



MISSION

To create festive shoppertainment

VISION

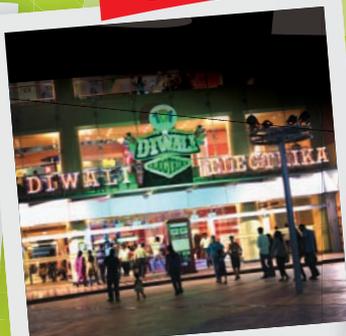
To be the most recognized shopping destination delivering the highest trading density in western suburbs

BLOCKBUSTER EVENTS

All Year Long!



Celebrating 'Eco Ganesha' with DNA



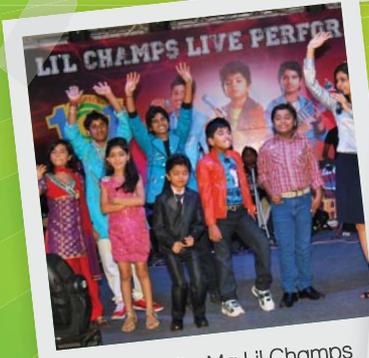
The Festival of Lights 'Diwali Electrika'



Dandiya with Rangeelo Raas



Reveling the Maharashtrian New Year on Gudi Padwa



Zee Sa Re Ga Ma Lil Champs at Growel's 101 Mall



Christmas Celebrations with Doraemon



The WOW Sale was back in 2012



Women's Day was truly a HOLI Day!



India's 1st Mall Loyalty Program 'Growel's++'



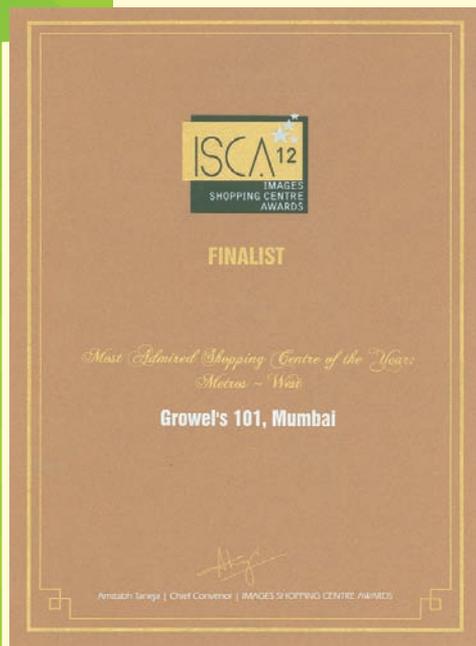
Summer Fun with Mattel's Barbie & Hotwheels



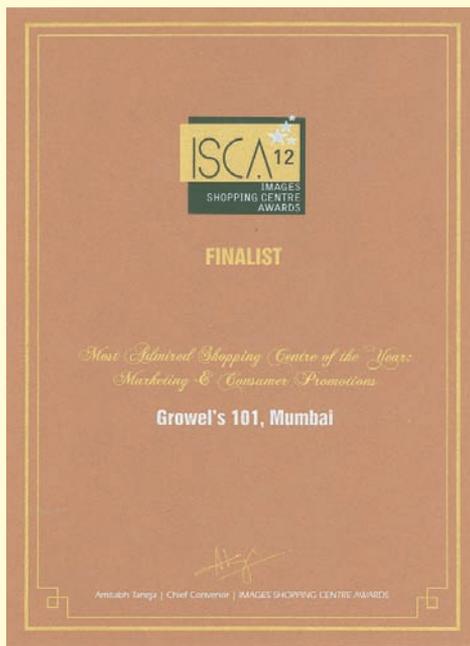
The Spectacle is Back! - Europa Calling II



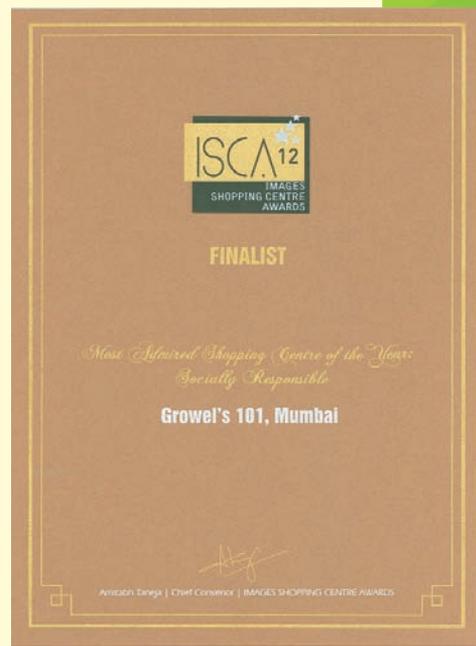
Finalists at Images Shopping Centre Awards 2012



Most Admired Shopping Centre of the Year
Metros - West



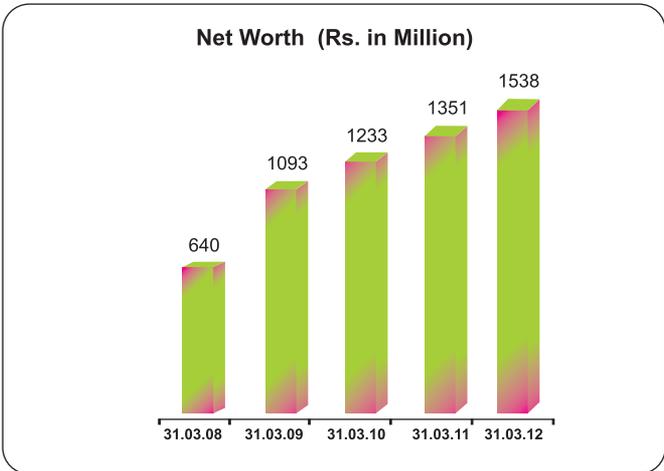
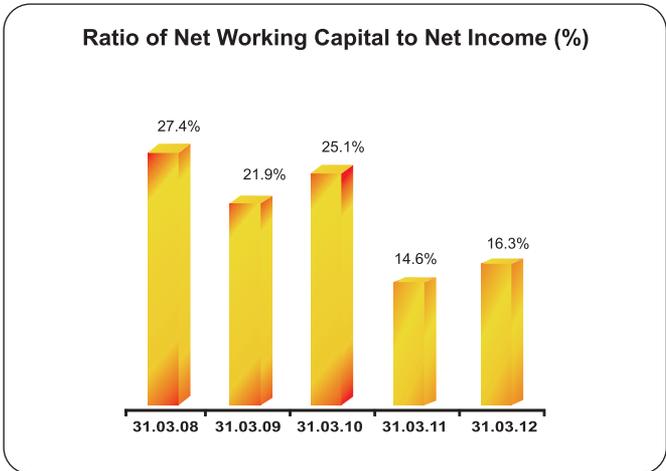
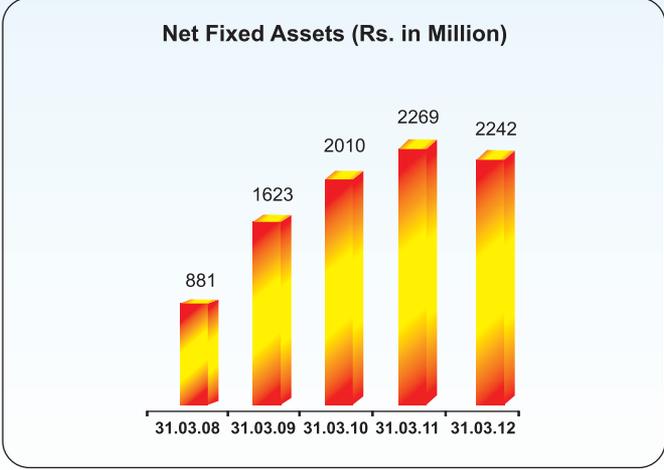
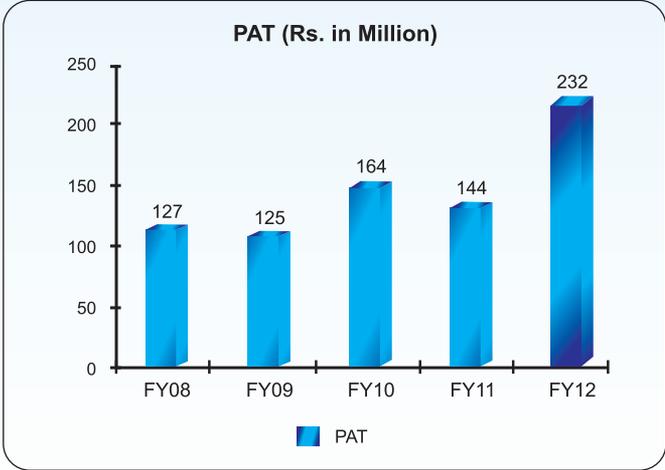
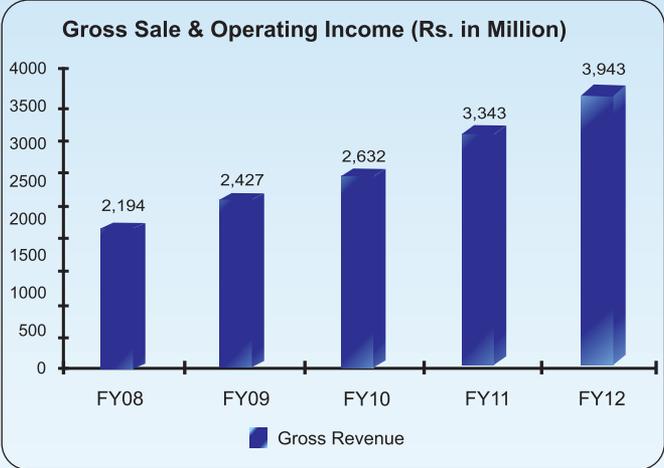
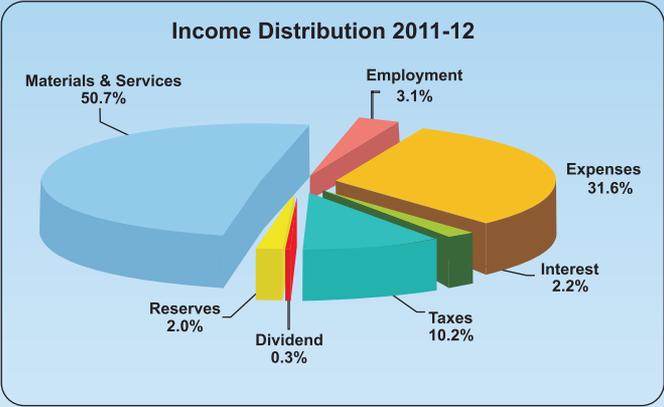
Most Admired Shopping Centre of the Year
Marketing & Consumer Promotions



Most Admired Shopping Centre of the Year
Socially Responsible



★ ★ ★ Brands at Growel's 101 Mall ★ ★ ★



BOARD OF DIRECTORS

Umeshkumar More	Chairman
Nirajkumar More	Managing Director
Rameshkumar More	Director (upto 06/07/2011)
Vinod Haritwal	CEO & Whole Time Director (w.e.f. 02/09/2011)
Suresh Pareek	Director
K. C. Srivastava	Director
Madan Mohan Chaturvedi	Director
Rohan Shah	Director (upto 05/03/2012)
Yogesh Samat	Director
Rohitkumar More	Whole Time Director

COMMITTEES**AUDIT COMMITTEE**

Suresh Pareek	Chairman
Nirajkumar More	Member
Madan Mohan Chaturvedi	Member
K. C. Srivastava	Member

SHAREHOLDERS COMMITTEE

Nirajkumar More	Chairman
Rohitkumar More	Member
K. C. Srivastava	Member
Rameshkumar More	Member (upto 06/07/2011)

SELECTION & REMUNERATION COMMITTEE

Umeshkumar More	Chairman
Suresh Pareek	Member
Madan Mohan Chaturvedi	Member
K. C. Srivastava	Member

SENIOR PRESIDENTS

Rajender Guleria	H. B. Charna
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J. M. Kevlani

PRESIDENTS

Pallavi More	Vinay Gupta
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Mala Singh Rajendra Khanolkar

SR. V.P. (CORP.) & CO. SECRETARY

Noel Jacob

SR. V.P. (COMMERCIAL)

Kamlesh Karwa

VICE PRESIDENTS

M. T. Rara	Rattan Sharma
A. V. Dabir	D. K. Bhardwaj
Dipen Parikh	Krishna Bhandari
Jagdish Kadam	Santosh Pandey
Anirudha Gore	Dipesh Mehta

M. S. Seetharam
 Sharad Jhunjunwala
 Omprakash Pakhrija
 Gopal Bagaria
 Subrata Chakraborty

AUDITORS

M. M. Nissim And Co.	Chartered Accountants
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BANKERS

Punjab National Bank	The Saraswat Co-op. Bank Ltd.
Axis Bank	Bank of Bahrain & Kuwait B.S.C.

REGISTERED OFFICE

Growel House, Akurli Road, Kandivli (East), Mumbai – 400101.

PLANTS

Dadra	Chemicals - Finished Products
Barotiwal (H.P.)	Chemicals - Finished Products
Vapi	Chemicals - Intermediates
Samba (Jammu)	Chemicals - Finished Products
Alandi (Pune)	Engineering
Chembur (Mumbai)	Paints

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 54th Annual General Meeting of the members of **GRAUER & WEIL [INDIA] LIMITED** will be held on Thursday, August 30, 2012 at 10.30 a.m. at Growel's 101 Mall, Growel House, Akurli Road, Kandivli (East), Mumbai – 400101 to transact with or without modification[s], the following businesses:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Profit and Loss Account for the year ended March 31, 2012 and the Balance Sheet as at that date together with the Report of the Directors and the Auditors thereon.
2. To declare a Dividend on Equity Shares for the year ended March 31, 2012.
3. To appoint a Director in place of Shri Umeshkumar More, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Yogesh Samat, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:

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

6. AS A SPECIAL RESOLUTION:

“RESOLVED THAT in supersession of the Resolution passed in the Annual General Meeting held on August 16, 2007, September 29, 2010 and September 30, 2011 and in accordance with the provisions of Sections 198, 269, 309 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the members be and is hereby accorded to the re-appointment of Shri Nirajkumar More, as a Managing Director of the Company for a period of 5 (five) years with effect from July 1, 2012 on the terms and conditions including remuneration payable to him, as a Managing Director and the minimum remuneration payable to him in the event of absence or inadequacy of profit in any year, as follows:

- a) **Salary and Allowances** : In the scale of Rs. 4,00,000/- to Rs. 7,00,000/- per month as may be decided by the Board from time to time.
- b) **Commission**: Upto Rs. 60,00,000/- p.a. as may be decided by the Board from time to time.
- c) **Perquisites** : In addition to the Salary and Commission, Shri Nirajkumar More shall be entitled to the following perquisites and benefits as may be decided by the Board from time to time.
 - i) Medical Allowance including reimbursement, as per the rules of the Company.
 - ii) Leave with full pay and all allowances as per the rules of the company.
 - iii) Leave Travel Concession / Allowance for self and family including dependants as per the rules of the company.
 - iv) Encashment of leave as per the rules of the company.
 - v) Contribution to Provident Fund, Super Annuation Fund and Gratuity Fund as per the rules of the company.
 - vi) Use of Cars with Drivers.
 - vii) Premium for personal accident insurance and medical insurance for self and family as per rules of the Company.
 - viii) Club fees.
 - ix) All other payments in the nature of perquisites and benefits as agreed by the Board of Directors from time to time.

In arriving at the value of perquisites, in so far as there exists a provision for valuation of such perquisites under the Income Tax Rules, the value shall be determined on the basis of the Income Tax Rules in force from time to time.

FURTHER RESOLVED THAT the Board be and is hereby authorized to fix, alter and / or vary the terms and conditions of the appointment including remuneration payable to him from time to time, provided however that the remuneration payable shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time.

Minimum Remuneration:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year, subject to the condition that the remuneration shall not exceed the limits specified in section II of Part II of Schedule XIII of the Companies Act, 1956, as in force for the time being or as amended in the future, computed on the basis of the effective capital of the company, as defined in the explanation thereto and subject to the approval of the Central Government, if required.

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

7. AS A SPECIAL RESOLUTION:

“RESOLVED THAT in supersession of the Resolution passed in the Annual General Meeting held on August 21, 2008, September 29, 2010 and September 30, 2011 and in accordance with the provisions of Sections 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the members be and is hereby accorded to the re-appointment of Shri Rohitkumar More, as a Whole Time Director of the Company for a period of 5 (five) years with effect from April 1, 2012 on the terms and conditions including remuneration payable to him, as a Whole Time Director and the minimum remuneration payable to him in the event of absence or inadequacy of profit in any year, as follows:

- a) **Salary and Allowances:** In the scale of Rs. 1,00,000/- to Rs. 2,50,000/- p.m. as may be decided by the Board from time to time.
- b) **Commission :** Upto Rs.50,00,000/- p.a. as may be decided by the Board from time to time.
- c) **Perquisites :** In addition to the Salary and Commission, Shri Rohitkumar More shall be entitled to the following perquisites and benefits as may be decided by the Board from time to time.
 - i) Medical Allowance including reimbursement, as per the rules of the Company.
 - ii) Leave with full pay and all allowances as per the rules of the company.
 - iii) Leave Travel Concession / Allowance for self and family including dependants as per the rules of the company.
 - iv) Encashment of leave as per the rules of the company.
 - v) Contribution to Provident Fund, Super Annuation Fund and Gratuity Fund as per the rules of the company.
 - vi) Use of Cars with Drivers.
 - vii) Premium for personal accident insurance and medical insurance for self and family as per rules of the Company.
 - viii) Club fees.
 - ix) All other payments in the nature of perquisites and benefits as agreed by the Board of Directors from time to time.

In arriving at the value of perquisites, in so far as there exists a provision for valuation of such perquisites under the Income Tax Rules, the value shall be determined on the basis of the Income Tax Rules in force from time to time.

FURTHER RESOLVED THAT the Board be and is hereby authorized to fix, alter and / or vary the terms and conditions of the appointment including remuneration payable to him from time to time, provided however that the remuneration payable shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time.

Minimum Remuneration:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year, subject to the condition that the remuneration shall not exceed the limits specified in section II of Part II of Schedule XIII of the Companies Act, 1956, as in force for the time being or as amended in the future, computed on the basis of the effective capital of the company, as defined in the explanation thereto and subject to the approval of the Central Government, if required.

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

8. AS A SPECIAL RESOLUTION:

“RESOLVED THAT in partial modification of Resolution No. 9 passed at the Annual General Meeting of the Company held on September 30, 2011 for the appointment of Shri Vinod Haritwal as a Whole Time Director of the Company for a period of Five Years w.e.f. September 5, 2011 and in accordance with the provisions of Section 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the approval of the members be and is hereby accorded for revision in the remuneration payable to Shri Vinod Haritwal (including the salary to be paid in the event of loss or inadequacy of profits in any financial year) with effect from July 1, 2012, during the tenure of his appointment as follows :

- a) **Salary and Allowances :** In the scale of Rs. 3,75,000/- to Rs. 6,50,000/- per month as may be decided by the Board from time to time.
- b) **Commission :** Upto Rs. 50,00,000/- p.a. as may be decided by the Board from time to time.
- c) **Perquisites :** In addition to the Salary and Commission, Shri Vinod Haritwal shall be entitled to the following perquisites and benefits as may be decided by the Board from time to time.
 - i) Medical Allowance including reimbursement, as per the rules of the Company.
 - ii) Leave with full pay and all allowances as per the rules of the company.
 - iii) Leave Travel Concession / Allowance for self and family including dependants as per the rules of the company.

- iv) Encashment of leave as per the rules of the company.
- v) Contribution to Provident Fund, Super Annuation Fund and Gratuity Fund as per the rules of the company.
- vi) Use of Cars with Drivers.
- vii) Premium for personal accident insurance and medical insurance for self and family as per rules of the Company.
- viii) Club fees.
- ix) All other payments in the nature of perquisites and benefits as agreed by the Board of Directors from time to time.

In arriving at the value of perquisites, in so far as there exists a provision for valuation of such perquisites under the Income Tax Rules, the value shall be determined on the basis of the Income Tax Rules in force from time to time.

FURTHER RESOLVED THAT the Board be and is hereby authorized to fix, alter and / or vary the terms and conditions of the appointment including remuneration payable to him from time to time, provided however that the remuneration payable shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time.

Minimum Remuneration:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year, subject to the condition that the remuneration shall not exceed the limits specified in section II of Part II of Schedule XIII of the Companies Act, 1956, as in force for the time being or as amended in the future, computed on the basis of the effective capital of the company, as defined in the explanation thereto and subject to the approval of the Central Government, if required.

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

Registered Office:

Growel House, Akurli Road,
Kandivli [East], Mumbai - 400 101

For & on behalf of the Board of

Grauer & Weil [India] Limited

Nirajkumar U. More

Managing Director

Date : 26-07-2012

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.
2. Corporate Members, Societies etc., intending to send their Authorised Representative to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from August 25, 2012 to August 30, 2012. (both days inclusive).
4. The Dividend on Equity Shares as recommended by the Directors for the year ended March 31, 2012, if declared at the Meeting of the Company will be paid on or after September 5, 2012.
 - (a) to those members whose names appear on the Company's Register of members, after giving effect to all valid share transfers in physical form lodged with Linkintime India Pvt. Ltd., Registrar and Share Transfer agent of the Company on or before August 24, 2012.
 - (b) In respect of shares held in electronic form, to those 'Deemed Members' whose names appear in the statements of beneficial ownership furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the opening hours of August 25, 2012.
5. Pursuant to the provisions of Section 205(A) read with Section 205(C) of the Companies Act, 1956, Unclaimed Dividend up to the year ended March 31, 2004 has been transferred to the Investors Education & Protection Fund (IEPF). Members are hereby informed that Dividends which remain unclaimed / unpaid for a period of 7 years from the respective dates of declaration have to be transferred to The Investors Education & Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due Date for transfer to IEPF
2004-05	06.08.2005	05.09.2012	04.10.2012
2005-06	19.08.2006	18.09.2013	17.10.2013
2006-07	16.08.2007	15.09.2014	14.10.2014
2007-08	21.08.2008	20.09.2015	19.10.2015

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due Date for transfer to IEPF
2008-09	17.11.2009	16.12.2016	15.01.2017
2009-10	29.09.2010	28.10.2017	27.11.2017
2010-11	30.09.2011	29.10.2018	28.11.2018

Members who have not yet encashed their dividend warrant(s) for the Financial Years as indicated above are requested to claim the amounts forthwith from the Company.

6. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company, at least seven days before the date of the meeting, so that the requested information can be made available at the time of the meeting.
7. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting, since copies of the Annual Report will not be distributed at the Meeting.
8. The Company has listed its shares on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 under Security Code No. 505710. The Company is regular in payment of the Listing Fees to the Exchange.
9. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below and in case their shares are held in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/s. LINKINTIME INDIA PRIVATE LIMITED

[Unit: Grauer & Weil (India) Limited]

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (West), Mumbai - 400 078.

Phones: (022) 2596 3838. Fax: (022) 2596 2691.

