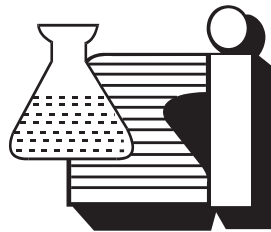


**22nd
ANNUAL REPORT
2010 - 2011**



SHREYAS INTERMEDIATES LIMITED



22nd Annual Report 2010 - 2011

BOARD OF DIRECTORS

Shri Dinesh Sharma	Chairman
Shri Brahmanand Dabas	Director
Prof. (Mrs.) Neelam Arora	Director
Shri Ramchandra Dhondu Ghanekar	Director (From 05.04.11)
Shri Om Prakash Bali	Director (Upto 05.04.11)
Shri Gopal Krishna Sharma	Director (Upto 18.10.10)

REGISTERED OFF. & FACTORY

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

BANKERS

Bank of Baroda
State Bank of India

Registrar & Transfer Agents

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

STATUTORY AUDITORS

Sayeed Khan & Associates
Chartered Accountants

CORPORATE OFFICE

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

Date : 21st March 2012
Day : Wednesday
Time : 12 Noon
Place : D-21, D-22, D-23, M.I.D.C.,
Lote Parshuram, Taluka Khed,
District Ranagiri-415722
Maharashtra

Notice
Director's Reports
Auditor's Report
Balance Sheet
Profit & Loss Account
Schedules
Cash Flow Statement
Balance Sheet Abstract



SHREYAS INTERMEDIATES LTD.

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of Shreyas Intermediates Limited will be held on Wednesday, the 21st March, 2012 at the Registered Office of the Company at Plots Nos. D-21, D-22 and D-23, MIDC Industrial Estate, Lote Parshuram , Taluka Khed, District Ratnagiri, Maharashtra-415722 at 12.00 Noon to transact the following business.

A) ORDINARY BUSINESS

- 1) To consider and adopt the Directors' Report, the audited Balance Sheet as at 30th September 2011, and Profit and Loss Account for the year ended on 30.09.2011 and Auditors' Report thereon.
- 2) To appoint a Director in place of Mrs. Neelam Arora who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint Sayeed Khan & Associates, Chartered Accountants, as the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

B) SPECIAL BUSINESS

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

"RESOLVED THAT in accordance with the provisions of sections 198, 269, 309, 310 and 311 read with schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof for the time being in force) and subject to such sanctions and approvals as necessary and as approved and recommended by the Board of Directors ("the Board" which term shall be deemed to include Remuneration Committee thereof), approval of the members is hereby accorded to the appointment of Mr. Ramchandra Dhondu Ghanekar, as Whole Time Director, for a period of 3 (three) years with effect from 5-4-2011 on the terms and conditions including remuneration as set out in the explanatory statement.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Director be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications as may be required within the limits of schedule XIII of the companies Act, 1956".

By Order of the Board
For SHREYAS INTERMEDIATES LTD.

Place: Mumbai
Date: February 21st, 2012

DINESH SHARMA
CHAIRMAN

22nd Annual Report 2010 - 2011



NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) The instrument appointing a proxy must be deposited with the company at its Registered Office, not less than 48 hours before the time for holding the Annual General Meeting.
- 3) The notice of Annual General Meeting will be sent to those members whose name appears on the register of members as on 20.02.2012.
- 4) The Register of Members of the Company and Share Transfer Books of the company will remain closed from **12th March, 2012 to 21st March, 2012** (both days inclusive).
- 5) Members are requested to:
 - (a) Notify the change in address if any, with Pin Code Numbers immediately to the Company. (In Case of shares held in physical mode).
 - (b) Bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
 - (c) Quot their Registered Folio Number/DP and Clients ID Nos. in all their correspondence with the company or its Registrar and Share Transfer Agent.
- 6) Consequent upon the introduction of Section 109A of the Companies Act, 1956, Shareholders desirous of making a nomination are requested to send their requests in Form 2B in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the company.
- 7) Corporate members are requested to send a duly certified copy of board resolution/power of attorney authorizing their representative to attend and vote at the Annual General meeting.
- 8) Members having any question on accounts are requested to send their queries at least 10 days in advance to the company at its registered office address to enable the company to collect the relevant information.
- 9) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company during office hours on all working days except Saturdays between 11.00 am and 1.00 pm up to the date of Annual General Meeting and the same will be available for inspection at the Annual General Meeting.
- 10) The Ministry of Corporate Affairs has taken a **"Green Initiative in the Corporate Governance"** by allowing paperless compliances by the Companies after considering Sections 2,4,5 and 81 of the Information Technology Act, 2000, for legal validity of compliances under Companies Act through electronic mode. Under the Information Technology Act, 2000, service of documents in electronic mode is permitted. Also the acceptable mode of service of documents under 'Certificate of Posting' has recently been discontinued by the Department of Posts.

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

Keeping in view of the theme underlying the circular issued by MCA, the company shall send documents like notice calling for Annual General Meeting, Audited Accounts, Directors Report, Auditors Report, etc. from the year ended September 30th, 2011 onwards and other communications, in electronic form, to email addresses of those members which are available in the records of the company and/or made available to us by the Depositories. In case you desire to receive the documents mentioned above in physical form or change of register email address, you are requested to kindly send an e-mail to info@shreyasintermediates.com



SHREYAS INTERMEDIATES LTD.

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

Mrs. Neelam Arora, aged about 53 years, is a M.COM has more than 32 years varied experience in different fields and 7 years experience in chemical industry. Mrs. Arora has no directorship in any of the other Company.

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

Item no. 4

- A. PERIOD OF APPOINTMENT: 5-4-2011 to 04-4-2014
- B. SALARY : Rs. 30,000/- (Thirty Thousand) per Month

In addition to salary the Whole time Director will be entitled to the following perquisites and allowances:

C. Perquisites

1. Residential Accommodation : Rent free accommodation in 2 bedroom Apartment.
2. Leave travel assistance : As per company's policy.
3. Leave : As per company's policy and can encash unused leave.
4. Contribution to Provident Fund, Superannuation fund or Annuity fund to the extent these either single or put together are not taxable under the Income Tax Act, 1961.
5. Gratuity : As per company's policy.
6. Car : Exclusively for personal and official disposal.
7. Children's Education fees will be paid by the company.

Perquisites shall be evaluated as per applicable provision of the income tax rules

- D. The total remuneration including perquisites shall not exceed the limits specified in schedule XIII of the Companies Act, 1956. The perquisites namely contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and encashment of leave shall not be included in the computation of ceiling on remuneration.

