



**39th Annual Report
January-December 2011**

INEOS ABS (India) Limited

Board of Directors	Dr. Gerhard Franken Mr. R S Agrawal Mr. Andrew Pizzey Mr. S M Kulkarni Mr. Jal R Patel Mr. Ravindra Kulkarni	Chairman Managing Director Director Director Director Director
VP (Finance)	D. J. Shah	
Company Secretary & VP (Legal)	S. M. Vaishnav	
Statutory Auditors	M/s. Price Waterhouse, Mumbai.	
Bankers	State Bank of India ICICI Bank	
Registered Office	6th Floor, ABS Towers, Old Padra Road, Vadodara - 390 007. Phones : 0265-2355861-63, 2355871-73. Fax : 0265-2341012, 2355860, 2355950, 2355960.	
Works	51, GIDC Industrial Estate, Nandesari - 391 340 Dist. Vadodara Phones : 0265-2840319, 2840285, 2840559, 2841010 Fax : 0265- 2840827	
Katol Plant	Halol-Kalol Road, Katol -389 330, Taluka Kalol, Dist. Panchmahal, Gujarat Phones : 02676-235980, 235891, 235802, 235803. Fax : 02676 – 235518	
Delhi Office	8-A, Gopala Tower, 25, Rajendra Place, New Delhi - 110 008 Phones : 011-25712650, 25729515, 25712727 Fax : 011-25756494	
Mumbai Office	403, Advent Atria, Chincholi Bunder Road, Malad (West), Mumbai - 400 064 Phones : 022-28813262/64, Fax : 022-28813265	
Bangalore Office	Unit 4 & 5, 2nd floor, Above Big Kids Kemp, Ramanashree Arcade No. 18, M. G. Road, Bangalore - 560 001 Phones : 080-25596516, 25525285, Fax : 080-25580508	
Ahmedabad Office	404, Satkar, Nr. Swagat Char Rasta, C. G. Road. Ellisbridge, Ahmedabad - 380 006 Phones : 079-26446877-78, Fax : 079-26442013	
R & D Centre & Moxi Plant	Sankarda-Bhadarva Road, Post : Poicha - 391 350 Tal.: Savli, Dist.: Vadodara Phones : 02667-244350, 244370, 244380, Fax : 02667 - 244340	

Members are requested to direct all correspondence relating to share matters to the Company's Registered Office or to Share Transfer Agent, M/s. Link Intime India Private Limited, B -102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020. Phone : 0265-2356573 Fax : 0265-2356791 E-Mail : vadodara@linkintime.co.in

NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the members of the Company will be held on 24th April, 2012 (Tuesday), at 11.00 a.m. at the Registered Office of the Company at ABS Towers, Old Padra Road, Vadodara – 390007, to transact the following business:

(A) ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st December, 2011, Profit and Loss Account and Cash Flow Statement for the year ended on that date and report of the Directors' and Auditors' thereon.
2. To declare dividend on ordinary shares, if any.
3. To appoint a Director in place of Mr. Ravindra Kulkarni, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Myung Suk Chi, who was appointed as a director to fill in the casual vacancy caused by resignation of Mr. Andrew Pizzey and whose term of office expires at the ensuing Annual General Meeting and who offers himself for appointment as a Director of the company, liable to retire by rotation.
5. To consider appointment of M/s. B S R & Co., Chartered Accountants, Mumbai, as Statutory Auditors of the Company.

(B) SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provision of Section 21 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Registrar of Companies, Gujarat, consent of the Company, be and is, hereby granted to change the name of the Company from "INEOS ABS (India) Limited" to "STYROLUTION ABS (INDIA) LIMITED" or such other name as may be made available by the Registrar of Companies, Gujarat.

FURTHER RESOLVED THAT the approval, be and is, hereby granted to amend the Clause No.1 of the Memorandum of Association and of Articles of Association respectively to suitably reflect the change in the name as proposed and also replace the name 'INEOS' by 'STYROLUTION' wherever applicable."