Email: helpline@linkintime.co.in ; URL : www.linkintime.co.in

10. (a) Members are informed that in order to avoid fraudulent encashment of dividend warrants, they should send to the Registrar and Transfer Agent of the Company, at the address given above, under the signature of the Sole / First Joint holder, the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
- (b) Members desirous of availing the facility of Electronic Credit of Dividend are requested to send NECS Form to the Registrar and Transfer Agent of the Company at the address given above. NECS form are available on the website of the Company www.growel.com
- (c) Members holding shares in dematerialized form and desirous to change or correct the Bank Account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
11. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days except public holidays between 10.00 a.m. and 12.00 noon up to the date of the Annual General Meeting i.e. August 30, 2012.
12. For the convenience of Members / Proxies and for proper conduct of the meeting, entry to the meeting venue will be permitted against attendance slips only, which is enclosed herewith in the Annual Report. Members are requested to sign at the place provided on the Attendance slip and hand it over at the entrance of the venue.
13. Members who are holding shares in Dematerialised form are requested to bring their Client ID and DP ID Numbers for easy identification at the meeting.
14. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in Dematerialised form, they must quote their DP ID and Client ID Numbers.
15. Pursuant to the Circular No. 17/2011 Dated 21.04.2011 and Circular No. 18/2011 Dated 29.04.2011 issued by the Ministry of Corporate Affairs (MCA), Company has taken a "Green Initiative in Corporate Governance" and requested / are requesting the Shareholders who hold the shares in dematerialised form, to intimate their email ID to their Depository Participant (DP) and those who hold the shares in physical form, to intimate their email ID and Folio No. by sending mail on graunweilgogreen@linkintime.co.in or by submitting filled **E-Communication Registration Form attached at the end of this Report (Also available on our website www.growel.com) to M/s. LINKINTIME INDIA PRIVATE LIMITED.** The members holding shares in electronic form are requested to register their email address with their depository participants only. Even after registering for E-Communication, shareholders are entitled to receive such communication in physical form upon specific request.
16. Securities and Exchange Board of India (SEBI) vide circular ref no.MRD/DoP/CIR-05/2007 dated April 27, 2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market / private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the company / RTA for registration of such transfer of shares.
17. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to individuals holding shares of the Company. The Nomination Form 2B prescribed by the Government can be obtained from the Secretarial Department of the Company at its Registered Office. The same is also available on the website of the Company www.growel.com.

18. An explanatory statements pursuant to section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting in annexed hereto.

LISTING REQUIREMENTS

As required under Clause 49(IV)(G) of the Listing Agreement, given below are the details of the Directors who retire by rotation and are eligible for re-appointment. (Resolutions at Item Nos. 3 & 4):

DIRECTORS RETIRING BY ROTATION:

A. Name : SHRI UMESHKUMAR MORE
 Age : 63 Years [Date of Birth: 04/11/1948]
 Qualifications : Diploma in Auto Engineering

Shri Umeshkumar More is associated with the Company for past 43 years. He has got experience of 43 years in various fields in different types of industries.

Other Directorship:

- GROWEL CORPORATE MANAGEMENT LTD.
- POONA BOTTLING CO. PVT. LTD.
- RADHAKISHAN NANDLAL PVT. LTD.
- BUBNA MORE & CO. PVT. LTD.
- WALUJ BEVERAGES PVT. LTD.
- GORAV INVESTMENT PVT. LTD.
- GROWEL GOEMA (INDIA) PVT. LTD.
- SHREE M P J CEMENT WORKS PVT. LTD.

Committee Membership : Selection & Remuneration Committee

Shareholding in the Company : 2,31,68,570 Equity Shares of Re. 1/- each.

B. Name : SHRI YOGESH SAMAT

Age : 48 Years [Date of Birth: 02/08/1963]
 Qualifications : M.B.A.

Expertise : Shri Yogesh Samat is Independent Director of the Company, has a wide exposure in Management Consultancy.

Other Directorship :

- FORESIGHT VISION CARE COMPANY PVT. LTD.

Committee Membership : NIL

Shareholding in the Company : 2,500 Equity Shares of Re. 1/- each.

Registered Office:

Growel House, Akurli Road,
 Kandivli [East], Mumbai - 400 101

Date : 26-07-2012

For & on behalf of the Board of

Grauer & Weil [India] Limited

Nirajkumar U. More
 Managing Director

Summary of Key Financial Data and Ratios for Last 5 Years

Rs. Million

Financial Year ended / As on	31.03.08	31.03.09	31.03.10	31.03.11	31.03.12
Gross Sale	2,118.76	2,332.26	2,559.99	3,213.58	3,735.50
Other Operating Income	75.55	95.21	71.66	129.16	207.79
Gross Operating Income	2,194.31	2,427.47	2,631.66	3,342.74	3,943.29
Other Misc. Income	7.06	18.12	5.02	14.16	28.51
Gross Total Income	2,201.37	2,445.59	2,636.67	3,356.90	3,971.80
Trade Discounts	196.82	196.74	225.37	287.19	346.99
Excise Duty	226.44	201.29	148.68	234.21	264.01
Net Income	1,778.11	2,047.56	2,262.62	2,835.50	3,360.81
Cost of Material	956.63	1,145.69	1,256.58	1,571.59	1,796.75
Salaries, Wages & Benefits	154.94	199.30	206.87	251.81	301.38
Other Expenses	387.41	440.78	426.81	578.48	649.51
Total Expenditure	1,498.98	1,785.77	1,890.26	2,401.88	2,747.64
EBIDTA	279.13	261.79	372.36	433.63	613.16
% to Net Income	0.16	0.13	0.16	0.15	0.18
Interest	68.79	86.46	99.07	158.21	211.91
Depreciation	37.30	40.42	43.92	72.56	98.83
Profit Before Tax (PBT)	173.04	134.91	229.37	202.86	302.43
Tax (Current, Deferred, and FBT)	46.10	9.21	65.14	58.74	70.35
Net Profit After Tax (PAT)	126.94	125.71	164.23	144.12	232.08
Equity Share Capital	127.88	226.71	226.71	226.71	226.71
Reserves & Surplus	511.68	866.12	1,006.22	1,124.14	1,311.58
Networth	639.56	1,092.83	1,232.93	1,350.85	1,538.29
Total Debt	698.06	947.25	1,283.37	1,228.63	1,146.10
Deferred Tax Liabilities	47.94	48.36	78.80	119.63	144.01
Total Sources of Funds	1,385.56	2,088.43	2,595.10	2,699.09	2,828.40
Net Fixed Assets	881.44	1,622.83	2,009.95	2,268.84	2,242.26
Investments	16.76	16.44	16.41	16.40	39.07
Current Assets	949.99	984.72	1,057.90	1,516.29	1,604.41
Less: Current Liabilities	462.63	535.55	489.16	1,102.43	1,057.34
Net Current Assets	487.36	449.17	568.74	413.86	547.07
Misc. Expenditure	-	-			
Total Uses of Funds	1,385.56	2,088.43	2,595.10	2,699.09	2,828.40
Ratios					
EPS (Rs.)*	0.99	0.55**	0.72	0.64	1.02
Book Value per Share (Rs.)*	5.00	4.82	5.44	5.96	6.79
Return on Capital Employed (ROCE)	20.1%	12.5%	14.3%	16.1%	21.7%
Return on Networth (RONW)	19.8%	11.5%	13.3%	10.7%	15.1%
Debt: Equity Ratio	1.09	0.87	1.04	0.91	0.75
Ratio of Net working Capital to Net Income	27.4%	21.9%	25.1%	14.6%	16.3%

* on face value of Rs 1/- per share

** EPS on expanded capital, post merger

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

The Company is engaged in the surface protection business and is a market leader in its field. The Company has been in existence for the last 55 years. The Company has grown steadily year on year and has posted a Net Profit after Tax of Rs. 232.10 Million for the year ended March 31, 2012 as compared to Rs. 144.20 Million for the previous year ended March 31, 2011. The Company has a high focus on the Export Market. Despite uncertainty in the Europe and USA Market, the Company has maintained a marginal growth of 8% in the Export Sales. The Company has an agreement for the technology absorption with M/s Hawkings, U.K., which is used extensively.

Item No. 6

Shri Nirajkumar More is associated with the Company since August 12, 1993 and having wide exposure in various fields of different types of industries. The Board of Directors pursuant to the resolution passed in the 49th Annual General Meeting held on August 16, 2007 authorised the Board of Directors to appoint Shri Nirajkumar More as a Managing Director of the company. Consequently the Board of Directors appointed him as the Managing Director of the Company w.e.f. November 01, 2008, by passing a resolution in the Board Meeting held on October 30, 2008.

Subsequently with the Merger of Bombay Paints Ltd. with the company and increase in duties and responsibilities of Shri Nirajkumar More from time to time, the Board with the approvals of the Members at various occasions, increased the remunerations of Shri Nirajkumar More to Rs. 1,50,000/- in the scale of Rs. 1,00,000/- to Rs. 5,00,000/- per month for the residual period of his term i.e. upto October 31, 2013.

The Board, keeping in mind the current market scenario and Remuneration packages of the other senior management personnel in the Company and to avoid any ambiguity and confusion in the mind of shareholders, decided to make a fresh reappointment of Shri Nirajkumar More as a Managing Director of the Company for a period of 5 years w.e.f. July 1, 2012 on an increased remuneration in the scale of Rs. 4,00,000/- to Rs. 7,00,000/- per month and a Commission of max. of Rs. 60,00,000/- p.a. as detailed in the Resolution.

Shri Nirajkumar More satisfies all the conditions set out in Part – I of the Schedule XIII of the Companies Act, 1956 for being eligible for the reappointment. He is not disqualified from being appointed as a Director in terms of Section 274(1)(g) of the Act.

This may be treated as an abstract / memorandum u/s 302 of the Companies Act, 1956.

In the interest of the company, the Board recommends the Resolution as set out in item No. 6 of the Notice for the approval of the members.

Shri Nirajkumar More is concerned or interested in this resolution as it relates to his own reappointment as a Managing Director of the Company. Shri Umeshkumar More being related to Shri Nirajkumar More may be deemed to be concerned or interested in the resolution. None of the other Directors of the company are concerned or interested in the resolution.

Item No. 7

The Members, by passing a resolution in the 50th Annual General Meeting held on August 21, 2008 reappointed Shri Rohitkumar More as a Whole Time Director of the company for a further period of 5 (Five) years w.e.f. August 01, 2008. The Board further, subject to the approvals of the Shareholders, increased the remuneration package of Shri Rohitkumar More from time to time.

Shri Rohitkumar More is a Mechanical Engineer, looking after the day to day operations of the engineering division at Pune and has experience of over 18 years. Keeping in mind the Remuneration packages of the other senior management personnel in the Company and responsibilities, he is shouldering and to avoid any ambiguity and confusion in the mind of shareholders, the Board decided to make a fresh reappointment of Shri Rohitkumar More as a Whole Time Director of the Company for a period of 5 years w.e.f. April 01, 2012 on a remuneration in the scale of Rs. 1,00,000/- to Rs. 2,50,000/- p.m. and a Commission of max. of Rs. 50,00,000/- p.a. as detailed in the Resolution.

Shri Rohitkumar More satisfies all the conditions set out in Part – I of the Schedule XIII of the Companies Act, 1956 for being eligible for the reappointment. He is not disqualified from being appointed as a Director in terms of Section 274(1)(g) of the Act.

This may be treated as an abstract / memorandum u/s 302 of the Companies Act, 1956.

In the interest of the company, the Board recommends the Resolution as set out in item No. 7 of the Notice for the approval of the members.

Shri Rohitkumar More is interested in the resolution as it relates to his own revision of salary. None of the other Directors of the company are in any way concerned or interested in the resolution.

Item No. 8

Shri Vinod Haritwal, a qualified Chartered Accountant and Company Secretary, with a corporate experience of over 30 years was appointed as a Whole Time Director of the Company and designated as CEO for a period of 5 (Five) years w.e.f. September 05, 2011.

The Board, after taking into account his day to day role in the management, administration and operations of the Company, decided to increased the remuneration in the scale of Rs. 3,75,000/- to Rs. 6,50,000/- per month and a Commission of max. of Rs. 50,00,000/- p.a. as detailed in the Resolution.

Shri Vinod Haritwal satisfies all the conditions set out in Part – I of the Schedule XIII of the Companies Act, 1956 for being eligible for the reappointment. He is not disqualified from being appointed as a Director in terms of Section 274(1)(g) of the Act.

This may be treated as an abstract / memorandum u/s 302 of the Companies Act, 1956.

In the interest of the company, the Board recommends the Resolution as set out in item No. 8 of the Notice for the approval of the members.

Shri Vinod Haritwal is interested in the resolution as it relates to his own revision of salary. None of the other Directors of the company are in any way concerned or interested in the resolution.

Registered Office:

Growel House, Akurli Road,
Kandivli [East], Mumbai - 400 101

Date : 26-07-2012

For & on behalf of the Board of

Grauer & Weil [India] Limited

Nirajkumar U. More
Managing Director

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their 54th Annual Report together with the Audited Annual Accounts of the Company for the financial year ended March 31, 2012.

FINANCIAL RESULTS

Particulars	2011-12	2010-11
	Rs. Million	Rs. Million
Gross Operating Revenue	3943.2	3342.7
Net Revenue	3360.8	2835.5
Earning before Interest, Depreciation, Tax & Amortizations (EBIDTA)	613.1	433.6
Profit Before Tax	302.4	202.9
Provision for Tax (FBT, Current & Deferred Tax)	70.3	58.7
Net Profit after Tax	232.1	144.1
Add: Profit brought forward from previous year	345.5	236.5
Profit available for disposal	577.6	380.6
Proposed Dividend and Tax thereon	39.5	21.1
Transfer to General Reserve	500.0	14.0
Profit carried forward	38.1	345.53

DIVIDEND

Your Board has recommended payment of Dividend for the year ended March 31, 2012 at 15% i.e. 15 paise on Equity Shares of Re. 1/- each and seeks your approval for the same.

OPERATIONS

The year under review saw a healthy growth of 18.4% in gross sales and revenues of the Company over the previous year. However the Net Profit grew at a much higher rate of 61%.

A full analysis and discussion on the business outlook is included in this Annual Report under the heading 'Management Discussion and Analysis' as Annexure A to this Report.

RESEARCH & DEVELOPMENT

R&D continues to be one of the main strengths of the Company. To enhance value addition and to improve quality standards, the Company has intensified its Research & Development work in backward integration programmes. Efforts are underway to develop new product lines in respect of surface finishes including paints, to pave the way for entry into new market segments.

The engineering division of the company is adopting new technologies for specialized processes in plating as well as waste water control.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is fully cognizant of its social responsibilities as a corporate citizen. We regularly undertake projects for the welfare and upliftment of the people, especially in the areas surrounding our operations in different parts of the country. Some of the projects were:

1. An eye check up camp and a blood donation camp were held at the Dadra plant for the benefit of local people.
2. Black boards, fans, carpets etc. were distributed in local schools in the vicinity of our Jammu plant.
3. At Dadra and Barotiwalla, the Company maintains public gardens for the benefit of local people.
4. Training workshop for neighbourhood residents to handle man-leopard conflicts was held in association with the Sanjay Gandhi National Park on June 4, 2011 to mark World Environment Day
5. 'Touch, Feel and Shop Treat' was held for the visually impaired students of the Kamla Mehta Dadar School for The Blind on the occasion of Rakshabandhan. At this event they experienced the various offerings and shopped to their heart's content. While visiting the mall they were treated to snacks and drinks. They also visited the 'Funzone' in the mall and played a lot of interesting games which they had never experienced before. The day was a great opportunity for these blind children to experience festivities in a never before way.

FIXED DEPOSITS

The Company's balance of Deposits as on March 31, 2012 was Rs. 15.88 Million (Previous year: Rs. 8.90 Million). Unclaimed Matured Fixed Deposits of Rs. 15,000/- which were not claimed as on March 31, 2012 (Previous year: Rs. 15,000/-) have been reflected in the books as payable to Investor Education & Protection Fund. The said amount shall be transferred to the Investor Education & Protection Fund on due date.

BOARD OF DIRECTORS

Shri Rohan Shah, Director of the Company has resigned from the Directorship of the Company on March 5, 2012. He was associated with the Company since March 30, 2004 and has contributed substantially to the growth and development of the Business of the Company. The Board has placed on record its appreciation for the invaluable contribution made by him during his tenure as a Director.

As per the provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Shri Umeshkumar More and Shri Yogesh Samat, Directors of your Company, retire by rotation and being eligible, have offered themselves for re-appointment.

AUDIT COMMITTEE

In accordance with the provisions of the Listing Agreement and Corporate Governance, the Company has constituted an Audit Committee. The Committee currently comprises of the following Directors viz., Shri Suresh Pareek (Chairman), Shri Nirajkumar More, Shri Madan Mohan Chaturvedi and Shri K. C. Srivastava as members. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Report.

The requisite Certificate from the Auditors of the Company confirming Compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparations of the Annual Accounts, the applicable Accounting Standards have been followed.
- b) Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012.
- c) Proper and sufficient care has been taken 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.
- d) The Annual Accounts have been prepared on a going concern basis.

SUBSIDIARY COMPANIES

The Consolidated Financial Statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable Accounting Standards. The Ministry of Corporate Affairs, Government of India vide its Circular No.5/12/2007-CL-III dated February 08, 2011 has granted general exemption under section 212(8) of the Companies Act, 1956, from attaching the Balance Sheet, Profit and Loss Account and other documents to the Balance Sheet of the Company provided certain conditions are fulfilled. Any member of the Holding and the Subsidiary Companies is entitled to seek detailed information at any point of time. The Annual Accounts of the Subsidiary Companies have also been kept for inspection by any investor at the Registered Office of the Company.

Details of the Subsidiaries are covered in this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

As stipulated by Clause 32 of the Listing Agreement with the Stock Exchange, the Consolidated Financial Statements have been prepared by your Company in accordance with the requirements of Accounting Standard 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements together with Auditor's Report thereon forms part of the Annual Report.

AUDITORS

M/s. M. M. Nissim And Co., Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a letter from them to the effect that their reappointment, if made, would be within the limits specified under section 224(1B) of the Companies Act, 1956. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2013, as set out in the Notice convening the Meeting.

AUDITORS' OBSERVATIONS

The observations of the auditors contained in their Report have been adequately dealt with in the Note '27' to the Accounts which are self explanatory and therefore, do not call for any further comments.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information pursuant to 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 are given in 'Annexure C' to this Report.

PARTICULARS OF EMPLOYEES

The information required u/s. 217(2A) of the Companies Act, 1956, read with the rules framed hereunder form part of this report. However, as per provisions of Section 219(1)(b)(iv) of the Act, the report and accounts are being sent to all the shareholders excluding the statement of particulars of employees under section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Company's Registered Office Address and the same is available for inspection by members at the Registered Office of the Company on any working days between 10:00 a.m to 12.00 noon upto the date of the ensuing AGM.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION

The Company has taken all the necessary steps for safety and environmental control and protection at all its plants. All plants of the company fully comply with the laws, regulations and requirements stipulated by the concerned Pollution Control Boards.

LISTING

The Equity Shares of the Company are at present listed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Company is regular in payment of listing fees.

APPRECIATION

The Directors wish to put on record their appreciation for the support of all our Bankers and the dedication and support of all our members and associates. Their efforts continue to be integral to our Company's ongoing success.

Registered Office:

Growel House, Akurli Road,
Kandivli [East], Mumbai - 400 101

Date : 26-07-2012

For & on behalf of the Board of
Grauer & Weil [India] Limited

Nirajkumar U. More
Managing Director

ANNEXURE – ‘A’: TO DIRECTORS’ REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

1. AN OVERVIEW OF BUSINESS PERFORMANCE

During the year 2011-12, the net revenue of the Company grew by 18.5% to Rs. 3360.8 Million (from Rs. 2835.5 Million in previous year). However, the Net Profit rose by an impressive 61%. An overview of the performance of different business segments of the Company is as under:

- a) **Chemical Segment:** Your Company continues to be the industry leader in the segment of surface treatment chemicals, their intermediates and other specialty chemicals. In the last few years, the Company has also made a foray into manufacture of Industrial Lubricants. The Company’s chemical plants at Dadra achieved certification under IMS and ISO 14000 program in addition to the plant at Barotiwala which was already certified. The plant at Jammu and Vapi is expected to achieve this status in the current year.
- b) **Engineering Segment:** Your Company is a leading manufacturers and provider of turnkey solutions for Electroplating Plants and their components, Effluent and Waste Water Treatment Plants and other engineering products, from its plant located at Alandi, Pune. On the heels of a significant growth of 142% achieved last year, the Company was not only able to maintain the higher level of sales but also managed to further grow by 17% despite intensified domestic and international competition.
- c) **Mall Segment:** The year 2011-12 was the first full year of operations of the 400000 sq. ft. shopping Mall set up by the Company at Kandivali, in western suburbs of Mumbai. The Mall achieved occupancy of 80% by the end of the year. The occupants included Hyper Market, Cinema, Departmental Stores, Life Style Stores, Restaurants, Food Court and a Recreation Center. While the general economic uncertainties posed some initial challenges, the Company was quick to respond with appropriate measures that are bringing about a rise in the footfall and trading levels.
- d) **Paints Segment:** The current year again witnessed a marginal growth in the business of Paints although some of the unprofitable contracts and products were discontinued. To break free from the stagnancy in sales for the last few years, an aggressive plan was drawn up to provide a major push to this segment of the business. This was done considering its very large potential. As a first step, the senior management team was fortified with appointment of experienced technical, marketing and operations personnel. At the same time, a major re-furbishing was undertaken at the main plant of the Company. These are being followed up with other measures discussed under future plans. The Plant at Chembur, Mumbai is ISO 14001:2004.

2. EXPORTS DEVELOPMENT

Exports continue to be a high focus area of the Company’s sales efforts. However, the economic uncertainties in Europe and USA and political instability in the Middle East posed serious challenges. Despite them, the Company managed to retain its customers and grow the export sales albeit at a marginal rate of 4%.

3. FINANCIAL PERFORMANCE

The highlights of financial performance of the Company for the year under review are as under:

- a. The Net Profit after Tax for the year increased by 61% to Rs. 232.1 Million mainly due to increased operating margin in the main business of the Company.
- b. The Company incurred total Capital Expenditure of Rs. 61.2 Million.
- c. The Long Term Borrowings decreased by Rs. 88.7 Million mainly on account of part repayment of Loans raised for the Mall project.
- d. The Working Capital (Net Current Assets) increased by 136.8 million.
- e. The Debt Equity Ratio of the Company improved to 0.85 (from 1.14).

4. OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

The continuing uncertainties in the international area, both economic and political and their consequential impact on the Indian currency combined with inflation and recessionary sentiment present a daunting challenge. Almost all the international manufacturers of Surface Treatment Chemicals are now operating in the Indian market. However, your Company’s fundamental strengths of market leadership, extensive distribution network, strong R & D and procurement strength should place it in relatively stronger position in the Chemical segment.

The Company’s recent diversification into oils & lubricants through its Joint Venture Growel Sidasa Industries Pvt. Ltd. is still in the initial ramp-up phase. The Company is slowly adding specialty lubricants to its product portfolio and entering niche market segments. These efforts will take some time to bear fruits but offer a lucrative long term opportunity.

The order book for engineering division (including some export orders) is very encouraging. However, if the current slowdown in growth continues, this division may witness deferment of investment decisions by customers. Beyond this anticipated phase, the new market synergies developed by this division provide a good opportunity for additional growth to our businesses in this field in coming years.

While the Company has taken some bold steps and entered an aggressive phase in the high potential Paints business, it is fully cognizant of the fact that this is a highly competitive business and your Company is pitched against the strengths of the giants well established in the segment. If the Company succeeds in its plans then this segment can contribute a high level of growth in its business.

The Mall division is facing the challenge of slowdown in consumer spending. Almost all Malls and organized Retail Stores have reported drop in footfalls as well as sales. Since your Company's Mall enjoys the advantage of relatively weak competition in its immediate catchment, it has been able to increase the footfall as well as sales with innovative and aggressive steps.

5. FUTURE PROSPECTS

The apparent slowdown in the growth of our economy in the past few months has adversely affected the business of industrial products being manufactured by the company for e.g. Surface Treatment chemicals, Paints, Industrial Lubricants etc. The real estate and retail markets have also been stagnant. To overcome such pressures, with a view to cut cost and standardize productions, the company has intensified its Research & Development work focused on backward integration. Special emphasis is being laid on high thrust areas like Paints and Industrial Lubricants where we are seeking to diversify into newer market segments. Efforts are underway to develop new product lines in respect of surface finishes including paints, to pave the way for entry into decorative and other synergistic market segments.

The current outlook for exports continues to be moderate in view of the prevailing recessionary trends in the world markets. The company is making all efforts to expand its network of distributors to reach hitherto virgin markets.

The engineering division of the company is adopting new technologies for specialized processes in plating as well as waste water treatment. This division has also forged alliances with some international partners creating new market synergies and has bagged orders in export markets.

The Company is in the process of setting up a new Paint manufacturing facility at Barotiwala and has undertaken an expansion plan at its Dadra plant.

