	9,828.16	6,164.29
Other than Acceptances *	7,095.75	5,162.14
Total	16,923.91	11,326.43

* There are no dues to Micro and small Enterprises as at 31st March, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

5. OTHER CURRENT LIABILITIES

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Current Maturity of Long Term Loans	2,257.92	1,343.76
Current Maturity of Long Term Buyers Credits	229.95	-
Current Maturity of Vehicle Loans	26.87	25.28
Interest Accrued But Not Due on Borrowings	66.40	19.89
Unclaimed Dividends	1.66	1.28
Other Liabilities		
For Statutory Dues	1,501.40	1,029.43
Advance Received From Customers	75.91	42.61
Other Payables *	858.33	380.25
Total	5,018.44	2,842.50

* Other Payables includes Payable for Capital Goods.

6. SHORT TERM PROVISIONS

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Provision For Employee Benefits		
Unpaid Leave	53.82	39.21
Provision For Dividend		
Proposed Final Dividend	140.48	140.48
Tax on Dividend	22.79	22.79
Provision For Taxation		
Taxation	261.72	115.72
(Net of Advance Tax of ₹725.00 Lacs and TDS of ₹5.90 Lacs (Previous Year Advance Tax of ₹676.00 Lacs and TDS of ₹3.25 Lacs))		
Wealth Tax	0.54	0.24
Total	479.35	318.44

Notes on Accounts for the Year ended on 31st March, 2012
7. FIXED ASSETS

(₹ In Lacs)

Assets	Gross Block			Depreciation				Net Block		
	As At 01.04.2011	Additions	Deductions	As At 31.03.2012	As At 01.04.2011	For The Year	Deductions	As At 31.03.2012	As At 31.03.2012	As At 31.03.2011
Land	867.16	49.76	-	916.92	-	-	-	-	916.92	867.16
Buildings	2,528.75	2,558.02	-	5,086.77	246.90	98.51	-	345.41	4,741.36	2,281.85
Plant & Equipment	9,882.32	3,405.80	5.97	13,282.15	3,031.99	1,174.39	2.51	4,203.87	9,078.28	6,850.33
Furniture & Fixtures	313.80	406.96	0.05	720.71	59.23	43.68	0.02	102.89	617.82	254.57
Vehicles	206.67	28.24	4.74	230.17	59.64	21.17	1.70	79.11	151.06	147.03
Total	13,798.70	6,448.78	10.76	20,236.72	3,397.76	1,337.75	4.23	4,731.28	15,505.44	10,400.94
Capital Work In Progress									1,237.17	809.86
	13,798.70	6,448.78	10.76	20,236.72	3,397.76	1,337.75	4.23	4,731.28	16,742.61	11,210.80
Previous Year	11,121.16	2,721.98	44.44	13,798.70	2,337.35	1,071.92	11.51	3,397.76	11,210.80	

- a) Building Includes ₹750/- being face value of 15 number of shares of ₹50/- each held in Kant Apartment Co- Operative Housing Society Limited. Also includes ₹127.11 Lacs (Previous Year : ₹127.11 Lacs) for which the procedure for transfer of title in the name of the company is in process.
- b) Accumulated Depreciation up to 31st March 2012 includes impairment loss on Plant and Equipment ₹96.20 Lacs (Previous Year : ₹96.20 Lacs)

8. NON CURRENT INVESTMENTS

(₹ In Lacs)

Long Term Investment - At Cost
Trade - Quoted

Investment in Equity Shares

Nil Nos. (Previous Year : 44 Nos.) of Equity Share of ₹5/- each in Parsvnath Developers Limited (Market Value as on 31.03.2012 NA (Previous Year : ₹0.02 Lacs))

Trade - Unquoted

Investment in Equity Shares of Subsidiary

i) 50,000 Nos. (Previous Year : 50,000 Nos.) of Equity Shares of ₹10/- each fully paid in Astral Biochem Private Limited.

ii) 42,500 Nos. (Previous Year : 42,500 Nos.) of Equity Shares of ₹10/- each fully paid in Advanced Adhesives Limited.

Investment in Equity Shares of Joint Venture

i) 638,000 Nos (Previous Year : 638 Nos.) of Equity Shares of KSHS 50/- each fully paid in Astral Technologies Ltd, Kenya.

Total

As At 31st March, 2012	As At 31st March, 2011
-	0.07
5.00	5.00
4.25	4.25
182.45	0.20
191.70	9.52

9. LONG TERM LOANS AND ADVANCES

(₹ In Lacs)

Unsecured, considered good

Capital Advances

To Related Parties (Refer Note No. 27)

To Others

Security Deposits

Prepaid Expenses

Loans to Related Parties (Refer Note No. 27)

As At 31st March, 2012	As At 31st March, 2011
187.00	187.00
214.07	273.76
12.38	8.19
1.96	2.67
495.17	485.17
Total	956.79

Total
910.58
956.79

Notes on Accounts for the Year ended on 31st March, 2012

10. OTHER NON CURRENT ASSETS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Share Application Money to Related Party (Refer Note No. 27)	10.76	193.02
Total	10.76	193.02

11. INVENTORIES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Raw Materials	5,801.11	4,148.03
Stock In Trade	1,299.47	1,067.54
Finished Goods	5,451.15	3,402.92
Total	12,551.73	8,618.49

12. TRADE RECEIVABLES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Unsecured		
Debts Outstanding for a period exceeding six months		
Considered Good	246.66	492.04
Considered Doubtful	269.47	94.86
Less: Provision	269.47	94.86
	246.66	492.04
Other Debts		
Considered Good	10,002.41	7,349.27
Total	10,249.07	7,841.31

13. CASH AND CASH EQUIVALENTS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Cash on Hand	7.06	6.22
Balance With Banks		
In Current Account	1,041.40	1,007.14
In Deposit Account	2,450.56	0.48
In Unclaimed Dividend Account	1.66	1.28
Total	3,500.68	1,015.12

14. SHORT TERM LOANS AND ADVANCES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Unsecured, Considered Good		
Loans to Related Parties (Refer Note No. 27)	50.00	254.99
Prepaid Expenses	62.94	60.14
Security Deposits	127.94	33.77
Loans and Advances to Employees	6.01	0.59
Balance with Custom, Central Excise Authorities	2,795.26	2,243.37
Others Advances		
For Supply of Goods & Rendering of Services	193.91	130.69
Taxes Receivable	30.72	30.16
Total	3,266.78	2,753.71

Notes on Accounts for the Year ended on 31st March, 2012

15. OTHER CURRENT ASSETS

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Interest Receivable	24.62	26.01
Advance to Gratuity Fund	26.29	22.15
Others	31.11	1.57
Total	82.02	49.73

16. REVENUE FROM OPERATIONS

	(₹ In Lacs)	
	2011-12	2010-11
Domestic Sales	61,561.88	43,016.52
Export Sales	659.13	659.83
Total	62,221.01	43,676.35

17. OTHER INCOME

	(₹ In Lacs)	
	2011-12	2010-11
Interest Income	93.46	29.16
Dividend From Current Investment	1.60	3.29
Gain on Sale of Current Investment	90.49	24.28
Miscellaneous Income	204.22	70.17
Total	389.77	126.90

18. COST OF MATERIALS CONSUMED

	(₹ In Lacs)	
	2011-12	2010-11
Opening Stock	4,148.03	2,536.49
Add: Purchases	42,990.49	28,467.27
	47,138.52	31,003.76
Less : Closing Stock	5,801.11	4,148.03
Cost of Materials Consumed	41,337.41	26,855.73

19. CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN TRADE

	(₹ In Lacs)	
	2011-12	2010-11
Inventories At the End of the Year		
Finished Goods	5,451.15	3,402.92
Stock In Trade	1,299.47	1,067.54
	6,750.62	4,470.46
Inventories At the Beginning of the Year		
Finished Goods	3,402.92	3,572.90
Stock In Trade	1,067.54	863.28
	4,470.46	4,436.18
Net (Increase) / Decrease	(2,280.16)	(34.28)

20. EMPLOYEE BENEFITS EXPENSES

	(₹ In Lacs)	
	2011-12	2010-11
Salaries and Wages	1,319.42	943.11
Contribution to Provident and Other Funds	84.41	59.47
Staff Welfare Expenses	56.81	47.71
Total	1,460.64	1,050.29

Notes on Accounts for the Year ended on 31st March, 2012

21. FINANCE COSTS

(₹ In Lacs)

	2011-12	2010-11
Interest Expenses		
Borrowings	512.26	386.38
Others	6.22	7.45
Other Borrowing Costs	136.98	65.34
Net Loss /(Gain) on Foreign Currency Transactions	1,542.97	(24.47)
Total	2,198.43	434.70

22. OTHER EXPENSES

(₹ In Lacs)

	2011-12	2010-11
Stores and Spares (Refer Note No. 34)	244.76	153.26
Power and Fuel	1,441.65	998.51
Rent Expenses *	91.21	61.68
Repairs Expenses		
Repairs to Buildings	94.20	71.22
Repairs to Machinery	166.28	181.41
Repairs Others	22.17	17.70
Insurance Expenses	59.90	35.17
Rates & Taxes	38.49	16.58
Communication Expenses	53.78	53.21
Travelling Expenses	296.99	250.77
Factory & Other Expenses	104.42	91.51
Printing & Stationary	34.82	31.53
Freight & Forwarding	886.87	565.04
Packing Expenses	606.92	459.38
Increase / (Decrease) in Excise Duty on Inventories	81.17	46.93
Commission	97.78	181.65
Discount on Sales	1,798.33	944.07
Sales Promotions	610.02	556.79
Donations & Contributions	2.42	1.82
Security Service Charges	73.69	44.36
Legal & Professional	115.14	76.69
Payments to Auditors **	8.21	9.01
Provision for Doubtful Trade and Other Receivable	174.59	39.00
Loss on Sale of Fixed Assets	4.69	7.19
Other Expenses	125.83	109.35
Total	7,234.33	5,003.83

* The Company is lessee under various operation leases under which rental expenses for the year was ₹91.21 Lacs (Previous year : ₹61.68 Lacs). The Company has not executed any non cancelable lease agreement.

** Payment to Auditors As:

(₹ In Lacs)

Particulars	2011-12	2010-11
For Statutory Audit	6.00	6.00
For Other Services	2.21	3.01
For Service Tax	0.97	0.93
Total	9.18	9.94

Notes on Accounts for the Year ended on 31st March, 2012
23. EARNINGS PER SHARE

	As At 31st March, 2012	As At 31st March, 2011
Profit After Tax (₹ In Lacs)	3,975.46	3,359.33
Weighted Average No. of Equity Shares Outstanding	2,24,76,112	2,24,76,112
Basic & Diluted Earnings Per Share (In ₹) (Face Value of ₹ 5/- each)	17.69	14.95

24. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Contingent Liabilities		
Bank Guarantees	155.18	109.96
Letters of Credit for Purchases	38.00	-
Income tax matters under appeal	772.53	77.79
Commitments		
Capital Contracts remaining to be executed	840.82	808.57

25. INTEREST IN JOINT VENTURE

The Company has 31.90% ownership interest in joint venture company Astral Technology Limited ('ATL'), incorporated in Kenya. Its proportionate share in the assets, liabilities, income and expenses etc. in the said joint venture company is given below:

(₹ In Lacs)

	As At 31st Dec. 2011	As At 31st Dec. 2010
Assets	573.46	380.68
Liabilities	477.01	396.03
Income	264.18	115.33
Expenses (including Depreciation and taxation)	321.39	134.47
Contingent Liabilities	-	-
Capital Commitments remaining to be executed	-	61.77

26. EMPLOYEE BENEFITS

The disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 are given below:

Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized and charged off the year, is as under:

Employer's Contribution to Provident Fund ₹ 53.70 Lacs

Defined Benefit Plan:

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

Notes on Accounts for the Year ended on 31st March, 2012

Status of gratuity plan as required under AS 15 [Revised]

a) Reconciliation of opening and closing balances of the present value of the Defined benefit Obligation

(₹ In Lacs)

Particulars	2011-12	2010-11
Obligations at the beginning of the year	53.51	45.88
Current service cost	15.15	10.26
Interest cost	4.46	3.83
Actuarial (gain) / loss	8.49	(0.41)
Benefits paid	(2.60)	(6.05)
Obligations at the end of the year	79.01	53.51

b) Reconciliation of opening and closing balances of the fair value of plan assets

(₹ In Lacs)

Particulars	2011-12	2010-11
Plan assets at the beginning of the year, at fair value	75.65	56.52
Expected return on plan assets	6.93	6.05
Actuarial gain / (loss)	1.03	(0.29)
Contributions	24.29	19.42
Benefits paid	(2.60)	(6.05)
Plan assets at the end of the year, at fair value	105.30	75.65

c) Reconciliation of the present value of the defined benefit obligation & fair value of plan Assets (₹ In Lacs)

Particulars	2011-12	2010-11
Obligations at the end of the year	79.01	53.51
Plan assets at the end of the year, at fair value	105.30	75.65
Liability/(Assets) recognised in Balance sheet as on 31st March, 2012	(26.29)	(22.14)

d) Gratuity cost for the year

(₹ In Lacs)

Particulars	2011-12	2010-11
Current service cost	15.15	10.26
Interest cost	4.46	3.83
Expected return on plan assets	(6.93)	(6.05)
Net Actuarial (gain)/Loss.	7.47	(0.12)
Net gratuity cost	20.15	7.92

e) Investment details of plan assets :

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

f) Assumptions

(₹ In Lacs)

Particulars	2011-12	2010-11
Discount Rate	8.34%	8.34%
Expected return on plan assets	9.15%	9.15%
Annual Increase in Salary Costs	5.00%	5.00%

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

g) Experience History

(₹ In Lacs)

Particulars	2011-12	2010-11	2009-10
Defined Benefit Obligation at the end of the period	79.01	53.51	45.88
Plan Assets at the end of the period	105.30	75.65	56.52
Funded Status	(26.29)	(22.14)	(10.64)
Experience Adjustments on Plan Liabilities	-	-	-
Experience Adjustments on Plan Assets	-	-	-

h) Contributions expected to be paid to the plan during the next financial year ₹Nil (Previous Year : Nil)

The Liability for Leave Encashment and compensated absences as at year end is ₹53.82 Lacs (Previous Year: ₹39.21 Lacs)