E. Minimum Remuneration:

Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Whole-Time Director the Company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites as above subject to the ceiling specified under Section II of part II of the Schedule XII to the companies Act, 1956.

Termination:

The appointment is liable for termination by either party giving 6 month's notice in writing to the other. The terms and conditions of the above appointment may be altered and varied from time to time by the Board of Directors (including Remuneration Committee constituted by the Board) as it may in its discretion deem fit within the maximum amount payable to the Whole Time Director in accordance to schedule XIII to the companies Act, 1956 or any amendments made hereafter in this regard and as may be agreed to by the Whole-Time Director.

None of the Directors are interested in the said resolution.

By Order of the Board
For **SHREYAS INTERMEDIATES LTD.**

Place: Mumbai
Date: February 21st, 2012

DINESH SHARMA
CHAIRMAN



22nd Annual Report 2010 - 2011

DIRECTORS' REPORT

To,
THE MEMBERS,

Your Directors submit herewith the Twenty Second Annual Report together with Audited statement of accounts for the year ended on 30/09/2011.

FINANCIAL RESULTS

Financial Results	2010-11	2009-10
Gross Income	17748.14	8683.24
Profit/(Loss) before Interest and Depreciation	279.77	917.97
Less-Interest	1206.40	1248.65
Profit/(Loss) before Depreciation	(926.63)	(330.68)
Less-Depreciation	575.91	466.32
Profit/(Loss) before Tax	(1502.54)	(797)
Less-Provision for tax	---	---
Profit/ (loss)After Tax for the year	(1502.54)	(797)
Less-Deferred Tax Adjustment	---	---
Balance brought forward	1613.92	2410.92
Profit available for Appropriation	111.38	1613.92

DIVIDEND

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

REVIEW OF OPERATIONS

The year under review continued to be challenging one as the Company is struggling with the timely disbursement of moneys from the banks though the margin moneys from the promoters is long in place. The CDR has taken due note of the situation and has recommended the release of extra interest charged and also rate reduction in interest. However the package is still to be implemented in toto. The Company was prompt in payment of its commitment to the banks till June 2010. However the Banks disbursement could not come on time and the finances of the Company were compromised by repayment of the installments and interest on the new plant which could not be worked for want of working capital moneys from the banks.

The CDR has now made the position easy by deferring the instalments and deferring the interest. The package however is still in the process of being implemented. The company has recorded a higher turnover of Rs. 17748.14 lacs as against the turnover of Rs 8683.24 lacs in the corresponding previous year. There was loss after tax of Rs. 1502.54 lacs as against loss after tax at Rs. 797 lacs in the previous year. The directors are hopeful that the company would come out of red in about 2 years. The Demand for Company's products continues to remain high. The Implementation of the strategic cost management initiatives has resulted in improving productivity significantly.



SHREYAS INTERMEDIATES LTD.

PRODUCTION AND PERFORMANCE

The Company has produced Pigments to match international quality. The production achieved during the year was 7055 tons of Pigment. The Capacity utilization in this product was approximately 30%. However in the Pigment capacity utilization was low on account of the project not being complete dues to balancing equipments. The Company hopes to achieve full capacity utilization in the coming years as we are in the process of installing the balancing equipments.

MARKET

The global sub-prime crises in the financial markets in 2010-11 have impacted the manufacturing and sale of the Company's products substantially. The Company's products are gaining in demand on the green shoots of recovery in the developed economies and are positioned to address the new paradigm of demand and supply.

EXPORTS

The Company's exports to counties in Europe, Latin America and the Asian Far East were aggregated to the value of Rs.3507.95 Lacs. The Company expects to enhance exports to these countries and also explore the possibility of setting up manufacturing facilities by the process of Joint Ventures / Business Partnerships.

LISTING

The Company's Equity Shares continue to be listed on the Stock Exchange, Mumbai (BSE). The Company has paid the requisite Annual Listing Fees for the years 2010-11 to the above Exchange. The Company's Shares continue to be regularly traded on the exchange.

COMPULSORY DEMATERIALISATION OF COMPANY'S SHARES

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

DIRECTORS

Mrs. Neelam Arora retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.

During the year Mr. Om Prakash Bali & Mr. Gopal Krishna Sharma resigned as directors with effect from 05.04.11 & 18.10.10 respectively, the board appreciated the contribution made by them during their tenure as directors.

Mr. Ramchandra Dhondu Ghanekar was appointed as an additional & whole time director on for a period of 3 years w.e.f. 05.04.11.

DIRECTORS' RESPONSIBILITY STATEMENT

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



22nd Annual Report 2010 - 2011

- 1) That in the preparation of the accounts for the financial year ended 30th September, 2011; the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the period under review:
- 3) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4) That the Directors have prepared the accounts for the financial year ended 30-09-2011 on a going concern basis.

CORPORATE GOVERNANCE

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

AUDITORS

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

EMPLOYEES

The Ministry of Corporate Affairs has notified Companies (Particulars of Employees) Amendment Rules, 2011, wide GSR 289 (E) dated 31.03.2011 raising the limit of employee's salary to be disclosed in the Directors Report. The employee's salary limit has been raised from Rs. 24.00 lacs per Financial Year or Rs. 2.00 lacs per month to Rs. 60.00 lacs per Financial Year or Rs. 5.00 lacs per month.

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

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

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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



SHREYAS INTERMEDIATES LTD.

AUDITOR'S REPORT

The observation made by the auditors in their report do not require any comment as the same are either self-explanatory or have been fully explained in the notes attached to the accounts.

ACKNOWLEDGEMENT

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

**By Order of the Board
for SHREYAS INTERMEDIATES LTD**

**Place :Mumbai
Date : February 21st, 2012**

**DINESH SHARMA
CHAIRMAN**



22nd Annual Report 2010 - 2011

ANNEXURE "A" - disclosure of particulars Rules, 1988

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

CONSERVATION OF ENERGY

By detecting energy waste on the shop floor, furnace and implement remedial measures the energy was saved. Inefficient use of energy in utilities items like Pumps and Compressors etc. was checked. Total energy consumption per Kilogram of products 0.64 that amounted to Rs.3.97 per kilogram and 1.34 Unit of Furnace Oil / Brickket amount to Rs.5.83 per kilogram.