Registered office :
6th floor, ABS Towers,
Old Padra Road,
Vadodara-390007
March 1, 2012

By order of the board
For INEOS ABS (India) Limited

S M Vaishnav
Company Secretary & VP (Legal)

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 / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxy form should be deposited with the Company at its registered office not less than 48 hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting. A blank proxy form is enclosed.
2. An explanatory statement relating to Item No. 6 as required under Section 173(2) of the Companies Act, 1956, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 16th April, 2012 to Friday, 20th April, 2012 (both the days inclusive).
4. The Members are requested to notify immediately any change in their address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID No. and to Link Intime India Pvt. Limited, the Company's Registrars and Transfer Agent in respect of their physical shares, quoting Folio No.
5. Payment of dividend as recommended by the Directors, if declared at the meeting, will be made on or after 4th May, 2012, to the members whose names stand on the Company's Register of Members on 16th April, 2012 and to the Beneficial Owners as per the Beneficiary list at the close of business hours on 13th April, 2012, provided by the National Securities and Depository Limited and Central Depository Services (India) Limited.

6. Payment of Dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centres by crediting the dividend amount to the Bank of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under RBI centres, who have not furnished requisite information and who wish to avail the NECS facility to receive dividend from the Company, may furnish the information to Link Intime India Pvt. Ltd, the Registrars and Transfer Agents. The members holding shares in electronic form may furnish the information to their Depository Participants, in order to receive dividend through NECS mechanism.
7. Pursuant to the provisions of Section 205C of the Companies Act, 1956, the amounts of dividends remaining unclaimed for a period of seven years are to be transferred to the Investors' Education and Protection Fund as tabled below :

Financial Year	Div Rate(%)	In Rs.	Last date for claiming
2004	25	2.50	12 th May, 2012
2005	25	2.50	5 th May, 2013
2006	30	3.00	4 th May, 2014
2007	30	3.00	4 th April, 2015
2008	25	2.50	9 th April, 2016
2009	35	3.50	8 th May, 2017
2010	40	4.00	5 th May, 2018

Members whose dividend has remained unencashed / unclaimed for the above years, are requested to write to the Company for claiming of unpaid / unclaimed dividend before such unclaimed / unencashed dividend is transferred to the Investors' Education and Protection Fund at a specified date.

8. Members desirous of getting any information on Accounts or other items of Agenda are requested to forward his / her queries to the Company at least seven working days prior to the date of Annual General Meeting so as to enable the management to keep the information ready.
9. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. Members/proxies attending the meeting are requested to bring their copy of Annual Report with them at the Meeting and deliver the enclosed attendance slip at the entrance of the meeting hall.
11. Reappointment of Directors.

Pursuant to the provisions of Articles of Association :

- Mr. Hyung Tae Chang, Chairman / Director and Mr. Myung Suk Chi, Director, have been inducted on the Board on the 1st March, 2012, being nominee/s of Styrolution (Jersey) Limited.
- Mr. Hyung Tae Chang was appointed in the casual vacancy caused due to resignation of Dr. Gerhard Franken, a nominee of INEOS.
- Mr. Myung Suk Chi, Director, was appointed in the casual vacancy caused due to resignation of Mr. Andrew Pizzey a nominee of INEOS, and is seeking reappointment as the term of office of Mr. Andrew Pizzey expires at the ensuing Annual General Meeting.
- Mr. Ravindra Kulkarni and Mr. Myung Suk Chi are retiring at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

The brief resumes of the directors seeking appointment / reappointment and also the resume of Mr. Hyung Tae Chang who has been newly appointed in the casual vacancy and other information as per Clause 49 of the Listing Agreement with Stock Exchanges are provided herein below :