Notes on Accounts for the Year ended on 31st March, 2012
27. RELATED PARTY DISCLOSURES
1. Name of Party and relationship

Sr. No.	Description of Relationship	Name of Related Parties
a.	Subsidiaries	Astral Biochem Private Limited Advanced Adhesives Limited
b.	Associates	Kairav Chemicals Limited Saumya Polymers Private Limited Astral Technologies Limited
c.	Key Management Personnel	Mr. Sandeep P. Engineer Mrs. Jagruti S. Engineer Mr. K. R. Shenoy
d.	Relatives of Key Management Personnel	Sandeep P. Engineer HUF Mr. Bipin R. Mehta Mrs. Rekha B. Mehta Mrs. Hansa P. Engineer Mr. Kairav S. Engineer

2. Details of Related Party Transactions during the year ended 31st March 2012
(₹ In Lacs)

Sr. No.	Particulars	Related Referred in				Total
		1(a) above	1(b) above	1(c) above	1(d) above	
1.	Unsecured Loan Given					
	Astral Biochem Private Limited	10.00	-	-	-	10.00
		(20.17)	-	-	-	(20.17)
	Advanced Adhesives Limited	-	-	-	-	-
		(104.99)	-	-	-	(104.99)
2.	Unsecured Loan Received Back					
	Advanced Adhesives Limited	79.99	-	-	-	79.99
		-	-	-	-	-
	Kairav Chemicals Limited	-	125.00	-	-	125.00
		-	-	-	-	-
3.	Subscription to Share Capital					
	Advanced Adhesives Limited	-	-	-	-	-
		(4.25)	-	-	-	(4.25)
	Astral Technologies Limited	-	-	-	-	-
		-	(106.69)	-	-	(106.69)
4.	Purchase of Goods / Assets					
	Advanced Adhesives Limited	365.83	-	-	-	365.83
		-	-	-	-	-
	Kairav Chemicals Limited	-	-	-	-	-
		-	(231.56)	-	-	(231.56)

Notes on Accounts for the Year ended on 31st March, 2012

(₹ In Lacs)

Sr. No.	Particulars	Related Referred in				Total
		1(a) above	1(b) above	1(c) above	1(d) above	
5.	Sale of Goods / Assets					
	Advanced Adhesives Limited	9.49	-	-	-	9.49
		(0.72)	-	-	-	(0.72)
	Kairav Chemicals Limited	-	0.31	-	-	0.31
		-	(0.17)	-	-	(0.17)
	Astral Technologies Limited	-	61.58	-	-	61.58
		-	(112.57)	-	-	(112.57)
6.	Rent Received					
	Kairav Chemicals Limited	-	3.31	-	-	3.31
		-	(3.31)	-	-	(3.31)
7.	Dividend Paid					
	Saumya Polymers Private Ltd	-	35.46	-	-	35.46
		-	(31.52)	-	-	(31.52)
	Mr. Sandeep P. Engineer	-	-	39.10	-	39.10
		-	-	(34.75)	-	(34.75)
	Mrs. Jagruti S. Engineer	-	-	20.57	-	20.57
		-	-	(18.29)	-	(18.29)
	Mr. Bipin R. Mehta	-	-	-	1.46	1.46
		-	-	-	(1.30)	(1.30)
	Mrs. Hansa P. Engineer	-	-	-	6.68	6.68
		-	-	-	(0.01)	(0.01)
8.	Interest on Loans					
	Advanced Adhesives Limited	9.79	-	-	-	9.79
		-	-	-	-	-
	Kairav Chemicals Limited	-	11.18	-	-	11.18
		-	(24.20)	-	-	(24.20)
9.	Remuneration					
	Mr. Sandeep P. Engineer	-	-	63.50	-	63.50
		-	-	(49.50)	-	(49.50)
	Mrs. Jagruti S. Engineer	-	-	17.25	-	17.25
		-	-	(9.00)	-	(9.00)
	Mr. K. R. Shenoy	-	-	2.00	-	2.00
		-	-	(3.00)	-	(3.00)
	Mr. Bipin R. Mehta	-	-	-	19.00	19.00
		-	-	-	(14.00)	(14.00)
	Mr. Kairav S. Engineer	-	-	-	7.65	7.65
		-	-	-	-	-

Notes on Accounts for the Year ended on 31st March, 2012

(₹ In Lacs)

Sr. No.	Particulars	Related Referred in				Total
		1(a) above	1(b) above	1(c) above	1(d) above	
10.	Rent Paid					
	Kairav Chemicals Limited	-	5.47	-	-	5.47
		-	-	-	-	-
	Sandeep P. Engineer (H.U.F.)	-	-	-	6.49	6.49
		-	-	-	(4.31)	(4.31)
	Mrs. Hansa P. Engineer	-	-	-	0.60	0.60
		-	-	-	(0.60)	(0.60)

Details of Related Party Transactions outstanding balances as at 31st March 2012:

(₹ In Lacs)

Sr. No.	Particulars	Related Referred in				Total
		1(a) above	1(b) above	1(c) above	1(d) above	
1.	Unsecured Loan Given					
	Astral Biochem Private Limited	495.17	-	-	-	495.17
		(485.17)	-	-	-	(485.17)
	Advanced Adhesives Limited	25.00	-	-	-	25.00
		(104.99)	-	-	-	(104.99)
	Kairav Chemicals Limited	-	25.00	-	-	25.00
		-	(150.00)	-	-	(150.00)
2.	Share Application Money					
	Astral Technologies Limited	-	10.76	-	-	10.76
		-	(193.02)	-	-	(193.02)
3.	Subscription to Share Capital					
	Astral Biochem Private Limited	5.00	-	-	-	5.00
		(5.00)	-	-	-	(5.00)
	Advanced Adhesives Limited	4.25	-	-	-	4.25
		(4.25)	-	-	-	(4.25)
	Astral Technologies Limited	-	182.45	-	-	182.45
		-	(0.20)	-	-	(0.20)
4.	Purchase of Goods / Assets					
	Mr. Sandeep P. Engineer	-	-	99.50	-	99.50
		-	-	(99.50)	-	(99.50)
	Mrs. Jagruti S. Engineer	-	-	87.50	-	87.50
		-	-	(87.50)	-	(87.50)
5.	Sale of Goods / Assets					
	Astral Technologies Limited	-	32.73	-	-	32.73
		-	(51.58)	-	-	(51.58)
6.	Interest on Loans					
	Advanced Adhesives Limited	8.81	-	-	-	8.81
		-	-	-	-	-
	Kairav Chemicals Limited	-	10.06	-	-	10.06
		-	(24.20)	-	-	(24.20)

Notes on Accounts for the Year ended on 31st March, 2012

(₹ In Lacs)

Sr. No.	Particulars	Related Referred in				Total
		1(a) above	1(b) above	1(c) above	1(d) above	
7.	Current Liabilities					
	Mr. Sandeep P. Engineer	-	-	5.63	-	5.63
		-	-	-	-	-
	Mrs. Jagruti S. Engineer	-	-	0.33	-	0.33
		-	-	-	-	-
	Mr. K. R. Shenoy	-	-	0.50	-	0.50
		-	-	(0.50)	-	(0.50)
	Mr. Bipin R. Mehta	-	-	-	1.16	1.16
		-	-	-	(1.00)	(1.00)
	Mr. Kairav S. Engineer	-	-	-	0.86	0.86
		-	-	-	-	-

Figures in the brackets are in respect of the previous year.

28. SEGMENT REPORTING

The Company is engaged mainly in production of plastic products and as such is the only reportable segment as per Accounting Standard on Segment Reporting (AS – 17) issued by the Institute of Chartered Accountants of India. The geographical segmentation is not relevant as export turnover is not significant in respect of total turnover.

29. DERIVATIVE INSTRUMENTS

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding Forward Exchange Contracts entered into by the Company on accounts of payables and receivables:

As at	No. of Contracts	Buy/Sell	US \$ Equivalent (Lacs)	INR Equivalent (Lacs)
31st March, 2012	3	Buy	45.00	2,289.60
31st March, 2011	4	Buy	47.34	2,111.18

Expenditure on account of premium on forward exchange contracts to be recognized in the profit and loss of subsequent accounting period aggregates to ₹51.65 Lacs (Previous Year: ₹29.37 Lacs).

Foreign Currency Exposures not hedged by derivative instruments as at 31st March, 2012 on payable amounting US\$ 399.45 Lacs & EURO 9.55 Lacs Equivalent ₹20,972.25 Lacs (Previous Year: US\$ 243.70 Lacs & EURO 6.49 Lacs Equivalent ₹11,280.67 Lacs) and on receivables amounting US\$ 3.61 Lacs Equivalent ₹183.46 Lacs (Previous Year: US\$ 5.86 Lacs Equivalent ₹261.34 Lacs).

Foreign Exchange Loss (Net) of ₹2,236.87 Lacs (Previous Year: Exchange Gain (Net) of ₹286.99 Lacs) for the year has been included in respective heads of Profit and Loss Account.

30. Donations include political contribution of ₹1.51 Lacs (Previous Year: Nil).

31. COMPONENTS OF DEFERRED TAX LIABILITY ARE AS UNDER

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Difference between block and tax depreciation	167.47	167.47
Disallowance under Income Tax Act, 1961	1.53	1.53
Total	169.00	169.00

Notes on Accounts for the Year ended on 31st March, 2012
32. ADDITIONAL DISCLOSURES ON THE BASE OF NATURE OF ACTIVITIES

a) Particulars of Materials Consumed.

Sr. No.	Particulars	2011-12		2010-11	
		Value in Lacs	% of Total Consumption	Value in Lacs	% of Total Consumption
1.	Resin	34,786.14	84.15	22,408.20	83.44
2.	Others	6,551.27	15.85	4,447.53	16.56
	Total	41,337.41	100.00	26,855.73	100.00

b) Particulars of Sale of Products.

(₹ In Lacs)

Sr. No.	Particulars	Sales Value		Closing Inventory	Opening Inventory
		2011-12	2010-11		
1.	Pipe & Fittings	54,734.84	39,027.49	6,369.47	4,207.87
2.	Others	3,196.97	2,054.99	381.15	262.59
	Total	57,931.81	41,082.48	6,750.62	4,470.46

33. VALUE OF IMPORTED AND INDIGENOUS MATERIAL CONSUMED

Sr. No.	Particulars	2011-12		2010-11	
		Value in Lacs	% of Total Consumption	Value in Lacs	% of Total Consumption
1.	Imported	21,291.61	51.51	12,632.05	47.04
2.	Indigenous	20,045.80	48.49	14,223.68	52.96
	Total	41,337.41	100.00	26,855.73	100.00

34. VALUE OF IMPORTED AND INDIGENOUS STORES & SPARES CONSUMED

Sr. No.	Particulars	2011-12		2010-11	
		Value in Lacs	% of Total Consumption	Value in Lacs	% of Total Consumption
1.	Imported	0.37	0.15	-	-
2.	Indigenous	244.39	99.85	153.26	100.00
	Total	244.76	100.00	153.26	100.00

35. EARNINGS AND EXPENSES IN FOREIGN CURRENCY AND CIF VALUE OF IMPORTS

a) CIF Value of Imports

(₹ In Lacs)

	2011-12	2010-11
Capital Goods	885.22	284.49
Resin, Pipes & Fittings	20,505.85	15,383.33

b) Expenditure in foreign currency

(₹ In Lacs)

	2011-12	2010-11
Interest	154.57	83.01
Travelling	36.64	10.92
Others	65.84	25.12

c) Dividend Remitted to Non-resident Shareholders

	2011-12	2010-11
Number of Non-resident Shareholders	3	3
Number of shares held by Non-resident Shareholders	35,04,522	35,82,052
Amount remitted during the year (₹In Lacs)	39.43	35.82
Year to which dividend relates	2010-11 & 2011-12	2009-10 & 2010-11

Notes on Accounts for the Year ended on 31st March, 2012

d) Earnings in foreign currency

(₹ In Lacs)

Value of Export Sales

2011-12

659.13

2010-11

659.83

36. Provision for current tax has been made in accounts under MAT. Since the company estimates that there will be no taxable profits under normal working of taxable income for the year, Deferred Tax Charges/ Credits have not been recognized in view of the tax holiday enjoyed by a unit of the Company and on considerations of prudence as set out in AS 22 on "Accounting for Taxes on Income".