TECHNOLOGY ABSORPTION:

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

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	(Rs. in Lacs)	(Rs. in lacs)
	2010-11	2009-10
Total Foreign Exchange earned	1152.79	1003.67
Total Foreign Exchange used	322.26	417.46

FORM A (See Rule 2)

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

	2010-11	2009-10	
Electricity:			
Unit Amount (Rs. in Lacs)	45.17	30.62	
Total Amounts (Rs. in Lacs)	280.71	186.12	
Rate / Unit	6.21	6.08	
Coal :			
Quantity	94.32	47.49	
Total Amount	410.24	215.03	
Rate / Unit	4.35	4.53	
Consumption per unit of Production			
Electricity	Unit/Kg	0.64	0.76
Coal	Kg/Kg	1.34	1.18

FORM B (See Rule 2)

TECHNOLOGY ABSORPTION:

Please see point B above

By Order of the Board
for SHREYAS INTERMEDIATES LTD

Place: Mumbai
Date : February 21st, 2012

DINESH SHARMA
CHAIRMAN



SHREYAS INTERMEDIATES LTD.

ANNEXURE 'C'

CORPORATE GOVERNANCE

The Board of Directors of the Company supports the broad principles of Corporate Governance. Given below is the Report on Corporate Governance in respect of the year ended 30th September 2011.

1. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and integrity. All employees are guided by the Company's policies on important issues, including our relationship with consumers, shareholders and Government.

2. Composition of Board

The Board comprises of the Executive Director and Non-executive Directors. Accordingly, the composition of the Board is in conformity with the Listing Agreements with the Stock Exchanges. Mr. Dinesh Sharma, a Director, is the non-executive Chairman of the Board. Except the Whole-time Director, all other Directors retire by rotation as per the provisions of the Companies Act, 1956. The composition of the Board and other relevant details relating to Directors are given below:

Sr. No	Name of Director	Category	No. of other Directorships	No. of Memberships of Board Committees	No. of Board Committees of which the Director is a Chairperson
1.	Mr. Ramchandra Dhondu Ghanekar	Executive	Nil	Nil	Nil
2.	Mr. Dinesh Sharma (Chairman of the Board)	Non-Executive	2	5	3
3.	Mr. Brahmanand Dabas	Non-Executive	Nil	5	Nil
4.	Prof. (Mrs.) Neelam Arora	Non-Executive	Nil	5	2
5.	*Mr. Om Prakash Bali	Non-Executive	Nil	2	Nil
6.	*Mr. Gopal Krishna Sharma	Executive	Nil	2	Nil

* Ceased to be Directors during the year.

3. Board Meetings, Committee meetings and the 22nd Annual General Meeting:

During the year 2010-11, 8 Board Meetings and 4 Meetings each of the Audit Committee and the Investors' Grievances Committee and one meeting of the Remuneration Committee were held. The last Annual General Meeting of the Company (21st AGM) was held on March 30, 2011.



22nd Annual Report 2010 - 2011

ATTENDANCE OF DIRECTORS AT MEETINGS OF THE BOARD AND OF COMMITTEES OF THE BOARD

Name	Category	Attendance								Attendance at Committee Meetings								General Meetings		
		Board Meetings								Audit Committee Meetings				Investors' Grievances Meetings				Remuneration Committee Meeting on 30.12.10	E G M	A G M
		1.	2.	3.	4.	5.	6.	7.	8.	1.	2.	3.	4.	1.	2.	3.	4.			
Mr. Ramchandra Dhondu Ghaneekar	Executive	N	N	N	N	N	Y	Y	Y	N	N	Y	Y	N	N	Y	Y	N	-	N
Mr. Dinesh Sharma (Chairman of the Board)	Non-Executive	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	Y
Mr. Brahmanand Dabas	Non-Executive	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	Y
Prof. (Mrs.) Neelam Arora	Non-Executive	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	Y
Mr. Om Prakash Bali	Non-Executive	Y	Y	Y	Y	Y	N	N	N	N	N	N	N	N	N	N	N	N	-	N
Mr. Gopal Krishna Sharma	Executive	Y	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	-	N

A. AUDIT COMMITTEE

The Audit Committee constituted by the Board of Directors consists of three Directors namely Mr. B.N. Dabas, Prof. (Mrs.) Neelam Arora and Mr. Dinesh Sharma. The constitution of Audit Committee meets with the requirements of the Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement; Mr. Dabas and Mrs. Arora are independent, non-executive Directors. Mrs. Neelam Arora is the Chairperson of the Audit Committee.

The terms of reference of the Audit Committee include:

- reviewing financial statements and pre-publication announcements before submission to the Board.
- ensuring compliance of internal control systems and follow-up action on internal audit reports.
- apprising the Board on the impact of accounting policies, auditing standards and legislation holding periodical discussions with Statutory Auditors on the scope and content of the audit.
- reviewing the Company's financial and risk management policies..

During the financial year 2010-11, the Audit Committee Meetings were held on 15.11.2010, 31.01.2011, 29.04.2011, 23.07.2011.

B. Remuneration Committee

The Committee held its meeting on 30th December, 2010 there is no change in the remuneration of the directors.

C. Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors'/Grievance Committee consist of three Directors. Prof. (Mrs.) Neelam Arora, a Non-Executive Director heads this Committee.

The Committee held four meetings on 31.12.2010, 31.03.2011, 30.06.2011, 30.09.2011 at quarterly intervals, and considered, inter alia, Shareholders'/investors' complaints relating to non-receipt of certificates after transfer, delay in confirmation/ rejection of requests for DEMAT of Shares, etc. During the financial year ended 30th September 2011, 3 complaints were received from shareholders/ investors. All complaints have been generally been solved to the satisfaction of the complainants except for dispute cases and sub-judice matters, which would be solved on final disposal by the Courts.



SHREYAS INTERMEDIATES LTD.

The Company has acted upon all valid share transfers received during the financial year ended 30th September 2011 and there were no pending transfers as on September 30, 2011.

Mrs. Manali More continues to be the Compliance Officer of the Company.

D. SECURITIES ALLOTMENT COMMITTEE

The Securities Allotment Committee consists of 3 Directors Mr. Dinesh Sharma; the chairman of the company heads this committee. There was no meeting during the year as no allotment of shares was made.

4. ANNUAL GENERAL MEETING

The last three Annual General Meeting of the Company was held as under:

Year	Location	Date	Time
2009-10	D-21,D-22,D-23, M.I.D.C., Lote Parshuram, Taluka Khed, District Ranagiri-415722 Maharashtra	30-03-2011	11.00 A.M.
2008-09	122-125, 'Solaris – II', Saki – Vihar Road, Powai, Andheri (East), Mumbai 400072	30-03-2010	11.30 A.M.
2007-08	122-125, 'Solaris – II', Saki – Vihar Road, Powai, Andheri (East), Mumbai 400072	31-03-2009	11.30 A.M.

5. DISCLOSURES

- a) Disclosure on materially significant related party transaction i.e. transaction of the company of material nature with its promoters, the Directors or Management or relatives etc. that may have potential conflicts with the interest of the company.