6. HUMAN RESOURCES

Your Company's emphasis on Human Resources is increasing every year. New systems and measures for training, development, up gradation of quality and skills are being deployed. These plans aim to enhance and update the skills and knowledge of its human resources at all locations through many in house and external training programs.

The Company continues to link rewards with performance and success with reference to Key Result Areas. Succession planning is being used to ensure smooth transitions and career planning is used to help retain and utilize talent more meaningfully. The Company has under its employment a pool of 728 talented officers and workmen.

7. INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT FRAME WORK

The Company has appropriate internal control systems and risk management frame work and these are designed to ensure the reliability of financial and other records and accountability of executive actions to the management's authorization as well as to identify and initiate actions to mitigate risks. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that responsibilities are executed effectively. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business. To improve the efficiency and effectiveness of the internal control systems, the Company has already implemented at all its locations SAP, an ERP system which provides for checks and balances and improvements in controls. This system is expected to streamline many of the internal processes in the day-to-day operations of the Company. The internal control systems/frameworks are reviewed by the Top Management and by the Audit Committee of the Board and proper follow up actions are ensured wherever required.

8. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis, of any subsequent developments, events or information.

ANNEXURE – ‘B’: TO DIRECTORS’ REPORT REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

Corporate Governance is based on the principal of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance Practices stems from the culture and mindset of the organization.

A detailed report on implementation by the Company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with BSE Ltd. is set out below.

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

GROWEL is committed to good Corporate Governance Practices that create long term sustainable shareholders value in the true spirit, at all times. Our governance practices are a product of self desire and reflected in our strategic thought process.

The Company is fully compliant with the recommendations of the prevailing and applicable Corporate Governance Code. Our Company’s compliance with requirements is presented in the subsequent sections of the report.

BOARD OF DIRECTORS:

The Company’s Board as of date consists of 8 Directors, the Chairman being an Executive Director. As per the Listing Agreement, the Company should have 4 [Four] Independent Directors.

Your Company is in compliance with the provisions of Listing Agreement of the Stock Exchange and the Companies Act, 1956. The Board has 4 (Four) Independent Directors and has an optimum combination of Executive and Non-Executive Directors.

Shri Rohan Shah – Non Executive Independent Director has resigned w.e.f. 05.03.2012 from the Board.

The Board of your Company has 4 [Four] Executive Directors and 4 [Four] Non-Executive Directors.

During the financial year ended March 31, 2012, 7 [Seven] Board meetings were held on 07.05.2011, 15.06.2011, 06.08.2011, 02.09.2011, 30.09.2011, 07.11.2011 and 06.02.2012.

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and at last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of Directors	Category	No. of Board Meetings attended	Attendance at Last AGM	No of Other Directorships held	Outside Committee Positions held
Shri Umeshkumar More	Chairman	7	YES	8	None
Shri Nirajkumar More	MD	7	YES	9	None
Shri Rameshkumar More (upto 06.07.2011)	NED	1	N.A.	3	None
Shri Vinod Haritwal (w.e.f. 02.09.2011)	CEO & WTD	3	YES	3	None
Shri Rohitkumar More	WTD	2	YES	3	None
Shri Suresh Pareek	NED	6	NO	3	None
Shri M. M. Chaturvedi	NED	2	NO	2	None
Shri Rohan Shah (upto 05.03.2012)	NED	0	NO	1	None
Shri K. C. Srivastava	NED	6	YES	5	None
Shri Yogesh Samat	NED	3	NO	1	None

MD stands for Managing Director

CEO stands for Chief Executive Officer

NED stands for Non-Executive Director

WTD stands for Whole-Time Director

INFORMATION SUPPLIED TO THE BOARD:

Among others, this includes:

- Review of Annual operating plans of business, capital budgets and updates.
- Quarterly results of the Company and its operating divisions.
- Minutes of meeting of Audit Committee and other Committees.

- Information on recruitment and remuneration of senior officers just below the Board level.
- General notices of interests.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- Details of any joint venture or collaboration agreement.
- Sale of materials, nature of investments, subsidiaries, assets which are not in the normal course of business.
- Foreign Exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movements.
- Any materially significant effluent or pollution problems.
- Any issue which involves possible public or product liability claims of a substantial nature.
- Significant developments in the human resource and industrial relations fronts.

The Board is routinely presented with all information under the above heads, whenever applicable and materially significant. These are submitted either as part of the agenda of Board Meetings or are placed during the course of the Meeting.

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

There are no material transactions with related parties that require a separate disclosure. A comprehensive list of related party transactions as required by the Accounting Standard [AS] 18 issued by the Institute of Chartered Accountants of India, is given in 'Note 27 (O)' to the Accounts in the Annual Report.

COMMITTEES OF THE BOARD:

The Board has constituted Committees of Directors, which conform to the requirements of clause 49 of the Listing Agreement with the Stock Exchange and the Companies Act, 1956, to take informed decisions in the best interests of the Company. These Committees monitor the activities falling within their terms of reference.

AUDIT COMMITTEE:

The Company has constituted an Audit Committee at the Board level. The scope of the activities of the Audit Committee is in compliance with Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292A of the Companies Act, 1956.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors and oversees the financial reporting process of the Company.

During the financial year 2011-2012, 6 [SIX] Audit Committee Meetings were held.

The names of members of Committee and their attendance are as follows:

Name of the Members	Status	No. of Meetings Held	No. of Meetings Attended
Shri Suresh Pareek	Chairman	6	6
Shri Nirajkumar More	Member	6	6
Shri M. M. Chaturvedi	Member	6	2
Shri K. C. Srivastava	Member	6	6

All the members of the Audit Committee have Financial, Accounting and Management expertise.

The meetings of the Audit Committee are also attended by Head of Accounts Department and representatives of the Statutory Auditors.

Shri Noel Jacob, Company Secretary acts as a Secretary of the Committee.

The Chairman of the Committee was present at the Annual General Meeting held on September 30, 2011 to attend to the shareholders queries.

REMUNERATION & SELECTION COMMITTEE :

The Company has constituted a Remuneration & Selection Committee (being a non-mandatory requirement) which meets, as and when required. All matters relating to review and approval of compensation / remuneration payable to Senior Management Personnel, Relatives of Directors, Executive and Non-Executive Directors are examined by the Committee and recommended to the Board for their approval.

The Company pays remuneration to its Chairman, Managing Director, one Relative and Whole Time Directors by way of salary, commissions, perquisites and allowances.

The remuneration has been paid as approved by the Board, in accordance with the approval of the Shareholders and within the overall ceiling prescribed under Section 198 and 309 of the Companies Act, 1956.

Given below are the details of remuneration paid to Directors during the financial year 2011-12 and shareholding as on 31-03-2012:

(Amt. in Rs.)

Directors	Sitting Fees	Salary & Allowances	Perquisites	Share Holding as on 31-03-2012 (In Nos.)
Shri Umeshkumar More	---	12,58,200	39,600	2,31,68,570
Shri Rameshkumar More (upto 06/07/2011)	10,000	---	---	21,600
Shri Nirajkumar More	---	32,08,200	65,850	2,70,11,650
Shri Vinod Haritwal (w.e.f. 02/9/2012)	---	20,03,533	32,400	3,120
Shri Rohitkumar More	---	7,45,612	39,600	--
Shri M. M. Chaturvedi	20,000	---	---	3,120
Shri K. C. Srivastava	60,000	---	---	--
Shri Suresh Pareek	60,000	---	---	19,95,120
Shri Yogesh Samat	30,000	---	---	2,500
Shri Rohan Shah (upto 05/03/2012)	---	---	---	3,120

SHAREHOLDERS COMMITTEE:

The Company has constituted a Shareholders Committee at Board level to strengthen the investor relations and to inter-alia look into issues relating to Shareholder Grievances pertaining to transfer / transmission of shares, non receipt of declared dividends, non receipt of Annual Report, issues concerning de-materialization, re-materialization etc.

The Shareholders Committee met 5 [Five] times during the year ended March 31, 2012.

The composition of the Shareholders Committee and details of the meetings attended by the Directors during the year 2011-12 are given below:

Name of the Members	Status	No. of Meetings Held	No. of Meetings Attended
Shri Nirajkumar More	Chairman	5	5
Shri Rameshkumar More (upto 06/07/2011)	Member	5	1
Shri K. C. Srivastava	Member	5	5
Shri Rohitkumar More (w.e.f. 06/08/2011)	Member	5	0

Shri Noel Jacob, Company Secretary is the Compliance Officer.

DETAILS OF INVESTORS COMPLAINTS / REQUESTS RECEIVED DURING THE YEAR:

Sr. No.	Nature of Complaints / Requests	Received	Disposed	Pending
1	Non-receipt / Renewal of Dividend Warrants	12	12	---
2	Non-receipt of Bonus Shares	2	----	2
3	Non-receipt of Share Certificate	3	3	---
4	Non-receipt of Annual Report	5	5	---
5	Non-receipt of Demat Credit / Remat Certificate	---	---	---
6	Non-receipt of Rejected DRFs	---	---	---
7	Request of Transfer / Transmission of Shares	13	13	----
8	Request for Change of Address /Bank details	17	17	----
	Total	52	50	2

Two complaints received from the shareholders relating to non-receipt of dividend / bonus shares are under investigation by authorities as there are claims to the title of the same shares from multiple shareholders.

GENERAL BODY MEETINGS:

(a) The last three Annual General Meetings were held as under:

Particulars	31.03.2011	31.03.2010	31.03.2009	Extra Ordinary General Meeting
Date and Time	30.09.2011 at 03.00 p.m.	29.09.2010 at 10.30 a.m.	17.11.2009 at 10.30 a.m.	26.06.2009 at 10.30 a.m.
Venue	02 nd Floor, Growel's 101 Mall, Growel House, Akurli Road, Kandivli (East), Mumbai – 400101	Growel 101 Mall, Growel House, Akurli Road, Kandivli (East), Mumbai – 400101.	Gold Screen Hall, 2nd Floor, Growel House, Akurli Road, Kandivli (East), Mumbai – 400101.	Gold Screen Hall, 2nd Floor, Growel House, Akurli Road, Kandivli (East), Mumbai – 400101.
Any Special Resolution passed	Yes	Yes	No	Yes

Company has also passed the Resolutions for Splitting / subdivision of 1 (One) Equity Shares of Face Value of Rs. 10/- (Rupees Ten) each into 10 (Ten) Equity Shares of Face Value of Re. 1/- (Rupee One) each by Postal Ballot, results of which were declared by the Chairman of the Company on July 26, 2011.

DISCLOSURES:

1. There were no transactions of material nature other than reported under Related Party Disclosures that have been entered into by the Company with the promoters, Directors, their Relatives and the Management and in any Company in which they are interested, that may have potential conflict with the interest of the Company.

2. Details on the use of proceeds from public issues, right issues, and preferential issues etc.

No funds have been raised through issue of equity or debt in the form of public or rights or preferential issues during the year under review.

3. Details of information on appointment of new / re-appointment of Directors

A brief resume, nature of expertise in specific functional areas, names of Companies in which the person already holds Directorships and Memberships of the Committees of the Board and his shareholding in the Company forms part of the Notice of the Annual General Meeting and is annexed to this Annual Report.

4. Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other Statutory Authority on any matter related to Capital Market, during the last Three Years:

The Company has complied with the requirements of the Stock Exchange, SEBI, and other Statutory Authorities on all matters relating to Capital Markets during the last Three Years. Redressal of 2 (Two) Complaints pending with SEBI have since been attended.

MEANS OF COMMUNICATION:

1. Quarterly Results are published in prominent daily newspapers viz., Free Press Journal and Navshakti.

2. All items required to be covered in the Management Discussion and Analysis Report have been included in the Annexure 'A' to the Director's Report.

3. The Company has its own website and all the vital information relating to the Company and its products are displayed on the web site. Address of the website is www.growel.com

GENERAL SHAREHOLDERS INFORMATION :

1. **ANNUAL GENERAL MEETING** : 54th Annual General Meeting.

DAY & DATE : Thursday, August 30, 2012

TIME : 10.30 A.M.

VENUE : Growel's 101 Mall, Growel House, Akurli Road,
Kandivli (East), Mumbai – 400101.

2. **FINANCIAL CALENDAR** :

* Financial reporting for the Quarter ended June 30, 2012: By the end of August 14, 2012.

* Financial reporting for the Quarter ended Sept. 30, 2012: By the end of November 14, 2012.

* Financial reporting for the Quarter ended Dec. 31, 2012: By the end of February 14, 2013.

* Financial reporting for the Year ended March 31, 2013: By the end of Sept. 30, 2013.

3. **DATES OF BOOK CLOSURE** : August 25, 2012 to August 30, 2012 [Both days inclusive]

4. **RECORD DATE OF PAYMENT OF DIVIDEND** : August 24, 2012.

5. SHARE TRANSFER SYSTEM:

The Company's Shares being in compulsory dematerialized (Demat) list are transferable through the depository system.

Shares in physical mode are processed by the Registrar and Share Transfer Agent [RTA]. The RTA has been authorized to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals.

6. REGISTRAR AND TRANSFER AGENT:

The Company has appointed the below mentioned agency as Registrars and Share Transfer Agent (RTA) for both physical and demat segment of Equity Shares of the Company:

M/s. LINKINTIME INDIA PRIVATE LIMITED

[Unit: Grauer & Weil (India) Limited]

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (West), Mumbai – 400 078.

Phones: (022) 2596 3838. Fax: (022) 2596 2691.

Email: helpline@linkintime.co.in; URL: www.linkintime.co.in

7. COMPANY SECRETARY & COMPLIANCE OFFICER:

Shri Noel Jacob

8. ADDRESS FOR CORRESPONDENCE:

Share Department:

GRAUER & WEIL [INDIA] LIMITED

'Growel House', Akurli Road, Kandivli [East], Mumbai – 400 101.

Tel: 022-6699 3000. Fax : 022-6699 3010.

E-mail: hq@growel.com / secretarial@growel.com

9. LISTING:

BSE Limited.,

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai – 400 001.

Tel: 022-2272 1234. Fax: 022-2272 1919.

10. STOCK CODE OF THE COMPANY:

BSE Limited

Scrip Name: GRAUER & WEIL [INDIA] LIMITED

Scrip Code: 505710.

Electronic Mode: INE266D01021.

11. DEPOSITORY CONNECTIVITY: NSDL and CDSL**12. ISIN NO. FOR THE COMPANY'S SECURITY: INE266D01021****13. DEMATERIALISATION OF SHARES:**

As on March 31, 2012, a total of 21,79,60,060 Shares representing 96.14% of the paid up capital of the Company were held in dematerialized form with NSDL and CDSL. Member can hold shares in electronic forms and trade the same in Depository System. However, they may hold the same in physical form also.

14. STOCK PRICE DATA:

Stock Market price data for the year of Company's Share:

Month	High Price	Low Price	No. of Shares
Apr 11	83.95	61.60	1,18,894
May 11	71.50	59.10	1,11,330
Jun 11	76.90	60.35	3,02,264
Jul 11	94.80	70.10	4,30,559
Aug 11	95.95	6.50	12,18,074
Sep 11	7.10	6.15	6,37,884
Oct 11	6.70	6.10	2,47,074
Nov 11	7.25	5.59	5,79,690
Dec 11	6.15	4.85	5,89,243
Jan 12	6.58	4.80	4,50,602
Feb 12	7.80	5.90	12,60,823
Mar 12	6.62	5.60	8,46,898

15. SHAREHOLDING PATTERN AS ON MARCH 31, 2012:

Category	No. of shares held	% of shareholding
Promoters / Directors & Associates	15,68,70,050	69.1954
Mutual Funds & UTI	20,620	0.0091
Banks & Financial Institutions	22,000	0.0097
Private Body Corporates	1,19,68,038	5.2791
Indian Public/Others	5,56,47,090	24.5459
NRI/OCBs	21,77,952	0.9608
Total	22,67,05,750	100.00

16. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2012:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Share Capital
Upto 500	2,807	8,10,776	0.3576
501-1000	2,097	19,44,120	0.8576
1001-2000	1,544	26,28,081	1.1592
2001-3000	726	19,55,604	0.8626
3001-4000	671	25,00,990	1.1032
4001-5000	500	24,39,738	1.0762
5001-10000	948	73,95,851	3.2623
10001 & above	1,153	20,70,30,590	91.3213
Total	10,446	22,67,05,750	100.0000

17. PLANT LOCATIONS :

- 215/1, Plot No. 10, Dadra Industrial Estate, Dadra – 396 191. [Dadra & Nagar Haveli – U.T.]
- 407, GIDC Industrial Estate, Vapi – 396 195. [Gujarat]
- Plot No. 31 & 32, Industrial Estate, Barotiwala – 174 103. [H. P.]
- Survey No. 66, Village – Dhanore, Taluka - Khed, District – Pune [Maharashtra]
- SIDCO Industrial Complex, Phase II, Samba [J & K]
- B. D. Patil Marg, Chembur, Mumbai – 400074.

18. COMPLIANCE:

A certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this report.

Registered Office:

Growel House, Akurli Road,
Kandivli [East], Mumbai - 400 101

Date : 26-07-2012

For & on behalf of the Board of
Grauer & Weil [India] Limited

Nirajkumar U. More
Managing Director

DECLARATION

In accordance with Clause 49(l)(D) of the Listing Agreement with the Stock Exchange, I hereby confirm that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the year ended March 31, 2012.

Registered Office:

Growel House, Akurli Road,
Kandivli [East], Mumbai - 400 101

Date : 26-07-2012

For & on behalf of the Board of

Grauer & Weil [India] Limited

Nirajkumar U. More
Managing Director

AUDITOR'S CERTIFICATE

To,

The Members,

GRAUER & WEIL (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by GRAUER & WEIL [INDIA] LIMITED, (the Company) for the year ended March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 Listing Agreement.

We further 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 M. M. Nissim And Co.

Chartered Accountants

N.KASHINATH

Partner

M. No: 36490

Mumbai

Date : 26-07-2012

ANNEXURE – ‘C’ TO DIRECTOR’S REPORT**COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENERGY:****(1) ENERGY CONSERVATION MEASURES TAKEN:**

- i) Introduced natural inverter for lighting purposes whenever electrical power is off.
- ii) Replaced chilled water in the pipeline Circuit.
- iii) Replaced CDMT fittings with LED for getting improved Lux.
- iv) Replaced 250 watts MH fittings with 96 watt T-5 fittings.
- v) Instead of using the incinerators for drying the liquid and semi-solid sludge, natural energy such as ponds is constructed to evaporate the liquid and sludge are dried under sun-light.
- vi) Pneumatic systems are introduced and mixing blenders are used to prevent the excess running of machineries.
- vii) Production per unit is measured on a regular basis thereby creating awareness of energy conservation.
- viii) Plants are designed in such a way so that there is maximum circulation of air resulting in lower running of fans and exhausts.
- ix) People are trained on conservation of energy.

(2) ADDITIONAL INVESTMENTS AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY:

- a) Weekly Power Savings (Demand Response Program)
- b) Movement sensors in washrooms & corridors.
- c) Split AC power saver.
- d) Water cooler power saver.
- e) Solar lights for Street lights

(3) IMPACT OF THE ABOVE MEASURES:

Energy saving of

- a) 45359 kwh / Month due to replacement of chilled water in the pipeline Circuit
- b) 1800 kwh / Month due to replacement of CDMT fittings with LED
- c) 4198 kwh / Month due to replacement of 250 watts MH fitting with 96 watt T-5 fittings

(4) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION

As Per Form ‘A’

B. TECHNOLOGY ABSORPTION: Efforts made in technology absorption as per Form ‘B’**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:****(1) Activities relating to exports, initiatives taken to develop export markets:**

The Company has been taking various initiatives for export developments e.g. identification of new markets, new products introduction and expansion of distribution network overseas. As a result, the exports in 2011-2012 grew by 4.38% to Rs. 381.40 Million, as compared to Rs. 365.41 Million in 2010-2011.

(2) Total foreign exchange used and earned:**(Rs. in Million)**

- | | |
|---|--------|
| (i) Total foreign exchange used | |
| (a) On import of raw materials, components, spare parts and capital goods | 403.72 |
| (b) Expenditure in foreign currencies for Business Travel, Seminars,
Dividend and Royalties etc. | 9.83 |
| (ii) Total foreign exchange earned | 382.57 |

Registered Office:

Growel House, Akurli Road,
Kandivli [East], Mumbai - 400 101

Date : 26-07-2012

For & on behalf of the Board of

Grauer & Weil [India] Limited

Nirajkumar U. More

Managing Director

FORM – 'A'**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY 2011-2012**

PARTICULARS	2011-2012	2010-2011
A. POWER AND FUEL CONSUMPTION		
1. ELECTRICITY		
a) Purchased Units	86,78,923	26,92,407
Total amount (Rs.)	6,28,64,921	1,61,34,973
Average Rate/Unit (Rs.)	7.24	5.99
b) Own generation : Limited electric power was generated through D.G. Sets installed exclusively for the purpose of emergency supply whenever there was power shortage to keep the system working.		
2. FURNACE/OTHER OIL		
Quantity (Litres)	3,10,469.89	3,26,193.00
Total Cost (Rs.)	82,02,736.50	71,23,299.00
Average Rate (Rs. per litre)	26.42	21.84

B. CONSUMPTION PER UNIT OF PRODUCTION:

As the Company manufactures different types of custom – built plants and chemicals for various applications, it is impracticable to work out the cost of usage of energy on a per unit basis.

FORM – 'B'**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION 2011-2012****A. RESEARCH & DEVELOPMENT:****1) Specific areas in which R & D is carried out by the Company:**

- Top coats & Passivations
- Sealers & Lacquers
- Trivalent Chromium Processes

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

- Achieved specific industrial finishes for high corrosion protection
- Decorative applications with higher abrasion & corrosion resistance
- Environment Friendly processes free of hexavalent chrome

3) Future Plan of Action:

- **Trivalent Chrome Black Passivation for acid zinc:** New trend which is similar to hexavalent chrome black passivation.
- **Immersion Silver (Silver free):** For application in printed circuit board, electronics and Solar panels.
- **Yellow bronze plating free from hazard ingredients e.g. lead and cyanide etc.:** In bronze plating lead is used as brightener and also, cyanides are used as complex anions. Development programme is initiated to eliminate the usage of such health hazardous ingredients.
- **Pretreatment of magnesium and its alloys for electroplating:** The demand for plating on magnesium and its alloy is increasing, especially for plating on mobile phone accessories and also, on aircraft industry. Project is planned based on specialized activation and alloy zincated process.

4) Expenditure on R & D:

	2011-2012	2010-2011
	(Rs. in '000)	(Rs. in '000)
a) Capital	6,061	7,712
b) Recurring	31,438	27,469
c) Total	37,499	35,181
d) Total R & D expenditure as a percentage of total Turnover	1.20%	1.31%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**1) Efforts, in brief made towards technology absorption, adaptation and innovation:**

The indigenous developments specifically in the areas of environment friendly processes have been adapted and applied for Surface treatment.