Name of Director	Mr. Ravindra Kulkarni	Mr. Myung Suk Chi	Mr. Hyung Tae Chang
Nationality	Indian	Foreign National	Foreign National
Age (Yrs.)	66	55	60
Date of Appointment	13.3.2008	1.3.2012	1.3.2012
Experience (Yrs.)	42	30	38
		Brief Profile & Work Exposure:- <ul style="list-style-type: none"> - President & Representative Director, Styrolution Korea Ltd. since Jan, 2011 - Worked as Styrenics (AKS/KS) BU Head, BASF Co. Ltd. Seoul, Korea during Aug 2006-Dec 2010. - Thermoplastic BU Deputy Head, BASF Co. Ltd., Seoul, Korea between Jul 2004-Jul, 2006 - EPS/SM Division Head, BASF co. Ltd. Seoul Korea between Oct, 2002 to Jul, 2004. - ABS Marketing Regional Manager, Senior Manager, BASF SEA Pte. Ltd Singapore between May, 1999 – Sept, 2002. - Technical Service Manager, Hyosung BASF, Seoul, Korea between June, 1994 – Apr, 1999. - Compounding / QC Manager, Hyosung BASF, Ulsan, Korea, between Nov, 1984 – May, 1994 - PS Project Team Member, TongYang Nylon, Ulsan, Korea, between Nov, 1983 – Oct, 1984 - Quality Control Specialist for tirecord, TongYang Nylon, Ulsan, Korea between Jan 1982 – Oct, 1983 	Brief Profile & Work Exposure:- <ul style="list-style-type: none"> - Present Group Vice President, BASF South East Asia Pte. Ltded Singapore. - Regional Business Unit, Styrenics Polymers, Asia Pacific including Operational Planning, Sales & Marketing, Production, Supply Chain, etc. since 2001. - Board Member and on overall Management of Hyosung Corporation during 1997-2001 - Board Member of Hyosung BASF Co. Ltd. Seoul during 1980-1997 - During 1977-1980 worked with Fohag-BASF Dept. Seoul, Korea as Manager, Chemicals and Plastic Dept. - 1974-1997 worked with Honam Petrochemical Co. Ltd. Seoul, Korea Project Engineer for Yeochun Petrochemical Complex, including Market Survey, Feasibility Study, Technology Evaluation and Contract Handling etc.,
Qualification	B.Sc., LLM	Bachelor of Science – Inha University MBA – SeoGang University	Chemical Eng., MBA (Seoul National University)
List of Public Companies in which directorship held as on 31.12.2011	<ul style="list-style-type: none"> - INEOS ABS (India) Limited. - Alternate Brand Solutions (India) Limited - Elantas Beck India Limited - Entertainment Network (India) Limited - Mahindra & Mahindra Limited - Tech Mahindra Ltd. - Chowgule Steamships Limited 	N.A.	N.A.

Committee Chairmanship / Membership held as on 31.12.2011	Audit Committee	N.A.	N.A.
	Chairman - Elantas Beck India Limited		
	Member - INEOS ABS (India) Ltd. - Entertainment Network (India) Limited - Mahindra & Mahindra Limited		
	Remuneration Committee		
	Chairman - Tech Mahindra Ltd.		
	Member - INEOS ABS (India) Ltd. - Entertainment Network (India) Limited - Mahindra & Mahindra Limited		
	Investors' Grievances Committee		
	Chairman - Elantas Beck India Limited		
	Member - Mahindra & Mahindra Limited		

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE Companies ACT, 1956, SETTING OUT THE MATERIAL FACTS RELATING TO BUSINESS UNDER ITEM NOS. 6 AS SET OUT IN THE NOTICE.

ITEM NO. 6 :

Consequent upon the formation of 50:50 Global joint venture between INEOS and BASF, bringing together key Styrenics business of the two joint venture partners worldwide effective October 1, 2011, M/s. Styrolution (Jersey) Limited (formerly known as INEOS ABS (Jersey) Limited), the acquirer, along with persons acting in concert has in terms of SEBI (SAST) Regulations 1997, made a public offer to the Shareholders of the Company, vide Offer document dated January 5, 2012.

The cash offer price was Rs. 606.81 (Rupees six hundred six and paise eighty one only) for one fully paid up Equity Share of Rs. 10 each. Total 7,03,075 nos. of Equity Shares forming 4% of the total Equity Share capital of the Company have been received unto transfer favouring Styrolution (Jersey) Ltd. Effective from 1st March, 2012, Styrolution (Jersey) Limited is holding 15,356,780 nos. of Equity Shares constituting 87.33 % of total Equity Share capital of the Company.

The Board of Directors of the Company at the meeting held on March 1, 2012 has proposed to change the name of the Company from INEOS ABS (India) Ltd. to Styrolution ABS (India) Limited or such other name as may be made available from the Ministry Of Corporate Affairs, Office of Registrar of Companies, Gujarat.