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

As per our report of even date

For and on behalf of the Board

For, **Deloitte Haskins & Sells**
Chartered Accountants

(**Sandeep P. Engineer**) (**Jagruti S. Engineer**)
Managing Director Executive Director

(**Gaurav J. Shah**)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 22, 2012

(**Zankhana V. Trivedi**)
Company Secretary
Place : Ahmedabad
Date : May 22, 2012

Auditors' Report on Consolidated Financial Statements

To
The Board of Directors
Astral Poly Technik Limited

1. We have audited the attached Consolidated Balance Sheet of **ASTRAL POLY TECHNIK LIMITED** ("the Company"), its subsidiaries and jointly controlled entity (the Company, its subsidiaries and jointly controlled entity constitute "the Group") as at 31st March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements includes the jointly controlled entity accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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.
3. We did not audit the financial statements of the subsidiaries and joint venture, whose financial statements reflect total assets of ₹ 1341.76 Lacs as at 31st December, 2011 / 31st March, 2012, total revenues of ₹ 524.11 Lacs and net cash inflows amounting to ₹ 15.36 Lacs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of the subsidiaries and the joint venture is based solely on the reports of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiaries and joint venture and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
 - (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For, **Deloitte Haskins and Sells**
Chartered Accountants
(Registration No. 117365W)

(Gaurav J. Shah)
Partner
Membership No. 35701

Place : Ahmedabad
Date : May 22, 2012

Consolidated Balance Sheet as at 31st March, 2012

(₹ In Lacs)

Particulars	Note	As At 31st March, 2012	As At 31st March, 2011
I. EQUITY AND LIABILITIES			
Share Holders' Funds			
Share Capital	1	1,123.81	1,123.81
Reserves & Surplus	2	17,282.54	13,639.57
		18,406.35	14,763.38
Minority Interest		(2.51)	0.75
Non Current Liabilities			
Long Term Borrowings	3	6,477.58	3,191.30
Deferred Tax Liability (Net)		145.99	162.25
		6,623.57	3,353.55
Current Liabilities			
Short Term Borrowings	4	359.71	240.94
Trade Payables	5	17,099.14	11,454.98
Other Current Liabilities	6	5,071.66	2,870.24
Short Term Provisions	7	479.35	318.44
		23,009.86	14,884.60
Total		48,037.27	33,002.28
II. ASSETS			
Non Current Assets			
Fixed Assets	8		
Tangible Assets		16,403.75	10,853.81
Capital Work In Progress		1,296.11	1,273.36
Non Current Investments	9	-	0.07
Long Term Loans and Advances	10	416.11	471.86
Other Non Current Assets	11	7.33	139.31
		18,123.30	12,738.41
Current Assets			
Inventories	12	12,705.65	8,692.60
Trade Receivables	13	10,316.10	7,792.61
Cash and Cash Equivalents	14	3,551.05	1,022.89
Short Term Loans and Advances	15	3,266.65	2,706.04
Other Current Assets	16	74.52	49.73
		29,913.97	20,263.87
Total		48,037.27	33,002.28
Significant Accounting Policies			
Notes on Accounts	1 to 34		

As per our report of even date

For and on behalf of the Board

For, **Deloitte Haskins & Sells**
Chartered Accountants

(Sandeep P. Engineer) (Jagruiti S. Engineer)
Managing Director Executive Director

(Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 22, 2012

(Zankhana V. Trivedi)
Company Secretary
Place : Ahmedabad
Date : May 22, 2012

Consolidated Statement of Profit and Loss for the Year ended on 31st March, 2012

(₹ In Lacs)

Particulars	Note	2011-12	2010-11
I N C O M E			
Revenue from Operations (Gross)	17	62,566.65	43,719.18
Less : Excise duty		4,297.38	2,593.87
Revenue from Operations (Net)		58,269.27	41,125.31
Other Income	18	381.45	128.85
Total		58,650.72	41,254.16
E X P E N S E S			
Cost of Materials Consumed	19	41,664.57	26,932.39
Purchase of Stock In Trade		1,769.39	2,607.72
Changes in Inventories of Finished Goods and Stock In Trade	20	(2,280.16)	(34.28)
Employee Benefits Expenses	21	1,515.37	1,068.16
Finance Costs	22	2,275.99	444.13
Depreciation and Amortization Expenses	8	1,378.90	1,075.62
Other Expenses	23	7,329.37	5,020.94
Total		53,653.43	37,114.68
Profit Before Tax		4,997.29	4,139.48
Tax Expenses:			
Current Tax		992.62	794.97
Short Provision of Tax in Earlier Years		68.48	65.17
Deferred Tax		(10.08)	(4.98)
Profit For The Year (Before Adjustment for Minority Interest)		3,946.27	3,284.32
Share of Loss Transferred to Minority Interest		(3.26)	-
Profit For The Year		3,949.53	3,284.32
Earnings Per Equity Share: (In ₹) (Face Value of ₹5/- each)			
Basic & Diluted	25	17.57	14.61
Significant Accounting Policies			
Notes on Accounts	1 to 34		

As per our report of even date

For and on behalf of the Board

 For, **Deloitte Haskins & Sells**
Chartered Accountants

 (Sandeep P. Engineer) (Jagruti S. Engineer)
Managing Director Executive Director

 (Gaurav J. Shah)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 22, 2012

 (Zankhana V. Trivedi)
Company Secretary
Place : Ahmedabad
Date : May 22, 2012

Consolidated Cash Flow Statement for the Year ended on 31st March, 2012

(₹ In Lacs)

	Particulars	2011-12	2010-11
A	Cash flow from Operating Activities		
	Net Profit before tax and Extraordinary items	4,997.29	4,139.48
	Adjustments for :		
	Depreciation	1,378.90	1,075.62
	Finance Costs	1,669.33	667.80
	Provision for Doubtful debts	174.59	39.00
	Unrealised Foreign Exchange	606.66	(223.67)
	Loss/(Profit) on Sale of Fixed Assets	4.69	7.19
	Dividend From Current Investment	(1.60)	(3.29)
	Gain on Sale of Current Investment	(90.49)	(24.28)
	Interest Income	(85.13)	(29.16)
	Operating profit before Working Capital Changes	8,654.24	5,648.69
	Adjustments for :		
	(Increase)/Decrease in Inventories	(4,013.06)	(1,663.12)
	Increase in Trade & Other Receivables	(3,091.02)	(2,691.93)
	Increase/(Decrease) in Trade Payables	7,875.30	4,579.57
	Cash generated from Operations	9,425.46	5,873.21
	Direct Taxes Paid	(914.80)	(866.41)
	Net Cash from Operating Activities	8,510.66	5,006.80
B	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(6,939.63)	(2,737.51)
	Proceeds from the Sales of Fixed Assets	6.10	25.98
	Capital Work In Progress	(22.75)	(1,088.13)
	Interest Received	85.13	29.16
	Increase/(Decrease) in Investment	0.07	-
	Gain on Sale of Current Investment	90.49	24.28
	Dividend From Current Investment	1.60	3.29
	FCTR on Consolidation	(19.48)	-
	Net Cash used in Investing Activities	(6,798.46)	(3,742.93)
C	Cash flow from Financing Activities		
	Dividend paid	(293.87)	(262.10)
	Interest	(1,669.33)	(667.80)
	Net proceeds from Borrowing	2,779.12	259.84
	Net Cash flow from Financing Activities	815.92	(670.06)
	NET INCREASE IN CASH AND CASH EQUIVALENTS	2,528.12	593.81
	(A+B+C)		
	Cash and Cash Equivalents at the beginning of the year	1,022.89	429.15
	Effect of Foreign Exchange rate changes	0.05	(0.07)
	Cash and Cash Equivalents at the end of the year	3,551.05	1,022.89

- Notes:** 1. Cash and Cash Equivalents represent Cash and Bank Balances. (refer note no. 14)
2. Fixed Deposits of ₹0.56 Lacs (Previous Year : ₹0.48 Lacs) are pledged with a bank towards Letters of Credit / Bank Guarantees.
3. Cash and Cash Equivalents include ₹1.66 Lacs (Previous Year : ₹1.28 Lacs) of unpaid dividend not available for use by the company.
4. The previous year's figures have been regrouped wherever necessary.
5. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report of even date

For and on behalf of the Board

For, **Deloitte Haskins & Sells**
Chartered Accountants

(**Sandeep P. Engineer**) (**Jagruti S. Engineer**)
Managing Director Executive Director

(**Gaurav J. Shah**)
Partner
Membership No.: 35701

(**Zankhana V. Trivedi**)
Company Secretary

Place : Ahmedabad
Date : May 22, 2012

Place : Ahmedabad
Date : May 22, 2012

Significant Accounting Policies To The Consolidated Financial Statements

a) Principles of Consolidation

The Consolidated Financial Statements relate to Astral Poly Technik Limited ("the Company") and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – Consolidated Financial Statements issued by The Institute of Chartered Accountants of India.
- In case of foreign joint venture, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange gains/ (losses) arising on conversion are recognised under Foreign Currency Translation Reserve.
- Interests in Joint Venture have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures issued by The Institute of Chartered Accountants of India.
- The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2012 and in case of joint venture the financial statements used in the consolidation are drawn up to 31st December, 2011.
- The excess of cost to the Company, of its investment in the subsidiary company and joint venture over the Company's portion of equity is recognised in the financial statement as Goodwill.
- The excess of the Company's portion of equity of the subsidiary and joint venture on the acquisition date over its cost of investment is treated as Capital Reserve.
- Intra-group balances and intra-group transactions and resulting unrealised profits have been eliminated.

b) Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 "Accounting for Investments".

c) Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Standalone Financial Statements of Astral Poly Technik Limited.

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

1. SHARE CAPITAL

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Authorised Share Capital		
Equity Share Capital		
3,00,00,000 Equity Shares of ₹5/- each (3,00,00,000)	1,500.00	1,500.00
Issued, Subscribed & Fully Paid Share Capital		
Equity Share Capital		
2,24,76,112 Equity Shares of ₹5/- each fully paid up (2,24,76,112)	1,123.81	1,123.81
Total	1,123.81	1,123.81

- a) The Company has issued only one class of shares referred to as equity shares having a par value of ₹5/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All shares rank equally with regard to the Company's residual assets.
- b) The Company has Issued Nil (Previous Year: 19,67,108 Equity Shares) Bonus Shares during the period of 5 years immediately preceding the Balance Sheet date.
- c) The amount of per share dividend recognised as distributions to equity shareholders during the year ended 31st March, 2012 is ₹1.125 (Previous Year: ₹1.125), subject to approval by shareholders in the ensuing Annual General Meeting.
- d) The details of shareholders holding more than 5% shares as at 31st March, 2012 and 31st March, 2011 is set out below.

Sr. No.	Name of Shareholders	As At 31st March, 2012	As At 31st March, 2011
1	Sandeep Pravinbhai Engineer - No. of Shares	47,34,282	34,75,448
	- % of Shares Held	21.06	15.46
2	Specialty Process LLC. - No. of Shares	31,64,482	31,64,482
	- % of Shares Held	14.08	14.08
3	Saumya Polymers Pvt. Ltd. - No. of Shares	31,51,634	31,51,634
	- % of Shares Held	14.02	14.02
4	Jagruti Sandeep Engineer - No. of Shares	18,28,682	18,28,682
	- % of Shares Held	8.14	8.14
5	Hansa Pravinbhai Engineer - No. of Shares	13,34,092	1,158
	- % of Shares Held	5.94	0.01
6	Tarlika Dalal - No. of Shares	-	13,32,934
	- % of Shares Held	-	5.93
7	Nimish Dalal - No. of Shares	-	12,58,834
	- % of Shares Held	-	5.60

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

2. RESERVES AND SURPLUS

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Capital Reserves		
As per Last Balance Sheet	40.00	40.00
Add :- Capital Reserve on Consolidation	16.31	(0.58)
	56.31	39.42
Securities Premium Account		
As per Last Balance Sheet	3,890.73	3,890.73
General Reserves		
As per Last Balance Sheet	570.00	220.00
Add :- Transferred from Surplus in Statement of Profit & Loss	400.00	350.00
	970.00	570.00
Revaluation Reserves		
As per Last Balance Sheet	121.14	121.14
Foreign Currency Translation Reserve		
As per Last Balance Sheet	10.10	-
Add :- For the Year	(29.58)	10.10
	(19.48)	10.10
Miscellaneous Expenditure		
(To the extent not written off or adjusted)		
As per Last Balance Sheet	(0.58)	-
Less :- Amount written off during the year	(0.58)	-
	-	-
Surplus in Statement of Profit & Loss		
As per Last Balance Sheet	9,008.18	6,368.18
Add :- Profit For the Year	3,949.53	3,284.32
Amount Available for Appropriation	12,957.71	9,652.50
Less :- Appropriations :		
Interim Dividend	112.38	112.38
Proposed Final Dividend	140.48	140.48
Dividend Tax	41.01	41.46
Transferred to General Reserve	400.00	350.00
	693.87	644.32
	12,263.84	9,008.18
Total	17,282.54	13,639.57

3. LONG TERM BORROWINGS

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Secured		
Term Loans from Banks		
In Rupee	508.23	738.39
In Foreign Currency	7,592.40	3,358.72
	8,100.63	4,097.11
Less :- Current Maturity of Long Term Loans	2,279.93	1,354.76
	5,820.70	2,742.35
Buyers Credit	670.86	410.74
Less :- Current Maturity of Long Term Buyers Credits	229.95	-
	440.91	410.74
Vehicle Loans	101.04	63.49
Less :- Current Maturity of Vehicle Loans	37.69	25.28
	63.35	38.21
Unsecured		
Buyers Credit	152.62	-
Less :- Current Maturity of Long Term Buyers Credits	-	-
	152.62	-
Total	6,477.58	3,191.30

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

- a) Term Loans Secured by way of first charge, in respect of all the current asset, both present and future, of the Company and Fixed assets, both present and future, and further secured by personal guarantees of Directors.
- Corporation Bank Term Loan of ₹ 2,576.93 Lacs (Previous Year : ₹ 2,558.23 Lacs) repayable within 72 months including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments. Repayable by February 2015.
 - Standard Chartered Bank Term Loan of ₹359.38 Lacs (Previous Year : ₹646.88 Lacs) repayable within 60 months including initial moratorium period of twelve months from the date of first disbursement in sixteen quarterly equal instalments. Repayable by April 2013.
 - HDFC Bank ECB Loan of ₹3,561.60 Lacs (Previous Year : ₹ Nil) repayable within 66 months including initial moratorium period of twelve months from the date of first disbursement in eighteen quarterly instalments. Repayable by December 2016.
 - Standard Chartered Bank ECB Loan of ₹1,602.72 Lacs (Previous Year : ₹892.00 Lacs) repayable within 60 months including initial moratorium period of twelve months from the date of first disbursement in nine half yearly instalments. Repayable by March 2013.
- b) Vehicle Loans are Secured by way of hypothecation of respective motor vehicles purchased.
- Kotak Mahindra Prime Limited Vehicle Loan of ₹35.74 Lacs (Previous Year : ₹58.98 Lacs) repayable on monthly basis. Repayable by April 2014.
 - Axis Bank Limited Vehicle Loan of ₹7.11 Lacs (Previous Year : ₹ Nil) repayable on monthly basis. Repayable by July 2014.
 - Tata Motors Finance Limited Vehicle Loan of ₹2.48 Lacs (Previous Year : ₹4.51 Lacs) repayable on monthly basis. Repayable by April 2013.

4. SHORT TERM BORROWINGS

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Secured		
From Banks*	336.01	225.19
Unsecured		
From Banks **	3.90	-
From Others	19.80	15.75
Total	359.71	240.94

* Bank Overdraft Secured by way of fixed charge over all assets of the company (Astral Technologies Limited) and personal guarantee of all the director of Astral Technologies Limited.

** Other Loans and Advances consist of Credit Balance of Corporation Bank on account of Uncleared Cheques or Cheques under Reconciliation.

5. TRADE PAYABLES

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Acceptances	9,828.16	6,164.28
Other than Acceptances *	7,270.98	5,290.70
Total	17,099.14	11,454.98

* There are no dues to Micro and Small Enterprises as at 31st March, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

Consolidated Notes on Accounts for the Year ended on 31st March, 2012
6. OTHER CURRENT LIABILITIES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Current Maturity of Long Term Loans	2,279.93	1,354.76
Current Maturity of Long Term Buyers Credits	229.95	-
Current Maturity of Vehicle Loans	37.69	25.28
Interest Accrued But Not Due on Borrowings	67.72	19.89
Unclaimed Dividends	1.66	1.28
Other Liabilities		
For Statutory Dues	1,514.86	1,029.47
Advance Received From Customers	75.91	42.61
Other Payables *	863.94	396.95
Total	5,071.66	2,870.24

* Other Payables includes Payable for Capital Goods.