2) Benefits derived as a result of the above efforts:

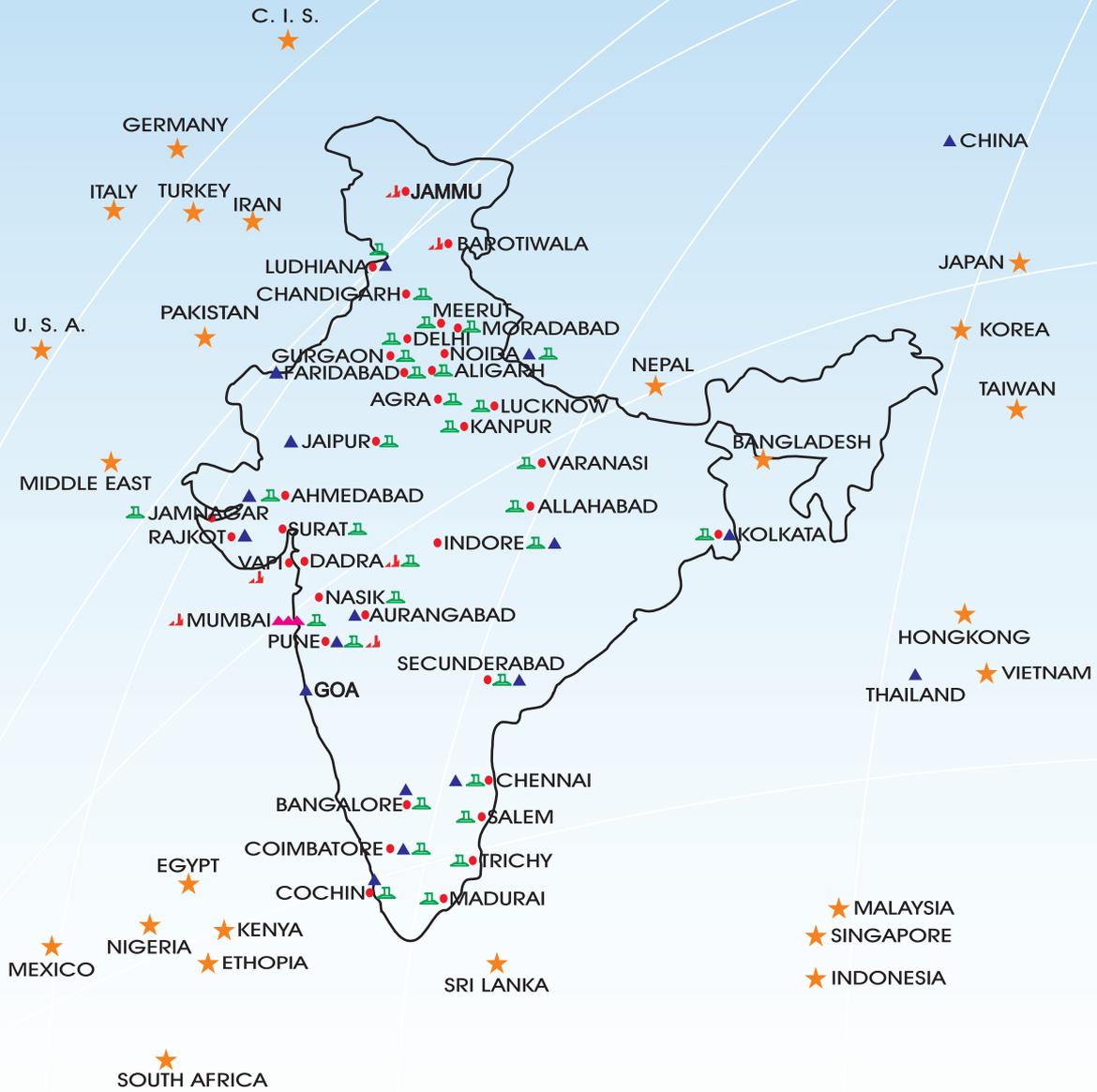
- New processes have been introduced with emphasis on environment and recycling
- Specialised processes developed with high resistance to abrasion and corrosion, more specifically for the fast growing automotive industry

3) Particulars of technologies imported:**a) Technology imported:**

No new technologies were imported

b) Year imported : N.A.**c) Has technology been fully absorbed : N.A.**

GROWEL NETWORK



	Factory
	Branch Office
	Technical Service
	Exports
	Corporate Head Office

ARGENTINA

BRAZIL

AUSTRALIA

PAINTS DIVISION Certified by



CHEMICAL DIVISION Certified by



AUDITORS' REPORT

TO THE SHAREHOLDERS OF GRAUER & WEIL (INDIA) LIMITED

We have audited the attached Balance Sheet of GRAUER & WEIL (INDIA) LIMITED, as at 31st March, 2012 and also the statement of Profit and Loss and the cash flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Our audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates and judgments made by the management in the preparation of financial statements and evaluating the overall financial statement presentation.

We planned and performed our audit, so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements and to provide a reasonable basis for our opinion and report that:

- 1) As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board 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.
- 2) Without qualifying our report, we draw attention to Note no. 27 (L) to the accounts on non provision for diminution in the value of investments relating to investments in equity shares of a subsidiary and associates. The management considers these investments as strategic investments and based upon projected future earnings expect the diminution in value to be temporary, upon which, we have placed our reliance.

In view of the above, the aggregate impact of the same is not quantifiable.

- 3) Further to our comments referred to in paragraph 1 above.
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books.
 - c) The Balance Sheet, statement of Profit and Loss and Cash Flow Statement, under Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, statement of Profit and Loss and Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report and certify that none of the Directors is disqualified from being appointed as Director under Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 on the said date.
- 4) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with para 2 above and together with the notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March, 2012.
 - ii) in the case of the statement of Profit and Loss, of the Profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

For M. M. Nissim And Co.
Chartered Accountants
(Firm Reg No: 107122W)

N. KASHINATH
Partner
Mem. No. 36490

Mumbai

26th July 2012

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our report of even date to the members of Grauer & Weil (India) Ltd. as at and for the year ended 31st March, 2012)

- i. In respect of its fixed assets:
 - (a) The Company has compiled item wise lists of all its fixed assets. Showing full particulars including quantitative details and location of fixed assets.
 - (b) As explained to us, all the assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable, considering the size and nature of its business. We are informed that there are no major discrepancies, as regards Plant and Machinery and in respect of other assets, discrepancies, if any, will then be dealt with in the accounts once the process of reconciliation is complete.
 - (c) The Company has not disposed off any substantial part of its Fixed Assets so as to affect its going concern.
- ii. In respect of its inventories:
 - (a) The Inventory, excluding goods in transit has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As regards goods lying with third parties, confirmations have been obtained.
 - (b) The procedures of physical verification of Inventories followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records of the Company, we are of the opinion that the Company is maintaining proper records of its inventory. The discrepancies noticed on verification between the physical stocks and book records have been properly dealt with in the books of account.
- iii. (a) The Company has during the year granted unsecured loans to a _ Company listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 50.00 Lacs (78.93 Lacs) and the year end balance of Loans granted to such parties was Rs. 50.00 Lacs (50.00 Lacs).
 - (b) In our opinion, the rate of interest where applicable and other terms and conditions on which unsecured loans have been granted to Companies listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
 - (c) The Companies have repaid the principal amounts as stipulated and have been regular in the payment of interest where applicable.
 - (d) There is no overdue amount of loans granted to Companies listed in the register maintained under section 301 of the Companies Act, 1956.
 - (e) The company has taken unsecured loans from 5 Companies and 2 Directors, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.508.50 Lacs (378.50 Lacs) and the year end balance of such loans taken was Rs. 458.50 Lacs (378.50 Lacs).
 - (f) The rate of interest, where applicable and other terms and conditions of unsecured loans taken by the Company, are not prima facie prejudicial to the interest of the Company.
 - (g) The Company has repaid the principal amounts as stipulated and has been regular in the payment of interest, where applicable.
- iv. (a) In our opinion, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. (a) Based on the audit procedure applied by us and according to the information, explanations and representation given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register maintained under that section have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of rupees five lacs in respect of each party during the year have been made at prices which are prima-facie, reasonable having regard to prevailing market prices at that time except that in respect of certain specialized services availed no comparison of prices could be made as we were informed that there are no prevailing market prices.
- vi. The Company has complied with the provisions of Section 58A, 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule, 1975 with regards to deposits accepted from the public. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of aforesaid deposits.
- vii. The Company does not have a formal internal audit system. However, in our opinion, there are adequate internal control procedures commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products to which the said rules are applicable and are of the opinion that prima facie the prescribed accounts have been made and maintained. We have however, not made a detailed examination of the records with a view to determining whether they are accurate, or complete.

- ix. (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other Statutory dues with the appropriate authorities, where applicable. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March 2012 for a period of more than six months from the date they became payable.
- (b) According to the records of the company Excise Duty, Sales Tax and Income tax which have not been deposited on account of any disputes, are as detailed below;

Particulars	Period to which the amount related	Forum where the dispute is pending	Amount (Rs. In Lacs)
Excise Duty	1984-85, 1985-86, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, 1994-95, 1995-96.	Central Excise Gold Appellate Tribunal	27.39
	1989-90, 1990-91, 1993-94, 1996-97, 1997-98, 1999-2000, 2000-2001.	Deputy/Assistant Commissioner	16.77
Service Tax	2003-04 to 2010-11	Commissioner (Appeal)	187.37
Sales Tax	1998-99, 2003-2004 and 2005-06	Commissioner (Appeal)/Financial Commissioner.	23.96
Income Tax	2008-2009	Commissioner (Appeal)	0.94

- x. The Company has no accumulated losses at the end of the financial year and has not incurred cash losses, in the current financial year and in the immediately preceding financial year.
- xi. The Company has not defaulted in repayment of its dues to banks. The company has not borrowed by way of debentures and from Financial Institutions.
- xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- xiii. The Company is not a chit fund or nidhi or mutual benefit fund or society and hence the provisions of Clauses 4(xiii) (a) to (d) of the Order, are not applicable to the Company.
- xiv. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiv) of the Order are not applicable to the Company.
- xv. Based on our examination of the records and according to the information and explanations given to us, the company has not given any corporate guarantee for loans taken by others from any bank or financial institution.
- xvi. On the basis of the records examined by us and relying on the information compiled by the Company for co-relating the funds raised to the end use of the terms loans, we have to state that, the Company has, prima-facie, applied the term loans for the purpose for which they were raised.
- xvii. According to the information and explanations, given to us and on an overall examination, of the Financial Statements of the Company, we are of the opinion that, prima-facie; no funds raised on short term basis have been used for long term investments.
- xviii. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any money through a public issue, during the year.
- xxi. According to the information and explanations given to us and to the best of our knowledge and belief no fraud on or by the Company, has been noticed or reported by the Company during the year.

For M. M. Nissim And Co.
Chartered Accountants
(Firm Reg No: 107122W)

N. KASHINATH
Partner
Mem. No. 36490
Mumbai
26th July, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

	Note	Rupees in Lacs	
		As at March 31, 2012	As at March 31, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,267.06	2,267.06
Reserves & Surplus	3	13,115.79	11,241.43
		<u>15,382.85</u>	<u>13,508.49</u>
Non Current Liabilities			
Long Term Borrowings	4	7,016.12	7,911.93
Deferred Tax Liabilities (Net)	5	1,440.11	1,196.27
Other Long Term Liabilities	6	996.41	829.06
Long Term Provisions	7	614.49	539.96
		<u>10,067.13</u>	<u>10,477.22</u>
Current Liabilities			
Short Term Borrowings	8	4,444.88	4,374.38
Trade Payables	9	3,532.07	3,571.80
Other Current Liabilities	10	4,526.50	5,506.46
Short Term Provisions	7	903.96	576.98
		<u>13,407.41</u>	<u>14,029.62</u>
Total		<u><u>38,857.39</u></u>	<u><u>38,015.33</u></u>
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	11	22,088.73	22,556.25
Intangible Assets		47.55	57.30
Capital Work-in-Progress		286.33	74.88
		<u>22,422.61</u>	<u>22,688.43</u>
Non Current Investments	12	390.71	163.99
Long Term Loans and Advances	13	1,497.23	1,205.11
Other Non Current Assets	14	3.80	4.88
		<u>1,891.74</u>	<u>1,373.98</u>
		<u>24,314.35</u>	<u>24,062.41</u>
Current Assets			
Inventories	15	4,979.81	4,905.13
Trade Receivables	16	7,562.11	6,105.68
Cash and Bank balances	17	378.95	903.31
Short Term Loans and Advances	13	1,394.94	1,860.06
Other Current Assets	14	227.23	178.74
		<u>14,543.04</u>	<u>13,952.92</u>
Total		<u><u>38,857.39</u></u>	<u><u>38,015.33</u></u>
Significant Accounting Policies	1		
Other Additional Notes / Information	27		
The notes are an integral part of these financial statements			

This is the Balance Sheet referred to in our report of even date

For M. M. NISSIM AND CO.

Chartered Accountants
(Firm Reg. No. 107122W)

N. KASHINATH

Partner
Membership No. 36490

Mumbai, 26th July, 2012

For and on behalf of the Board of Directors

UMESHKUMAR MORE

NIRAJKUMAR MORE

Chairman

Managing Director

VINOD HARITWAL

NOEL JACOB

CEO & Director

Sr.VP (Corp) & Company Secretary

Mumbai, 26th July, 2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	Note	Rupees in Lacs	
		2011-2012	2010-2011
INCOME			
Revenue from operations (Gross)	18	35,963.04	30,555.52
Less: Excise Duty		2,640.07	2,342.08
Revenue from operations (Net)		33,322.97	28,213.44
Other Income	19	285.08	141.58
Total Revenue		33,608.05	28,355.02
EXPENSES			
Cost of materials consumed	20	18,068.12	15,791.05
Purchases of Stock in Trade	21	377.98	308.50
Changes in Inventory	22	(478.59)	(383.69)
Employee Benefits Expense	23	3,013.84	2,518.11
Finance Costs	24	2,119.06	1,582.12
Depreciation & Amortisation expense	25	988.27	725.55
Other Expenses	26	6,495.09	5,784.79
Total Expenses		30,583.77	26,326.43
PROFIT BEFORE TAX		3,024.28	2,028.59
Tax Expense:			
Current Tax		609.00	404.70
MAT Credit entitlement		(149.38)	(225.60)
Deferred Tax		243.84	408.29
		703.46	587.39
PROFIT FOR THE YEAR		2,320.82	1,441.20
Earnings Per Equity Share in Rupees			
Basic		1.02	0.64
Diluted		1.02	0.64
Significant Accounting Policies	1		
Other Additional Notes / Information	27		
The notes are an integral part of these financial statements			

This is the Profit & Loss account referred to in our report of even date

For M. M. NISSIM AND CO.
Chartered Accountants
(Firm Reg. No. 107122W)

N. KASHINATH
Partner
Membership No. 36490

Mumbai, 26th July, 2012

For and on behalf of the Board of Directors

UMESHKUMAR MORE Chairman
NIRAJKUMAR MORE Managing Director

VINOD HARITWAL CEO & Director
NOEL JACOB Sr.VP (Corp) & Company Secretary

Mumbai, 26th July, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Rupees in Lacs	
	2011-2012	2010-2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	3,024.30	2,028.59
Adjustment for:		
Depreciation	988.28	725.56
Unrealised Exchange (Gain) / Loss	(26.47)	19.35
Wealth Tax	-	1.95
Bad Debts written off	115.03	17.41
Provision for Bad / Doubtful debts	-	(174.53)
Interest	2,119.05	1,582.13
Income from Investments	(62.23)	(34.19)
Loss / (Gain) on fixed assets sold/discarded (Net)	0.64	(2.25)
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES	6,158.60	4,164.02
Adjustment for:		
Trade and other receivables	(1,183.85)	(2,155.97)
Inventories	(74.67)	(1,430.84)
Trade Payable & Provision	(548.37)	2,809.52
CASH GENERATED FROM OPERATIONS	4,351.71	3,386.73
Direct Taxes paid	(565.77)	(322.65)
NET CASH FROM OPERATING ACTIVITIES	3,785.94	3,064.08
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(816.86)	(3,570.57)
Proceeds from sale of Fixed Assets	42.55	28.91
Purchase of Investments	(226.71)	0.09
Interest & Dividend Income	99.37	27.05
NET CASH FROM INVESTING ACTIVITIES	(901.65)	(3,514.52)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments) / proceeds from Working Capital Facilities (Net)	5.49	1,734.25
Proceeds from Dealers Deposits	162.79	408.00
Short Term Foreign currency loans from banks-Buyers Credit	(6.05)	-
Proceeds from Term Loans	-	1,100.00
Repayment of Term Loans	(1,295.50)	(893.16)
Hire Purchase Credits taken	-	23.28
Hire Purchase Credits repaid	(57.66)	(20.03)
(Repayments) / proceeds from Fixed Deposits (Net)	69.64	22.60
Inter Corporate Deposits accepted	15.00	53.50
Loan taken from Directors	65.01	69.99
Interest paid	(2,121.77)	(1,580.92)
Dividend / Corporate Dividend tax paid	(209.39)	(209.46)
NET CASH FROM FINANCING ACTIVITIES	(3,372.44)	708.05
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(488.15)	257.61
CASH AND CASH EQUIVALENTS AS AT 31.03.11	815.98	558.37
CASH AND CASH EQUIVALENTS AS AT 31.03.12	327.83	815.98

This is the Cashflow Statement referred to in our report of even date

For **M. M. NISSIM AND CO.**

Chartered Accountants
(Firm Reg. No.: 107122W)

N.KASHINATH

Partner

Membership No.36490

Mumbai, 26th July, 2012

For and on behalf of the board of the Directors

UMESHKUMAR MORE Chairman
NIRAJKUMAR MORE Managing Director

VINOD HARITWAL

CEO & Director

NOEL JACOB

Sr.VP (Corp) & Company Secretary

Mumbai, 26th July, 2012

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

Note I : Significant Accounting Policies

a. Basis of Accounting:

The accounts have been prepared on the accrual basis of accounting, under the historical cost convention and fair valuation of certain assets on merger, in accordance with the Companies Act, 1956 and the applicable Accounting Standards notified by the Companies (Accounting Standard) Rules, 2006.

All assets and liabilities have been classified as Current or Non- Current as per criteria set out in the schedule in to the Companies Act, 1956.

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect, the reported amount of assets and liabilities on the date of the financial statement and a reported amount of revenues and expenses during the reporting period. Difference between the actual expenses and estimates are recognised in the period in which the results are known / materialized.

c. Revenue Recognition:

Revenue from the sale of goods are recognised upon passage of title to the customer which generally coincides with their delivery. Claims, if any, in respect of sales are accounted for as and when settled.

Equipment manufactured by the Engineering Division for use by other divisions are included in the Sales at transfer price and are capitalised by other division.

Benefit on account of entitlement to import duty free materials under the "Duty Entitlement Exemption Certificate" (DEEC) is accounted in the year of import.

Income arising out of Business Conducting/License Fees are accounted at contracted rates, keeping in view the collectability of the resulting receivables is reasonably assured and is disclosed net of indirect taxes, if any.

Revenue from amenities provided is recognized at value of service and is disclosed net of indirect taxes, if any. Recoveries made against common area maintenance expenses are netted of against relevant expenses.

Income from operations in Paints division includes Job Contract receipts, net of payments made to Sub Contractors. The Company follows the "Percentage of Completion Method" of accounting for all contracts. The revenue from the execution of contracts is recognised proportionately with the degree of completion achieved under each contract, matching revenue with expenses incurred.

d. Fixed Assets and Depreciation:

I. Tangible Fixed assets are stated at cost of acquisition/fair value including expenditure incurred during construction / erection less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributed cost of bringing the asset to working condition for its intended use. In respect of qualifying assets, related pre-operational expenses, including borrowing cost are also capitalised.

Intangible assets are stated at acquisition cost, net of accumulated amortisation and provision for impairment, if any.

II. Expenditure incurred during the developmental and preliminary stages of Company's new projects are carried forward under the head capital work in Progress.

III. Depreciation is provided in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956:

- On Written Down Value basis in respect of all assets acquired before 01/04/91 at Kandivli and assets acquired upto 31/12/1986 at its Paints Division.
- On straight line basis in respect of all other assets.

IV. Premium on leasehold land is amortised over its lease period; unless it is a perpetual lease.

V. Intangible assets are being amortised on straight line method over a period of five years.

VI. Additional depreciation arising on fair value of the assets at its Paints division is adjusted against General Reserve II

e. Impairment:

Impairment loss is recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognised as an expense in the statement of profit and loss and the carrying amount of the asset is reduced to its recoverable amount. Previously recognised impairment loss is further provided or revised depending on changes in circumstances.

f. Investments:

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost or fair value. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

g. Inventory:

i. Inventory is valued as follows:

Stores, Spares, Raw Materials, Packing Materials, Finished Goods
and Work – In – Progress: At lower of cost and Net Realisable Value.

ii. Cost of Raw Materials, Stores, Spares and Packing Materials is determined on Weighted Average Basis. Cost of Finished Goods and Work – In – Progress is determined by considering materials, labour and other related direct expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**h. Research and Development:**

Research and Development expenditure of revenue nature is written off in the year in which it is incurred and expenditure of capital nature is included in fixed assets and depreciation is provided on such assets as applicable.

i. Employee Benefits:

Short-term employee benefit is accounted in the period during which the services have been rendered.

The Company's contribution to the Provident Fund is remitted to "Employees Provident Fund Organisation" based on fixed percentage of the eligible employee's salary and charged to Profit & Loss Account.

Superannuation benefits to certain employees, a defined contribution plan, as per Company's scheme, have been funded with Life Insurance Corporation of India and contribution is charged to statement of Profit & Loss, when the contribution to the fund is due.

The Company's Liability towards Gratuity being defined benefit plan is accounted for based on Actuarial valuation done at the year end using the Projected Unit Credit Method. Actuarial gains & losses are charged to statement of Profit & Loss. The Gratuity liability is partly funded through a trust with the Life Insurance Corporation of India for employees of Paints Division.

Compensated leave encashment being other long-term employee benefit is accounted for based on Actuarial valuation done at the year-end using projected unit credit method. Actuarial gains & losses are charged to statement of Profit & loss.

j. Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are recorded at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items are converted into Rupee equivalent at the exchange rates prevailing as on Balance Sheet date. Non-monetary items are carried at historical cost denominated in a foreign currency and are reported using the exchange rate at the date of transaction. Exchange Difference arising on settlement / restatement of monetary items are recognised as income or as expenses in the year in which they arise. Premium or discount on Forward Contracts is amortised over the life of such contracts and is recognised as income or expenses. Any Profit or Loss arising in cancellation or renewal of Forward Contract is recognised as income or as expense for the year.

k. Customs Duty and Excise Duty:

Customs Duty and Excise Duty have been accounted on the basis of both payments made in respect of goods cleared as well as on provision made for goods lying in bonded warehouse.

l. Borrowing Costs:

Interest and other borrowing costs attributable to the acquisition of or construction of qualifying assets till the date of commercial use of the assets are capitalised. All other borrowing costs are charged to revenue.

m. Income Taxes:

Tax expense comprises both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods are recognised using the tax rates and tax laws that have been enacted or substantively enacted. Provision for Wealth Tax liability is estimated and provided for. Deferred tax assets pertaining to unabsorbed business loss & depreciation is recognized only to the extent of virtual certainty of its realization.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

n. Segment Reporting:**i. Identification of Segments:**

The Company has disclosed Business Segment as the Primary Segment. The Company's operating business are organized and managed separately according to the nature of the products and services provided, with each segment representing strategic business unit that offers different products and serves different markets.

ii. Segment Revenue & Results:

The Income and Expenses which are not directly attributable to business segment are shown as unallocated income and expenses.

iii. Segment Assets & Liabilities:

Segment Assets include all operating assets used by the business segment and consists principally all Fixed Assets, Debtors, Inventories and Advances. Segment Liabilities primarily include Creditors, Other Liabilities / Provisions. Common assets and liabilities that cannot be allocated to any segment are shown as a part of unallocated corporate assets and liabilities.

o. Leases:

Operating Lease payments are recognised on a straight line basis over the lease term.

p. Provision & Contingent Liabilities:

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

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

NOTE 2: SHARE CAPITAL

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
Authorised		
500,000,000 Equity Shares of Rs.1/- each	5,000.00	2,500.00
(Previous year: 25,000,000 Equity Shares of Rs.10/- each)	5,000.00	2,500.00
Issued, Subscribed and Fully Paid-up		
226,705,750 Equity Shares of Rs.1/- each	2,267.06	2,267.06
(PY 22,670,575 shares of Rs 10/- each)	2,267.06	2,267.06

Reconciliation of shares outstanding as at the end of the year;

	March 31, 2012		March 31, 2011	
	No of Shares	Rupees in	No of Shares	Rupees in
As at the beginning of the year	22,670,575	2,267.06	22,670,575	2,267.06
Add: Issued during the year upon sub division of shares (Note (a))	204,035,175	-	-	-
Outstanding at the end of the year	226,705,750	2,267.06	22,670,575	2,267.06

(a) The Shareholders at the Annual General Meeting of the Company held on Sept 30, 2011 approved the increase in the Authorised Capital of the Company. Accordingly, the Authorised Share Capital of Company is increased from 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 25,00,00,000 shares of Rs. 1 each to 50,00,00,000 (Rupees Fifty Crores only) divided into 50,00,00,000 shares of Rs. 1 each.