The Board of Directors are of the view that the proposed change of name would put the existing styrenics activities under independent legal entity to successfully position worldwide activities under one roof called 'STYROLUTION' in view of the recent open offer concluded and change and take over of management by Styrolution (Jersey) Limited.

In terms of Section 21 of the Companies Act, 1956, the change of name requires a special resolution and the approval of the Registrar of Companies. After the approval of Shareholders, the change of name would be complete and effective on issue of a fresh Certificate of Incorporation by the Office of Registrar of Companies, Gujarat.

Your Directors recommend the resolution as set out in item no. 6 of the notice for your approval.

With this resolution approved, accordingly, the Memorandum & Articles of association of the Company and other documents, etc. would be amended subsequently to reflect the new corporate name and STYROLUTION name will replace INEOS wherever appearing.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting herewith their 39th report together with Audited Accounts and Auditors' Report for the year ended 31st December, 2011.

Financial Performance

The financial performance of your Company for the year ended 31st December, 2011 is indicated below :

(Rs. In '000)

Particulars	2011	2010
Sales in MTs	66,714	66,292
Sales and other operating Income	9,099,761	8,160,126
Other Income	112,703	54,823
Total Income	9,212,464	8,214,949
Gross Profit before Interest, Depreciation & Tax	914,230	1,166,639
Less : Interest	-	-
Less: Depreciation	139,401	139,779
Profit Before Tax	774,829	1,026,860
Less: Provision for Tax	267,200	348,000
Less: Provision for Deferred Tax	32,035	21,440
Net Profit After Tax	539,664	700,300
Add: Balance of Profit Brought Forward	2,090,558	1,544,784
Amount Available for Appropriation	2,630,222	2,245,084
Appropriations:		
Proposed Dividend	70,343	70,343
Tax on Proposed Dividend	11,140	11,683
Transfer to General Reserve	55,000	72,500
Balance of Profit Carried Forward	2,493,739	2,090,558
EPS (Basic)	30.69	39.82
(Diluted)	30.69	39.82

Review of operations

During the year under review, the net sales amounted to Rs. 909.98 Cr. (Prev. year Rs. 816.10 Cr.). The Operating profit of the Company after accounting relevant expenses amounts to Rs. 91.42 Cr. reflecting a decrease by 21.63 % (Prev year Rs. 116.66 Cr.) and the net profit has decreased to Rs. 53.97 Cr. (Prev. year Rs.70.03 Cr.).

The earning per share has decreased to Rs. 30.69 from Rs. 39.82 last year.

During the year, Company has not increased its share capital and it remains unchanged at Rs 17.58 Cr.

Your Board of Directors is pleased to record Company's debt free status, for the ninth year in succession.

Your Company has faced very credibly during the year inspite of tremendous volatility in raw material prices. While Acrylonitrile moved between 2800 US\$ to 1800 US\$, Butadiene moved between 4200 US\$ and 1700 US\$. Styrene though was relatively stable and moved between 1500 US\$ to 1300 US\$. Such kind of volatility has created a huge pressure on the pricing and margins specially in the last quarter of the year where in addition there was a sudden change/s in the raw material/s prices and sudden depreciation of INR by almost 20%.

With increased capacity in the current year, the Company expects to actively participate in the market and improve market share. With the technology available from Styrolution Companies your Company will be able to cater to the customers needs in a better manner.

During the year the Company has increased the capacity and further steps have been taken to increase the ABS capacity to 110 KT which will be implemented by 2014. As a first step the SAN capacity is being increased to 100 KTA and this capacity will be available in 2013.

Your Company continues to maintain its leadership position in the market.

