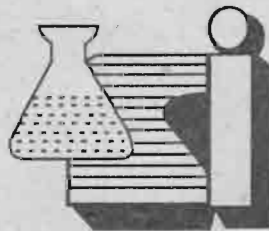
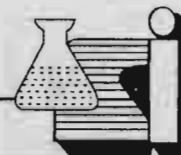


**23rd
ANNUAL REPORT
2011 - 2012**



SHREYAS INTERMEDIATES LIMITED



23rd Annual Report 2011 - 2012

BOARD OF DIRECTORS

Shri Dinesh Sharma	Chairman
Shri Brahmanand Dabas	Director (upto 19.04.12)
Prof. (Mrs.) Neelam Arora	Director
Shri Ramchandra Dhondu Ghanekar	Whole Time Director (From 05.04.11)
Shri Shankerlal Sharma	Director (From 07.04.12 to 31.07.12)
Shri Govind Krishna Sharma	Director (From 07.04.12)

REGISTERED OFF. & FACTORY

Plots Nos. D-21, D-22 and D-23,
MIDC Industrial Estate,
Lote Parshuram, Taluka Khed,
District: Ratnagiri - 415722
Maharashtra.

BANKERS

Bank of Baroda
State Bank of India

STATUTORY AUDITORS

Sayeed Khan & Associates
Chartered Accountants

CORPORATE OFFICE

122-125, 'Solaris - II',
Saki - Vihar Road,
Powai, Andheri (East),
Mumbai 400 072

Registrar & Transfer Agents

M/s. System Support Services
09, Shivai Industrial Estate,
Near Parke Davis
89, Andheri - Kurla Road
Sakinaka, Mumbai - 400 072

23rd ANNUAL GENERAL MEETING

Date	: 30th March 2013
Day	: Saturday
Time	: 12 Noon
Place	: D-21, D-22, D-23, M.I.D.C., Lote Parshuram, Taluka Khed, District Ranagiri-415722 Maharashtra

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SHREYAS INTERMEDIATES LTD.

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of Shreyas Intermediates Limited will be held on Saturday, the 30th March, 2013 at the Registered Office of the Company at Plots Nos. D-21, D-22 and D-23, MIDC Industrial Estate, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra-415722 at 12.00 Noon to transact the following business.

A) ORDINARY BUSINESS

- 1) To consider and adopt the Directors' Report, the audited Balance Sheet as at 30th September 2012, and Profit and Loss Account for the year ended on 30.09.2012 and Auditors' Report thereon.
- 2) To appoint a Director in place of Mrs. Dinesh Sharma who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint Sayeed Khan & Associates, Chartered Accountants, as the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

B) SPECIAL BUSINESS

- 4) To consider and if thought fit, to pass, with or without modification, the following resolution as a **Ordinary Resolution**.

"RESOLVED THAT Mr. Govind Krishna Sharma whose term of office as an Additional Director of the Company expires at this annual general meeting and in respect of whom the company has received a notice under section 257 of the Companies Act 1956, from a member proposing the candidature of Mr. Govind Krishna Sharma for the office of Director be and is hereby appointed a director of the Company whose period of office will be liable to determination by retirement by rotation."

By Order of the Board
For SHREYAS INTERMEDIATES LTD.