The Company has received all relevant disclosures; there is no conflict of interest. There was no transaction with any parties in which Directors of the Company were interested that may have potential conflict with the interest of company at large.

- b) Details of non-compliance by the company penalties, stricture imposed on the company by Stock Exchange or SEBI or any Statutory Authority or any matter related to capital market during the last three years.

- NIL - The Company has complied with all the requirements of the regulatory authorities on capital markets and no penalty / stricture were imposed on the Company in the last three years.

6. MEANS OF COMMUNICATION

- a) The Company does not send its quarterly report to each household of shareholders. The quarterly results are published in newspapers and are available / accessible on the SEBI website under the SEBI's EDIFAR (Electronic Data Filing Information And Retrieval) guidelines.
- b) The quarterly and full year results are published in 'Business Standard' and 'Daily Sagar.' in Marathi.
- c) These results together with the Company's official statement are also displayed on SEBI's website.
- d) Presentations are also made from time to time to analysts and institutional investors.



22nd Annual Report 2010 - 2011

7. MANAGEMENT DISCUSSION AND ANALYSIS

(within the limits set by the Company's competitive position)

The Company is engaged in the business of manufacture and sale of Pigments and Pigment intermediates and bi-products. Substantial revenues come from the sale of these products to various segments across various industries including corporate and business houses. The Company continues to take several steps to expand the markets in India as well as overseas; the industry is continuing its efforts to get the Government support both at the Central and the State levels to have a lower rate of duties on fuel and oil.

The outlook for the industry is positive given the size of the opportunity. The Company is hopeful that with the combination of market development and expansion activity, there will be a healthy market growth over the next few years.

The Company has good internal control systems, the adequacy of which has been reported by its Auditors in their report as required by the Companies (Auditor's Report) Order, 2003. The discussion on financial performance of the Company is covered in the Directors' Report. The number of employees as on 30th September 2011 was 197.

8. SHAREHOLDRES' INFORMATION

22nd Annual General Meeting

Date & Time	12 Noon, on Wednesday, 21 st March 2012. At D-21,D-22,D-23, M.I.D.C., Lote Parshuram, Taluka Khed, District Ranagiri-415722 Maharashtra
-------------	---

9. FINANCIAL CALENDAR

The Company follows October - September as its financial year. The results for every quarter beginning from October are declared in the month following the quarter except for the last quarter, for which the results were declared in February, 2012 as permitted by the Listing Agreement.

10. DATES OF BOOK CLOSURE

Book Closure dates-	Monday, the 12th March, 2012 to Wednesday, the 21st March, 2012 (both days inclusive)
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11. **DIVIDEND PAYMENT DATE** : Not Applicable

12. LISTING OF EQUITY SHARES

The Company's Equity Shares continued to be listed on the Mumbai Stock Exchange. The Company has paid annual listing fees. The Company's Shares continue to be traded on the BSE.



SHREYAS INTERMEDIATES LTD.

13. STOCK CODE

The Stock Exchange, Mumbai (Physical) : Code : 526335
The Stock Exchange, Mumbai (Demat) : Code : INE 115FO01017

14. MARKET PRICE DATA

The monthly high and low quotations of shares traded on the Stock Exchange, Mumbai are as follows:

MONTH	MUMBAI STOCK EXCHANGE	
	HIGH (Rs.)	LOW (Rs.)
October, 2010	14.5	12.72
November, 2010	15.29	9.46
December, 2010	11.84	8.1
January, 2011	12.24	9
February, 2011	11.65	7.02
March, 2011	8.39	6.6
April, 2011	9.15	6.71
May, 2011	8.89	5.3
June, 2011	8.78	5.64
July, 2011	9.39	7
August, 2011	9	6.15
September, 2011	8.5	5.07

15. REGISTRAR AND SHARE TRANSFER AGENTS

M/s. SYSTEM SUPPORT SERVICE, 209, Shivai Industrial Estate, Near Parke Davis 89, Andheri - Kurla Road, Sakinaka, MUMBAI 400 072.

16. SHARE TRANSFER SYSTEM

Applications for transfer of shares held in physical form are received at the office of the Registrars and Share Transfer Agents of the Company, The Board Committee attends to share transfer formalities at least once in 15 days.

Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository, the beneficiary holdings so as to enable them to update their records and to send all corporate communications, dividend warrants etc.

Physical shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

17. THE SHAREHOLDING PATTERN AND DISTRIBUTION OF SHAREHOLDING (AS AT SEPTEMBER 30, 2011)

22nd Annual Report 2010 - 2011



I. EQUITY SHARES

Category	No. of Equity shares held	Percentage of shareholding
A Promoters		
1 Indian Promoters	98,28,600	61.03
2 Foreign Promoters	NIL	NIL
3 Persons acting in Concert	NIL	NIL
B Non-Promoters Holding		
1 Institutional Investors		
A Mutual Funds and UTI	2100	0.01
B Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non - Government Institutions)	2800	0.02
C FIs	NIL	NIL
2. Others		
A Private Corporate Bodies	12,59,485	7.82
B Clearing Members (Shares in Transit)	NIL	NIL
C NRIs/OCBs/Foreign Nationals	46,103	0.29
D Indian Public	49,64,812	30.83
TOTAL	1,61,03,900	100.00

Shareholding of Nominal value of		Shareholders		Value of Shares	
Rs.	Rs.	Number	% to Total	Share Amount Rs.	% to Total
1	- 5000	4676	96.313	21325000	13.24
5001	- 10000	82	1.689	6128560	3.81
10001	- 20000	33	0.680	4735290	2.94
20001	- 30000	21	0.433	5167080	3.21
30001	- 40000	11	0.227	3748610	2.33
40001	- 50000	5	0.103	2224820	1.38
50001	- 100000	7	0.144	4946560	3.07
100001	- *****	20	0.412	112763080	70.02
TOTAL		4855	100	16,10,39,000	100

I. PREFERENCE SHARES

The Company has allotted 1,50,00,000 10% Redeemable Non-Cumulative Preference Shares of Rs. 10/- each, fully paid-up, aggregating to Rs. 15,00,00,000/-. All the Shares are held by the Promoter Group, in the physical form.

18. DEMATERIALISATION OF SHARES

Status of Dematerialization as on 30th September 2011.



SHREYAS INTERMEDIATES LTD.