Styrolution

Consequent upon the formation of 50:50 Global joint venture between INEOS and BASF, bringing together key Styrenics business of the two joint venture partners worldwide effective October 1, 2011, M/s. Styrolution (Jersey) Limited (formerly known as INEOS ABS (Jersey) Limited), the acquirer, along with persons acting in concert has in terms of SEBI (SAST) Regulations 1997, made a public offer to the shareholders of the Company, vide Offer document dated January 5, 2012. The cash offer price was Rs. 606.81 (Rupees six hundred six and paise eighty one only) for one fully paid up Equity Share of Rs. 10 each to acquire maximum of 2,931,920 Equity Shares representing balance 16.67% of the total Equity Share capital of the Company, which was concluded on February 6, 2012. Total 7,03,075 nos. of Equity Shares forming 4% of the Equity Share capital of the Company have been received unto transfer favouring Styrolution (Jersey) Ltd.

Change of Name

Effective from 1st March, 2012, Styrolution (Jersey) Limited is holding 15,356,780 no. of Equity Shares constituting 87.33 % of the total Equity Share capital of the Company.

The Board of Directors of the Company at the meeting held on March 1, 2012 has proposed to change the name of the Company from INEOS ABS (India) Ltd. to Styrolution ABS (India) Limited or such other name as may be made available from the Ministry Of Corporate Affairs, Office of Registrar of Companies, Gujarat and subject to approval of the shareholders.

A Special Resolution for change of name for approval of the Shareholders is proposed in the AGM Notice at item no. 6.

Dividend

The Directors of your Company are pleased to recommend a dividend of Rs. 4.00 per fully paid-up Equity Share i.e. 40 % for the financial year ended on December 31, 2011 subject to the shareholders' approval at the ensuing Annual General Meeting. Dividend once approved, will be paid to all those shareholders whose names appear in the Register of Members as on 16th April, 2012.

The register of members and share transfer books shall remain closed from 16th April, 2012 to 20th April, 2012, both the days inclusive, for the purpose of Annual General Meeting and payment of dividend.

Transfer to the Investor Education and Protection Fund

In terms of Section 205C of the Companies Act, 1956, the unclaimed dividend relating to the financial year ended on 31.12.2004 is due for transfer in the month of May, 2012 to the Investor Education and Protection Fund maintained by the Ministry of Corporate Affairs.

Contribution to the National Exchequer

A sum of Rs. 124.33 Cr. on account of central excise duty, direct and indirect taxes and state taxes was paid to the National Exchequer during the year under review.

Research and Development

The R & D centre meets with market needs helping the Company to improve upon the laid out standards. Continuous improvement in product and process studies have ultimately benefitted all concerned.

INEOSABS is geared to contribute to R & D capabilities globally and we hope to become an important hub for such related activities.

Our proven after sales services to customers, results in increased customer bonding and long term relationships.

Risk Management

Risk management and control practices have been deployed across all the functions and functional evaluation of rating probability and impact is constantly monitored under the guidance of the Managing Director. Very high ranking risks are deliberated at the Board level and mitigating steps and measures applied or to be applied are debated.

The objectives of the Company's risk management framework comprises the following :

- To identify, assess, prioritize and manage existing as well as new risks in a planned and coordinated manner.
- To increase the effectiveness of internal and external reporting structure.
- To develop a risk culture that encourages employees to identify risks and associated opportunities and respond to them with appropriate actions.

The senior management team forming part of the risk managing organization conducts an exercise every quarter internally for an ongoing risk assessment and takes measures and effective steps to mitigate / reduce impact and control the same from time to time. The Managing Director gives overall directions in controlling / mitigating risks generally and is in complete know of the organizational risk potential.

The Company has a proper system to ensure compliance of legal / regulatory rules and regulations applicable to the Company.

Health, Safety and Environmental Protection

Your Company gives highest importance to Environment and Safety, and encourages and promotes safety awareness as an integral part of the work culture.

Process Safety Management - PSM is now an integral part of any changes in the process.

Onsite emergency plans have been reviewed and updated in all divisions. Periodic mock drills are conducted at various divisions and the reports indicate improved preparedness of employees.

Apart from employees, the contractors and workmen are also given exhaustive training on safety, first-aid and fire fighting. The Company has appointed and trained safety stewards to promote safety in all divisions. A green belt in and around the premises has been maintained to enhance eco-friendliness.

Insurance

Your Company's assets are adequately insured against risk from fire, riot, earthquake, terrorism, loss of profits and other risks which are considered necessary by the management.