7. SHORT TERM PROVISIONS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Provision For Employee Benefits		
Unpaid Leave	53.82	39.21
Provision For Dividend		
Proposed Final Dividend	140.48	140.48
Tax on Dividend	22.79	22.79
Provision For Taxation		
Taxation	261.72	115.72
(Net of Advance Tax of ₹725.00 Lacs and TDS of ₹5.90 Lacs (Previous Year Advance Tax of ₹676.00 Lacs and TDS of ₹3.25 Lacs))		
Wealth Tax	0.54	0.24
Total	479.35	318.44

8. FIXED ASSETS

(₹ In Lacs)

Assets	Gross Block			Depreciation				Net Block		
	As At 01.04.2011	Additions	Deductions/ Adjustments	As At 31.03.2012	As At 01.04.2011	For The Year	Deductions/ Adjustments	As At 31.03.2012	As At 31.03.2012	As At 31.03.2011
Land	1,306.17	49.76	-	1,355.93	-	-	-	-	1,355.93	1,306.17
Buildings	2,528.75	2,606.80	-	5,135.55	246.90	103.63	(0.98)	351.51	4,784.04	2,281.85
Plant & Equipment	9,885.29	3,834.62	5.60	13,714.31	3,033.48	1,207.30	(2.26)	4,243.04	9,471.27	6,851.81
Furniture & Fixtures	321.30	420.22	(0.90)	742.42	60.16	45.42	(0.30)	105.88	636.54	261.14
Vehicles	214.75	28.24	3.72	239.27	61.91	22.55	1.16	83.30	155.97	152.84
Total	14,256.26	6,939.64	8.42	21,187.48	3,402.45	1,378.90	(2.38)	4,783.73	16,403.75	10,853.81
Capital Work In Progress									1,296.11	1,273.36
	14,256.26	6,939.64	8.42	21,187.48	3,402.45	1,378.90	(2.38)	4,783.73	17,699.86	12,127.17
Previous Year	11,563.51	2,737.51	44.76	14,256.26	2,338.42	1,075.62	11.59	3,402.45	12,127.17	

a) Includes ₹750/- being face value of 15 number of shares of ₹50/- each held in Kant Apartment Co- Operative Housing Society Limited. Also includes ₹127.11 Lacs (Previous Year: ₹127.11 Lacs) for which the procedure for transfer of title in the name of the Company is in process.

b) Capital Work In Progress includes ₹52.68 Lacs (Previous Year : ₹233.07 Lacs) on account of Pre - Operative Expenses. Accumulated Depreciation upto 31st March 2012 includes impairment loss on Plant and Equipment ₹96.20 Lacs (Previous Year: ₹96.20 Lacs)

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

9. NON CURRENT INVESTMENTS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Long Term Investment - At Cost		
Trade		
Quoted		
Investment in Equity Shares		
Nil Nos. (Previous Year : 44 Nos.) of Equity Share of ₹5/- each in Parsvnath Developers Limited (Market Value as on 31.03.2012 NA (Previous Year : ₹0.02 Lacs))	-	0.07
Total	-	0.07

10. LONG TERM LOANS AND ADVANCES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Unsecured, considered good		
Capital Advances		
To Related Parties (Refer Note No. 28)	187.00	187.00
To Others	214.07	273.80
Security Deposits	13.08	8.39
Prepaid Expenses	1.96	2.67
Total	416.11	471.86

11. OTHER NON CURRENT ASSETS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Share Application Money to Related Party	7.33	139.31
Total	7.33	139.31

12. INVENTORIES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Raw Materials	5,943.78	4,208.77
Stock In Trade	1,299.47	1,067.54
Finished Goods	5,451.15	3,402.92
Goods In Transit	11.25	13.37
Total	12,705.65	8,692.60

13. TRADE RECEIVABLES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Unsecured		
Debts Outstanding for a period exceeding six months		
Considered Good	246.66	492.04
Considered Doubtful	269.47	94.86
Less: Provision	269.47	94.86
	246.66	492.04
Other Debts		
Considered Good	10,069.44	7,300.57
Total	10,316.10	7,792.61

14. CASH AND CASH EQUIVALENTS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Cash on Hand	7.48	6.56
Balance With Banks		
In Current Account	1,091.35	1,014.57
In Deposit Account	2,450.56	0.48
In Unclaimed Dividend Account	1.66	1.28
Total	3,551.05	1,022.89

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

15. SHORT TERM LOANS AND ADVANCES

(₹ In Lacs)

Unsecured, Considered Good

	As At 31st March, 2012	As At 31st March, 2011
Loans to Related Parties	28.75	165.75
Prepaid Expenses	64.12	61.79
Security Deposits	129.10	34.26
Loans and Advances to Employees	6.01	0.59
Balance with Custom, Central Excise Authorities	2,812.38	2,261.89
Others Advances		
For Supply of Goods & Rendering of Services	195.57	148.70
Taxes Receivable	30.72	33.06
Total	3,266.65	2,706.04

16. OTHER CURRENT ASSETS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Interest Receivable	17.12	26.01
Advance to Gratuity Fund	26.29	22.15
Others	31.11	1.57
Total	74.52	49.73

17. REVENUE FROM OPERATIONS

(₹ In Lacs)

	2011-12	2010-11
Domestic Sales	61,866.93	43,129.90
Export Sales	699.72	589.28
Total	62,566.65	43,719.18

18. OTHER INCOME

(₹ In Lacs)

	2011-12	2010-11
Interest Income	85.13	29.16
Dividend From Current Investment	1.60	3.29
Gain on Sale of Current Investment	90.49	24.28
Miscellaneous Income	204.23	72.12
Total	381.45	128.85

19. COST OF MATERIALS CONSUMED

(₹ In Lacs)

	2011-12	2010-11
Opening Stock	4,197.19	2,607.38
Add: Purchases	43,411.16	28,522.20
	47,608.35	31,129.58
Less : Closing Stock	5,943.78	4,197.19
Cost of Materials Consumed	41,664.57	26,932.39

20. CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN TRADE

(₹ In Lacs)

	2011-12	2010-11
Inventories At the End of the Year		
Finished Goods	5,451.15	3,402.92
Stock In Trade	1,299.47	1,067.54
	6,750.62	4,470.46
Inventories At the Beginning of the Year		
Finished Goods	3,402.92	3,572.90
Stock In Trade	1,067.54	863.28
	4,470.46	4,436.18
Net (Increase) / Decrease	(2,280.16)	(34.28)

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

21. EMPLOYEE BENEFITS EXPENSES

(₹ In Lacs)

	2011-12	2010-11
Salaries and Wages	1,370.11	959.93
Contribution to Provident and Other Funds	84.73	59.47
Staff Welfare Expenses	60.53	48.76
Total	1,515.37	1,068.16

22. FINANCE COSTS

(₹ In Lacs)

	2011-12	2010-11
Interest Expenses		
Borrowings	568.93	394.89
Others	15.42	7.45
Other Borrowing Costs	140.51	66.26
Net Loss /(Gain) on Foreign Currency Transactions	1,551.13	(24.47)
Total	2,275.99	444.13

23. OTHER EXPENSES

(₹ In Lacs)

	2011-12	2010-11
Stores & Spares	245.11	153.26
Power and Fuel	1,456.15	998.51
Rent Expenses *	110.48	70.02
Repairs Expenses		
Repairs to Buildings	97.97	71.22
Repairs to Machinery	176.15	181.41
Repairs Others	22.82	18.66
Insurance Expenses	65.04	36.45
Royalty Expenses	16.94	-
Rates & Taxes	38.49	16.58
Communication Expenses	54.73	53.71
Travelling Expenses	304.42	253.51
Factory & Other Expenses	104.42	91.51
Printing & Stationary	36.55	32.08
Freight & Fowarding	888.75	565.04
Packing Expenses	606.92	459.38
Increase / (Decrease) in Excise Duty on Inventories	81.17	46.93
Commission	97.78	181.65
Discount on Sales	1,798.33	944.07
Sales Promotions	611.70	556.86
Donations & Contributions	2.42	1.82
Security Service Charges	75.66	45.50
Legal & Professional	119.11	77.41
Payments to Auditors **	8.74	9.29
Provision for Doubtful Trade and Other Receivable	174.59	39.00
Loss on Sale of Fixed Assets	4.69	7.19
Other Expenses	130.24	109.88
Total	7,329.37	5,020.94

* The Company is lessee under various operation leases under which rental expenses for the year was ₹110.48 Lacs (Previous year: ₹70.02 Lacs). The Company has not executed any non cancelable lease agreement.

** Payment to Auditors As:

(₹ In Lacs)

Particulars	2011-12	2010-11
For Statutory Audit	6.00	6.00
For Other Services	2.21	3.01
For Service Tax	0.97	0.93
Total	9.18	9.94

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

24. The list of subsidiaries company and joint venture which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	% of Holding		Country of Incorporation
	2011-12	2010-11	
Subsidiaries			
Astral Biochem Private Limited	100%	100%	India
Advanced Adhesives Limited	85%	85%	India
Joint Venture			
Astral Technologies Limited	31.90%	31.90%	Kenya

The audited financial statements of Astral Technologies Limited (Kenya) up to 31st December, 2011 have been prepared in accordance with International Financial Reporting Standards. Differences in accounting policies of the Company and the joint venture are not material and there are no material transactions from 1st January, 2012 to 31st March, 2012 in respect of the joint venture having financial year ended on 31st December, 2011. There is no change in Company's interest in the joint venture from 1st January, 2012 to 31st March, 2012. Figures pertaining to the subsidiary companies and the joint venture have been reclassified wherever necessary to bring them in line with the Company's financial statements.

25. EARNINGS PER SHARE

	As At 31st March, 2012	As At 31st March, 2011
Profit After Tax (₹ In Lacs)	3,949.53	3,284.32
Weighted Average No. of Equity Shares Outstanding	2,24,76,112	2,24,76,112
Basic & Diluted Earnings Per Share (In ₹) (Face Value of ₹5/- each)	17.57	14.61

24. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Contingent Liabilities		
Bank Guarantees	155.18	109.96
Letters of Credit for Purchases	38.00	-
Income tax matters under appeal	772.53	77.79
Commitments		
Capital Contracts remaining to be executed	869.41	870.34

27. EMPLOYEE BENEFITS

The disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 are given below:

Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized and charged off the year, is as under:

Employer's Contribution to Provident Fund ₹ 53.70 Lacs

Defined Benefit Plan:

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

Status of gratuity plan as required under AS 15 [Revised]

a) Reconciliation of opening and closing balances of the present value of the Defined benefit Obligation

(₹ In Lacs)

Particulars	2011-12	2010-11
Obligations at the beginning of the year	53.51	45.88
Current service cost	15.15	10.26
Interest cost	4.46	3.83
Actuarial (gain) / loss	8.49	(0.41)
Benefits paid	(2.60)	(6.05)
Obligations at the end of the year	79.01	53.51

b) Reconciliation of opening and closing balances of the fair value of plan assets

(₹ In Lacs)

Particulars	2011-12	2010-11
Plan assets at the beginning of the year, at fair value	75.65	56.52
Expected return on plan assets	6.93	6.05
Actuarial gain / (loss)	1.03	(0.29)
Contributions	24.29	19.42
Benefits paid	(2.60)	(6.05)
Plan assets at the end of the year, at fair value	105.30	75.65

c) Reconciliation of the present value of the defined benefit obligation & fair value of plan Assets (₹ In Lacs)

Particulars	2011-12	2010-11
Obligations at the end of the year	79.01	53.51
Plan assets at the end of the year, at fair value	105.30	75.65
Liability/(Assets) recognised in Balance sheet as on 31st March, 2012	(26.29)	(22.14)

d) Gratuity cost for the year

(₹ In Lacs)

Particulars	2011-12	2010-11
Current service cost	15.15	10.26
Interest cost	4.46	3.83
Expected return on plan assets	(6.93)	(6.05)
Net Actuarial (gain)/Loss.	7.47	(0.12)
Net gratuity cost	20.15	7.92

e) Investment details of plan assets :

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

f) Assumptions

(₹ In Lacs)

Particulars	2011-12	2010-11
Discount Rate	8.34%	8.34%
Expected return on plan assets	9.15%	9.15%
Annual Increase in Salary Costs	5.00%	5.00%

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

g) Experience History

(₹ In Lacs)

Particulars	2011-12	2010-11	2009-10
Defined Benefit Obligation at the end of the period	79.01	53.51	45.88
Plan Assets at the end of the period	105.30	75.65	56.52
Funded Status	(26.29)	(22.14)	(10.64)
Experience Adjustments on Plan Liabilities	-	-	-
Experience Adjustments on Plan Assets	-	-	-

h) Contributions expected to be paid to the plan during the next financial year ₹Nil (Previous Year : Nil)

The Liability for Leave Encashment and compensated absences as at year end is ₹53.82 Lacs (Previous Year: ₹39.21 Lacs)

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

28. RELATED PARTY DISCLOSURES

1. Name of Party and relationship

Sr. No.	Description of Relationship	Name of Related Parties
a.	Associates	Kairav Chemicals Limited Saumya Polymers Private Limited Plumbware Limited Allied Plumbers Limited Architectural Supplies Limited Allied Plumbers U Limited Ole Sereni Hotel
b.	Key Management Personnel	Mr. Sandeep P. Engineer Mrs. Jagruti S. Engineer Mr. K. R. Shenoy Mr. Bhavesh Merchant Mr. Yogesh Patel
c.	Relatives of Key Management Personnel	Sandeep P. Engineer HUF Mr. Bipin R. Mehta Mrs. Rekha B. Mehta Mrs. Hansa P. Engineer Mr. Kairav S. Engineer