Place: Mumbai
Date: March 2nd, 2013

CHAIRMAN

23rd Annual Report 2011 - 2012

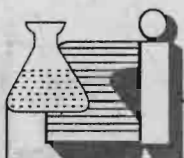


NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) The instrument appointing a proxy must be deposited with the company at its Registered Office, not less than 48 hours before the time for holding the Annual General Meeting.
- 3) The notice of Annual General Meeting will be sent to those members whose name appears on the register of members as on 20.03.2013.
- 4) The Register of Members of the Company and Share Transfer Books of the company will remain closed from **21st March, 2013 to 30th March, 2013** (both days inclusive).
- 5) Members are requested to:
 - (a) Notify the change in address if any, with Pin Code Numbers immediately to the Company. (In Case of shares held in physical mode).
 - (b) Bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
 - (c) Quot their Registered Folio Number/DP and Clients ID Nos. in all their correspondence with the company or its Registrar and Share Transfer Agent.
- 6) Consequent upon the introduction of Section 109A of the Companies Act, 1956, Shareholders desirous of making a nomination are requested to send their requests in Form 2B in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the company.
- 7) Corporate members are requested to send a duly certified copy of board resolution/power of attorney authorizing their representative to attend and vote at the Annual General meeting.
- 8) Members having any question on accounts are requested to send their queries at least 10 days in advance to the company at its registered office address to enable the company to collect the relevant information.
- 9) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company during office hours on all working days except Saturdays between 11.00 am and 1.00 pm up to the date of Annual General Meeting and the same will be available for inspection at the Annual General Meeting.
- 10) The Ministry of Corporate Affairs has taken a **"Green Initiative in the Corporate Governance"** by allowing paperless compliances by the Companies after considering Sections 2,4,5 and 81 of the Information Technology Act, 2000, for legal validity of compliances under Companies Act through electronic mode. Under the Information Technology Act, 2000, service of documents in electronic mode is permitted. Also the acceptable mode of service of documents under 'Certificate of Posting' has recently been discontinued by the Department of Posts.

The Ministry of Corporate Affairs has further clarified that a Company would have complied Section 53 of the Companies Act, 1956, if the service of the document has been made through electronic mode provided that the Company has obtained email addresses of its members for sending the notice/ documents through email by giving an advance opportunity to every shareholders to register their email address and changes therein from time to time with the company. In case where any member has not registered his email address with the company, the service of documents etc will be affected by other modes of service as provided under Section 53 of the Companies Act, 1956. (Reference: Ministry of Corporate Affairs Circular no. 17/2011, dated April 21, 2011)

Keeping in view of the theme underlying the circular issued by MCA, the company shall send documents like,



SHREYAS INTERMEDIATES LTD.

notice calling for Annual General Meeting, Audited Accounts, Directors Report, Auditors Report, etc. from the year ended September 30th, 2012 onwards and other communications, in electronic form, to email addresses of those members which are available in the records of the company and/or made available to us by the Depositories. In case you desire to receive the documents mentioned above in physical form or change of register email address, you are requested to kindly send an e-mail to info@shreyasintermediates.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item no. 4

Mr. Govind Krishna Sharma, who was appointed by the Board of Directors in their meeting held on 8th April, 2012 under section 260 of the Companies Act, 1956 to hold office as such director till the date of this Annual General Meeting. The company has received a notice under section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the company. The resolution is proposed in the notice at Item No-4 for the approval of the members.

None of the directors is interested in the resolution.

ADDITIONAL INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

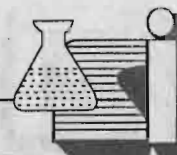
Mrs. Dinesh Sharma, aged about 55 years, is a Chartered Accountant and LLB has more than 32 years of varied experience in different fields and 21 years experience in chemical industry. Mr. Sharma is a director of DEFT Holdings Private Limited, Parshuram Intermediates Private Limited and is not a partner of any firm.

By Order of the Board
For SHREYAS INTERMEDIATES LTD.

Place: Mumbai
Date: March 2nd, 2013

CHAIRMAN

23rd Annual Report 2011 - 2012



DIRECTORS' REPORT

To,
THE MEMBERS,

Your Directors submit herewith the Twenty Third Annual Report together with Audited statement of accounts for the year ended on 30/09/2012.

FINANCIAL RESULTS

Amount in Rupees (in Lacs)

Financial Results	2011-12	2010-11
Gross Income	12587.31	17748.14
Profit/(Loss) before Interest and Depreciation	(561.18)	279.77
Less-Interest	1303.62	1206.40
Profit/(Loss) before Depreciation	(1864.80)	(926.63)
Less-Depreciation	576.53	575.91
Profit/(Loss) before Tax	(2441.33)	(1502.54)
Less-Provision for tax	—	---
Profit/ (loss)After Tax for the year	(2441.33)	(1502.54)
Less-Deferred Tax Adjustment	—	---
Balance brought forward	111.38	1613.92
Profit available for Appropriation	(2329.96)	111.38

DIVIDEND

In view of the loss for the year, the directors of the company have not recommended any dividends on the equity shares.