Particulars	No. of Shares	% Capital	No. of Holders	% of Holders
NSDL	7973033	49.510%	1,827	36.991%
CDSL	4554052	28.279%	1,207	24.438%
Physical	35,76815	22.211%	1,905	38.571%
Demat Shares in transit	—	—	—	—
	<u>1,61,03,900</u>	<u>100%</u>	<u>4,566</u>	<u>100%</u>

19. PLANT LOCATION

The Company's Plants are located at : Plots Nos. D-21, D-22 and D-23
MIDC Industrial Estate,
Lote Parshuram, Taluka Khed,
District : Ratnagiri,
MAHARASHTRA

20. ADDRESS FOR CORRESPONDENCE

For assistance regarding dematerialization of shares, share transfers, transmissions,, change of addresses, or any other query relating to shares, please write to :

Registrar & Transfer Agents

M/s. SYSTEM SUPPORT SERVICE
209, Shivai Industrial Estate
Near Parke Davis
89, Andheri - Kurla Road
Sakinaka, Mumbai - 400 072.

OR

The Company At

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

By Order of the Board
for SHREYAS INTERMEDIATES LTD

Place : Mumbai
Date : 21st February, 2012

DINESH SHARMA
CHAIRMAN



AUDITORS REPORT ON CORPORATE GOVERNANCE REPORT OF THE BOARD

To,
The Members of Shreyas Intermediates Ltd.,

We have read the Report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by Shreyas Intermediates Limited ("the Company"), for the year ended September 30, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner described in the Guidance Note on Certification of Corporate Governance' issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and on the basis of our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned 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 SAYEED KHAN & ASSOCIATES
Chartered Accountants**

**PLACE :MUMBAI
Date : 21.02.12**

**SAYEED KHAN
Proprietor**



SHREYAS INTERMEDIATES LTD.

AUDITORS REPORT

To,
The Members of M/s. Shreyas Intermediates Ltd.,

We have audited the attached Balance Sheet of M/s. SHREYAS INTERMEDIATES LIMITED as at 30th September 2011 and Profit and Loss account of the company for the year ended 30th September 2011, annexed thereto. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. These accounting standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes the 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 for our opinion.

We report as follows:

1. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government, in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement of the matters specified in paragraphs 4 & 5 of the said order
2. Further to our comments in annexure 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 accounts as required by law have been kept by the company so far as appears from our examination of the books;
 - c) The Balance Sheet, Profit & loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the Accounting Standards as referred to in Section 211(3 C) of Companies Act, 1956 except to the extent of non- provision of the retirement benefits to the employees as required by AS 15 "Accounting for retirement benefits in the financial statements of employer."
 - e) On the basis of representations received from Directors of the company and information and explanation given to us, we report that no directors are disqualified from being appointed as director of the company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view;
 - i. In the case of the Balance Sheet of the State of affairs of the Company as at 30th September 2011 and
 - ii. In the case of the Profit & Loss Account, of the Loss of the Company for the year ended 30th September, 2011

**For SAYEED KHAN & ASSOCIATES
Chartered Accountants**

**Place: Mumbai
Date : 21st February 2012**

**Sayed Khan
Proprietor**



22nd Annual Report 2010 - 2011

ANNEXURE TO THE AUDITOR'S REPORT (Referred to in paragraph 1 of our report of even date)

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 and on the basis of such checks, as we considered appropriate, we further report that:

1. The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. The Management at reasonable intervals has physically verified the fixed Assets. No discrepancies were noticed upon such verification.
2. The management has conducted physical verification at reasonable intervals in respect of finished goods, stores and spare parts and raw materials.
3. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
4. In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. Having regards to the size of the operations of the company and the nature of the stocks held, the discrepancies noticed on verification between physical stocks and book records were not material and have been properly dealt with in the book of accounts.
5. The Company has taken unsecured loans aggregating to Rs. 781.04 Lacs from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and/or from the Companies under the same management as defined under Sub Section (1B) of section 370 of the Companies Act, 1956.
6. According to the explanations given to us, in our opinion, the terms and conditions of the unsecured loans taken from companies listed in the register maintained u/s 301 of the Companies Act, 1956 are not, prima-facie, prejudicial to the interest of the company.
7. The terms of Secured Loans have been re-negotiated during the year and the company has sought a restructuring of the same from Financial Institutions. According to the explanations given to us, during the year the company is regular in repaying the principal amounts as per such negotiated stipulations and has been regular in paying the interests thereon.
8. There is no overdue amount of loans taken or granted to companies, firms or parties listed in the register maintained u/s 301 of the Companies Act, 1956.
9. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures, commensurate with the size of the Company and the nature of its business for the purchase of stores, raw materials including components, plants and machinery, equipment and other assets and for the sale of goods. During the course of our audit, and according to the information and explanations given to us we have neither come across nor have been informed of any continuing failure to correct major weakness in the internal control procedures.
10. Based on the audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion, that the transactions that need to be entered in to the registers maintained under section 301 of the Companies Act, 1956 have been so entered.
11. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 & exceeding the value of Rs. 5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regards to prevailing market prices at relevant time.
12. The Company has not accepted any deposit, within the meaning of section 58A of the Companies Act, 1956 and the rules framed there under.
13. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.



SHREYAS INTERMEDIATES LTD.

14. As informed to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
15. According to the records of the Company, the Company has been regular in depositing its statutory dues during the year with the appropriate authorities and no arrears are pending due to any dispute with any of the authorities in respect of the company.
16. According to the information and explanations to us, there are no dues in respect of the Income Tax, Wealth Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of dispute.

However undisputed dues pertaining to the Sales Tax pending payment as on date is as tabulated below:

Sales Tax payable for quarter ended December 2010 till September 2011	Rs. 33.43 Lacs
Total Sales Tax Due	Rs. 33.43 Lacs

17. The accumulated losses as at the end of the year do not exceed fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year
18. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
19. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
20. To the best of our knowledge and belief and according to the information and explanations given to us by the management, the term loans and other loans availed by the company were, prima-facie applied by the company for the purposes for which the same were obtained.
21. According to the information and explanations given to us and on overall examination of the Balance Sheet and the Cash Flow of the company, we report that no funds raised on short-term basis have been used for long-term investments. No long-term funds have been used to finance short-term assets except working capital.

However during the year, the company has sought to convert the sums of unpaid accumulated interests due on Long Term and Short Term Loans into Secured Term Loans and the above scheme has been duly approved and sanctioned by the Banking Institutions.