As an additional coverage, a statutory Public Liability Insurance Policy has been taken to cover public liability arising out of industrial accidents. INEOS ABS group has covered globally through insurance cover, the Directors' and Officers' liability under the Indian Companies Act to meet with any eventuality.

Directors

Mr. Ravindra Kulkarni and Mr. Myung Suk Chi, Director/s of the Company are to retire by rotation at the ensuing Annual General Meeting. Being eligible, they have offered themselves for reappointment and the Board recommends their reappointment/s.

Your Directors hereby confirm the compliance of conditions necessary for appointing Independent Director/s under Clause 49, amended till date, of the Corporate Governance Code prescribed under the Listing Agreement.

Auditors and their report

Comments of the Auditors in their report and the notes forming part of the Accounts are self explanatory and need no comments.

M/s. Price Waterhouse, Chartered Accountants, Mumbai, the present statutory Auditors' of the Company have expressed their unwillingness for the reappointment. Thus they will retire at the conclusion of ensuing Annual General Meeting.

Your Board of Directors after Audit Committee/s recommendation has approved the appointment of the Statutory Auditors subject to the shareholders' meeting approving the same.

M/s. BSR & Co. Chartered Accountants, Mumbai has submitted a certificate to the effect that their appointment, if any, would be in accordance with the provisions of Section 224(1B) of the Companies, Act, 1956. The Directors recommend the appointment of M/s. BSR & Co. Chartered Accountants, Mumbai as Statutory Auditors of the Company.

Consumption of energy, technology absorption and foreign exchange earnings and outgo

A statement giving details of the conservation of energy, technology absorption, and foreign exchange earnings and outgo, in accordance with 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 annexed hereto and forms part of this report.

Quality Systems and ISO certification

During the year the Company continues to observe all pre-requisites in maintaining the quality systems and standards and ISO audit methods as required under the guidelines of Quality and Environmental Management Systems for ISO certified by DQS, Germany. During the year System Assessments for ISO 9001:2008 & ISO 14001:2004 were also successfully completed.

Corporate Governance

Your Company has implemented clause 49 of Listing Agreement, popularly known as 'Corporate Governance', within the stipulated time frame and has taken effective steps to meet with its compliance standards. It also takes a proactive approach and revisits its governance practices from time to time so as to fulfill business and regulatory needs.

The Company has implemented all of the mandatory and other major stipulations as applicable to the Company.

The Statutory Auditor's Certificate in accordance with Clause 49 of the Listing Agreement and report on Corporate Governance is annexed to and forming part of the Directors' Report.

Mr. R S Agrawal, Managing Director and Mr. D J Shah, Chief Financial Officer have given a certificate to the Board as contemplated in sub-clause V of clause 49 of the Listing Agreement.

Management Discussion and Analysis

A Management Discussion and Analysis Report for the year 2011 as required under Clause 49 of the Listing Agreement is annexed and forming part of the Directors' Report.

Human Resource and Industrial Relations

The human resource development function of the Company is guided by a spirit of corporate team building and dedication towards strengthening the Company's systems thereby improving efficiencies and registering growth. All personnel continue to have a healthy, cordial and harmonious approach in problem solving and enhancing Company value at all levels. Despite severe economic trials, the enthusiasm and unstinting efforts of the employees has enabled the Company to maintain leadership in its business areas.

Particulars of Employees

Particulars of employees, as required under Sec 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, form part of this Report. However, in pursuance of Section 219(1)(b)(iv) of the Companies Act, 1956, this report is being sent to all shareholders of the Company, excluding the aforesaid information and the said particulars are being made available at the Registered Office of the Company. The members interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Directors' Responsibility Statement Pursuant to Section 217(2AA)

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors based on the representation received from the operating management, confirm that:

- I) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) they have 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 as on 31st December, 2011 and of the profit of the Company for the year ended on that date;
- iii) they 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;
- iv) they have prepared the annual accounts on a going concern basis.

Acknowledgements

Your Board of Directors thank all the stakeholders - the shareholders, customers, dealers, suppliers, bankers and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

For and on behalf of the Board

Mumbai
February 14, 2012

Andrew Pizzey
Chairman