REVIEW OF OPERATIONS

The Working capital remained a challenge for the Company. Having drained out practically all the working capital to the payment of interest and Installments to the banks, the Banks had taken the Company to the CDR Forum. The CDR forum approved the scheme of rehabilitation on 25th March, 2011. The Banks however are still in the process of trying to implement and are being pursued for implementation. Without the implementation the moratorium also has expired and the Banks have been demanding repayment without implementation of the scheme. The Company has taken the non implementation at proper for a and is trying to get what is legally due to it. In ansence of the package and Banks not sticking to rule the running is a challenge and the Company has recorded a lower turnover of Rs.12587.31 lacs as against the turnover of Rs 17748.14 lacs in the corresponding previous year. There was loss after tax of Rs. 2441.33 lacs as against loss after tax at Rs.1502.54lacs in the previous year. The directors are hopeful that the company would come out of red in if the bankers lend a helping hand. The Demand for Company's products continues to remain moderate and paucity of funds only hamper the activity. The Implementation of the strategic cost management initiatives has resulted in improving productivity significantly.



SHREYAS INTERMEDIATES LTD.

PRODUCTION AND PERFORMANCE

The Company has produced Pigments to match international quality. The production achieved during the year was 4128 tons of Pigment. The Capacity utilization in this product was 12.90 %. However the Pigment capacity utilization was low on account of the paucity of funds which mainly have been deployed in the past for interest payment and Installment repayment to Banks when even the plant of the Company was not completed. The Company hopes to achieve decent capacity utilization if the funds are replenished.

MARKET

The demand for the product of the Company has shrunk a bit because of the lowering of demand of the print media. However the Company has alternative plans to even produce the products at lower cost and survive in the market.

EXPORTS

The Company's exports to countries in Europe, Latin America and the Asian Far East were aggregated to the value of Rs.2077.06 Lacs. There was however a set back to the brand of the Company because of unsavory letters by the Banker to certain customers. The Company is a little challenged because of this letters. However it is hopeful to overcome the name it has earned and regain the niche in exports again over a little extended period of time.

LISTING

The Company's Equity Shares continue to be listed on the Stock Exchange, Mumbai (BSE). The Company has paid the requisite Annual Listing Fees for the years 2011-12 to the above Exchange. The Company's Shares continue to be regularly traded on the exchange.

COMPULSORY DEMATERIALISATION OF COMPANY'S SHARES

The Company's Equity Shares were compulsorily dematerialized and as such the Company's Shares continue to be traded in the electronic form as per the relevant SEBI guidelines.

DIRECTORS

Mrs. Dinesh Sharma retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

During the year Mr. Brahmanand dabas has resigned as directors with effect from 19.04.12, the board appreciated the contribution made by him during his tenure as directors. Mr. Shankerlal Sharma was appointed on 07.04.12 & has resigned with effect from 31.07.12 for personal reasons. Mr. Govind Sharma was appointed as an additional on 07.04.12 to hold office upto the date of this Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies (Amendment) Act, 2000, with respect to Directors' responsibility statement, it is hereby confirmed:

- 1) That in the preparation of the accounts for the financial year ended 30th September, 2012; the applicable



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accounting standards have been followed along with proper explanation relating to material departures.

- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the company for the period under review:
- 3) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4) That the Directors have prepared the accounts for the financial year ended 30-09-2012 on a going concern basis.

CORPORATE GOVERNANCE

The Company has complied with the requirements of Corporate Governance, as applicable to the Company, during the period under report, as per the amended Listing Agreement with the Bombay Stock Exchange. The Report on Corporate Governance together with the Auditor's Report thereon, is annexed hereto in accordance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

AUDITORS

M/s. Sayeed Khan & Associates, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, retire at ensuing Annual General Meeting and are eligible for re-appointment.