2. Details of Related Party Transactions during the year ended 31st March 2012 (₹ In Lacs)

Sr. No.	Particulars	Related Referred in			Total
		1(a) above	1(b) above	1(c) above	
1.	Unsecured Loan Received Back				
	Kairav Chemicals Limited	125.00	-	-	125.00
		-	-	-	-
2.	Purchase of Goods / Assets				
	Kairav Chemicals Limited	-	-	-	-
		(231.56)	-	-	(231.56)
	Plumbware Limited	0.08	-	-	0.08
		(0.35)	-	-	(0.35)
	Allied Plumbers Limited	16.91	-	-	16.91
		(7.43)	-	-	(7.43)
	Architectural Supplies Limited	0.12	-	-	0.12
		(1.19)	-	-	(1.19)
	Ole Sereni Hotel	0.34	-	-	0.34
		-	-	-	-
3.	Sale of Goods / Assets				
	Kairav Chemicals Limited	0.31	-	-	0.31
		(0.17)	-	-	(0.17)
	Plumbware Limited	8.03	-	-	8.03
		(7.21)	-	-	(7.21)
	Allied Plumbers Limited	74.46	-	-	74.46
		(27.30)	-	-	(27.30)
	Architectural Supplies Limited	-	-	-	-
		(0.68)	-	-	(0.68)
	Allied Plumbers U Limited	4.02	-	-	4.02
		-	-	-	-

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

(₹ In Lacs)

Sr. No.	Particulars	Related Referred in			Total
		1(a) above	1(b) above	1(c) above	
4.	Rent Received				
	Kairav Chemicals Limited	3.31	-	-	3.31
		(3.31)	-	-	(3.31)
5.	Dividend Paid				
	Saumya Polymers Private Limited	35.46	-	-	35.46
		(31.52)	-	-	(31.52)
	Mr. Sandeep P. Engineer	-	39.10	-	39.10
		-	(34.75)	-	(34.75)
	Mrs. Jagruti S. Engineer	-	20.57	-	20.57
		-	(18.29)	-	(18.29)
	Mr. Bipin R. Mehta	-	-	1.46	1.46
		-	-	(1.30)	(1.30)
	Mrs. Hansa P. Engineer	-	-	6.68	6.68
		-	-	(0.01)	(0.01)
6.	Interest on Loans				
	Kairav Chemicals Limited	11.18	-	-	11.18
		(24.20)	-	-	(24.20)
7.	Remuneration				
	Mr. Sandeep P. Engineer	-	63.50	-	63.50
		-	(49.50)	-	(49.50)
	Mrs. Jagruti S. Engineer	-	17.25	-	17.25
		-	(9.00)	-	(9.00)
	Mr. K. R. Shenoy	-	2.00	-	2.00
		-	(3.00)	-	(3.00)
	Mr. Yogesh Patel	-	4.68	-	4.68
		-	(1.66)	-	(1.66)
	Mr. Bipin R. Mehta	-	-	19.00	19.00
		-	-	(14.00)	(14.00)
	Mr. Kairav S. Engineer	-	-	7.65	7.65
		-	-	-	-
8.	Rent Paid				
	Kairav Chemicals Limited	5.47	-	-	5.47
		-	-	-	-
	Allied Plumbers Limited	13.43	-	-	13.43
		-	-	-	-
	Sandeep P. Engineer (H.U.F.)	-	-	6.49	6.49
		-	-	(4.31)	(4.31)
	Mrs. Hansa P. Engineer	-	-	0.60	0.60
		-	-	(0.60)	(0.60)

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

Details of Related Party Transactions outstanding balances as at 31st March 2012 (₹ In Lacs)

Sr. No.	Particulars	Related Referred in			Total
		1(a) above	1(b) above	1(c) above	
1.	Unsecured Loan Given				
	Kairav Chemicals Limited	25.00	-	-	25.00
		(150.00)	-	-	(150.00)
2.	Purchase of Goods / Assets				
	Allied Plumbers Limited	-	-	-	-
		(1.05)	-	-	(1.05)
	Architectural Supplies Limited	0.01	-	-	0.01
		(0.40)	-	-	(0.40)
	Mr. Sandeep P. Engineer	-	99.50	-	99.50
		-	(99.50)	-	(99.50)
	Mrs. Jagruti S. Engineer	-	87.50	-	87.50
		-	(87.50)	-	(87.50)
3.	Sale of Goods				
	Allied Plumbers Limited	41.45	-	-	41.45
		(18.51)	-	-	(18.51)
	Plumbware Limited	4.15	-	-	4.15
		(1.96)	-	-	(1.96)
	Architectural Supplies Limited	-	-	-	-
		(0.65)	-	-	(0.65)
4.	Interest on Loans				
	Kairav Chemicals Limited	10.06	-	-	10.06
		(24.20)	-	-	(24.20)
5.	Current Liabilities				
	Mr. Sandeep P. Engineer	-	5.63	-	5.63
		-	-	-	-
	Mrs. Jagruti S. Engineer	-	0.33	-	0.33
		-	-	-	-
	Mr. K. R. Shenoy	-	0.50	-	0.50
		-	(0.50)	-	(0.50)
	Mr. Bipin R. Mehta	-	-	1.16	1.16
		-	-	(1.00)	(1.00)
	Mr. Kairav S. Engineer	-	-	0.86	(0.86)
		-	-	-	-

Figures in the brackets are in respect of the previous year.

29. SEGMENT INFORMATION

The Company is engaged mainly in production of plastic products and as such is the only reportable segment as per Accounting Standard on Segment Reporting (AS – 17) issued by the Institute of Chartered Accountants of India. The geographical segmentation is not relevant as export turnover is not significant in respect of total turnover.

30. DERIVATIVE INSTRUMENTS

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Consolidated Notes on Accounts for the Year ended on 31st March, 2012

Outstanding Forward Exchange Contracts entered into by the Company on accounts of payables and receivables:

As at	No. of Contracts	Buy/Sell	US \$ Equivalent (Lacs)	INR Equivalent (Lacs)
31st March, 2012	3	Buy	45.00	2,289.60
31st March, 2011	4	Buy	47.34	2,111.18

Expenditure on account of premium on forward exchange contracts to be recognized in the profit and loss of subsequent accounting period aggregates to ₹51.65 Lacs (Previous Year: ₹29.37 Lacs).

Foreign Currency Exposures not hedged by derivative instruments as at 31st March, 2012 on payable amounting US\$ 399.45 Lacs & EURO 9.55 Lacs Equivalent ₹20,972.25 Lacs (Previous Year: US\$ 243.70 Lacs & EURO 6.49 Lacs Equivalent ₹11,280.67 Lacs) and on receivables amounting US\$ 3.61 Lacs Equivalent ₹183.46 Lacs (Previous Year: US\$ 5.86 Lacs Equivalent ₹261.34 Lacs).

Foreign Exchange Loss (Net) of ₹2,236.87 Lacs (Previous Year: Exchange Gain (Net) of ₹286.99 Lacs) for the year has been included in respective heads of Profit and Loss Account.

31. Donations include political contribution of ₹1.51 Lacs (Previous Year: Nil)

32. INTEREST IN JOINT VENTURE

The Company has 31.90% ownership interest in joint venture company Astral Technologies Limited ('ATL'), incorporated in Kenya. Its proportionate share in the assets, liabilities, income and expenses etc. in the said joint venture company is given below:

	As At 31st Dec. 2011	As At 31st Dec. 2010
Assets	573.46	380.68
Liabilities	477.01	396.03
Income	264.18	115.33
Expenses (including Depreciation and taxation)	321.39	134.47
Contingent Liabilities	-	-
Capital Commitments remaining to be executed	-	61.77

33. Figures pertaining to the subsidiary companies and joint venture have been reclassified, wherever necessary to bring them in line with the Company's financial statements.

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

As per our report of even date

For and on behalf of the Board

For, **Deloitte Haskins & Sells**
Chartered Accountants

(**Sandeep P. Engineer**) (**Jagruti S. Engineer**)
Managing Director Executive Director

(**Gaurav J. Shah**)
Partner
Membership No.: 35701
Place : Ahmedabad
Date : May 22, 2012

(**Zankhana V. Trivedi**)
Company Secretary
Place : Ahmedabad
Date : May 22, 2012

**Statement Pursuant to Section 212 of the Companies Act, 1956
relating to Company's interest in the Subsidiary Company**

1	Name of the Subsidiary Company	Astral Biochem Private Limited	Advanced Adhesives Limited
2	The Financial Year of the Subsidiary Company ended on	March 31,2012	March 31,2012
3	Date from which it became Subsidiary	July 19, 2008	October 25, 2010
4	a) No. of Shares held by the Astral Poly Technik Limited (Holding Company) with its nominees in the Subsidiary at the end of the financial year of the Subsidiary b) Extent of Interest of Holding Company at the end of the financial year of the Subsidiary	50,000 No. Equity shares of ₹10/- each fully paid up 100%	42,500 No. Equity shares of ₹10/- each fully paid up 85%
5	Net aggregate amount of the Subsidiary's Profit/(loss) so far as they concern the members of the Holding Company. a) Not dealt with in Holding Company's accounts. i) For the Financial Year ended March 31, 2012 ii) For the Previous Financial Years b) Dealt with in Holding Company's accounts. i) For the Financial Year ended March 31, 2012 ii) For the Previous Financial Years	 Nil Nil Nil Nil	 (325,648) Nil (18,45,338) Nil
6	Changes in the Holding Company's interest in the Subsidiary between the end of the financial year of the Subsidiary and the end of the Holding Company's financial year.	None	None
7	Material Changes between the end of the financial year of the Subsidiary and the end of the Holding Company's financial year in respect of- a) Fixed Asset b) Investments c) Money Lent by the subsidiary d) Money borrowed by the subsidiary for any purpose other than for meeting current Liabilities.	 Nil Nil Nil Nil	 Nil Nil Nil Nil

ASTRAL BIOCHEM PRIVATE LIMITED

4th ANNUAL REPORT

2011-2012

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sandeep P. Engineer	Director
Mrs. Jagruti S. Engineer	Director
Mrs. Hansaben P. Engineer	Director

STATUTORY AUDITORS

Pankaj Ghiya & Associates
Chartered Accountants
202, Vedant Complex, Kalpana Colony,
Near Ganesh Plaza, Off. C.G. Road, Navrangpura,
Ahmedabad-380 009.

BANKERS

Corporation Bank
Industrial Finance Branch, Ashram Road, Ahmedabad.

REGISTERED OFFICE

"ASTRAL HOUSE"
207/1, B/h Rajpath Club, Off. S.G. Highway,
Ahmedabad-380 059, Gujarat, India.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the **4th Annual Report** of the Company together with the audited Statements of accounts for the year ended on 31st March, 2012.

OPERATIONS

Till date your Company has not commenced any business activity and is looking forward for setting up a project in the near future. The Management of the Company is putting in all its efforts to ensure that the project is conceived and implemented at the earliest possible.

DIRECTORS

There has been no change in the Board of your Company.

Mrs. Jagruti S. Engineer, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Management recommends her reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the Annual Accounts for the Financial year ended on 31st March, 2012, the applicable Accounting Standards had been followed;
- (ii) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Annual Accounts had been prepared on a going concern basis for the Financial year ended on 31st March, 2012.

FIXED DEPOSIT

Your Company has not accepted any deposit from the public as defined under section 58A of the Companies Act, 1956 and rules made thereunder.

PERSONNEL

Information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 regarding employees is not applicable as none of the employees of the Company is in receipt of remuneration which is more than the sum specified by the prevalent law.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUT GO

The particulars of Section 217(1) (e) with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not provided as the Company has not started any manufacturing activity and consequently there is no relevant information in this regard.

AUDITORS

M/s. Pankaj Ghiya & Associates, the Statutory Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The retiring Auditors have furnished a Certificate of their eligibility for re-appointment under section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue.

ACKNOWLEDGMENTS

The Directors would like to express their deep appreciation for the support extended by agencies working with the Company and wish to place on record their appreciation for the services of all who have contributed to the functioning of the Company.

By the Order of the Board of Directors

Place : Ahmedabad
Date : April 5, 2012

SANDEEP ENGINEER
Chairman

Auditors' Report

To,
The Members,
ASTRAL BIOCHEM PRIVATE LIMITED
Ahmedabad

We have audited the attached Balance Sheet of **ASTRAL BIOCHEM PRIVATE LIMITED**, as at 31st March, 2012 and also the Statement of Profit & Loss and Cash Flow Statement 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet, Statement of profit & loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Statement of profit & loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the Directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with schedules and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (b) in the case of the Statement of Profit and Loss, of the expenditure incurred for the year ended on that date, and
 - (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For, **Pankaj Ghiya & Associates**
Chartered Accountants
FRN: 125017W

Place : Ahmedabad
Date : April 5, 2012

(Pankaj Ghiya)
Partner
M. No. 111025

Annexure to the Auditors' Report

Referred to in paragraph 3 of our report of even date to the members of **ASTRAL BIOCHEM PRIVATE LIMITED**.

1. (a) The Company has maintained proper records showing full particulars including quantitative details & situation of Fixed Assets.
- (b) As the Company's project is in start up phase, expenditures incurred during the year are shown as Pre-operative expenses awaiting capitalization under the Capital work-in -progress.
- (c) During the year, Company has not disposed off any substantial/major part of Fixed Assets.
2. As the company has not purchased and sold goods during the year nor is there any opening stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
3. (a) According to the information and explanations given to us, company has not granted any loan to parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (b) According to information and explanations given to us, the Company has taken loan from one party listed in the Register maintained under Section 301 of the Companies Act, 1956 and the maximum amount involved during the year was ₹495.17 Lacs (₹485.17 Lacs) and the year-end balance was ₹495.17Lacs (₹485.17 Lacs).
- (c) According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions on which above loans have been taken from the parties listed in the registers maintained under Section 301 are not, prima facie, prejudicial to the interest of the Company.
- (d) According to the information and explanations given to us, the Company is regular in repaying the principal amounts as stipulated and is regular in payment of interest.
- (e) There is no overdue amount of loan taken from the parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to information and explanation given to us, we report that the company's activity do not include purchase of inventory and sale of goods. In our opinion and according to information and explanation given to us, we report that there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls with regards to purchase of fixed assets.
5. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956,
 - (a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 have been so entered.
 - (b) According to the information and explanations given to us, where each of such transactions is in excess of ₹5 Lacs in respect of any party, in our opinion, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
7. In our opinion and in accordance with the information and explanation given to us, the aggregate of the paid up capital and free reserve did not exceed Rupees fifty lakhs nor did the turnover exceed Rupees five crores. Hence, no comment on the Internal Audit System is required.
8. The requirement of maintenance of cost records as prescribed by the Central Government under Section 209(1) (d) is not applicable to the company.