(b) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs.1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Shareholders holding more than 5 percent of the Equity shares;

Name of the Shareholder	No of Shares held	
	March 31, 2012	March 31, 2011
Mr. Umeshkumar More	23,168,570	2,316,857
Mr. Nirajkumar More	27,011,650	1,764,153
Mrs. Premlata More	13,182,710	1,318,271
M/s. Growel Projects Ltd.	12,558,000	1,255,800
M/s. Poona Bottling Co. Pvt. Ltd.	40,975,000	4,097,500
M/s. Ridhi Sidhi Ltd.	32,359,000	3,235,900

NOTE 3: RESERVES AND SURPLUS

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
General Reserve		
As per last Account	7,786.05	7,697.26
Add: Transfer from Statement of Profit & Loss	5,000.00	140.00
	12,786.05	7,837.26
Less: Transfer to Statement of Profit & Loss being difference of Depreciation on Original Cost & fair value	51.21	51.21
	12,734.84	7,786.05
Note: General reserve includes surplus in "Amalgamation reserve" on merger after netting of accumulated losses on merger, amalgamation expenses and difference of depreciation on original cost and their fair value, etc, of Rs. 2,261.23 Lacs (PY 2,312.44 Lacs)		
Surplus / (Deficit) in the Statement of Profit & Loss		
As per last Account	3,455.38	2,364.95
Profit for the year	2,320.82	1,441.21
Less:- Appropriations		
Proposed Dividend	340.07	181.36
Corporate Tax on Dividend	55.18	29.42
Transfer to General Reserve	5,000.00	140.00
Net surplus in the Statement of Profit & Loss	380.95	3,455.38
	13,115.79	11,241.43

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

NOTE 4: LONG TERM BORROWINGS

Rupees in Lacs

	Non Current		Current Maturities	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Secured				
Term Loans from Banks	6,519.50	7,423.84	1,755.00	2,145.90
Unsecured				
Loans and Advances from related parties	229.50	214.50	-	-
Fixed Deposits	122.58	78.14	36.10	10.90
Others (Hire Purchase Credits)	144.54	195.45	14.38	21.14
Amounts disclosed under the head 'Other Current Liabilities' (Note 10)			(1,805.48)	(2,177.94)
	<u>7,016.12</u>	<u>7,911.93</u>	<u>-</u>	<u>-</u>

Nature of Security

- (a) Term loans for Shopping mall from The Saraswat Co-op Bank are secured by pari-passu first charge by way of joint mortgage of deposit of title deeds of immovable properties of the Company at Kandivli.

Terms of repayment

- The Term loan is to be repaid in 70 monthly installments, without moratorium, out of which 69 installments will be of Rs. 15.00 lacs each and last installment of Rs. 12.00 lacs.
- The Term Loan is to be paid in 72 monthly installments after a moratorium of 12 months, 18 installments of Rs. 5.56 lacs each. 53 installments of Rs. 35.19 lacs each and last installment of Rs. 34.85 lacs.
- The Term Loan is to be repaid in 84 monthly installments, after a moratorium of 9 months, 74 installments will be of Rs. 75.00 lacs each and last installment will be bullet payment of Rs. 902 lacs.

Nature of Security

- (b) Corporate loan I from The Saraswat Co-operative Bank Ltd is secured by legal mortgage of fixed assets including land and building of Paints division at Mumbai. Corporate loan II from The Saraswat Co-operative Bank is secured by pari-passu first charge along with Punjab National Bank by joint mortgage of deposit of title deeds of immovable properties of the Company at Kandivli.

Terms of repayment

- The Term Loan carrying interest @ PLR -0.5% is to be paid in 20 quarterly installments. Four installments of Rs. 50 lacs each. Eight quarterly installments of Rs. 10 lacs each. Eight quarterly installments of Rs. 90 lacs each.
- The Term Loan is to be repaid in 48 months after a moratorium of 12 months from the date of disbursement. 47 installments will be Rs. 20.83 lacs and last installment of Rs. 20.99 lacs, carrying interest @ PLR -2.5%.

Nature of Security

- (c) Hire purchase credits are secured by hypothecation of specific assets purchased there against.

Terms of repayment

- The Hire purchase loan taken from The Saraswat Co-operative Bank Ltd & Axis Bank Ltd is against purchase of two cars. The Saraswat Bank loan is payable in 17 monthly EMI each of Rs. 2.11 lacs, ending on August 2013. The Axis Bank loan is payable in 46 monthly EMI each of Rs. 2.64 lacs, ending on Jan 2016.

NOTE 5 : DEFERRED TAX LIABILITIES (NET):

Rupees in Lacs

	March 31, 2012	March 31, 2011
The breakup of Deferred Tax Liabilities:		
Arising on account of timing difference in:		
- Depreciation	1,691.40	1,408.24
- Accrued Expenses allowable on Actual Payments	(251.29)	(211.97)
Deferred Tax Liabilities (Net)	<u>1,440.11</u>	<u>1,196.27</u>

NOTE 6: OTHER LONG TERM LIABILITIES

Rupees in Lacs

	March 31, 2012	March 31, 2011
Unsecured		
Deposits From Licensees and Dealers	930.54	767.75
Staff Advances	65.87	61.31
	<u>996.41</u>	<u>829.06</u>

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

NOTE 7: PROVISIONS

	LONG TERM		SHORT TERM	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Provision for Employee Benefits				
Leave benefits	81.01	65.09	19.47	23.39
Gratuity	533.48	474.87	140.55	89.96
Others			-	18.67
For Tax (Net of advance Tax paid)			348.71	234.18
Proposed Dividend			340.06	181.36
Corporate Tax on Dividend			55.17	29.42
	<u>614.49</u>	<u>539.96</u>	<u>903.96</u>	<u>576.98</u>

NOTE 8: SHORT TERM BORROWINGS

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
Secured		
Working Capital facilities from Banks	4,215.88	4,210.39
Unsecured		
Loans from related parties	229.00	163.99
	<u>4,444.88</u>	<u>4,374.38</u>

Nature of Security

- (a) Working capital facilities are secured by hypothecation of all stocks, moveable assets and book debts by way of first charge on pari-passu basis and are further collaterally secured by second pari-passu charge on the block assets of Shopping Mall at Kandivli, Mumbai. Working Capital facilities from Punjab National Bank are further collaterally secured by first charge on the block of assets of Samba unit.

NOTE 9: TRADE PAYABLES

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
Trade payables (Refer Note 27))	3,427.04	3,246.29
Acceptances	105.03	325.51
	<u>3,532.07</u>	<u>3,571.80</u>

NOTE 10: OTHER CURRENT LIABILITIES

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
Current maturities of long term borrowings (Note 4)	1,805.48	2,177.94
Interest accrued but not due on borrowings	105.81	108.78
Statutory dues:		
Excise Duty	167.15	97.31
Service Tax Payable	249.76	216.68
Others	81.15	124.07
Other payables:		
Employee benefits	172.39	165.95
Unpaid Dividend	17.63	16.24
Unpaid Matured deposits	0.15	0.15
Sundry creditors for capital goods	230.95	973.00
Discount payable	315.95	294.59
Advances from customers	609.55	749.90
Others	770.53	581.85
	<u>4,526.50</u>	<u>5,506.46</u>

There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

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

NOTE 11: FIXED ASSETS

Nature of Fixed Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Cost as at 01/04/11	Additions	Deductions	Other Adjustments	Cost as at 31/03/12	Upto 31/03/11	Provided during the year	Deductions Adjustments	Upto 31/03/12	As at 31/03/12	As at 31/03/11	
	Rupees in Lacs											
Tangible Assets												
Land												
a) Freehold	1,119.07	-	-	-	1,119.07	-	-	-	-	1,119.07	1,119.07	
b) Leasehold	1,887.61	-	-	-	1,887.61	100.62	31.21	-	131.83	1,755.78	1,786.99	
Buildings	13,339.81	144.15	-	-	13,483.96	1,004.50	439.91	-	1,444.41	12,039.55	12,335.31	
Plant & Machinery	6,670.94	208.13	30.47	2.64	6,845.96	1,678.53	329.19	2.56	2,005.16	4,840.80	4,992.41	
Laboratory Equipment	304.66	7.78	0.57	-	311.87	140.39	14.25	-	154.64	157.23	164.26	
R&D Equipment	539.21	52.84	-	-	592.05	211.79	26.61	-	238.40	353.65	327.42	
Furniture & Fixtures	1,318.46	77.89	-	-	1,396.35	266.73	86.56	-	353.29	1,043.06	1,051.73	
Vehicles	793.62	84.75	47.92	11.13	819.32	233.03	75.26	33.20	275.09	544.23	560.58	
Office Equipment	385.23	36.94	-	-	422.17	166.76	20.05	-	186.81	235.36	218.48	
TOTAL	26,358.61	612.48	78.96	13.77	26,878.36	3,802.35	1,023.04	35.76	4,789.63	22,088.73	22,556.25	
Previous year	13,492.44	12,918.70	52.53	-	26,358.61	3,065.56	762.53	25.73	3,802.35	22,556.25		
Intangible Assets												
Goodwill	-	-	-	-	-	-	-	-	-	-	-	
Brands / Trademarks	-	-	-	-	-	-	-	-	-	-	-	
Computer Software	87.67	6.70	-	-	94.37	30.38	16.44	-	46.82	47.55	57.30	
Mastheads & Publishing titles	-	-	-	-	-	-	-	-	-	-	-	
Mining Rights	-	-	-	-	-	-	-	-	-	-	-	
Copyrights / Patents etc.	-	-	-	-	-	-	-	-	-	-	-	
Recipes, formula, models, etc.	-	-	-	-	-	-	-	-	-	-	-	
licenses & Franchises	-	-	-	-	-	-	-	-	-	-	-	
Others (Specify)	-	-	-	-	-	-	-	-	-	-	-	
TOTAL	87.67	6.70	-	-	94.37	30.38	16.44	-	46.82	47.55	57.30	
Previous year	67.43	20.25	-	-	87.67	16.14	14.23	-	30.38	57.30	74.88	
Capital Work in Progress (Note (a))										286.33		
										22,422.61		22,688.43
(a) Details of pre-operative expenses included in Capital Work in Progress:												
Rates and Taxes												March 31, 2011
Insurance												12.71
Professional Fees												5.84
Borrowing Cost										0.45		67.89
Salary and Wages										7.75		338.44
Miscellaneous										-		-
												46.11
Add: Brought forward from previous year										8.20		470.99
Less - Capitalised during the year										0.87		3,567.36
Total										9.07		4,038.35
										9.07		4,037.48
												0.87

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

NOTE 12: NON CURRENT INVESTMENTS (Non Trade)

Rupees in Lacs

	March 31, 2012		March 31, 2011	
	Nos.	Rupees	Nos.	Rupees
(at cost less permanent diminution in value)				
Quoted				
In fully paid-up Equity Shares of Rs. 10 each				
Arihant Threads Limited	2,100	0.06	2,100	0.06
Crystal Software Solutions Limited	8,600	0.43	8,600	0.43
Sunflag Iron & Steel Co. Limited	2,000	0.00	2,000	0.00
Ginni Filaments Limited	900	0.14	900	0.14
Indo-French Bio-tech Enterprises Limited	89,800	0.90	89,800	0.90
Punjab National Bank	235	0.92	235	0.92
Unquoted				
In Associates / Joint Ventures				
Poona Bottling Co. Pvt Ltd (Fully paid-up Equity shares of Rs. 100/- each)	91,970	3.90	95,970	4.07
Growel Goema (I) Pvt Limited (Fully paid up Equity shares of Rs. 10/- each)	149,980	15.00	149,980	15.00
Growel Sidasa Industries Pvt Limited (Fully paid up Equity shares of Rs. 10/- each)	444,900	44.49	444,900	44.49
Growel Energy Company Ltd (Fully paid-up Equity shares of Rs. 10/- each)	49,400	4.94	49,400	4.94
Grauer & Weil (Thailand) Limited (Fully paid up Equity shares of THB 100 each)	58,800	83.83	9,800	10.98
In Subsidiaries				
Grauer & Weil (Shanghai) Limited	2,328,460	232.85	-	78.90
Grauer & Weil (U.K) Limited (Fully paid up Equity shares of Sterling Pound of 1 each)	1	0.00	-	-
Others				
In fully paid-up Equity Shares of Rs. 10 each				
Shree Vaishnavi Dyeing & Printing Limited	1,500	0.06	1,500	0.06
Saraswat Cooperative Bank Ltd	5,000	0.50	5,000	0.50
Rasik Plast Limited	13,500	0.00	13,500	0.00
Surlux Health Centres Limited	1,000	0.00	1,000	0.00
Shivalik Solid Waste Management Ltd.	20,000	2.00	20,000	2.00
National Savings Certificates		0.69		0.60
	3,268,146	390.71	894,685	163.99
	Cost Rs.	Market value Rs.	Cost Rs.	Market value Rs.
Aggregate Market Value Of Quoted Investments	-	2.94	-	4.23
Aggregate Book Value Of Quoted Investments	2.45	-	2.45	-
Aggregate value of Unquoted Investments	388.26	-	161.54	-

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

NOTE 13: LOANS AND ADVANCES

Rupees in Lacs

	LONG TERM		SHORT TERM	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Unsecured - Considered Good				
Capital Advances	314.94	178.07	-	-
Security Deposits	247.51	311.97	-	-
Loans and Advances to related parties	50.00	50.00	2.98	1.98
Loans and advances to employees	20.23	21.19	24.82	31.78
Advance income tax	337.57	266.28	-	-
MAT credit entitlement	526.98	377.60	-	-
Advance to Suppliers	-	-	731.91	1,056.40
Balances with Govt Authorities				
(i) CENVAT	-	-	157.17	127.97
(ii) VAT	-	-	99.08	138.07
(iii) Service Tax	-	-	378.98	503.86
	<u>1,497.23</u>	<u>1,205.11</u>	<u>1,394.94</u>	<u>1,860.06</u>

NOTE 14: OTHER ASSETS

Rupees in Lacs

	NON CURRENT		CURRENT	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
(Unsecured - Considered Good)				
Interest accrued on Inter corporate deposits			7.22	44.36
Share application money pending allotment			84.34	-
Prepaid expenses			51.80	41.35
Others			83.87	93.03
Non current Bank balances (Note 17)	3.80	4.88		
	<u>3.80</u>	<u>4.88</u>	<u>227.23</u>	<u>178.74</u>

NOTE 15: INVENTORY

Rupees in Lacs

	March 31, 2012	March 31, 2011
At lower of cost and net realisable value		
Raw materials	2,184.13	2,426.75
Goods-in-transit	374.59	625.70
	<u>2,558.72</u>	<u>3,052.45</u>
Work-in-progress	450.34	363.49
Finished goods	1,752.22	1,296.53
Traded Goods	48.34	44.12
Goods-in-transit	-	0.34
	<u>1,800.56</u>	<u>1,340.99</u>
Stores and spares	170.19	148.20
	<u>4,979.81</u>	<u>4,905.13</u>

NOTE 16: TRADE RECEIVABLES

Rupees in Lacs

	March 31, 2012	March 31, 2011
Overdue for a period exceeding six months		
Secured Considered Good	273.47	204.30
Unsecured Considered Good	1,026.43	1,058.61
Others		
Secured Considered Good	249.68	249.81
Unsecured Considered Good	6,012.53	4,592.96
	<u>7,562.11</u>	<u>6,105.68</u>

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

NOTE 17: CASH AND BANK BALANCES

Rupees in Lacs

	NON CURRENT		CURRENT	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Cash & Cash Equivalents				
Balances with banks				
In Current Accounts			244.09	623.02
In EEFC accounts			52.74	142.58
In deposit accounts			0.38	26.60
Cash on hand			30.62	23.78
			<u>327.83</u>	<u>815.98</u>
In earmarked accounts				
Unpaid dividend accounts			17.63	16.24
Other bank balances				
Margin Money Deposits	3.80	4.88	33.49	71.09
Amount disclosed under 'Non Current Assets' (Note 14)	<u>(3.80)</u>	<u>(4.88)</u>		
	<u>-</u>	<u>-</u>	<u>378.95</u>	<u>903.31</u>

NOTE 18: REVENUE FROM OPERATIONS

Rupees in Lacs

	2011-2012	2010-2011
Sale of Goods	37,355.02	32,135.84
Less: Trade Discount	<u>3,469.90</u>	<u>2,871.89</u>
	33,885.12	29,263.95
Business Conducting Fees/Licence Fees and related income	1,765.34	1,021.49
Other Operating Revenues		
Plating and Service charges	86.91	99.91
License Fees	4.32	5.50
Business Support Fee	68.00	26.57
Royalty Income	-	21.45
Excise Duty Refund	61.01	37.41
Scrap Sales	92.34	79.24
	<u>312.58</u>	<u>270.08</u>
	<u>35,963.04</u>	<u>30,555.52</u>
Details of sales (Gross):		
Class of Goods		
Electroplating Chemicals	23,146.23	19,960.34
Basic Chemicals	1,987.26	1,793.16
Intermediatory Chemicals	1,103.91	1,084.95
Electroplating Equipment	4,176.01	3,571.10
Free Samples	6.96	4.88
Paints, Enamels, vanishes and oil bound distempers	5,968.17	5,201.80
Others	966.48	519.61
	<u>37,355.02</u>	<u>32,135.84</u>

NOTE 19: OTHER INCOME

Rupees in Lacs

	2011-2012	2010-2011
Interest Income	40.40	34.19
Dividend Income		
Other than trade investments	0.16	0.14
Net gain on sale of fixed assets	-	2.11
Net gain on foreign currency transactions and translation	184.36	39.52
Sundry Balances Written Back	11.57	53.75
Profit on sale of investments	21.83	-
Others	26.76	11.87
	<u>285.08</u>	<u>141.58</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**NOTE 20: COST OF MATERIALS CONSUMED**

	Rupees in Lacs	
	2011-2012	2010-2011
Opening stock	2,426.75	1,769.03
Add : Purchases	17,825.50	16,448.77
	<u>20,252.25</u>	<u>18,217.80</u>
Less: Closing Stock	2,184.13	2,426.75
	<u>18,068.12</u>	<u>15,791.05</u>
Details of Raw Materials consumed:		
Inorganic Compounds	7,609.21	5,836.68
Organic Compounds	5,487.25	5,481.80
Mild Steel & Angles, Beams Channels, Sheets, Rods and Flats	468.04	392.36
Stainless Steel, Rods, Sheets & Flats	135.14	400.45
Electric Motors	83.90	10.79
Rectifiers	15.89	116.47
Pigments	429.29	595.80
Resins	1,401.51	1,037.30
Solvents	865.99	805.79
Others	1,571.90	1,113.61
	<u>18,068.12</u>	<u>15,791.05</u>

NOTE 21: PURCHASES OF STOCK IN TRADE

	Rupees in Lacs	
	2011-2012	2010-2011
Traded goods	377.98	308.50

NOTE 22: CHANGES IN INVENTORY

	Rupees in Lacs	
	2011-2012	2010-2011
Closing Stock		
Traded Goods	48.34	44.12
Work in Progress	450.34	363.49
Finished Goods	1,752.22	1,296.53
	<u>2,250.90</u>	<u>1,704.14</u>
Less: Opening Stock		
Traded Goods	44.12	30.99
Work in Progress	363.49	316.32
Finished Goods	1,296.53	928.22
	<u>1,704.14</u>	<u>1,275.53</u>
	(546.76)	(428.61)
Differential Excise Duty on Opening and Closing stock of Finished Goods	68.17	44.92
	<u>(478.59)</u>	<u>(383.69)</u>

Details of Inventory:

	Rupees in Lacs			
	Work-in-process		Finished Goods	
	Opening Stock	Closing Stock	Opening Stock	Closing Stock
Electroplating Chemicals	121.16	145.15	539.16	866.80
Basic Chemicals	1.01	1.63	17.34	19.02
Intermediary Chemicals	52.62	44.02	91.54	7.25
Electroplating Equipment	135.76	220.50	-	7.42
Paints, Enamels, vanishes and oil bound distempers	52.94	39.04	506.07	851.73
Others	-	-	142.42	-
	<u>363.49</u>	<u>450.34</u>	<u>1,296.53</u>	<u>1,752.22</u>

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

Rupees in Lacs

	Traded Goods	
	Opening Stock	Closing Stock
Electroplating Chemicals	11.79	4.60
Paints, Enamels, varnishes and oil bound distempers	32.33	43.74
	<u>44.12</u>	<u>48.34</u>

NOTE 23: EMPLOYEE BENEFITS EXPENSE

Rupees in Lacs

	2011-2012	2010-2011
Salaries, Wages, Bonus, and Allowances	2,554.95	2,140.67
Contribution to Provident, Gratuity and Other Funds	145.35	125.54
Welfare Expenses	313.54	251.90
	<u>3,013.84</u>	<u>2,518.11</u>
Employee Benefits:		
As Per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in accounting Standard are given below:		
(a) Defined contribution plans:		
Employer's Contribution to Provident Fund*	71.37	58.30
Employer's Contribution to Superannuation Fund*	21.26	20.26
*included in "contribution to Provident & Other funds"		
(b) Defined benefit plans:		
	Gratuity	Gratuity
	*2011-2012	*2010-2011
	Partly Funded /	Partly Funded /
	Unfunded	Unfunded
(i) Current Service Cost	33.82	38.26
Interest Cost	40.42	39.48
Expected return on Plan assets	(1.82)	(1.69)
Actuarial (Gain)/Loss	36.78	36.25
Net Cost	<u>109.20</u>	<u>112.30</u>
(ii) Reconciliation of benefit obligations and plan assets for the year:		
Present value of defined benefit obligation	698.66	587.64
Fair value of plan assets	(24.63)	22.81
Net asset/ (liability) as at 31st March, 2012 recognised in the balance sheet	<u>(674.03)</u>	<u>(564.83)</u>
Experience adjustments on plan liabilities		Not available *
Experience adjustments on plan assets		Not available *
The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available hence not disclosed.		
(iii) Change in defined benefit obligation:		
Present value of obligation as at 1st April, 2011	587.64	495.99
Current Service Cost	33.82	38.26
Interest Cost	40.42	39.48
Actuarial (Gain) / Loss	36.78	36.25
Benefits paid	-	(22.34)
Present value of obligation as at 31st March, 2012	<u>698.66</u>	<u>587.64</u>

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

	Gratuity *2011-2012 Partly Funded	Gratuity *2010-2011 Partly Funded
(iv) Change in Plan Assets:		
Opening fair value of plan assets on 1st April, 2011	22.81	21.12
Expected return on plan Assets	1.82	1.69
Contribution by Employer	-	4.83
Benefits Paid	-	(4.83)
Actuarial Gains/(loss)	-	*
Closing fair value of plan assets as on 31st March, 2012	<u>24.63</u>	<u>22.81</u>
* (Rs. 22/-)		
(v) Reconciliation of expected return and actual return on plan assets:		
Expected return on plan assets	1.82	1.69
	-	*
Actual return on plan assets	<u>1.82</u>	<u>1.69</u>
* (Rs. 22/-)		
(vi) Reconciliation of opening and closing net liability /(asset) recognized in the Balance Sheet:		
	Gratuity *2011-2012 Partly Funded / Unfunded	Gratuity *2010-2011 Partly Funded / Unfunded
Opening net liability as on 1st April, 2011	564.83	474.87
Expenses as recognized in Profit & Loss account	109.20	112.30
Contribution by the employer	-	(22.34)
Net Liability/ (Assets)	<u>674.03</u>	<u>564.83</u>
(vii) Investments under plan assets as on 31st March, 2012:		
LIC Group Gratuity (Cash Accumulation) Policy -100%		
(viii) The principal actuarial assumptions:		
Discount rate	8.75% p.a	8.25% p.a
Salary escalation rate	5% p.a	5% p.a
Expected rate of return on plan assets	8.60% p.a	8% p.a
The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
* included in "Salaries, Wages, Bonus Etc."		