COST RECORDS AND COST AUDIT

Till the year 2011, cost records were made compulsory U/S Sec 209 (1)(d) of the companies Act, 1956 and no company specific cost audit was ordered in case of your company by the Central Government. Now in terms of the companies (Cost Accounting Records) rules 2011 and the companies (Cost Audit Report) rules, 2011 both dated 3rd June 2011, the company is liable to maintain cost records as well as will have to undertake independent cost audit from practicing Cost and Works Accountant. The company is in the process of appointing required cost accountant for undertaking of the cost audit in due compliance of the aforesaid rules.

EMPLOYEES

As on date, none of the employees of the company fall within the purview of the provision of the section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, and Companies (Particulars of Employees) Amendment Rules, 2011,

Relations between the management and its employees have been cordial. Your Directors place on record their appreciation of the efficient and loyal services rendered by the employees of the Company at all levels.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is appended hereto as Annexure 'A' and forms part of this Report.



SHREYAS INTERMEDIATES LTD.

AUDITOR'S REPORT

1. Observation by the auditor at point no 2 (i)- The Company is following up with the appropriate authorities the non implementation of the CDR package. It is hopeful of showing to the authorities the relevant RBI guidelines to the bankers so that the scheme is implemented.
2. The trial run batches are non moving. These will be tried to be rectified or else dealt with appropriately.
3. The gratuity liability is being paid as and when it is arising. The Company has also asked for an actuarial help. However the lean position of the Company necessitates to be frugal with expenses. There however are no unpaid gratuity or any unpaid workmen dues.

ACKNOWLEDGEMENT

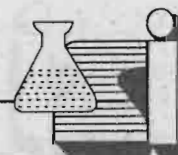
Your Directors place on record their appreciation of the support received from the Company's Bankers and Shareholders and look forward to their continued support and goodwill.

By Order of the Board
for SHREYAS INTERMEDIATES LTD

Place : Mumbai
Date : March 2nd, 2013

DINESH SHARMA
CHAIRMAN

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ANNEXURE "A" - disclosure of particulars Rules, 1988

Information required under the Companies (Disclosure of particulars in the Report of the Board of Directors), Rules 1988.

CONSERVATION OF ENERGY

By detecting energy waste on the shop floor, furnace and implement remedial measures the energy was saved. Inefficient use of energy in utilities items like Pumps and Compressors etc. was checked.

Total energy consumption per Kilogram of products 1.03 that amounted to Rs.7.18 per kilogram and 1.74 Unit of Furnace Oil / Brickket amount to Rs.9.08 per kilogram.

TECHNOLOGY ABSORPTION:

Continuous efforts are on to produce materials more efficiently. Efforts are being made for semi- automation of some of the machines. Continuous efforts are on to produce products creating less effluent and getting product of higher quality. New methods of drying have been installed in the factory resulting in the final products being of superior quality whereby the products of the Company enjoy a better image over other available in the market. Further efforts are on to minimize the levels of effluent and to get better quality still superior.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	(Rs. in Lacs)	(Rs. in lacs)
	2011-12	2010-11
Total Foreign Exchange earned	903.99	1152.79
Total Foreign Exchange used	58.54	322.26

FORM A (See Rule 2)

Form for disclosure of particulars with respects conservation of energy etc.
Power and fuel consumption:

		2011-12	2010-11
Electricity:			
Unit Amount (Rs. in Lacs)		42.42	45.17
Total Amounts (Rs. in Lacs)		295.63	280.71
Rate / Unit		6.97	6.21
Coal :			
Quantity		72.00	94.32
Total Amount		376.09	410.24
Rate / Unit		5.22	4.35
Consumption per unit of Production			
Electricity	Unit/Kg	1.03	0.64
Coal	Kg/Kg	1.74	1.34

FORM B (See Rule 2)

TECHNOLOGY ABSORPTION:

Please see point B above

By Order of the Board
for SHREYAS INTERMEDIATES LTD

Place: Mumbai
Date : March 2nd, 2013

DINESH SHARMA
CHAIRMAN