22. The company has not made any preferential allotment of shares during the year.
23. The company has not issued any debentures during the year.
24. During the year, the company has not raised any money by public issue.
25. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

**For SAYEED KHAN & ASSOCIATES
Chartered Accountants**

**Place: Mumbai
Date: 21st February 2012**

**Sayeed Khan
Proprietor**



22nd Annual Report 2010 - 2011

BALANCE SHEET AS AT 30th SEPTEMBER 2011

PARTICULARS	SCH	AS ON 30th SEPT, 2011	AS ON 30th SEPT, 2010
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS FUNDS</u>			
Share Capital	A	311,039,000	311,039,000
Reserves & Surplus	B	34,647,007	184,900,888
		345,686,007	495,939,888
<u>BORROWED FUNDS</u>			
Secured Loans	C	1,182,590,844	1,075,843,068
Unsecured Loans	D	78,104,892	81,927,481
Deferred Tax Liability		10,546,380	10,546,380
		1,271,242,116	1,168,316,929
		1,616,928,123	1,664,256,817
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	E	1,243,098,201	1,242,798,855
Less : Depreciation		275,820,228	218,228,718
Net Block		967,277,974	1,024,570,138
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Inventories	F	375,687,773	448,043,584
Cash & Bank Balances	G	24,078,612	23,470,573
Sundry Debtors	H	238,105,362	142,227,493
Loans, Advances and Deposits	I	76,859,975	42,787,684
		714,731,722	656,529,334
Less : Current Liabilities & Provisions	J	74,921,606	27,296,535
Net Current Assets		639,810,116	629,232,799
Misc. Exp.(To the extent not w. off.)	K	9,840,032	10,453,880
		1,616,928,123	1,664,256,817

AS PER OUR REPORT OF EVEN DATE
For SAYEED KHAN & ASSOCIATES
CHARTERED ACCOUNTANTS

For & on behalf of the Board of Directors
FOR SHREYAS INTERMEDIATES LTD

SAYEED KHAN
PROPRIETOR

RAMCHANDRA GHANEKAR
WHOLETIME DIRECTOR

DINESH SHARMA
DIRECTOR

NEELAM ARORA
DIRECTOR

PLACE: MUMBAI
DATED : 21st FEBRUARY 2012



SHREYAS INTERMEDIATES LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30th SEPTEMBER 2011

PARTICULARS	SCH	Year ended 30th SEPT, 2011	Year ended 30th SEPT, 2010
<u>INCOME</u>			
Sales of Products & Other Income	L	1,781,399,846	868,324,428
Increase / Decrease in Stocks	M	(42,786,168)	81,713,714
		1,738,613,678	950,038,142
<u>EXPENDITURE</u>			
Manufacturing & Other Expenses	N	1,710,022,080	857,628,341
Interest		120,640,121	124,865,051
Depreciation		57,591,510	46,631,728
Preliminary Expenses W/off		613,848	613,848
		1,888,867,559	1,029,738,968
Profit / (Loss) for the year before Tax		(150,253,881)	(79,700,826)
Provision for Income Tax (Current)		-	-
Profit / (Loss) for the year after Tax		(150,253,881)	(79,700,826)
Add: Balance B/fd. from previous year		161,392,100	241,092,926
Less: Deferred tax Liability		-	-
Amount available for appropriation		11,138,219	161,392,100
Balance Transferred to Balance Sheet		11,138,219	161,392,100
Earning Per Share (Face Value Rs. 10/-) - Basic (In Rs.)		(9.33)	(4.95)
- Diluted (In Rs.)		(9.33)	(4.95)
Nos of Equity Shares of Rs. 10/- each fully paid up		16,103,900	16,103,900

**AS PER OUR REPORT OF EVEN DATE
For SAYEED KHAN & ASSOCIATES
CHARTERED ACCOUNTANTS**

For & on behalf of the Board of Directors
FOR SHREYAS INTERMEDIATES LTD

**SAYEED KHAN
PROPRIETOR**

**RAMCHANDRA GHANEKAR
WHOLETIME DIRECTOR**

**DINESH SHARMA
DIRECTOR**

**NEELAM ARORA
DIRECTOR**

**PLACE: MUMBAI
DATED : 21st FEBRUARY 2012**

22nd Annual Report 2010 - 2011



SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30-09-2011

PARTICULARS	AS ON 30th SEPT, 2011 Rs.	AS ON 30th SEPT, 2010 Rs.
SCHEDULE - 'A'		
SHARE CAPITAL		
AUTHORISED		
AUTHORISED		
2,00,00,000 Equity Shares of Rs.10/- each	200,000,000	200,000,000
1,50,00,000 Preference Shares of Rs.10/- each	150,000,000	150,000,000
(Previous year 1,62,50,000 equity shares of Rs. 10/- each)	<u>350,000,000</u>	<u>350,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
1,61,03,900 (Previous year 1,61,03,900) Equity Shares of Rs. 10/- each	161,039,000	161,039,000
1,50,00,000 (Previous year 12000000) Cumulative Redeemable at Par Preference Shares of Rs. 10/- each fully paid up issued at a Premium of Rs. 5/- each	150,000,000	150,000,000
TOTAL Rs.	<u>311,039,000</u>	<u>311,039,000</u>
SCHEDULE - 'B'		
RESERVES & SURPLUS		
Share Premium	90,000,000	90,000,000
General Reserve	3,000,000	3,000,000
Amalgamation Adjustment A/c	(69,491,212)	(69,491,212)
Balance & Profit & Loss A/c.	11,138,219	161,392,100
TOTAL Rs.	<u>34,647,007</u>	<u>184,900,888</u>
SCHEDULE - 'C'		
I) SECURED LOANS		
TERM LOANS		
	875,930,048	421,056,986
II) WORKING CAPITAL & OTHER LOANS		
(Including Overdue Interests Current Year Rs. Nil)	306,660,796	654,786,082
(Previous Year Rs.476.94 Lacs)		
TOTAL Rs.	<u>1,182,590,844</u>	<u>1,075,843,068</u>

CHARGES :

- A) Loans given under 1 & 2 are secured by first legal charges of Company's Land/Building/Plant and Machinery etc. fixed or moveable and all other similar assets acquired or to be acquired in future situated at Plot No. D-21, D-22 & D-23, MIDC Industrial Area, Lote Parshuram, Taluka Khed, Dist : Ratnagiri, Maharashtra and 125, Solaris - II, Saki Vihar Road, Powai, Andheri East, Mumbai - 400072.
Additional Legal Charges have been provided in respect of Land & building located at Plot No: C/27, Lote Parshuram Ratnagiri, MIDC, Maharashtra belonging to M/s. Cyan Formulators (P) Ltd.
Additional Legal Charges have been provided in respect of Land & building located at Plot No: B/57, Lote Parshuram Ratnagiri, MIDC, Maharashtra belonging to M/s. Shivalik International.
Further these are secured by floating charges on all the liquid and other assets of the Company and Guaranteed by one present and one Ex-Director of the Company at the time of execution of the securities and further renegotiations. A further pledge of share has also made by shareholder of the Company & Personal Guarantees of a Director, an Ex-Director and 2 shareholders of the Company have also been given.
- B) Working Capital Loan from Bank of Baroda and State Bank of India are secured by first charge of inventories and by second charge on the fixed assets of the Company and personal guarantee of some the Directors of the Company.