NOTE 24: FINANCE COSTS

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
Interest	1,731.99	1,213.82
Cash Discount	285.42	257.40
Bank charges	101.65	110.90
	<u>2,119.06</u>	<u>1,582.12</u>

NOTE 25: DEPRECIATION & AMORTISATION

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
On Tangible Fixed Assets	1,023.04	762.53
On Intangible Fixed Assets	16.44	14.23
	<u>1,039.48</u>	<u>776.76</u>
Less: Transferred from General Reserve	51.21	51.21
	<u>988.27</u>	<u>725.55</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**NOTE 26: OTHER EXPENSES**

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
Stores and Spares Consumed	374.41	361.09
Packing Materials consumed	1,069.83	963.69
Power and Fuel	328.80	330.75
Job work charges	632.34	504.80
Drawings, Designs and Layout Expenses	38.50	4.85
Rent	104.53	89.90
Repairs and Renewals:		
Buildings	178.77	204.12
Plant and Machinery	113.35	92.76
Other Assets	134.87	75.89
	<u>426.99</u>	<u>372.77</u>
Insurance	66.44	42.81
Rates and Taxes	183.45	121.44
Printing and Stationery	64.30	72.82
Travelling & Conveyance	410.14	365.94
Communication Expenses	123.68	118.54
Legal & Professional Charges	209.39	213.40
Auditors' Remuneration:		
As Auditors	2.75	1.85
For Tax Audit	0.75	0.75
For Taxation matters	2.00	1.00
In other capacity for Certificates and other Services	0.75	0.48
Reimbursement of Expenses etc.	0.98	0.48
	<u>7.23</u>	<u>4.56</u>
Cost Auditors Remuneration:		
As Auditors	0.50	0.40
Reimbursement of Expenses	0.08	-
	<u>0.58</u>	<u>0.40</u>
Directors' Fees	1.80	2.70
Loss on fixed assets sold / discarded (Net)	0.64	-
Vehicle Expenses	139.58	122.02
Donations & Contributions	2.43	0.83
Business promotion	50.99	187.23
Sales Tax	662.36	581.23
Freight and Forwarding (Net)	575.99	574.41
Bad Debts written off	115.03	17.41
Research And Development	112.25	110.91
Discount And Commission	177.26	78.12
Promotion	100.15	107.35
Guards & Security	86.61	72.03
Unrecovered Maintenance Expenses	99.84	23.30
Miscellaneous Expenses	329.55	339.49
	<u>6,495.09</u>	<u>5,784.79</u>

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

NOTE 27 : OTHER ADDITIONAL NOTES / INFORMATION

A. Contingent Liabilities not provided for:

	2011-2012 (Rupees in Lacs)	2010-2011 (Rupees in Lacs)
Disputed matters in appeal / contested in respect of;		
- Income Tax	0.94	0.94
- Excise Duty / Service tax	231.53	44.16
- Sales Tax	23.96	29.29
Bank Guarantees	1089.90	813.67
Others	-	1.00
B. Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	573.18	24.62

C. Trade Receivables

	2011-2012 (Rupees in Lacs)	2010-2011 (Rupees in Lacs)
Debts due from Companies under same Management		
i) Grauer & Weil (Thailand) Limited	229.10	246.09
ii) Growel Sidasa Industries Pvt. Limited	119.43	147.65
iii) Growel Goema India Pvt. Limited	245.17	395.74
iv) Grauer & Weil (Shanghai) Limited	245.95	359.32

D. Loans and Advances includes:

	2011-2012 (Rupees in Lacs)	2010-2011 (Rupees in Lacs)
a) Amount due from a subsidiary Company		
i) Poona Bottling Co. Pvt. Limited		
- On account of Loan	-	-
- On account of Deposit	-	70.50
b) Loan to Associates /Companies Under the same Management		
i) Grauer & Weil (Thailand) Limited		
- On account of Loan (including interest of Rs.4. lacs)	54.00	69.22
c) Loans due from Associates /Companies under the same Management- On account of expenses		
i) Growel Sidasa Industries Pvt. Ltd.	1.78	0.79
ii) Growel Softech Limited	1.19	1.19
iii) Digikore Design Ltd.	-	0.39

E. Disclosure required by clause 32 of the listing agreement

Loans due from following parties

	Shares held by the Loanee company			
	Amount Outstanding (Rupees in Lacs)	Maximum Balance during the year (Rupees in Lacs)	No. of shares held at the year end (Rupees in Lacs)	Maximum No. of shares held during the year (Rupees in Lacs)
i) Subsidiaries				
Poona Bottling Co. Pvt. Limited	Nil	Nil	Nil	Nil
	Nil	(60.47)	(40.975)	(40.975)
(ii) Associates				
a) Grauer & Weil (Thailand) Ltd.	54.00 (69.22)	69.22 (69.22)	Nil (Nil)	Nil (Nil)
b) Poona Bottling Co. Pvt. Limited	Nil	Nil	409.75	409.75

Notes:

- All the above loans and advance are interest bearing.
- Loans to employees as per Companies policies are not considered
- Previous year figures are in brackets.

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

- F.** In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of the business.
- G.** The Company has taken various premises under operating leases. These are generally not non-cancellable and range between 11 months to 3 years and above and are renewable by mutual consent on mutually agreeable terms. Lease payments are recognised in the statement of Profit and Loss under the head "rent".

Minimum Lease payments;

Particular	Rupees in Lacs	
	2011-2012	2010-2011
- Not later than one year	101.40	81.51
- Later than one year, but not later than five year	229.79	140.35
- More than five year	10.02	10.22

- H.** Development activities during the year at its R&D Centre at Kandivli

	Rupees in Lacs	
	2011-2012	2010-2011
i) Salaries, Wages & Benefits	199.79	166.43
ii) Chemicals consumed	38.33	42.14
iii) Traveling & Conveyance	15.73	11.30
iv) Repairs & Maintenance	2.18	9.39
v) Other expenses	16.94	4.95
Total	272.97	234.21
Less : Testing & analysis charges	(3.51)	(1.55)
Total	269.46	232.66

Depreciation includes Rs- 24.22 lacs (P.Y. 20.36 lacs) in respect of Fixed Assets used for Research & Development.

Capital Expenditure on Research & Development during the year is Rs 40.91 lacs (P.Y. 71.48 lacs).

This information also complies with the terms of approval of In-house Research & Development facility at R&D centre, Kandivli, Mumbai granted by Government of India, Ministry of Science & Technology, Department of Scientific & Industrial Research for the period 1st April, 2009 to 31st March, 2012 vide their letter No. T.U.IV-15 (305)/2009 dated 16th June, 2009.

The Research & Development expenditure incurred during the year at other locations of the company not included in above is as follows:

	Rupees in Lacs	
	2011-2012	2010-2011
Revenue Expenditure	44.92	42.03
Capital Expenditure	19.70	5.64

- I.** The Company enters into forward exchange contracts being derivatives instruments, which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the date of settlement.

- (i) Outstanding position in respect of forward exchange contracts as at 31st March, 2012 is as follows:

Purpose	No. of Contracts	US Dollar	INR
Forward Contracts in respect of foreign currency creditors	2	2.133 Lacs	109.98 Lacs

- (ii) Un-hedged foreign currency exposure is as under:

Particular	Rupees in Lacs						
	JPY	USD	EURO	GBP	HKD	SGD	Total (INR)
Receivable	-	24.39	1.50	-	-	-	1341.19
		(22.85)	(0.98)	-	-	-	(1094.64)
Payable	1.44	-	-	0.005	-	-	1.33
	(3.98)	(4.23)	(0.25)	(0.18)	(0.12)	(0.07)	(0.20)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**J. Micro, Small and Medium Enterprise Development Act, 2006**

The information given below and that given in Note 9 Trade Payables “regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Rupees in Lacs

No	Particular	2011-2012	2010-2011
(i)	Principal amount due to suppliers under MSMED	14.00	15.42
(ii)	Interest accrued and due to suppliers under MSMED on above amount, unpaid	-	0.06
(iii)	Payments made to suppliers (other than interest) beyond the appointed date during the year	80.63	66.50
(iv)	Interest paid to suppliers under the MSMED	-	-
(v)	Interest due and payable towards suppliers under MSMED Act towards payments already made	0.41	0.30
(vi)	Amount of cumulative interest accrued and unpaid as at the year end	0.77	0.36

K. Details of Contracts in Progress as on 31st March 2012

Rupees in Lacs

Sr. No.	Particular	2011-2012	2010-2011
A	Contract Receipt for work done	522.47	860.72
B	Contract Costs for work done	336.10	513.57
C	Amount of advances received	-	-
D	Amount of retention	46.87	44.52
E	Amount due from Customers for Contract Billing	125.59	198.41
F	Amount due from Sub Contractors for Contract Billing	104.65	147.92
G	Contingencies for Contract	-	-

L. The company has investment of Rs. 232.85 lacs (P.Y. 78.90 lacs) in equity shares of Grauer & Weil (Shanghai) Ltd, a wholly owned subsidiary company and investment in equity shares of Growel Goema (I) Pvt. Ltd, Growel Sidas Industries Pvt. Ltd and Grauer & Weil (Thailand) Limited being investment in associates amounting to Rs 143.31 (P.Y. 70.47 lacs). The net worth of these companies have eroded. The management considers these as strategic investments and the company has also during the year infused fresh capital. Based on the projected future earnings, the management is of the opinion that the diminution in value of investments is temporary and that no provision is required, upon which, the auditors being unable to make an informed judgment, have placed their reliance.

M. During the year the company sold 4,000 equity shares of Poona Bottling Company Private Limited at market value, accordingly, the investment is lower than 50% and Poona Bottling Company Private Limited is no longer a subsidiary of the company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**N. Segment reporting**

The following tables present revenue and profit/(loss) information regarding business/ geographical segments for the year ended 31st March, 2012 and certain assets and liabilities information regarding business and geographical segments as at 31st March, 2012.

(a) Primary Segment Reporting by business segments

Rupees in Lacs

	Chemical	Engineering	Shopper-tainment	Paints	Total
Segment revenue					
Income from operations	21,889	3,862	1,765	5,495	33,011
	(18,938)	(3,246)	(1,021)	(4,775)	(27,980)
Less : Inter segment Revenue	-	-	-	-	-
	-	-	-	(37)	(37)
Add : Other Income	398	132	12	4	546
	(208)	(179)	(1)	(8)	(396)
Add : Unallocable					49
					(16)
Total	22,286	3,994	1,777	5,499	33,606
	(19,147)	(3,425)	(1,022)	(4,745)	(28,355)
Segment Results	5,131	283	712	262	6,388
	(2,811)	(99)	(830)	(179)	(3,919)
Less : Interest					2,119
					(1,582)
Less : Other Unallocable Expenditure net of unallocable Income					1,245
					(309)
Profit Before Tax					3,024
					(2,028)
Less : Provision for Current and Deferred tax					704
					(587)
Profit After Tax					2,320
					(1,441)
Segment Assets	12,378	2,555	14,380	6,403	35,716
	(12,426)	(2,144)	(14,604)	(5,467)	(34,641)
Unallocated corporate Assets					2,842
					(3,098)
Total Assets					38,558
					(37,739)
Segment Liabilities	3,008	1,519	978	1,150	6,655
	(2,989)	(1,372)	(1,279)	(1,144)	(6,784)
Unallocated corporate Liabilities					31,903
					(30,955)
Total Liabilities					38,558
					(37,739)
Capital Expenditure	472	52	264	32	
	(639)	(29)	(2,799)	(26)	
Depreciation	340	19	552	18	
	(321)	(20)	(310)	(16)	

(b) Secondary segment reporting by Geographical segment

	Domestic	Foreign	Total
Revenue	29,792	3,814	33,606
	(24,701)	(3,654)	(28,355)
Total Assets	36,985	1,573	38,558
	(35,634)	(2,107)	(37,741)

Note : Previous year's figures are in brackets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**O. Related party disclosures****(i) List of Related Parties****Subsidiaries**

Grauer & Weil (Shanghai) Limited

Growel UK Limited

Associates

Growel Goema (I) Pvt Limited

Growel Sidasa Industries Pvt Limited

Grauer & Weil (Thailand) Limited

Poona Bottling Company Pvt Limited

Key Management Personnel, their relatives and enterprises where significant influence exists, with whom the company had transactions

Mr. Umeshkumar N. More

Mr. Rameshkumar R More

Mr. Nirajkumar U More

Mr. Rohitkumar R More

Mr. Vinod Haritwal

Mr. Rohan Shah

Mr. M M Chaturvedi

Mr. Harnish Juthani

Mr. K C Srivastava

Mr. Suresh Pareek

Mr. Mr. Yogesh Samat

Growel Softech Limited

Digikore Designs Limited

Digikore Studio Limited

Growel Projects Limited

Ridhi Sidhi Limited

Bubna More & Co Pvt Limited

Radhakishan Nandlal Pvt Limited

Growel Corporate Management Limited

Waluj Beverages Pvt. Ltd

Relatives of Key Management Personnel

Mrs. Premlata U More

Wife of Mr. Umeshkumar More

Mrs. Pallavi N More

Wife of Mr. Nirajkumar More

Mr. Abhishek R . More

Son of Rameshkumar More

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

RELATED PARTY TRANSACTIONS

Rupees in Lacs

	Subsidiary		Associates		Enterprise of KMP		KMP		Relatives of KMP		Total	Total
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Directors fees												
Mr. Rameshkumar R More	-	-	-	-	-	-	0.10	0.60	-	-	0.10	0.60
Mr. K C Srivastava	-	-	-	-	-	-	0.60	0.60	-	-	0.60	0.60
Mr. Suresh Pareek	-	-	-	-	-	-	0.60	0.70	-	-	0.60	0.70
Mr. M M Chaturvedi	-	-	-	-	-	-	0.20	0.30	-	-	0.20	0.30
Mr. Umeshkumar N. More	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Yogesh Samat	-	-	-	-	-	-	0.30	0.40	-	-	0.30	0.40
Mr. Hosi Karanjia	-	-	-	-	-	-	-	0.10	-	-	-	0.10
Interest Received												
Poona Bottling Company Pvt Limited	-	-	-	1.23	-	-	-	-	-	-	-	1.23
Grauer & Weil (Thailand) Limited	-	-	4.00	4.00	-	-	-	-	-	-	4.00	4.00
Loan Accepted												
Ridhi Sidhi Limited	-	-	-	-	-	45.00	-	-	-	-	-	45.00
Bubna More & Co Pvt Limited	-	-	-	-	-	8.50	-	-	-	-	-	8.50
Mr. Nirajkumar U. More	-	-	-	-	-	-	-	20.00	-	-	-	20.00
Mr. Umeshkumar N. More	-	-	-	-	-	-	-	50.00	-	-	-	50.00
Radhakishan Nandlal Pvt Limited	-	-	-	-	20.00	-	-	-	-	-	20.00	-
Poona Bottling Company Pvt Limited	-	-	135.00	-	-	-	-	-	-	-	135.00	-
Repayment of Loan Accepted												
Mr. Nirajkumar U. More	-	-	-	-	-	-	20.00	-	-	-	20.00	-
Mr. Umeshkumar N. More	-	-	-	-	-	-	50.00	-	-	-	50.00	-
Ridhi Sidhi Limited	-	-	-	-	-	-	-	-	-	-	-	-
Growel Goema (I) Pvt Limited	-	-	5.00	-	-	-	-	-	-	-	5.00	-
Interest Paid												
Growel Goema (I) Pvt Limited	-	-	2.11	2.30	-	-	-	-	-	-	2.11	2.30
Ridhi Sidhi Limited	-	-	-	-	8.65	6.63	-	-	-	-	8.65	6.63
Bubna More & Co Pvt Limited	-	-	-	-	4.61	4.35	-	-	-	-	4.61	4.35
Radhakishan Nandlal Pvt Limited	-	-	-	-	10.14	9.14	-	-	-	-	10.14	9.14
Mr. Nirajkumar U. More	-	-	-	-	-	-	12.18	11.89	-	-	12.18	11.89
Mr. Umeshkumar N. More	-	-	-	-	-	-	3.39	2.69	-	-	3.39	2.69
Poona Bottling Company Pvt Limited	-	-	4.24	-	-	-	-	-	-	-	4.24	-
Loan / Advance Given												
Poona Bottling Company Pvt Limited	-	-	-	26.50	-	-	-	-	-	-	-	26.50
Repayment of loan												
Poona Bottling Company Pvt Limited	-	-	70.50	60.48	-	-	-	-	-	-	70.50	60.48
Purchases												
Growel Sidasa Industries Pvt Ltd	-	-	6.24	3.99	-	-	-	-	-	-	6.24	3.99
Industries Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-
Grauer & Weil (Thailand) Limited	-	-	-	-	-	-	-	-	-	-	-	-
Project expenses												
Growel Projects Limited	-	-	-	-	218.86	595.84	-	-	-	-	218.86	595.84
Rent paid												
Poona Bottling Company Pvt Limited	-	-	6.30	6.00	-	-	-	-	-	-	6.30	6.00
Ridhi Sidhi Limited	-	-	-	-	1.95	2.15	-	-	-	-	1.95	2.15
Mr. Nirajkumar U. More	-	-	-	-	-	-	10.56	10.56	-	-	10.56	10.56
Mr. Umeshkumar N. More	-	-	-	-	-	-	0.90	0.90	-	-	0.90	0.90
Mrs. Pallavi N More	-	-	-	-	-	-	-	-	5.16	5.16	5.16	5.16
Mrs. Premlata U More	-	-	-	-	-	-	-	-	5.40	5.40	5.40	5.40
Rent Received												
Growel Sidasa Industries Pvt Ltd	-	-	1.83	-	-	-	-	-	-	-	1.83	-
Ridhi Sidhi Limited	-	-	-	-	1.03	1.03	-	-	-	-	1.03	1.03
Bubna More & Co Pvt Limited	-	-	-	-	-	-	-	-	-	-	-	-
Radhakishan Nandlal Pvt Limited	-	-	-	-	-	-	-	-	-	-	-	-
Sales												
Grauer & Weil (Shanghai) Ltd	250.83	268.02	-	-	-	-	-	-	-	-	250.83	268.02
Growel Goema (I) Pvt Limited	-	-	54.22	1,136.45	-	-	-	-	-	-	54.22	1,136.45
Growel Sidasa Industries Pvt Ltd	-	-	473.52	326.29	-	-	-	-	-	-	473.52	326.29
Grauer & Weil (Thailand) Limited	-	-	403.45	337.26	-	-	-	-	-	-	403.45	337.26
Reimbursement of Expenses												
Poona Bottling Company Pvt Limited	-	-	8.27	8.63	-	-	-	-	-	-	8.27	8.63
Growel Goema (I) Pvt Limited	-	-	9.07	13.05	-	-	-	-	-	-	9.07	13.05

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

Rupees in Lacs

	Subsidiary		Associates		Enterprise of KMP		KMP		Relatives of KMP		Total	Total
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Growel Sidasa Industries Pvt Ltd	-	-	22.40	2.13	-	-	-	-	-	-	22.40	2.13
Grauer & Weil (Shanghai) Ltd	-	-	-	-	-	-	-	-	-	-	-	-
Growel Projects Limited	-	-	-	-	23.96	-	-	-	-	-	23.96	-
Ridhi Sidhi Limited	-	-	-	-	5.54	-	-	-	-	-	5.54	-
Grauer & Weil (Thailand) Limited	-	-	-	-	-	-	-	-	-	-	-	-
Services Paid												
Growel Projects Limited	-	-	-	-	-	-	-	-	-	-	-	-
Sap Expenses - Services												
Growel Softech Limited	-	-	-	-	4.81	1.80	-	-	-	-	4.81	1.80
Manegeterial Remuneration												
Mr. Nirajkumar U. More	-	-	-	-	-	-	32.31	22.60	-	-	32.31	22.60
Mr. Umeshkumar N. More	-	-	-	-	-	-	12.55	13.73	-	-	12.55	13.73
Mr. Rohitkumar R. More	-	-	-	-	-	-	7.57	6.89	-	-	7.57	6.89
Mr. Vinod Haritwal	-	-	-	-	-	-	20.11	-	-	-	20.11	-
Mr. Harnish Juthani	-	-	-	-	-	-	0.65	29.36	-	-	0.65	29.36
Salary												
Mrs. Pallavi N. More	-	-	-	-	-	-	-	-	24.30	33.11	24.30	33.11
Mr. Abhishek R. More	-	-	-	-	-	-	-	-	-	2.96	-	2.96
Share Investments												
Grauer & Weil (Shanghai) Ltd	153.95	-	-	-	-	-	-	-	-	-	153.95	-
Growel UK Limited	0.00	-	-	-	-	-	-	-	-	-	0.00	-
Grauer & Weil (Thailand) Limited	-	-	72.84	-	-	-	-	-	-	-	72.84	-
Sale of Shares												
Mrs. Pallavi N More	-	-	-	-	-	-	-	-	22.00	-	22.00	-
Professional fees												
Growel Corporate Management Limited	-	-	-	-	3.00	5.26	-	-	-	-	3.00	5.26
Mr. Vinod Haritwal	-	-	-	-	-	-	3.00	-	-	-	3.00	-
Mr. Harnish Juthani	-	-	-	-	-	-	-	-	-	-	-	-
Royalty Income												
Growel Goema (I) Pvt Limited	-	-	-	23.66	-	-	-	-	-	-	-	23.66
Dividend Paid												
Poona Bottling Company Pvt Limited	-	32.86	-	-	-	-	-	-	-	-	-	32.86
Outstanding Loans and advances												
Growel Sidasa Industries Pvt Ltd	-	-	1.78	0.79	-	-	-	-	-	-	1.78	0.79
Grauer & Weil (Thailand) Limited	-	-	54.00	69.22	-	-	-	-	-	-	54.00	69.22
Poona Bottling Company Pvt Limited	-	-	-	70.50	-	-	-	-	-	-	-	70.50
Digikore Designs Limited	-	-	-	-	-	0.39	-	-	-	-	-	0.39
Growel Softech Limited	-	-	-	-	1.19	1.19	-	-	-	-	1.19	1.19
Growel Corporate Management Limited	-	-	-	-	-	-	-	-	-	-	-	-
Creditors												
Grauer & Weil (Thailand) Limited	-	-	-	0.25	-	-	-	-	-	-	-	0.25
Poona Bottling Company Pvt Limited	-	-	0.34	-	-	-	-	-	-	-	0.34	-
Digikore Designs Limited	-	-	-	-	-	-	-	-	-	-	-	-
Growel Softech Limited	-	-	-	-	0.66	-	-	-	-	-	0.66	-
Growel Projects Limited	-	-	-	-	118.11	176.23	-	-	-	-	118.11	176.23
Poona Bottling Company Pvt Limited	-	0.69	-	-	-	-	-	-	-	-	-	0.69
Growel Sidasa Industries Pvt Ltd	-	-	2.08	1.97	-	-	-	-	-	-	2.08	1.97
Debtors												
Grauer & Weil (Shanghai) Ltd	245.95	359.32	-	-	-	-	-	-	-	-	245.95	359.32
Growel Goema (I) Pvt Limited	-	-	245.17	395.74	-	-	-	-	-	-	245.17	395.74
Growel Sidasa Industries Pvt Ltd	-	-	119.43	147.65	-	-	-	-	-	-	119.43	147.65
Grauer & Weil (Thailand) Limited	-	-	229.10	246.09	-	-	-	-	-	-	229.10	246.09
Unsecured Loan												
Poona Bottling Company Pvt Limited	-	-	135.00	-	-	-	-	-	-	-	135.00	-
Growel Goema (I) Pvt Limited	-	-	15.00	20.00	-	-	-	-	-	-	15.00	20.00
Ridhi Sidhi Limited	-	-	-	-	75.00	75.00	-	-	-	-	75.00	75.00
Bubna More & Co Pvt Limited	-	-	-	-	40.00	40.00	-	-	-	-	40.00	40.00
Radhakishan Nandlal Pvt Limited	-	-	-	-	99.50	79.50	-	-	-	-	99.50	79.50
Mr. Nirajkumar U. More	-	-	-	-	-	-	94.00	114.00	-	-	94.00	114.00
Mr. Umeshkumar N. More	-	-	-	-	-	-	-	50.00	-	-	-	50.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**P. EARNINGS PER SHARE**

Calculation of Earnings per share for the year ended 31.03.2012

		31.03.2012	31.03.2011
Profit for the year	(Rupees in Lacs)	2,321	1,441
Weighted average number of equity shares (Face Value Rs. 1 per share)	(Nos. in lacs)	2,267	2,267
(Previous year Face Value Rs. 1 per share)			
Basic Earnings per share	Rs.	1.02	0.63

Nos	2011-12	2010-11
	Rupees in Lacs	Rupees in Lacs

Q. C.I.F. VALUE OF IMPORTS

(a) Raw Materials	3,993.53	3,764.69
(b) Components & Spare Parts	7.21	54.77
(c) Capital Goods	36.49	153.00

R. REMITTANCES IN FOREIGN CURRENCY

Dividend (Net of Taxes)	0.63	0.63
Number of Non-Resident Shareholders	1.00	1.00
Number of Shares held by Non-Residents on which dividend was remitted	(Rupees in Lacs)	7.875
Year for which dividend was remitted	2010-11	2009-10

S. EXPENDITURE IN FOREIGN CURRENCY

(On Payment basis)

(a) Travelling	62.91	60.36
(b) Seminar & exhibition	7.72	13.72
(c) Membership & subscription	0.27	0.89
(d) Testing & Analysis	1.09	-
(e) Bank charges	16.81	11.07
(f) Commission	8.98	12.11
(h) Free Samples	0.08	0.15
(i) Licence Fees	-	12.75
(j) Books & Magazines	0.07	-
(k) Advertisement	0.35	-

T. EARNINGS IN FOREIGN CURRENCY

F.O.B. Value of Exports	3,825.68	3,364.60
(Excluding Deemed Exports)		

U. The Central Government vide notification SO. 447 (E) dated February 28, 2011, has revised the Schedule VI under the Companies Act, 1956 and the same has become applicable for the Financial Statements to be prepared for the financial year commencing on or after April 1, 2011. Accordingly, the Company has reclassified the previous year figures to conform to this year's classification. The adoption of the revised Schedule VI does not impact the recognition and measurement principles followed for the presentation of the Financial Statements.