9. (a) According to the records of the Company and information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Service Tax, Cess and other statutory dues applicable to it.
- (b) According to the records of the company, there are no dues of Income tax, Service tax, cess etc. which have not been deposited on account of any dispute.
10. In our opinion, the Company has an Internal Audit System commensurate with the size of the Company and the nature of its business.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not borrowed from the financial institutions, banks or issued debenture, hence, reporting requirement under this clause does not arise.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the company hence clause (xiii) of para 4 is not applicable.
14. As per records of the company and the information and explanations given to us by the management, company is not dealing in shares, securities, and debentures and other investment.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. According to the information and explanations given to us, the Company has not availed any term loans. Hence, Comments under this clause are not applicable.
17. According to the records examined by us and according to the information and explanations given to us, on overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa except the permanent working capital.
18. The Company has not made any preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year and the question of whether the price at which the shares have been issued is prejudicial to the interest of the Company does not arise.
19. The Company has not issued any Debentures hence question of creation of Securities does not arise.
20. The Company has not raised money by any public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For, **Pankaj Ghiya & Associates**
Chartered Accountants
FRN: 125017W

Place : Ahmedabad
Date : April 5, 2012

(Pankaj Ghiya)
Partner
M. No. 111025

Balance Sheet as on 31st March, 2012

(₹ In Lacs)

Particulars	Note	As At 31st March, 2012	As At 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	5.00	5.00
(b) Reserves & Surplus	2.2	-	(0.29)
(b) Money Received against Share Warrants		-	-
(2) Share Application Money Pending Allotment			
		-	-
(3) Non-current Liabilities			
(a) Long Term Borrowings	2.3	495.17	485.17
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short Term Borrowings		-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	2.4	0.12	0.11
(d) Short Term Provisions	-	-	-
Total		500.29	489.99
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets	2.5		
(i) Tangible Assets		439.00	439.00
(ii) Intangible Assets		-	-
(iii) Capital Work-In-Progress		58.93	49.84
(iv) Intangible Assets under Development		-	-
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long Term Loans and Advances	2.6	0.50	-
(e) Other Non-Current Assets		-	-
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Cash Equivalents	2.7	1.86	1.15
(e) Short Term Loans and Advances		-	-
(f) Other Current Assets		-	-
Total		500.29	489.99
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date

For and on behalf of the Board

For, **Pankaj Ghiya & Associates**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Pankaj Ghiya)
Partner
Membership No. 111025
Place : Ahmedabad
Date : April 5, 2012

Place : Ahmedabad
Date : April 5, 2012

Profit and Loss Statement for the Year ended on 31st March, 2012

(₹ In Lacs)

Particulars	Note	2011-12	2010-11
Other Expenses	2.8	2.84	0.46
Total Expenses		2.84	0.46
Tr. To Pre-Operative Expenses (CWIP in Fixed Assets)		2.84	0.46
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date

For and on behalf of the Board

For, **Pankaj Ghiya & Associates**

Chartered Accountants

(Sandeep P. Engineer) **(Jagruti S. Engineer)**

Director

Director

(Pankaj Ghiya)

Partner

Membership No. 111025

Place : Ahmedabad

Date : April 5, 2012

Place : Ahmedabad

Date : April 5, 2012

Cash Flow Statement for the Year ended on 31st March, 2012

(₹ In Lacs)

	Particulars	2011-12		2010-11	
A	Cash flow from Operating Activities				
	Net Profit after tax and Extraordinary items		-		-
	Adjustments for :				
	Add.:				
	Depreciation	-		-	
	Interest	-		-	
	Taxation	-		-	
	Less : Interest received	-		-	
	Operating profit before working Capital Changes		-		-
	Adjustment for :				
	Increase /(Decrease) in Trade Payables	-		(0.05)	
	Add: (Increase)/Decrease in Inventories	-		-	
	Add: (Increase)/Decrease in Trade & other receivables	(0.50)	(0.50)	28.50	28.45
B	Cash generated from operations		(0.50)		28.45
	Interest	-		-	
	Income tax	-	-	-	-
	Net Cash from Operating Activities (A)		(0.50)		28.45
	Cash flow from Investing Activities				
	Purchase of Fixed Assets	-			
	Capital work-in-progress	(9.09)		(47.86)	
	Advances for Capital Goods	-		-	
	Interest received	-	(9.09)	-	(47.86)
	Net Cash used in Investing Activities (B)		(9.09)		(47.86)
	Cash flow from Financing Activities				
	Equity Share Capital	-		-	
C	Preliminary Expenses	0.29		-	
	Interest	-		-	
	Proceeds from Long Term Borrowings	10.00		20.17	
	(Decrease)/increase in Short Term Loans	0.01	10.30	-	20.17
	Net Cash flow from Financing Activities (C)		10.30		20.17
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		0.71		0.76
	Cash and Cash Equivalents (Opening Balance)		1.15		0.39
	Cash and Cash Equivalents (Closing Balance)		1.86		1.15

As per our report of even date

For and on behalf of the Board

 For, **Pankaj Ghiya & Associates**
Chartered Accountants

(Sandeep P. Engineer) **(Jagruiti S. Engineer)**
Director Director

(Pankaj Ghiya)
Partner
Membership No. 111025
Place : Ahmedabad
Date : April 5, 2012

 Place : Ahmedabad
Date : April 5, 2012

1. Significant Accounting Policies

1.1 Accounting Policies

- (a) The Company generally follows the Mercantile System of Accounting and recognizes Income & Expenditure on accrual basis, except otherwise stated.
- (b) The financial statements are prepared on historical cost basis and following the generally accepted accounting principles.

1.2 Fixed Assets

Fixed Assets are stated at historical costs less accumulated depreciation. All cost relating to acquisition and installation of fixed assets, if any, till the assets get ready for their intended use are capitalized.

1.3 Taxation

Provision for Income-tax is made in accordance with the tax provisions of the Indian Income Tax Act, 1961 applicable to the relevant assessment year.

Deferred tax liabilities/Assets is recognized subject to the consideration of prudence on timing differences being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

2. Notes on Accounts for the Year ended on 31st March, 2012

2.1 SHARE CAPITAL

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Authorised Share Capital :		
Equity Share Capital	5.00	5.00
50,000 Equity Shares of ₹10/- each (Previous Year : 50,000 Equity Shares of ₹10/- each)		
Issued, Subscribed & Fully Paid Share Capital		
Equity Share Capital	5.00	5.00
50,000 Equity Shares of ₹10/- each fully paid up (Previous Year : 50,000 Equity Shares of ₹10/- each fully paid up)		
Total	5.00	5.00

a) The details of shareholder holding more than 5% shares as at 31st March, 2012 and 31st March, 2011 is set out below.

Sr. No.	Name of Shareholders	As At 31st March, 2012	As At 31st March, 2011
1	Astral Poly Technik Limited - No. of Shares	50,000	50,000
	- % of Shares Held	100%	100%

2.2 RESERVES & SURPLUS

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Surplus - Opening Balance	-	-
Add:		
Net Profit After Tax transferred from Statement of P&L	-	-
Amount Available for Appropriation	-	-
Miscellaneous Expenditure (To the extent not written off or adjusted)		
Opening Balance	(0.29)	(0.29)
Less:		
Amount written off during the year	(0.29)	-
Closing Balance	-	(0.29)
Total	-	(0.29)

2.3 LONG-TERM BORROWINGS

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Unsecured		
Loans and Advances from Related Parties		
Astral Poly Technik Limited - The Holding Company	495.17	485.17
Total	495.17	185.17

a) There are no stipulations as to repayment of loan

2.4 OTHER CURRENT LIABILITIES

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Payable for Expenses	0.12	0.11
Total	0.12	0.11

Notes on Accounts for the Year ended on 31st March, 2012

2.5 FIXED ASSETS

(₹ In Lacs)

Assets	Gross Block				Depreciation			Net Block	
	As At 01.04.2011	Additions	Deduction / Adjustments	As At 31.03.2012	As At 01.04.2011	For The Year	As At 31.03.2012	As At 31.03.2012	As At 31.03.2011
Land	426.59	-	-	426.59	-	-	-	426.59	426.59
Land Development	12.42	-	-	12.42	-	-	-	12.42	12.42
Total (A)	439.00	-	-	439.00	-	-	-	439.00	439.00
Capital Work In Progress									
Factory Building	-	6.25	-	6.25	-	-	-	6.25	-
Pre-Operative Expenses	49.84	2.84	-	52.68	-	-	-	52.68	49.84
Total (B)	49.84	9.09	-	58.93	-	-	-	58.93	49.84
Grand Total (A+B)	488.85	9.09	-	497.93	-	-	-	497.93	488.85
Previous Year	440.99	47.85	-	488.85	-	-	-	488.85	440.99

2.6 LONG TERM LOANS AND ADVANCES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Deposit		
G.I.D.C- Deposit	0.50	-
Total	0.50	-

2.7 CASH AND CASH EQUIVALENTS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Cash on hand	0.06	0.11
Balances with banks	1.80	1.04
Total	1.86	1.15

2.8 OTHER EXPENSES

(₹ In Lacs)

	2011-12	2010-11
Travelling Expenses	0.13	0.28
Audit Fees	0.10	0.11
Professional Fees	0.08	-
Legal Expenses	0.01	0.02
Printing & Stationary Expenses	0.01	0.00
Factory Expenses	2.21	-
Priliminary Expenses Written Off	0.29	-
Bank Charges	-	0.05
Total	2.84	0.46

2.9 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENT

a) Previous year balances have been regrouped, rearranged and reclassified wherever required to make them comparable.

b) Details of Auditor Remuneration :

(₹ In Lacs)

Particulars	2011-12	2010-11
For Statutory Audit	0.10	0.10
For Service Tax	0.01	0.01
Total	0.11	0.11

c) There is no contingent liability not provided for in the books except otherwise stated.

Notes on Accounts for the Year ended on 31st March, 2012

d) Related Party Transactions

Name of Parties and relationships

Sr. No.	Description of Relationship	Names of Related Parties
1.	Holding Company	Astral Poly Technik Limited
2.	Associates	Advanced Adhesives Limited Kairav Chemicals Limited Saumya Polymers Private Limited
3.	Key Management Personnel	Mr. Sandeep P. Engineer Mrs. Jagruti S. Engineer
4.	Relatives of Key Management Personnel	Mrs. Rekha B. Mehta Mr. Bipin R. Mehta Mr. Kairav Engineer Mr. Saumya Engineer

Details of related party transactions during the year ended 31st March 2012 (₹ In Lacs)

Sr. No.	Particulars	Related Referred in 1 above	Related Referred in 2 above	Related Referred in 3 above	Related Referred in 4 above	Total
1.	Unsecured Loans Taken					
	Astral Poly Technik Limited	10.00	-	-	-	10.00
		(20.17)	-	-	-	(20.17)

Note: - Figures in brackets relate to the previous year.

Details of related party transactions outstanding balances as at 31st March, 2012 (₹ In Lacs)

Sr. No.	Particulars	Related Referred in 1 above	Related Referred in 2 above	Related Referred in 3 above	Related Referred in 4 above	Total
1.	Equity Share Capital					
	Astral Poly Technik Limited	5.00	-	-	-	5.00
		(5.00)	-	-	-	(5.00)
2.	Unsecured Loans					
	Astral Poly Technik Limited	495.17	-	-	-	495.17
		(485.17)	-	-	-	(485.17)

Note: - Figures in brackets relate to the previous year.

As per our report of even date

For, **Astral Biochem Private Limited**

For, **Pankaj Ghiya & Associates**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Pankaj Ghiya)
Partner
Membership No. 111025
Place : Ahmedabad
Date : April 5, 2012

Place : Ahmedabad
Date : April 5, 2012

ADVANCED ADHESIVES LIMITED

3rd ANNUAL REPORT

2011-2012

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sandeep P. Engineer	Director
Mrs. Jagruti S. Engineer	Director
Mr. Bhavesh Merchant	Director

AUDITORS

Pankaj Ghiya & Associates
Chartered Accountants
202, Vedant Complex, Kalpana Colony,
Near Ganesh Plaza, Off. C.G. Road, Navrangpura,
Ahmedabad-380 009.

BANKERS

Corporation Bank
Industrial Finance Branch, Ashram Road, Ahmedabad.

REGISTERED OFFICE

"ASTRAL HOUSE"
207/1, B/h Rajpath Club, Off. S.G. Highway,
Ahmedabad-380 059, Gujarat, India.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the **3rd Annual Report** of the Company together with the audited Statements of accounts for the year ended on 31st March, 2012.

FINANCIAL RESULTS

Your Directors are pleased to inform you that during the year under review, your Company has successfully commenced its production of PVC Solvent Cement with Royalty sharing arrangement with IPS-Corporation of USA and the Management of the Company is putting in all efforts to fully utilize the existing Capacity and maximize the Sales in order to achieve the Objectives of the Company.

The Performance of the Company for the Financial Year ended on 31st March, 2012 is summarized below:

(₹ In Lacs)

Particulars	Financial Year	
	2011-12	2010-11
Income from Operations	259.93	Nil
Other Income	Nil	Nil
Total Income	259.93	Nil
Total Expenditure	227.83	Nil
Profit Before Depreciation, Interest & Tax	32.10	Nil
Interest	25.41	Nil
Depreciation	9.56	Nil
Profit/(Loss) Before Tax	(2.87)	Nil
Provision for Taxation	18.84	Nil
Net Profit/(Loss) After Tax	(21.71)	Nil

REVIEW OF OPERATION

During the year under review, Income from Operations amounts to ₹259.93 Lacs. The Net Profit/(Net Loss) for the year under review has been ₹(21.71) Lacs. Since this being a first year of Operation the overhead costs were very high and same with the Financial Charges. However inspite of Fixed Royalty payment in first year and very low utilisation of Capacity, your Company was able to generate reasonably good EBDITA Margin of 12.35% during the year under review. Your Directors are of the view that the year 2012-2013 will be very promising and Company will be able to utilise its Capacity to the maximum level and will generate sizeable growth in topline as well as in bottom line.

DIRECTORS

There has been no change in the Board of your Company.

Mrs. Jagruti S. Engineer, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Management recommends her reappointment.

DIVIDEND

In view of Loss during the year under review, your Directors do not recommend any Dividend for the year ended on 31st March, 2012.