SHREYAS INTERMEDIATES LTD.

PARTICULARS	AS ON 30th SEPT, 2011 Rs.	AS ON 30th SEPT, 2010 Rs.
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SCHEDULE - 'D'

UNSECURED LOANS

From Others

TOTAL Rs.

78,104,892

78,104,892

81,927,481

81,927,481

SCHEDULE "E" - FIXED ASSETS AS AT 30th SEPTEMBER 2011

PARTICULARS	GROSS BLOCK			DEPRECIATION						NET BLOCK	
	AS ON 01/10/2010	ADDITIONS	DEDUCTIONS	AS ON 30/9/2011	UPTO 01/10/2010	RATE %	ADDITIONS	DEDUCTIONS	UPTO 30/9/2011	AS ON 30/9/2011	AS ON 30/9/2010
Land	23,285,959	-	-	23,285,959	-	-	-	-	-	23,285,959	23,285,959
Buildings	126,460,439	-	-	126,460,439	22,789,757	3.34%	4,223,779	-	27,013,535	99,446,904	103,670,682
Plant & Machinery	863,555,084	-	-	863,555,084	139,155,022	4.75%	41,018,866	-	180,173,889	683,381,195	724,400,062
Effluent Treatment Plant	59,490,817	-	-	59,490,817	14,255,568	4.75%	2,825,814	-	17,081,382	42,409,435	45,235,249
Electrical Installation	151,875,082	-	-	151,875,082	29,041,478	4.75%	7,214,066	-	36,255,544	115,619,538	122,833,605
Furniture & Fixtures	2,654,639	-	-	2,654,639	2,272,614	6.33%	168,039	-	2,440,653	213,986	382,025
Other Equipments	9,569,846	299,346	-	9,869,192	6,411,426	16.21%	1,579,782	-	7,991,208	1,877,984	3,158,420
Vehicles	5,906,989	-	-	5,906,989	4,302,853	9.50%	561,164	-	4,864,017	1,042,972	1,604,136
Capital Work in Progress	(0)	-	-	(0)	-	0.00%	-	-	-	(0)	(0)
TOTAL Rs.	1,242,798,855	299,346	-	1,243,098,201	218,228,718		57,591,510	-	275,820,228	967,277,974	1,024,570,138
PREVIOUS YEAR	1,012,666,823	230,132,032		1,242,798,855	171,596,989	-	46,631,728	-	218,228,718	1,024,570,138	841,069,834

SCHEDULE - 'F'

INVENTORIES

(As per inventory certified & valued by the management)

Stores & Spare Parts	10,084,558	7,226,000
Finished Goods	228,005,324	251,653,135
Raw Materials	85,566,453	117,994,654
Work-in-progress	52,031,438	71,169,795
TOTAL Rs.	<u>375,687,773</u>	<u>448,043,584</u>

SCHEDULE 'G'

CASH & BANK BALANCES

Cash in hand	4,218,294	2,681,140
Bank Balance - Bal. With scheduled Bank		
1) In Current Account	13,287,744	2,958,760
2) In Fixed Deposit & Margin Money	6,572,574	17,830,673
TOTAL Rs.	<u>24,078,612</u>	<u>23,470,573</u>

22nd Annual Report 2010 - 2011



PARTICULARS	AS ON 30th SEPT, 2011 Rs.	AS ON 30th SEPT, 2010 Rs.
SCHEDULE 'H'		
SUNDRY DEBTORS		
(Unsecured , considered good)		
1) Debt Outstanding for more than 6 months	53,837,798	41,485,416
2) Others	184,267,564	100,742,077
TOTAL Rs.	238,105,362	142,227,493
SCHEDULE 'I'		
LOANS,ADVANCES & DEPOSITS		
(Unsecured, considered good)		
Balances with Government Departments	26,314,806	17,499,449
Deposits, Loans & Advances	43,638,918	20,125,300
Advances to Employees	1,678,938	1,679,583
Advance Taxes & Prepayments	5,227,313	3,483,352
TOTAL Rs.	76,859,975	42,787,684
SCHEDULE - 'J'		
CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LAIBILITIES		
Sundry Creditors	68,470,168	19,950,610
B. PROVISIONS		
Other Liabilities & Provisions	6,451,438	7,345,925
TOTAL Rs.	74,921,606	27,296,535
SCHEDULE -'K'		
MISC. EXP. (To the extent of not w. off. or adjusted)		
Preliminary Expenses	10,453,880	11,067,728
Additions		
Less : Written off during the year	(613,848)	(613,848)
TOTAL Rs.	9,840,032	10,453,880
SCHEDULE - 'L'		
SALES & OTHER INCOME		
Income from Operations	1,774,813,608	857,400,504
Other Income	6,586,238	10,923,924
TOTAL Rs.	1,781,399,846	868,324,428



SHREYAS INTERMEDIATES LTD.

<u>PARTICULARS</u>	AS ON 30th SEPT, 2011 Rs.	AS ON 30th SEPT, 2010 Rs.
SCHEDULE - 'M'		
INCREASE / DECREASE IN STOCKS		
STOCKS AS ON 30.9.2011		
Work - in - progress	52,031,438	71,169,795
Finished Goods	228,005,324	251,653,135
	280,036,762	322,822,930
LESS:		
STOCKS AS ON 30.9.2010		
Work - in - progress	71,169,795	75,162,150
Finished Goods	251,653,135	165,947,066
	322,822,930	241,109,216
TOTAL Rs.	(42,786,168)	81,713,714
SCHEDULE - 'N'		
MANUFACTURING & OTHER EXPENSES		
Raw Materials, Fuel & Stores Consumed	1,604,903,219	784,455,805
Other Manufacturing Overheads	45,957,715	26,110,680
Administrative Expenses	31,826,016	25,239,879
Insurance	4,481,084	3,584,008
Audit Remuneration : Audit Fees	60,000	50,000
Salaries & Wages	22,722,735	18,162,869
Donations & Charity	71,311	25,100
TOTAL Rs.	1,710,022,080	857,628,341



22nd Annual Report 2010 - 2011

SCHEDULE 'O' SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS SIGNIFICANT ACCOUNTING POLICIES:

General

The accounts have been prepared on historical cost basis ignoring changes, if any, in the purchasing power of money and on accounting principles of going concern.

All revenues and expenses are accounted on accrual basis, except Sale Tax setoff benefit, which is accounted on cash basis and as mentioned elsewhere in the report.

Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles.