V. Previous years figures have been regrouped and reclassified wherever required.

Signatures to Notes 1 to 27 which form an integral part of the Financial Statements**For M. M. NISSIM AND CO.**Chartered Accountants
(Firm Reg. No. 107122W)**N. KASHINATH**

Partner

Membership No. 36490

Mumbai, 26th July, 2012

For and on behalf of the Board of Directors**UMESHKUMAR MORE****NIRAJKUMAR MORE****VINOD HARITWAL****NOEL JACOB**

Mumbai, 26th July, 2012

Chairman

Managing Director

CEO & Director

Sr.VP (Corp) & Company Secretary

STATEMENT ATTACHED TO THE BALANCE SHEET AS AT MARCH 31, 2012

Pursuant to section 212 of the Companies Act, 1956

	Name of the Subsidiary Company	:	GRAUER & WEIL (SHANGHAI) LIMITED	GRAUER & WEIL (UK) LIMITED
1	Financial year ending	:	31-Dec-12	30-Jun-11
2	Date from which it became subsidiary	:	15-Nov-07	3-Jun-11
3	Extent of the holding Company's interest at the financial year end of the subsidiary	:	Rs. 2,32,84,600/- (100%)	Rs. 76 (100%)
4	The Net aggregate amount of the Subsidiary's profits less losses, so far as it concerns the members of the Holding Company and is not dealt within the Holding Company's account:			
	a) For the financial year mentioned against item 1 above.	:	Rs. 24,32,028 (Loss)	NIL
	b) For the previous financial years of the subsidiary since it became the holding Company's Subsidiary	:	Rs. 1,62,41,269 (Loss)	NIL
5	a) The net aggregate amount of the subsidiary's profit less losses for the financial year, mentioned against item 1 above, so far as those profits are dealt within the Holding Company's account.	:	NIL	NIL
	b) The Net aggregate amount of the subsidiary's profits less losses for the previous financial year of the subsidiary, since it became the holding Company's subsidiary, so far as those profits are dealt within the Holding Company's account.	:	NIL	NIL

For and on behalf of the Board of Directors**UMESHKUMAR MORE****Chairman****NIRAJKUMAR MORE****Managing Director****VINOD HARITWAL****CEO & Director****NOEL JACOB****Sr.VP (Corp) & Company Secretary****Mumbai, 26th July, 2012**

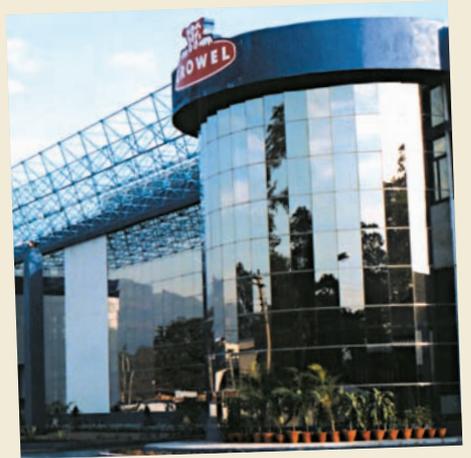
CONSOLIDATED



Dadra Plant



Jammu Plant



Barotiwala Plant



Chembur Plant



Vapi Plant



Pune Plant

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**TO THE BOARD OF DIRECTORS GRAUER & WEIL (INDIA) LIMITED**

1. We have audited the attached Consolidated Balance Sheet of the Grauer & Weil (India) Limited ('the Company'), and its subsidiaries (the Company and its subsidiaries constitute 'the Group') as at March 31, 2012 and also the Consolidated statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on the date annexed thereto. These financial statements are the responsibility of the Company's management. 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 generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and 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 statements presentation. We believe that our audit provides a reasonable basis of our opinion.
3. The financial statements of a subsidiaries which in the aggregate represent total assets as at March 31, 2012 of Rs. 550.15 Lacs and total revenue for the year ended on that date of Rs. 364.28 Lacs and of an associate which reflect the Group's share of Loss, upto December 31, 2011 of Rs. 438.41 Lacs have been audited by other auditors and we have relied upon such audited financial statements for the purpose of our examination of the consolidated financial statements.
 - (a) 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 23 'Accounting for Investments in Associates in Consolidated Financial Statements', notified by the Companies (Accounting Standard) Rule, 2006 and on the basis of the separate audited financial statements of the Company, its subsidiaries and associates included in the consolidated financial statements.
 - (b) On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiaries and associates, 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 March 31, 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 M.M. NISSIM AND CO.
Chartered Accountants
(Firm Reg. No. 107122W)

N. KASHINATH
Partner
MEM. NO.: 36490

Mumbai

26th July, 2012

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

	Note	Rupees in Lacs	
		As at March 31, 2012	As at March 31, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	2,267.06	1,857.31
Reserves & Surplus	2	13,053.24	10,205.98
		15,320.30	12,063.29
Minority Interest	3	-	1,401.47
Non Current Liabilities			
Long Term Borrowings	4	7,016.12	7,911.93
Deferred Tax Liabilities (Net)	5	1,440.11	1,196.27
Other Long Term Liabilities	6	996.41	831.37
Long Term Provisions	7	614.49	539.96
		10,067.13	10,479.53
Current Liabilities			
Short Term Borrowings	8	4,444.88	4,374.38
Trade Payables	9	3,532.07	3,597.12
Other Current Liabilities	10	4,526.50	6,147.44
Short Term Provisions	7	903.96	576.98
		13,407.41	14,695.92
Total		38,794.84	38,640.21
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	11	22,093.48	22,817.34
Intangible Assets		47.55	57.30
Capital Work-in-Progress		286.36	74.87
		22,427.39	22,949.51
Non Current Investments	12	339.02	61.74
Long Term Loans and Advances	13	1,497.23	1,136.28
Other Non Current Assets	14	3.80	4.88
		1,840.05	1,202.90
		24,267.44	24,152.41
Current Assets			
Inventories	15	5,072.58	4,975.65
Trade Receivables	16	7,420.99	5,849.11
Cash and Bank balances	17	409.63	938.84
Short Term Loans and Advances	13	1,396.97	2,545.46
Other Current Assets	14	227.23	178.74
		14,527.40	14,487.80
Total		38,794.84	38,640.21
Additional Notes / Information	27		

The notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For M. M. NISSIM AND CO.

Chartered Accountants
(Firm Reg. No. 107122W)

N. KASHINATH

Partner
Membership No. 36490

Mumbai, 26th July, 2012

For and on behalf of the Board of Directors

UMESHKUMAR MORE

NIRAJKUMAR MORE

VINOD HARITWAL

NOEL JACOB

Mumbai, 26th July, 2012

Chairman

Managing Director

CEO & Director

Sr.VP (Corp) & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	Note	Rupees in Lacs	
		2011-2012	2010-2011
INCOME			
Revenue from operations (Gross)	18	36,064.37	30,639.93
Less: Excise Duty		2,640.07	2,342.08
Revenue from operations (Net)		33,424.30	28,297.85
Other Income	19	285.14	154.87
Total Revenue		33,709.44	28,452.72
EXPENSES			
Cost of materials consumed	20	18,068.12	15,791.05
Purchases of Stock in Trade	21	377.98	308.50
Changes in Inventory	22	(500.84)	(369.27)
Employee Benefits Expense	23	3,061.60	2,560.54
Finance Costs	24	2,103.70	1,574.17
Depreciation & Amortisation expense	25	989.98	751.57
Other Expenses	26	6,563.29	5,879.82
Total Expenses		30,663.83	26,496.38
PROFIT/(LOSS) BEFORE TAX		3,045.61	1,956.34
Tax Expense:			
Current Tax		609.00	404.70
MAT Credit entitlement		(149.38)	(225.60)
Deferred Tax		243.84	408.29
		703.46	587.39
PROFIT AFTER TAX		2,342.15	1,368.95
Transfer from Revaluation Reserve		-	0.32
NET PROFIT/(LOSS) BEFORE MINORITY INTEREST		2,342.15	1,369.27
Share of Minority Interest		-	(134.64)
NET PROFIT/(LOSS) AFTER MINORITY INTEREST		2,342.15	1,234.63
Earnings Per Equity Share in Rupees			
Basic		1.03	0.66
Diluted		1.03	0.66
Additional Notes / Information	27		
The notes are an integral part of these financial statements			

This is the Profit & Loss account referred to in our report of even date

For M. M. NISSIM AND CO.

Chartered Accountants
(Firm Reg. No. 107122W)

N. KASHINATH

Partner
Membership No. 36490

Mumbai, 26th July, 2012

For and on behalf of the Board of Directors

UMESHKUMAR MORE

NIRAJKUMAR MORE

VINOD HARITWAL

NOEL JACOB

Mumbai, 26th July, 2012

Chairman

Managing Director

CEO & Director

Sr.VP (Corp) & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Rupees in Lacs	
	2011-2012	2010-2011
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT / (LOSS) BEFORE TAX	3,045.61	1,956.35
Adjustment for :		
Depreciation	989.98	751.57
Unrealised Exchange (Gain) / Loss	(26.47)	19.35
Provision for Diminution in Value of Investments		
Wealth Tax		1.95
Bad Debts written off	115.03	17.41
Provision for Bad / Doubtful debts	-	-
Loss on sale/ Mark To Market Govt Bonds	-	-
Provision for Doubtful Debts/ Claims/ Advances		-
Interest	2,119.05	1,539.72
Income from Investments	(62.23)	-
Loss / (Gain) on fixed assets sold/discarded (Net)	0.65	(2.25)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	6,181.62	4,284.10
Adjustment for :		
Trade and other receivables	(684.73)	(2,190.29)
Inventories	(96.92)	(1,416.43)
Trade Payable & Provision	(679.79)	2,592.54
CASH GENERATED FROM OPERATIONS	4,720.18	3,269.93
Direct Taxes paid	(565.77)	(322.65)
NET CASH FROM OPERATING ACTIVITIES	4,154.41	2,947.27
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(816.86)	(3,571.11)
Proceeds from sale of Fixed Assets	42.55	28.97
Adjustment on cessation of Parent Subsidiary Relationship	(606.42)	
Purchase of Investments	0.32	0.09
Interest & Dividend income	99.37	66.90
NET CASH USED IN INVESTING ACTIVITIES	(1,281.04)	(3,475.15)

	Rupees in Lacs	
	2011-2012	2010-2011
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments) / proceeds from Working Capital Facilities (Net)	5.50	1,734.24
Proceeds from Dealers Deposits	162.79	408.00
Short Term Foreign currency loans from banks-Buyers Credit	-	
Proceeds from Term Loans	-	1,100.00
Repayment of Term Loans	(1,295.50)	(925.90)
Hire Purchase Credits taken		23.28
Hire Purchase Credits repaid	(57.66)	(20.03)
(Repayments) / proceeds from Fixed Deposits (Net)	69.64	22.60
Intercorporate Deposits Accepted	15.00	
		92.93
Loans taken from Directors	65.01	69.99
Interest paid	(2,121.77)	(1,579.31)
Dividend and Corporate Dividend Tax	(209.39)	(209.46)
NET CASH FROM FINANCING ACTIVITIES		<u>716.34</u>
	<u>(3,366.37)</u>	
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(493.00)	188.47
CASH AND CASH EQUIVALENTS AS AT 31.3.2011	851.51	663.04
CASH AND CASH EQUIVALENTS AS AT 31.3.2012	358.51	851.51

This is the Cashflow Statement referred to in our report of even date

For M. M. NISSIM AND CO.

Chartered Accountants

(Firm Reg. No.: 107122W)

N.KASHINATH

Partner

Membership No.36490

Mumbai, 26th July, 2012

For and on behalf of the board of the Directors

UMESHKUMAR MORE Chairman

NIRAJKUMAR MORE Managing Director

VINOD HARITWAL CEO & Director

NOEL JACOB Sr.VP (Corp) & Company Secretary

Mumbai, 26th July, 2012

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012
NOTE 1: SHARE CAPITAL

	Rupees in lacs	
	March 31, 2012	March 31, 2011
Authorised		
500,000,000 Equity Shares of Rs. 1/- each	5,000.00	2,500.00
(Previous year: 25,000,000 Equity Shares of Rs. 10/- each)	5,000.00	2,500.00
Issued, Subscribed and Fully Paid-up		
226,705,750 Equity Shares of Rs. 1/- each	2,267.06	1,857.31
(PY 18,573,075 shares of Rs 10/- each)	2,267.06	1,857.31

Reconciliation of shares outstanding as at the end of the year;

	March 31, 2012		March 31, 2011	
	No of Shares	Rupees in	No of Shares	Rupees in
As at the beginning of the year	18,573,075	1,857.31	18,573,075	1,857.31
Add: Issued during the year upon sub division of shares (Note (a))	208,132,675	409.75	-	-
Outstanding at the end of the year	226,705,750	2,267.06	18,573,075	1,857.31

(a) The Shareholders at the Annual General Meeting of the Company held on Sept 30, 2011 approved the increase in the Authorised Capital of the Company. Accordingly, the Authorised Share Capital of Company is increased from 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 25,00,00,000 shares of Rs. 1 each to 50,00,00,000 (Rupees Fifty Crores only) divided into 50,00,00,000 shares of Rs. 1 each.

(b) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Shareholders holding more than 5 percent of the Equity shares;

Name of the Shareholder	No of Shares held	
	March 31, 2012	March 31, 2011
Mr. Umeshkumar More	23,168,570	2,316,857
Mr. Nirajkumar More	27,011,650	1,764,153
Mrs. Premlata More	13,182,710	1,318,271
M/s. Growel Projects Ltd.	12,558,000	1,255,800
M/s. Poona Bottling Co. Pvt. Ltd.	40,975,000	4,097,500
M/s. Ridhi Sidhi Ltd.	32,359,000	3,235,900

NOTE 2: RESERVES AND SURPLUS

	Rupees in lacs	
	March 31, 2012	March 31, 2011
Capital Reserve		
As per Last Balance Sheet	1,333.04	1,333.04
Less: Withdrawn on account of cessation of parent subsidiary relationship	(1,329.74)	
Add: Capital reserve arising on associates	88.07	
	91.37	1,333.04
Revaluation Reserve		
As per Last Balance Sheet	40.63	40.79
Add: Transfer from Statement of Profit and Loss	-	(0.16)
Less: Withdrawn on account of cessation of parent subsidiary relationship	(40.63)	40.63
Foreign Currency Translation Reserve	(12.84)	(20.27)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	March 31, 2012	March 31, 2011
General Reserve		
As per last Account	7,330.23	7,294.36
Add: Transfer from Statement of Profit & Loss	5,000.00	126.36
Add/Less : Share of Accumulated Profit/(Loss) in respect of Investment in Associates		(34.29)
Less: Transfer from Statement of Profit & Loss being difference of Depreciation on Original Cost & fair value	(51.21)	(56.20)
Add: Accretion on account of cessation of parent subsidiary relationship	455.82	-
	12,813.37	8,683.63
Note: General reserve includes surplus in "Amalgamation reserve" on merger after netting of accumulated losses on merger, amalgamation expenses and difference of depreciation on original cost and their fair value, etc, of Rs. 2,261.23 Lacs (PY 2,312.44 Lacs)		
Surplus / (Deficit) in the Statement of Profit & Loss		
As per last Account	1,522.35	605.63
Profit for the year	2,342.15	1,267.50
Add: On Cessation of subsidiary relationship	1,770.60	-
Less:- Appropriations		
Proposed Dividend	340.06	181.36
Corporate Tax on Dividend	55.17	29.42
Transfer to General Reserve	5,000.00	140.00
Net surplus in the Statement of Profit & Loss	239.87	1,522.35
	13,053.24	10,205.98

NOTE 3: MINORITY INTEREST

	Rupees in lacs	
	March 31, 2012	March 31, 2011
Minority interest in non-equity:		
93030 (Previous Year 93030) equity shares of Poona Bottling Company Ltd. held by minority interest	-	93.03
Balance as on 01.04.2010	-	1,155.33
General Reserve	-	18.62
Add/Less: Share of Revenue Profit/(loss) for the year	-	134.65
Less: Share of transfer from revaluation reserve	-	(0.16)
	-	1,401.47

NOTE 4: LONG TERM BORROWINGS

	Rupees in lacs			
	Non Current		Current Maturities	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Secured				
Term Loan from Banks	6,519.50	7,423.84	1,755.01	2,145.90
Unsecured				
Loans and Advances from related parties	229.50	214.50	-	-
Fixed Deposits	122.58	78.14	36.10	10.90
Others (Hire Purchase Credits)	144.54	195.45	14.37	21.14
Amounts disclosed under the head 'Other Current Liabilities' (Note 10)	-	-	(1,805.48)	(2,177.94)
	7,016.12	7,911.93	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Nature of Security

(a) Term loans for Shopping mall from The Saraswat Co-op Bank are secured by pari-passu first charge by way of joint mortgage of deposit of title deeds of immovable properties of the Company at Kandivli.

Terms of repayment

- i. The Term loan is to be repaid in 70 monthly installments, without moratorium, out of which 69 installments will be of Rs. 15.00 lacs each and last installment of Rs. 12.00 lacs.
- ii. The Term Loan is to be paid in 72 monthly installments after a moratorium of 12 months, 18 installments of Rs. 5.56 lacs each 53 installments of Rs. 35.19 lacs each and last installment of Rs. 34.85 lacs.
- iii. The Term Loan is to be repaid in 84 monthly installments, after a moratorium of 9 months, 74 installments will be of Rs. 75.00 lacs each and last installment will be bullet payment of Rs. 902 lacs.

Nature of Security

(b) Corporate loan I from The Saraswat Co-operative Bank Ltd is secured by legal mortgage of fixed assets including land and building of Paints division at Mumbai. Corporate loan II from The Saraswat Co-operative Bank is secured by pari-passu first charge along with Punjab National Bank by joint mortgage of deposit of title deeds of immovable properties of the Company at Kandivli.

Terms of repayment

- i. The Term Loan carrying interest @ PLR -0.5% is to be paid in 20 quarterly installments. Four installments of Rs. 50 lacs each. Eight quarterly installments of Rs. 10 lacs each. Eight quarterly installments of Rs. 90 lacs each.
- ii. The Term Loan is to be repaid in 48 months after a moratorium of 12 months from the date of disbursement. 47 installments will be Rs. 20.83 lacs and last installment of Rs. 20.99 lacs, carrying interest @ PLR -2.5%.

Nature of Security

(c) Hire purchase credits are secured by hypothecation of specific assets purchased there against.

Terms of repayment

- i. The Hire purchase loan taken from The Saraswat Co-operative Bank Ltd & Axis Bank Ltd is against purchase of two cars. The Saraswat Bank loan is payable in 17 monthly EMI each of Rs. 2.11 lacs, ending on August 2013. The Axis Bank loan is payable in 46 monthly EMI each of Rs. 2.64 lacs, ending on Jan 2016.

NOTE 5 : DEFERRED TAX LIABILITIES (NET):

	Rupees in lacs	
	March 31, 2012	March 31, 2011
The breakup of Deferred Tax Liabilities:		
Arising on account of timing difference in:		
- Depreciation	1,691.40	1,408.24
- Accrued Expenses allowable on Actual Payments	(251.29)	(211.97)
Deferred Tax Liabilities (Net)	1,440.11	1,196.27

NOTE 6: OTHER LONG TERM LIABILITIES

	Rupees in lacs	
	March 31, 2012	March 31, 2011
Unsecured		
Dealer Deposits	930.54	767.75
Staff Advances	65.87	61.31
Payable on purchase of fixed Assets	-	2.31
	996.41	831.37

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

NOTE 7: PROVISIONS

Rupees in lacs

	LONG TERM		SHORT TERM	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Provision for Employee Benefits				
Leave benefits	81.01	65.09	19.47	23.39
Gratuity	533.48	474.87	140.55	89.96
Others			-	18.67
For Tax (Net of advance Tax paid)			348.71	234.18
Proposed Dividend			340.06	181.36
Corporate Tax on Dividend			55.17	29.42
	<u>614.49</u>	<u>539.96</u>	<u>903.96</u>	<u>576.98</u>

NOTE 8: SHORT TERM BORROWINGS

Rupees in lacs

	March 31, 2012	March 31, 2011
Secured		
Working Capital facilities from Banks	4,215.88	4,210.39
Others (Hire Purchase Credits)		-
Unsecured		
Loans from related parties	229.00	163.99
	<u>4,444.88</u>	<u>4,374.38</u>

Nature of Security

- (a) Working capital facilities are secured by hypothecation of all stocks, moveable assets and book debts by way of first charge on pari-passu basis and are further collaterally secured by second pari-passu charge on the block assets of Shopping Mall at Kandivli, Mumbai. Working Capital facilities from Punjab National Bank are further collaterally secured by first charge on the block of assets of Samba unit.