FIXED DEPOSIT

Your Company has not accepted any deposit from the public as defined under section 58A of the Companies Act, 1956 and rules made thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the Annual Accounts for the Financial year ended on 31st March, 2012, the applicable Accounting Standards had been followed;
- the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts had been prepared on a going concern basis for the Financial year ended on 31st March, 2012.

PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 regarding employees of the Company is given in the **Annexure-A** and forms part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO

The particulars of Section 217(1)(e) with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 to the extent applicable are given in the **Annexure-B** and Form part of this Report.

AUDITORS

M/s. Pankaj Ghiya & Associates, the Statutory Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The retiring Auditors have furnished a Certificate of their eligibility for re-appointment under section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue with Company.

The Board recommends their reappointment.

ACKNOWLEDGMENTS

The Directors would like to express their deep appreciation for all required supports extended by the Members, Creditors, Vendors, Customers, Employees and other Agencies associated with the Company and wish to place on record their appreciation for the valuable services rendered by all towards the functioning of the Company.

By the Order of the Board of Directors

Place : Ahmedabad

Date : April 5, 2012

SANDEEP P. ENGINEER

Chairman

Annexure to Directors' Report

ANNEXURE – A

Statement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended and forming part of the Directors' Report for the year ended March 31, 2012.

Sr. No.	Name	Age	Qualification	Date of Commencement of Employment	Designation/ Nature of Duties	Experience in Years	Remuneration (₹)	Last Employment held with Designation
1	2	3	4	5	6	7	8	9
(A) Employed throughout the year and was in receipt of remuneration which in the aggregate was not less than ₹60,00,000/- p.a.								
Nil								
(B) Employed for a part of the year and was in receipt of remuneration which in the aggregate was not less than ₹5,00,000/- p.m.								
Nil								

ANNEXURE – B**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is set out hereunder.

A. CONSERVATION OF ENERGY:**(a) Energy Conservation Measure Taken:**

Energy Conservation continues to be the key focus area of your Company. The Company is making its continuous efforts for energy conservation. Effective measures have been taken to monitor consumption of energy during the process of manufacture.

(b) Additional investments and proposals, if any implemented for reduction of consumption of energy: Nil**(c) Impact of the above measures:**

The impact of the measures taken has been positive.

Annexure to Directors' Report

(d) Total energy consumption and energy consumption per unit of production:

A	Power & Fuel Consumption	2011-12	2010-11
1	(a) Electricity (i) Purchase Unit (ii) Total Amount (₹) (iii) Rate/ Unit (₹) (b) Own Generation (i) Through Diesel Generation (kWh)- LDO (Ltrs) Total Amount (₹) Average Rate (₹/Liter) (ii) Through Steam Turbine Generator Unit Unit per Ltr. of fuel Oil/Gas cost per Unit	19,194 2,05,613 10.71 Nil Nil Nil	Nil Nil Nil Nil Nil
2	Coal and Lignite (i) Quantity (Tones) (ii) Total cost (₹) (iii) Average Rate (₹/Tones)	Nil	Nil
3	Coal and Lignite (i) Quantity (Ltrs) (ii) Total cost (₹) (iii) Average Rate (₹/Liter)	Nil	Nil
4	Other/Internal Generation (i) Fuel Oil Quantity (K.Ltrs) Total Cost (₹) Rate/K.Ltrs (₹) (ii) L.P.G. Quantity (Kgs) Total Cost (₹) Rate/Kg (₹)	Nil	Nil

B	Consumption per Unit of Production	Standard	2011-12	2010-11
1	Electricity (kWh)	Nil	-	-
2	Furnace Oil (Ltrs)	Nil	-	-
3	Coal Lignite	Nil	-	-
4	Other	Nil	-	-

B. RESEARCH AND DEVELOPMENT AND TECHNOLOGICAL ABSORPTION

Research & Development (R & D)

1. Specific areas in which R & D carried out by the Company

During the year under review, there were no specific areas in which R & D was carried out by the Company.

2. Benefits derived as a result of the above R & D

NA

3. Future plan of action

The Company shall continue to exercise utmost care in maintaining the quality of its Products and shall endeavour to upgrade the Products and its range.

4. Expenditure on R & D

NA

Technology Absorption, Adaptation and Innovation

The Company has not adopted any foreign technology for its Products.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange Used and Earned

(₹ In Lacs)

Particulars	2011-12	2010-11
(a) Total Foreign Exchange Used	20.09	67.31
(b) Total Foreign Exchange Earned	Nil	Nil

For and on behalf of Board of Directors

Place : Ahmedabad

Date : April 5, 2012

SANDEEP P. ENGINEER

Chairman

Auditors' Report

To,
The Members,
ADVANCED ADHESIVES LIMITED
Ahmedabad.

We have audited the attached Balance Sheet of **ADVANCED ADHESIVES LIMITED**, as at 31st March, 2012 and also the Statement of Profit & Loss and Cash Flow Statement 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet and the Statement of Profit & loss dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and the Statement of profit & loss dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the Directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with schedules and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (b) in the case of the Statement of Profit & Loss prepared, of the loss incurred for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For, **Pankaj Ghiya & Associates**
Chartered Accountants
FRN: 125017W

Place : Ahmedabad
Date : April 5, 2012

(Pankaj Ghiya)
Partner
M. No. 111025

Annexure to the Auditors' Report

Referred to in paragraph 3 of our report of even date to the members of **Advanced Adhesives Limited**.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) All the Fixed Assets have not been physically verified by the management during the year but there is a regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its Assets. As explained to us, no material discrepancies were noticed on such physical verification.
- (c) During the year, Company has not disposed off any substantial/major part of Fixed Assets.
2. (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
3. (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act.
- (b) According to the information and explanations given to us, Company has taken loan from one company listed in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹104.99 Lacs (₹104.99 Lacs) and the year-end balance was ₹33.81 Lacs (₹104.99 Lacs).
- (c) In our opinion, the rate of interest and other terms and conditions on which above loans have been taken from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, are not, prima facie, prejudicial to the interest of the Company.
- (d) The Company is regular in repaying the principal amounts as stipulated and has been regular in payment of interest.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventory and Fixed Assets. During the course of our audit, we have not observed any major weakness in such internal control system.
5. In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) the particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) where each of such transactions is in excess of ₹5 Lacs in respect of any party, in our opinion, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
7. In our opinion, the Company has an Internal Audit System commensurate with the size of the Company and the nature of its business.

8. According to the information and explanations given to us, the requirement of maintenance of cost records as prescribed by the Central Government under Section 209(1) (d) is not applicable to the company.
9. (a) According to the records of the Company and information and explanations given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities during the year. There were no arrears as at 31st March, 2012 for a period more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2012 on account of any dispute.
10. The Company does not have accumulated losses at the end of the year and the Company has not incurred cash losses during current and the immediately preceding financial year.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the company hence clause (xiii) of para 4 are not applicable.
14. As per records of the company and the information and explanations given to us by the management, Company is not dealing or trading 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 and financial institutions.
16. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained.
17. According to the information and explanations given and on overall examination of the Balance Sheet of the company, we report that funds raised on short-term basis have not been used for long-term investment by the company or vice versa except the permanent working capital.
18. The Company has not made any preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year and the question of whether the price at which the shares have been issued is prejudicial to the interest of the Company does not arise.
19. The Company has not issued any Debentures hence question of creation of securities or charges thereof does not arise.
20. The Company has not raised money by way of public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For, **Pankaj Ghiya & Associates**
Chartered Accountants
FRN: 125017W

Place : Ahmedabad
Date : April 5, 2012

(Pankaj Ghiya)
Partner
M. No. 111025

Balance Sheet as at 31st March, 2012

(₹ In Lacs)

Particulars	Note	As At 31st March, 2012	As At 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Share Holder's Fund			
(a) Share Capital	2.1	5.00	5.00
(b) Reserves & Surplus	2.2	(21.71)	(0.29)
(b) Money Received against Share Warrants		-	-
(2) Share Application Money Pending Allotment			
		-	-
(3) Non-current Liabilities			
(a) Long Term Borrowings	2.3	77.80	77.93
(b) Deferred Tax Liabilities (Net)	2.17 (h)	18.84	-
(c) Other Long Term Liabilities	-	-	-
(d) Long Term Provisions	-	-	-
(4) Current Liabilities			
(a) Short Term Borrowings	2.4	37.72	104.99
(b) Trade Payables	2.5	91.49	0.82
(c) Other Current Liabilities	2.6	58.87	31.48
(d) Short Term Provisions	-	-	-
Total		268.01	219.93
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets	2.7		
(i) Tangible Assets		206.35	-
(ii) Intangible Assets		-	-
(iii) Capital Work-In-Progress		-	179.63
(iv) Intangible Assets under Development		-	-
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long Term Loans and Advances	2.8	0.20	0.20
(e) Other Non-Current Assets		-	-
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	2.9	52.79	11.57
(c) Trade Receivables		-	-
(d) Cash and Cash Equivalents	2.10	0.34	3.68
(e) Short Term Loans and Advances	2.11	8.34	24.85
Total		268.01	219.93
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date

For and on behalf of the Board

For, **Pankaj Ghiya & Associates**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Pankaj Ghiya)
Partner
Membership No. 111025
Place : Ahmedabad
Date : April 5, 2012

Place : Ahmedabad
Date : April 5, 2012

Profit and Loss Statement for the Year ended on 31st March, 2012

(₹ In Lacs)

Particulars	Note	2011-12	2010-11
INCOME:			
Revenue from Operations (Net)	2.12	259.93	-
Other Income		-	-
Total		259.93	-
EXPENSES:			
a) Cost of Materials Consumed	2.13	185.58	-
b) Purchase of Stock-in-Trade		-	-
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		-	-
d) Employee Benefit Expenses	2.14	3.62	-
e) Financial Costs	2.15	25.41	-
f) Depreciation and Amortization Expenses	2.7	9.56	-
g) Other Expenses	2.16	38.64	-
Total		262.80	-
Profit Before Exceptional and Extraordinary Items and Tax		(2.87)	-
Exceptional Items		-	-
Profit Before Extraordinary Items and Tax		(2.87)	-
Extraordinary Items		-	-
Profit Before Tax		(2.87)	-
Tax Expenses:			
a) Current Tax		-	-
b) Deferred Tax		18.84	-
Total (a+b)		18.84	-
Profit/(Loss) from the Period from Continuing Operations		(21.71)	-
Profit/(Loss) from Discontinuing Operations		-	-
Tax Expense of Discounting Operations		-	-
Profit/(Loss) from Discontinuing Operations		-	-
Profit/(Loss) for the period		(21.71)	-
Earning Per Equity Share: (In ₹)			
Basic and Diluted	2.17 (g)	(43.42)	-
Significant Accounting Policies & Notes on Accounts	1 & 2		

As per our report of even date

For and on behalf of the Board

For, **Pankaj Ghiya & Associates**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Pankaj Ghiya)
Partner
Membership No. 111025
Place : Ahmedabad
Date : April 5, 2012

Place : Ahmedabad
Date : April 5, 2012

Cash Flow Statement for the Year ended on 31st March, 2012

(₹ In Lacs)

	Particulars	2011-12		2010-11	
A	Cash flow from Operating Activities				
	Net Profit after tax and Extraordinary items		(2.87)		-
	Adjustments for :				
	Add.:				
	Depreciation	9.56		-	
	Preliminary Expenditure written off	0.29			
	Interest	25.41		-	
	Taxation	-		-	
			35.26		
	Less : Interest received	-		-	
	Operating profit before working Capital Changes		32.39		-
	Adjustment for :				
	Increase/(Decrease) in Trade Payables	90.67		16.87	
	Add: (Increase) / Decrease in Inventories	(41.22)		(11.57)	
	Add: (Increase) / Decrease in Trade & Other Receivables	16.50	65.96	0.32	5.63
	Cash generated from operations		98.34		5.63
	Interest	-		-	
	Income tax	-	-	-	-
	Net Cash from Operating Activities (A)		98.34		5.63
B	Cash flow from Investing Activities				
	Purchase of Fixed Assets	(215.90)		-	
	Capital work-in-progress	(179.63)		(179.45)	
	Advances for Capital Goods	-		-	
	Interest received	-		-	
			(36.27)		(179.45)
	Net Cash used in Investing Activities (B)		(36.27)		(179.45)
C	Cash flow from Financing Activities				
	Equity Share Capital	-		8.32	
	Preliminary Expenses	-		(0.20)	
	Interest	(25.41)		-	
	Proceeds from Long Term Borrowings	(0.13)		193.75	
	(Decrease) / increase in Short Term Loans	(39.88)	(65.42)	-	201.86
	Net Cash flow from Financing Activities (C)		(65.42)		201.86
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(3.34)		28.04
	Cash and Cash Equivalent (Opening Balance)		3.68		(24.36)
	Cash and Cash Equivalents (Closing Balance)		0.34		3.68

As per our report of even date

For and on behalf of the Board

For, **Pankaj Ghiya & Associates**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Pankaj Ghiya)
Partner
Membership No. 111025
Place : Ahmedabad
Date : April 5, 2012

Place : Ahmedabad
Date : April 5, 2012

1. Significant Accounting Policies

1.1 Accounting Policies

- (a) The Company generally follows the Mercantile System of Accounting and recognizes Income & Expenditure on accrual basis, except otherwise stated.
- (b) The financial statements are prepared on historical cost basis and following the generally accepted accounting principles.

1.2 Use of Estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

1.3 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined on first-in first-out (FIFO) basis. The cost of finished goods comprises of raw materials, direct labour, other direct costs and related production overhead, but excludes interest expenses. Net realizable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

1.4 Revenue Recognition

Sales are recognized on transfer of significant risks and rewards of ownership to the buyer.

Sales are net of trade discounts but exclude Excise duty and Sales Tax.

1.5 Fixed Assets

Fixed Assets are stated at historical costs less accumulated depreciation. All cost relating to acquisition and installation of fixed assets, if any, till the assets get ready for their intended use are capitalized.

1.6 Depreciation

Depreciation is charged under Straight Line Method in accordance with the rates and manner as specified in Schedule XIV of the Companies Act, 1956.

1.7 Taxation

Provision for Income-tax is made in accordance with the tax provisions of the Indian Income Tax Act, 1961 applicable to the relevant assessment year.