NOTE 9: TRADE PAYABLES

Rupees in lacs

	March 31, 2012	March 31, 2011
Trade payables	3,427.04	3,271.61
Acceptances	105.03	325.51
	<u>3,532.07</u>	<u>3,597.12</u>

NOTE 10: OTHER CURRENT LIABILITIES

Rupees in lacs

	March 31, 2012	March 31, 2011
Current maturities of long term borrowings (Note 4)	1,805.48	2,177.94
Interest accrued but not due on borrowings	105.81	108.78
Statutory dues:		
Excise Duty	167.15	97.31
Service Tax Payable	249.76	216.68
Others	81.15	127.06
Other payables:		
Employee benefits	172.39	165.95
Unpaid Dividend	17.63	16.24
Unpaid Matured deposits	0.15	0.15
Trade / Security deposits received	-	537.18
Trade payable for capital goods	230.95	973.00
Discount payable	315.95	294.59
Advances from customers	609.55	851.40
Others	770.53	581.16
	<u>4,526.50</u>	<u>6,147.44</u>

There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

NOTE 11: FIXED ASSETS

Nature of Fixed Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	Cost as at 01/04/11	Additions	Deductions	Other Adjustments	Cost as at 31/03/12	Upto 31/03/11	Provided during the year	Deductions Adjustments	Upto 31/03/12	As at 31/03/12	As at 31/03/11
Tangible Assets											
Land											
a) Freehold	1,119.07	-	-	-	1,119.07	-	-	-	-	1,119.07	1,119.07
b) Leasehold	1,887.61	-	-	-	1,887.61	100.62	31.21	-	131.83	1,755.78	1,786.99
Buildings	13,339.81	144.14	-	-	13,483.95	1,004.50	439.90	-	1,444.40	12,039.55	12,335.31
Plant & Machinery	6,670.94	208.13	30.46	2.64	6,845.97	1,678.53	329.19	2.56	2,005.16	4,840.81	4,992.41
Laboratory Equipment	304.66	7.77	0.56	-	311.87	140.39	14.24	-	154.63	157.24	164.26
R&D Equipment	539.21	52.83	-	-	592.04	211.78	26.61	-	238.38	353.66	327.42
Furniture & Fixtures	1,318.46	77.88	-	-	1,396.34	266.73	86.56	-	353.29	1,043.04	1,051.73
Vehicles	798.65	84.74	47.92	11.13	824.34	235.08	76.08	33.20	277.96	546.38	563.57
Office Equipment	390.70	36.93	-	-	427.63	168.73	20.93	-	189.66	237.97	221.97
TOTAL	26,369.11	612.42	78.96	13.77	26,888.80	3,806.36	1,024.72	35.76	4,795.31	22,093.48	22,562.73
Previous year	15,059.30	12,919.24	52.63	-	27,925.91	4,345.79	788.55	25.77	5,108.57	22,817.34	-
Intangible Assets											
Goodwill	-	-	-	-	-	-	-	-	-	-	-
Brands / Trademarks	-	-	-	-	-	-	-	-	-	-	-
Computer Software	87.67	6.70	-	-	94.37	30.38	16.44	-	46.82	47.55	57.30
Mastheads & Publishing titles	-	-	-	-	-	-	-	-	-	-	-
Mining Rights	-	-	-	-	-	-	-	-	-	-	-
Copyrights / Patents etc.	-	-	-	-	-	-	-	-	-	-	-
Recipes, formula, models, etc.	-	-	-	-	-	-	-	-	-	-	-
licenses & Franchises	-	-	-	-	-	-	-	-	-	-	-
Others (Specify)	-	-	-	-	-	-	-	-	-	-	-
TOTAL	87.67	6.70	-	-	94.37	30.38	16.44	-	46.82	47.55	57.30
Previous year	67.43	20.25	0.00	0.00	87.67	16.14	14.23	-	30.38	57.30	-
Capital Work in Progress (Note (a))											
										286.36	74.87
										22,427.39	22,694.90

(a) Details of pre-operative expenses included in Capital Work in Progress:

	March 31, 2012	March 31, 2011
Rates and Taxes	-	12.71
Insurance	-	5.84
Professional Fees	0.45	67.89
Borrowing Cost	7.75	338.44
Miscellaneous	-	46.11
Add: Brought forward from previous year	8.20	470.99
Less - Capitalised during the year	0.87	3,567.36
Total	9.07	4,038.35
	9.07	4,037.48
	9.07	0.87

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

NOTE 12: NON CURRENT INVESTMENTS (Non Trade)

Rupees in lacs

	March 31, 2012	March 31, 2011
(at cost less permanent diminution in value)		
(A) In Associates		
Fully paid equity shares (Unquoted)		
(a) Carrying cost of investments in associates (see note below)	333.31	4.94
(B) Others		
(a) Fully paid equity shares (Quoted)	2.46	2.86
(b) Fully paid equity shares (Unquoted)	2.56	53.34
(c) National savings Certificates	0.69	0.60
	339.02	61.74

Note

The Investments in associates are accounted for in accordance with AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements" These investments have been recorded at cost, as adjusted for share of profit/(loss) of said associate companies. The break-up of Investments is as follows :

Name of Associate	Country of incorporation	No.of shares	Original Cost of Investment	Amt of Goodwill/ (Capital Reserve) in Original Cost	Accumulated Profit/(Loss) as at year end	Carrying cost of Investments
Growel Goema (I) Pvt Ltd	India	2.50 (2.50)	25.02 (25.02)	3.31 (3.31)	(54.38) (54.08)	-
Growel Sidasa Industries Pvt. Ltd.	India	4.45 (4.45)	44.49 (44.49)	0.00	(70.52) (61.52)	-
Grauer & Weil (Thailand) Ltd	Thailand	0.10 (0.10)	10.98 (10.98)		(51.27) (127.44)	72.84 -
Growel Energy Ltd.	India	0.49 (0.49)	4.94 (4.94)		-	4.94 (4.94)
Poona Bottling Co.Pvt.Ltd *	India	0.92	3.90 (-)		251.63	255.53
TOTAL			89.33 (85.43)			333.31 (4.94)

Figures in brackets are in respect of previous year.

*(On cessation of Parent & Subsidiary relationship, the Investment in Poona Bottling Co. Pvt. Ltd has been considered as as Investment in Associate)

NOTE 13: LOANS AND ADVANCES

Rupees in lacs

	LONG TERM		SHORT TERM	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Unsecured - Considered Good				
Capital Advances	314.94	178.07		
Security Deposits	247.51	241.47		
Loans and Advances to related parties	50.00	50.00	2.98	687.38
Loans and advances to employees	20.23	21.19	24.83	31.78
Advance income tax	337.57	266.28	-	-
MAT credit entitlement	526.98	377.60	-	-
Advance to Suppliers		0.62	732.68	1,056.40
Pre-paid - Advance recoverable in cash or kind or for value to be received		1.05	1.25	-
Balances with Govt Authorities			-	-
(i) CENVAT			157.17	127.97
(ii) VAT			99.08	138.07
(iii) Service Tax			378.98	503.86
	1,497.23	1,136.28	1,396.97	2,545.46

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

NOTE 14: OTHER ASSETS

Rupees in lacs

	NON CURRENT		CURRENT	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
(Unsecured - Considered Good)				
Interest accrued on Inter corporate deposits			7.22	44.36
Share application money pending allotment			84.34	-
Prepaid expenses			51.80	41.35
Others			83.87	93.03
Non current Bank balances (Note 17)	3.80	4.88		
	<u>3.80</u>	<u>4.88</u>	<u>227.23</u>	<u>178.74</u>

NOTE 15: INVENTORY

Rupees in lacs

	March 31, 2012	March 31, 2011
At lower of cost and net realisable value		
Raw materials	2,184.13	2,426.75
Goods-in-transit	374.59	625.70
	<u>2,558.72</u>	<u>3,052.45</u>
Work-in-progress	450.34	363.49
Finished goods	1,893.33	1,411.17
Goods-in-transit	-	0.34
	<u>1,893.33</u>	<u>1,411.51</u>
Stores and spares	170.19	148.20
	<u>5,072.58</u>	<u>4,975.65</u>

NOTE 16: TRADE RECEIVABLES

Rupees in lacs

	March 31, 2012	March 31, 2011
Overdue for a period exceeding six months		
Secured Considered Good	2,223.83	204.30
Unsecured Considered Good	783.75	695.26
Others		
Secured Considered Good	249.68	249.81
Unsecured Considered Good	4,163.73	4,699.74
	<u>7,420.99</u>	<u>5,849.11</u>

NOTE 17: CASH AND BANK BALANCES

Rupees in lacs

	NON CURRENT		CURRENT	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Cash & Cash Equivalents				
Balances with banks				
In Current Accounts			274.23	655.82
In EEFC accounts			52.74	142.58
In deposit accounts			0.38	26.60
Cash on hand			31.16	26.51
			<u>358.51</u>	<u>851.51</u>
In earmarked accounts				
Unpaid dividend accounts			17.63	16.24
Other bank balances				
Margin Money Deposits	3.80	4.88	33.49	71.09
Amount disclosed under 'Non Current Assets' (Note 14)	(3.80)	(4.88)		
	<u>-</u>	<u>-</u>	<u>409.63</u>	<u>938.84</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

NOTE 18: REVENUE FROM OPERATIONS

	Rupees in lacs	
	March 31, 2012	March 31, 2011
Sale of Goods	37,456.36	32,220.25
Less: Trade Discount	3,469.90	2,871.89
	33,986.46	29,348.36
Business Conducting Fees/Licence Fees and related income	1,765.33	1,021.49
Other Operating Revenues		
Plating and Service charges	86.91	99.91
License Fees	4.32	5.50
Business Support Fee	68.00	26.57
Royalty Income	-	21.45
Excise Duty Refund	61.01	37.41
Scrap Sales	92.34	79.24
	36,064.37	30,639.93
Details of sales (Gross):		
Class of Goods		
Electroplating Chemicals	23,247.57	20,044.75
Basic Chemicals	1,987.26	1,793.16
Intermeditory Chemicals	1,103.91	1,084.95
Electroplating Equipments	4,176.01	3,571.10
Free Sample	6.96	4.88
Paints, Enamels, vanishes and oil bound distempers	5,968.17	5,201.80
Others	966.48	519.61
	37,456.36	32,220.25

NOTE 19: OTHER INCOME

	Rupees in Lacs	
	March 31, 2012	March 31, 2011
Interest Income	40.40	33.60
Dividend Income	0.00	1.26
Other than trade investments	0.16	0.22
Net gain on sale of fixed assets	0.00	2.60
Net gain on foreign currency transactions and translation	184.36	39.52
Sundry Balances Written Back	11.57	53.75
Profit on sale of investments	10.77	-
Profit on cessation of parent subsidiary relation ship	11.06	-
Others	26.82	23.92
	285.14	154.87

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

NOTE 20: COST OF MATERIALS CONSUMED

	Rupees in Lacs	
	2011-2012	2010-2011
Opening stock	2,426.75	1,769.03
Add : Purchases	17,825.50	16,448.77
	<u>20,252.25</u>	<u>18,217.80</u>
Less: Closing Stock	2,184.13	2,426.75
	<u>18,068.12</u>	<u>15,791.05</u>
Details of Raw Materials consumed:		
Inorganic Compounds	7,609.21	5,836.68
Organic Compounds	5,487.25	5,481.80
Mild Steel & Angles, Beams Channels, Sheets, Rods and Flats	468.04	392.36
Stainless Steel, Rods, Sheets & Flats	135.14	400.45
Electric Motors	83.90	10.79
Rectifiers	15.89	116.47
Pigments	429.29	595.80
Resins	1,401.51	1,037.30
Solvents	865.99	805.79
Others	1,571.90	1,113.61
	<u>18,068.12</u>	<u>15,791.05</u>

NOTE 21: PURCHASES OF STOCK IN TRADE

	Rupees in Lacs	
	2011-2012	2010-2011
Traded goods	377.98	308.50

NOTE 22: CHANGES IN INVENTORY

	Rupees in Lacs	
	2011-2012	2010-2011
Closing Stock		
Traded Goods	141.11	114.65
Work in Progress	450.34	363.49
Finished Goods	1,752.22	1,296.52
	<u>2,343.67</u>	<u>1,774.66</u>
Less: Opening Stock		
Traded Goods	114.65	115.92
Work in Progress	363.49	316.32
Finished Goods	1,296.52	928.22
	<u>1,774.66</u>	<u>1,360.47</u>
	(569.01)	(414.19)
Differential Excise Duty on Opening and Closing stock of Finished Goods	68.17	44.92
	<u>(500.84)</u>	<u>(369.27)</u>

Details of Inventory:

	Rupees in Lacs			
	Work-in-process		Finished Goods	
	Opening Stock	Closing Stock	Opening Stock	Closing Stock
Electroplating Chemicals	121.15	145.15	539.16	866.81
Basic Chemicals	1.02	1.63	17.34	19.02
Intermediary Chemicals	52.62	44.02	91.54	7.25
Electroplating Equipments	135.76	220.50	-	7.41
Paints, Enames vanishes and oil bound distempers	52.94	39.04	506.07	851.73
Others	-	-	142.41	-
	<u>363.49</u>	<u>450.34</u>	<u>1,296.52</u>	<u>1,752.22</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Rupees in Lacs

	Traded Goods	
	Opening Stock	Closing Stock
Electroplating Chemicals	82.32	97.39
Paints, Enames vanishes and oil bound distempers	32.33	43.72
	<u>114.65</u>	<u>141.11</u>

NOTE 23: EMPLOYEE BENEFITS EXPENSE

Rupees in Lacs

	2011-2012	2010-2011
Salaries, Wages, Bonus, and Allowances	2,601.24	2,181.48
Contribution to Provident, Gratuity and Other Funds	145.35	125.54
Welfare Expenses	315.01	253.52
	<u>3,061.60</u>	<u>2,560.54</u>

NOTE 24: FINANCE COSTS

Rupees in Lacs

	2011-2012	2010-2011
Interest	1,716.63	1,205.87
Cash Discount	285.42	257.40
Bank charges	101.65	110.90
	<u>2,103.70</u>	<u>1,574.17</u>

NOTE 25: DEPRECIATION & AMORTISATION

Rupees in Lacs

	2011-2012	2010-2011
On Tangible Fixed Assets	1,024.75	788.55
On Intangible Fixed Assets	16.44	14.23
	<u>1,041.19</u>	<u>802.78</u>
Less: Transferred from General Reserve	51.21	51.21
	<u>989.98</u>	<u>751.57</u>

NOTE 26: OTHER EXPENSES

Rupees in Lacs

	2011-2012	2010-2011
Stores and Spares Consumed	374.41	373.26
Packing Materials consumed	1,069.95	963.81
Storage / Clearance	8.30	-
Power and Fuel	329.92	331.70
Job work charges	632.34	524.45
Drawings, Designs and Layout Expenses	38.50	4.85
Rent	112.56	91.10
Repairs and Renewals:		
Buildings	178.77	204.18
Plant and Machinery	113.35	92.76
Other Assets	134.90	75.89
	<u>427.02</u>	<u>372.83</u>
Insurance	72.34	47.50
Rates and Taxes	183.45	124.62
Printing and Stationery	64.30	72.82
Travelling & Conveyance	423.71	385.03
Communication Expenses	126.55	122.33
Legal & Professional Charges	209.39	223.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	2011-2012	2010-2011
Auditors' Remuneration:		
As Auditors	4.44	2.43
For Tax Audit	0.75	0.75
For Taxation matters	2.00	1.00
In other capacity for Certificates and other Services	0.75	0.48
Reimbursement of Expenses etc.	0.98	0.48
	8.92	5.14
Cost Auditors Remuneration:		
As Auditors	0.50	0.40
Reimbursement of Expenses	0.08	-
	0.58	0.40
Directors' Fees	2.68	2.70
Loss on fixed assets sold / discarded (Net)	0.64	0.48
Vehicle Expenses	146.73	126.06
Donations & Contributions	2.43	0.83
Business promotion	51.63	187.24
Advertisement & Sales Promotion	2.71	2.63
Sales Tax	662.92	581.23
Freight and Forwarding (Net)	588.33	583.91
Exchange Fluctuations	2.29	-
Bad Debts written off	115.03	17.41
Research And Development	112.25	110.91
Discount And Commission	177.26	78.12
Promotion	100.15	107.35
Guards & Security	86.61	72.03
Unrecovered maintenance Expenses	99.84	23.30
Miscellaneous Expenses	329.55	342.78
	6,563.29	5,879.82

NOTE 27 : ADDITIONAL NOTES /INFORMATION

I. Basis of Consolidation:

The Consolidated financial statements relate to Grauer & Weil (India) Ltd., ('the Company'), its Subsidiary companies and associates. The Company and its subsidiaries constitute the Group.

a. Basis of Accounting:

- i) The financial statements of the subsidiary companies viz Grauer & Weil (Shanghai) Ltd.& Grauer & Weil (UK) Limited used in the consolidation are drawn upto December 31,2011 and 30th June 2011 respectively .
- ii) The financial statements of the associates have been prepared in compliance with the Companies (Accounting Standard) Rules, 2006, and those of a foreign subsidiaries has been prepared in compliance with the local laws and applicable accounting standards, and necessary adjustment for material differences, if any, in the accounting polices have been made in the consolidated financial statements.

b. Principles of consolidation:

The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits or losses are fully eliminated.
- ii) Investments in associate companies have been accounted under the equity method as per Accounting Standards 'Accounting for Investments in Associates' in Consolidated Financial Statements', notified in the Companies (Accounting Standard) Rules, 2006.

- iii) The excess of cost to the Company of its investments in the subsidiary companies over its share of the equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies is made, is recognised as 'goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment, is in excess of cost of investment of the Company, it is recognised as 'capital reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

c. Information on subsidiary companies.

The following subsidiary companies are considered in the consolidated financial statements:

		% Shares held as at March 31, 2012	% Shares held as at March 31, 2011	Country of Incorporation
i.	Grauer & Weil (Shanghai) Limited	100.00%	100.00%	China
ii.	Poona Bottling Company Pvt. Ltd	-	50.78%	India
iii.	Grauer & Weil (UK) Limited	100.00%	-	England

The Company has during the year disinvested 4000 equity shares of Poona Bottling Co. Pvt. Ltd. (erstwhile subsidiary company) and accordingly the said investment is considered as an investment in an "Associate".

d. The following Associate Companies are considered in the consolidated financial statements:

		% Shares held as at March 31,2012	% Shares held as at March 31, 2011	Country of Incorporation
i.	Growel Goema (India) Pvt.Ltd.	29.99%	29.99%	India
ii.	Grauer & Weil (Thailand) Limited	49.99%	49.00%	Thailand
iii.	Growel Sidasa Industries Pvt. Ltd	49.43%	49.43%	India
iv.	Growel Energy Company Limited	47.94%	47.94%	India
v	Poona Bottling Company Pvt. Ltd	48.66%	50.78%	India

2. Accounting Policies

The accounting policies of the parent company are presented in note I forming part of its standalone financial statement. Difference in accounting policies followed by the subsidiary companies consolidated have been reviewed and no adjustments have been made, since there are no material differences .

- 3. The other notes/additional information to these consolidated financial statements are disclosed to the extent necessary for presenting a true and fair view of the consolidated financial statements.
- 4. Consolidated related party transactions, employee benefit disclosures

Capital commitments and contingent liabilities are same as disclosed in the standalone financial statements of the company, except for elimination of related party transactions with subsidiary companies.

5. EARNINGS PER SHARE

Calculation of Earnings per share for the year ended 31.03.2012

		31.03.2012	31.03.2011
Profit for the year	Rs in lacs	2,342	1,235
Weighted average number of equity shares	(Nos. in lacs)	2,267	1,857
(Face Value Rs. 1 per share)			
(Previous year Face Value Rs. 1 per share)			
Basic Earnings per share	Rs.	1.03	0.66

- 6. The Central Government vide notification SO. 447 (E) dated February 28, 2011, has revised the Schedule VI under the Companies Act, 1956 and the same has become applicable for the Financial Statements to be prepared for the financial year commencing on or after April 1, 2011. Accordingly, the Company has reclassified the previous year figures to conform to this year's classification. The adoption of the revised Schedule VI does not impact the recognition and measurement principles followed for the presentation of the Financial Statements

7. Segment reporting

The following tables present revenue and profit/(loss) information regarding business/ geographical segments for the year ended 31st March, 2012 and certain assets and liabilities information regarding business and geographical segments as at 31st March, 2012

(a) Primary Segment Reporting by business segments

	Rupees In Lacs					
	Chemical	Engineering	Shoppertainment	Paints	Others	Total
Segment revenue						
Income from operations	21,990	3,862	1,765	5,495	-	33,112
	(19,023)	(3,246)	(1,021)	(4,775)	(12)	(28,077)
Less : Inter segment Revenue				-		-
				(37)		(37)
Add : Other Income	400	132	12	4	-	548
	(209)	(179)	(1)	(8)		(397)
Add : Unallocable						50
						(16)
Total	22,390	3,994	1,777	5,499	-	33,710
	(19,232)	(3,425)	(1,022)	(4,746)	(12)	(28,453)
Segment Results	5,108	283	712	262		6,365
	(2,779)	(99)	(830)	(179)	48	(3,839)
Less : Interest						2,104
						(1,574)
Less : Other Unallocable Expenditure net of unallocable Income						1,215
						(309)
Profit Before Tax						3,046
						(1,956)
Less : Provision for Current and Deferred tax						703
						(587)
Profit After Tax						2,343
						(1,369)
Segment Assets	12,622	2,555	14,380	6,403		35,960
	(12,582)	(2,144)	(14,604)	(5,467)	(504)	(35,301)
Unallocated corporate Assets						2,835
						(3,339)
Total Assets						38,795
						(38,640)
Segment Liabilities	3,271	1,519	978	1,150	-	6,918
	(2,989)	(1,372)	(1,279)	(1,144)	336	(6,448)
Unallocated corporate Liabilities						31,877
						(32,192)
Total Liabilities						38,795
						(38,640)
Capital Expenditure	472	52	264	32		
	(639)	(29)	(2,799)	(26)		
Depreciation	340	19	552	18		
	(321)	(20)	(310)	(16)	(25)	

Secondary segment reporting by Geographical segment

	Domestic	Foreign	Total
Revenue	29,896 (24,799)	3,814 (3,654)	33,710 (28,453)
Total Assets	37,222 (36,378)	1,573 (2,262)	38,795 (38,640)

Note : Previous year's figures are in brackets

8. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to green them in line with the group's financial statement.

Signatures to Notes 1 to 27 which form an integral part of the Consolidated Financial Statement.

For M. M. NISSIM AND CO.
Chartered Accountants
(Firm Reg. No. 107122W)

For and on behalf of the Board of Directors

UMESHKUMAR MORE Chairman
NIRAJKUMAR MORE Managing Director

N. KASHINATH
Partner
Membership No. 36490

VINOD HARITWAL CEO & Director
NOEL JACOB Sr.VP (Corp) & Company Secretary

Mumbai, 26th July, 2012

Mumbai, 26th July, 2012



Grauer & Weil (India) Ltd.

Registered Office : 'Growel House', Akurli Road, Kandivli (E) Mumbai - 400 101.

Green Initiative in Corporate Governance

Dear Shareholder,

In case you have not registered your e-mail address for receiving communication from the Company in electronic mode, you may submit the Registration Form given below to the registrar Link Intime India Pvt. Ltd. Shareholders holding shares in demat mode are requested to register their e-mail address with the Depository Participant only.

E-COMMUNICATION REGISTRATION FORM

(In terms of circular no.17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No./DP ID & Client ID : _____

Name of 1st Registered Holder : _____

Name of Joint Holder(s) : _____

Registered Address : _____

E-mail ID (to be registered) : _____

I/We shareholder(s) of Grauer & Weil (India) Ltd. agree to receive communication from the Company in electronic mode. Please register my/our above e-mail id in your records for sending communication through e-mail.

Date : _____

Signature : _____

Note : Shareholder(s) are requested to keep the Company/Depository Participant informed as and when there is any change in the e-mail address.

ATTENDANCE SLIP

Regd. Office: 'Growel House', Akurli Road, Kandivli (East), Mumbai - 400 101.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders may obtain additional Attendance Slips on request.

NAME & ADDRESS OF THE SHAREHOLDER:

DPID No. / L. F. NO.	
No. of Shares held:	

I hereby record my presence at the 54th Annual General Meeting of the Company to be held on Thursday, August 30, 2012 at 10.30 a. m. at Growel's IOI Mall, 'Growel House', Akurli Road, Kandivli (East), Mumbai 400101.

SIGNATURE OF THE SHAREHOLDERS OR PROXY
--

PROXY

Regd. Office: 'Growel House', Akurli Road, Kandivli (East), Mumbai - 400 101.

L. F. No. / DPID No.

I/We _____ of _____ being a member / members of GRAUER & WEIL (INDIA) LIMITED hereby appoint _____ of _____

as my/our proxy to vote for me/us and on my/our behalf at the 54th Annual General Meeting of the Company to be held on Thursday, August 30, 2012 at 10.30 a. m. at Growel's IOI Mall, 'Growel House', Akurli Road, Kandivli (East), Mumbai 400101.

As witness my/our hand(s) this _____ day of, 2012.

Affix a Revenue Stamp

Signed by the said _____

Note: The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