Deferred tax liabilities/Assets is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

1.8 Provisions and contingent Liabilities

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

1.9 Retirement Benefits

Provision for gratuity is provided based on valuations, as at the balance sheet date. Termination benefits are recognized as expense as and when incurred. Short Term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

1.10 Foreign Currency Transactions

Transactions denominated in foreign currencies are normally recorded at exchange rate prevailing at the time of transaction.

Any income or expenses on account of exchange difference either on settlement or on translation are recognized in the Profit and Loss Account.

2. Notes on Accounts for the Year ended on 31st March, 2012

2.1 SHARE CAPITAL

	(₹ In Lacs)
	As At 31st March, 2012
Authorised Share Capital :	
Equity Share Capital	50.00
5,00,000 Equity Shares of ₹10/- each	50.00
(Previous Year : 5,00,000 Equity Shares of ₹10/- each)	
Issued, Subscribed And Paid Up Capital	
Equity Share Capital	5.00
50,000 Equity Shares of ₹10/- each fully paid up	5.00
(Previous Year : 50,000 Equity Shares of ₹10/- each fully paid up)	
Total	5.00

a) The details of shareholders holding more than 5% shares as at 31st March, 2012 and 31st March, 2011 is set out below.

Sr. No.	Name of Shareholders	As At 31st March, 2012	As At 31st March, 2011
1	Astral Poly Technik Limited - No. of Shares	42,500	42,500
	- % of Shares Held	85%	85%
2	Bhavesh Merchant - No. of Shares	7,500	7,500
	- % of Shares Held	15%	15%

2.2 RESERVES & SURPLUS

	(₹ In Lacs)
	As At 31st March, 2012
Surplus - Opening Balance	-
Add:	
Net Profit After Tax transferred from Statement of P&L	(21.71)
Amount Available for Appropriation	-
Appropriations :	
Amount Transferred to General Reserve	-
Surplus - Closing Balance	(21.71)
Miscellaneous Expenditure	
(To the extent not written off or adjusted)	
Opening Balance	(0.29)
Less: Amount written off during the year	-
Closing Balance	(0.29)
Total	(21.71)

2.3 LONG-TERM BORROWINGS

	(₹ In Lacs)
	As At 31st March, 2012
Secured	
Term Loans from Bank	99.80
Less:	
Repayable within a year considered as Other Current Liabilities	22.00
Total	77.80

- a) Term Loans Secured by way of first charge, both present and future, in respect of all the current asset of the Company and Fixed assets and further secured by personal guarantees of Directors.
- b) Repayment not to exceed 72 months including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly instalments of ₹5.50 Lacs each.

Notes on Accounts for the Year ended on 31st March, 2012

2.4 SHORT-TERM BORROWINGS

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Loans and Advances from Related Parties - Unsecured		
Astral Poly Technik Limited	33.81	104.99
Other Loans and Advances		
Corporation Bank - Current Account	3.90	-
Total	37.72	104.99

a) Other Loans and Advances consist of Credit Balance of Corporation Bank on account of Uncleared Cheques or Cheques under Reconciliation.

2.5 TRADE PAYABLES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Trade Payables for Goods Purchased	91.49	0.82
Total	91.49	0.82

2.6 OTHER CURRENT LIABILITIES

(₹ In Lacs)

	As At 31st March, 2012	As At 31st March, 2011
Share Application Money Pending Allotment (Refer Note (a) under)	4.32	4.32
Current Maturity of Long Term Loan		
Term Loan - Corporation Bank (Refer Note (b) under)	22.00	11.00
Salary Payable	0.79	-
Payable for Capital Goods	1.29	12.38
Payable for Expenses	17.01	3.74
Other Payables		
VAT Payable	10.18	-
TDS Payable	3.28	0.04
Total	58.87	31.48

a) Share application money pending allotment considered as other current liabilities as the said amount is due for refund.

b) Repayment not to exceed 72 months including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly installments of ₹5.50 Lacs each.

2.7 FIXED ASSETS

(₹ In Lacs)

Assets	Gross Block				Depreciation			Net Block	
	As At 01.04.2011	Additions	Deduction / Adjustments	As At 31.03.2012	As At 01.04.2011	For The Year	As At 31.03.2012	As At 31.03.2012	As At 31.03.2011
Plant & Equipments	-	184.24	-	184.24	-	7.89	7.89	176.35	-
Laboratory Equipments	-	18.77	-	18.77	-	0.50	0.50	18.27	-
Computers	-	1.73	-	1.73	-	0.26	0.26	1.47	-
Office Equipments	-	0.35	-	0.35	-	0.02	0.02	0.33	-
Furniture & Fixtures	-	10.51	-	10.51	-	0.59	0.59	9.92	-
Assets Below ₹5000/- :									
Furniture & Fixtures	-	0.10	-	0.10	-	0.10	0.10	-	-
Plant & Equipments	-	0.19	-	0.19	-	0.19	0.19	-	-
Office Equipments	-	0.02	-	0.02	-	0.02	0.02	-	-
Capital Work In Progress									
Pre-operative Expenses	179.63	3.63	183.26	-	-	-	-	-	-
Total	179.63	219.53	183.26	215.90	-	9.56	9.56	206.35	179.63
Previous Year	0.18	179.45	-	179.63	-	-	-	179.63	0.18

Notes on Accounts for the Year ended on 31st March, 2012

2.8 LONG TERM LOANS AND ADVANCES

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Unsecured considered good		
Deposit - National Savings Certificates	0.20	0.20
Total	0.20	0.20

2.9 INVENTORIES

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Raw Materials	37.99	11.57
Packing Materials	14.79	-
Total	52.79	11.57

2.10 CASH AND CASH EQUIVALENTS

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Balances with banks	-	3.55
Cash on hand	0.34	0.13
Total	0.34	3.68

2.11 SHORT TERM LOANS AND ADVANCES

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
(Unsecured, Considered Good)		
Others Advances		
Prepaid Expenses	0.23	-
Supply of Goods & Rendering of Services	1.66	3.13
Capital Advance	-	0.04
Deposit - Others	0.76	-
Deposit - VAT	-	0.25
Sales Tax Receivable	-	2.91
Balance with Excise Authority	5.70	18.52
Total	8.34	24.85

2.12 REVENUE FROM OPERATIONS

	(₹ In Lacs)	
	2011-12	2010-11
Revenue from - Sale of products	318.95	-
Less: Excise Duty	59.02	-
Total	259.93	-

2.13 COST OF MATERIAL CONSUMED

	(₹ In Lacs)	
	2011-12	2010-11
Opening Stock	11.57	-
Add: Purchases	226.80	-
	238.37	-
Less: Closing Stock	52.79	-
Cost of Material Consumed	185.58	-

2.14 EMPLOYEE BENEFITS EXPENSES

	(₹ In Lacs)	
	2011-12	2010-11
Salaries and Wages	3.30	-
Staff Welfare Expenses	0.32	-
Total	3.62	-

Notes on Accounts for the Year ended on 31st March, 2012

2.15 FINANCE COSTS

	(₹ In Lacs)	
	2011-12	2010-11
Interest Expenses	24.31	-
Other Borrowing Costs	1.10	-
Total	25.41	-

2.16 OTHER EXPENSES

	(₹ In Lacs)	
	2011-12	2010-11
Power and Fuel	2.14	-
Rent Expenses	5.85	-
Stores & Spares	0.35	-
Repairs to Buildings	3.77	-
Repairs to Machinery	0.07	-
Repairs Others	0.03	-
Insurance Expenses	0.15	-
Royalty Expenses	16.94	-
Freight and Handling Charges	1.88	-
Travelling Expenses	3.57	-
Net loss on foreign currency transactions / translation	0.03	-
Auditor's Remuneration	0.15	-
Preliminary Expenditure written off	0.29	-
Other Expenses	3.41	-
Total	38.64	-

2.17 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENT

a) Previous year balances have been regrouped, rearranged and reclassified wherever required to make them comparable.

b) Details of Auditor Remuneration :

	(₹ In Lacs)	
Particulars	2011-12	2010-11
For Statutory Audit	0.15	0.10
For Service Tax	0.02	0.01
Total	0.17	0.11

c) Contingent liabilities and commitments (to the extent not Provided for)

	(₹ In Lacs)	
	As At 31st March, 2012	As At 31st March, 2011
Commitments		
Contract remaining to be executed	28.59	Nil
Total	28.59	Nil

d) Related Party Transactions :

Name of Parties and relationships

Sr. No.	Description of Relationship	Names of Related Parties
1.	Holding Company	Astral Poly Technik Limited
2.	Associates	Astral Biochem Private Limited Saumya Polymers Private Limited Kairav Chemicals Limited
3.	Key Management Personnel	Mr. Sandeep P. Engineer Mrs. Jagruti S. Engineer Mr. Bhavesh Merchant
4.	Relatives of Key Management Personnel	Mrs. Rekha B. Mehta Mr. Bipin R. Mehta Mr. Kairav Engineer Mr. Saumya Engineer

Notes on Accounts for the Year ended on 31st March, 2012

Details of related party transactions during the year ended 31st March, 2012

(₹ In Lacs)

Sr. No.	Particulars	Related Referred in 1 above	Related Referred in 2 above	Related Referred in 3 above	Related Referred in 4 above	Total
1.	Equity Share Capital					
	Astral Poly Technik Limited	-	-	-	-	-
		(3.25)	-	-	-	(3.25)
	Bhavesh Merchant	-	-	-	-	-
		-	-	(0.75)	-	(0.75)
2.	Unsecured Loans Taken					
	Astral Poly Technik Limited	-	-	-	-	-
		(104.99)	-	-	-	(104.99)
3.	Unsecured Loans Repayment					
	Astral Poly Technik Limited	79.99	-	-	-	79.99
		-	-	-	-	-
4.	Purchase of Goods					
	Kairav Chemicals Limited	-	1.47	-	-	1.47
		-	-	-	-	-
	Astral Poly Technik Limited	9.49	-	-	-	9.49
		-	-	-	-	-
5.	Sale of Goods					
	Astral Poly Technik Limited	365.83	-	-	-	365.83
		-	-	-	-	-
6.	Interest on Loan					
	Astral Poly Technik Limited	9.79	-	-	-	9.79
		-	-	-	-	-

Note: - Figures in brackets relate to the previous year.

Details of related party transactions outstanding balances as at 31st March, 2012

(₹ In Lacs)

Sr. No.	Particulars	Related Referred in 1 above	Related Referred in 2 above	Related Referred in 3 above	Related Referred in 4 above	Total
1.	Unsecured Loans					
	Astral Poly Technik Limited	25.00	-	-	-	25.00
		(104.99)	-	-	-	(104.99)
2.	Interest Payable					
	Astral Poly Technik Limited	8.81	-	-	-	8.81
		-	-	-	-	-

Note: - Figures in brackets relate to the previous year.

e) **Segment Reporting :**

The Company is engaged mainly in production of Adhesive Solvent and as such is the only reportable segment as per Accounting Standard on Segment Reporting (AS – 17) issued by the Institute of Chartered Accountants of India.

f) **Operating Lease :**

The Company is Lessee under leases under which rental expenses for the year was ₹6.20 Lacs (Including ₹0.35 lacs transferred to pre-operative expenses) (Previous Year : ₹3.15 Lacs). The Company has not executed any non-cancelable lease agreement.

Notes on Accounts for the Year ended on 31st March, 2012

g) Earnings Per Share

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Profit After Tax (₹ In Lacs)	(21.71)	-
Weighted Average No. of Equity Shares Outstanding	50,000	50,000
Basic & Diluted Earnings Per Share (In ₹) (Face Value of ₹10/- each)	(43.42)	-

h) Component of Deferred Tax Liabilities (Net) are as under

	As At 31st March, 2012	(₹ In Lacs) As At 31st March, 2011
Deferred Tax Liabilities		
Difference between block and tax depreciation	18.86	-
Less : Deferred Tax Assets		
Provision for Employee Benefits	0.02	-
Total	18.84	-

i) There are no dues to Micro and small Enterprises as at 31st March, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

j) As none of the Employees has completed full year of service during the reporting year, hence provision of gratuity has been worked out by the company on accrual basis.

k) Value of Imports calculated on CIF Basis

i) CIF Value of Imports

	2011-12	(₹ In Lacs) 2010-11
Capital Goods	-	64.90

ii) Expenditure in foreign currency

	2011-12	(₹ In Lacs) 2010-11
Royalty	16.94	-
Travelling	3.15	2.41

l) Additional disclosures on the bases of Nature of Activities

i) Broad Heads of Raw Materials Consumed

Particulars	2011-12		2010-11	
	₹ In Lacs	%	₹ In Lacs	%
Chemicals	131.01	70.60	-	-
Others	54.57	29.40	-	-
Total	185.58	100.00	-	-

ii) Broad Heads of Manufactured Goods

Particulars	Sales Value		Closing Inventory	Opening Inventory
	2011-12	2010-11		
Adhesive Solutions	259.14	-	-	-
Others	0.78	-	-	-
Total	259.92	-	-	-

Notes on Accounts for the Year ended on 31st March, 2012

m) **Details of consumption of imported and indigenous items**

Sr. No.	Particulars	2011-2012		2010-2011	
		Value in Lacs	% of Total Consumption	Value in Lacs	% of Total Consumption
1.	Imported				
	Raw Materials	-	-	-	-
	Stores & Spares	-	-	-	-
	Total	-	-	-	-
2.	Indigenous				
	Raw Materials	185.58	99.81	-	-
	Stores & Spares	0.35	0.19	-	-
	Total	185.93	100.00	-	-

As per our report of even date

For, **Advanced Adhesives Limited**

For, **Pankaj Ghiya & Associates**
Chartered Accountants

(Sandeep P. Engineer) (Jagruti S. Engineer)
Director Director

(Pankaj Ghiya)
Partner
M. No. 111025
Place : Ahmedabad
Date : April 5, 2012

Place : Ahmedabad
Date : April 5, 2012

HIGHLIGHTS OF THE YEAR



Commercial production started at Dholka plant



Commercial production of IPS Weld-On (PVC) solvent cement started.



Commercial production of Astral Bendable started successfully



Column pipe introduced in Indian market

BRANDING AND MARKETING ACTIVITIES

Bathroom without compromise





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2 BACKSTOP PREVENTS TRANSITION FROM THE FLOOR TO THE DRAINAGE AREA OF THE EXTENSION

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Wash-basin traps



Urinal traps



4 Color variant



M1204 M1200

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- Wash-basin traps
- Sink traps
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- WC accessories
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