Fixed Assets

Fixed Assets are shown at cost less accumulated depreciation.

Depreciation on all assets is provided on straight-line method at the rate and in the manner specified in schedule XIV of the Companies Act, 1956 on single shift basis.

Depreciation is provided on pro-rata basis, from the month in which assets have been put to use.

During the year the company has completed construction of a Unit at Lote, Parshuram, Tal Khed. The company has availed a Term Loan towards financing of the Capital outlay and the Interests provisions have been duly capitalized.

Inventory

Finished goods and work in progress are stated at cost or net realizable value whichever is lower. Raw materials and stores & spare parts are valued at cost

Revenue Recognition

Sales are recognized at when goods are dispatched and are recorded net of trade discounts, rebates. All sales have been shown inclusive of Excise & Other Duties but excluding Sales Tax. Revenue in respect of Overdue interests, insurance claims etc in recognized to the extent company has realized or is reasonably certain of its ultimate realization. Expenses are accounted for on accrual basis except medical reimbursement and LTA for employees, which are accounted for in cash basis.

Retirement Benefits

No provisions have been made by the company for liability towards Gratuity and Leave Encashments payable to employees on retirement since the same are accounted for on cash basis. The same is not in consonance with the provisions of AS-15 "Accounting for Retirement Benefits in Financial Statements" issued by the Institute of Chartered Accountants of India.

Contingent Liability

Contingent Liabilities are not accounted for but are disclosed in the Notes to Accounts.

Current & Deferred Tax

The company is eligible for set off of carried forward Business Losses under the provisions of the Income Tax Act, 1961 in the current year, however the same is estimated to be utilized in the forthcoming years and considering the same the management is of the opinion that no provisions shall be required in respect of the same during the current year.

The management has not made any provision towards Deferred Tax Liability during the year The same remains based upon realistic estimates and are considered adequate for the year.

Related Part Disclosure

- i) Related Party Relationship
(a) Key Management Personnel : Mr. Ramchandra Ghanekar.
- ii) Transaction with related Parties:



SHREYAS INTERMEDIATES LTD.

ii) Transaction with related Parties:

<u>Nature of Transactions</u>	<u>Key Management Personnel</u>
Managerial Remuneration (Including Value of Perquisites)	<u>Rs. 2,50,000/-</u>

Segment Reporting

The company is engaged in the manufacture of pigments and pigment intermediates which are single reportable business segment.

NOTES TO ACCOUNTS : -

The excise duty paid in respect of raw materials purchased and used for manufacture does not form part of consumption of raw materials to the extent of the CENVAT credit availed. Such duty is debited to Central Excise Duty Account and adjusted against excise duty payable on the finished goods.

The excise duty payable on stock of finished goods not cleared from excise bonded warehouse is neither included in expenses nor in the value of such stocks but is accounted for on clearance of goods. However, non-provision of this liability will not affect the profit for the year.

The company had been availing the benefit of exemption under the erstwhile Bombay Sales Tax Act, 1959 which was converted into deferment of taxes under the package scheme of incentives under the Maharashtra Value Added Tax Act, 2002 from August 2006.

During the year the eligibility tenure of the said scheme has elapsed and the company is liable for payment of taxes collected as per the stipulation of the said act. Further the company shall be liable to repay the taxes collected under deferment scheme within 10 years from the date of such collection and deferment in 5 equal annual installments.

Contingent Liabilities

	<u>As at 31st March</u>	
	<u>2011</u>	<u>2010</u>
	<u>Rupees in Lacs</u>	<u>Rupees in Lacs</u>
a. Guarantee given by the company's Bankers and Counter guaranteed by the company	26.00	1.00
b. Claims against the company not acknowledged as Debts*	Nil	148.51

* A claim filed by a Creditor of the company in respect of Letter of Credit Dues dishonoured by the bank during the previous year has been decided by the Honourable High Court. The above dues shall be payable by the company in 15 equal monthly installments commencing from 01/2/2012.

During the year, the company has approached the bank consortium with a scheme of restructuring detailing the causes and reasons of such defaults and during the year the bankers have approved the restructuring proposal thereby sanctioning and approving a scheme of financial restructuring. Accordingly the accumulated overdue interests on the above loans have been sanctioned as a fresh Term Loan under the said scheme of financial restructuring and the fresh tenure of moratorium has been accorded to the company. During the year the company is availing the sanctioned period of moratorium as per the sanctioned restructuring scheme.

The Directors of the Company have certified that Current Assets, Loans, Advances and Deposits have a realizable value at least equal to the amount at which they are stated in the Balance Sheet. Directors are of the opinion that provision for all known liabilities has been made during the year and not in excess of the amount reasonably necessary.



22nd Annual Report 2010 - 2011

The Company has not yet been able to completely identify the suppliers covered under Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. However, the Company does not have any claim for interest outstanding at the close of the year from any said party.

Figures pertaining to previous year have been regrouped / reclassified wherever required.

Balances of Sundry Creditors, Debtors and advances are subject to reconciliation and confirmation.

Additional information pursuant to provisions of Para 3, 4C and 4D of part II of Schedule VI to the Companies Act, 1956:

Payments made to Auditors:	<u>30.9.2011</u>	<u>30.9.2010</u>
For Audit fees	30,000	25,000
For Tax audit fees	<u>30,000</u>	<u>25,000</u>

Director's Remuneration:

Salary including perquisites: Rs.2.50 Lacs provided for the Wholetime Directors
(Previous Year: Rs. 7.64 Lacs)

AS PER OUR REPORT OF EVEN DATE

**For SAYEED KHAN & ASSOCIATES
CHARTERED ACCOUNTANTS**

For & on behalf of the Board of Directors
FOR SHREYAS INTERMEDIATES LTD

**SAYEED KHAN
PROPRIETOR**

**RAMCHANDRA GHANEKAR
WHOLETIME DIRECTOR**

**DINESH SHARMA
DIRECTOR**

**NEELAM ARORA
DIRECTOR**

PLACE: MUMBAI

DATED : 21st February, 2012



SHREYAS INTERMEDIATES LTD.

22nd ANNUAL REPORT 2010-2011

Additional information as required under Schedule VI to the Companies Act. 1956 :

a) PARTICULARS IN RESPECT OF GOODS MANUFACTURED : (From 1.10.2010 to 30.09.2011)

SALES	Units	Opening Stock	Production	Sales		Closing Stock	
				Qty (Incl Job Work)	Value (including Duties etc) (Rs. In Lac)	Qty.	Value (Rs. In Lac)
Class Of Goods		Qty.	Qty.				
Pigments	Kgs.	1,322,372	7,465,577	7,054,906	17,748	911,701	2,800.37
		-					
		1,322,372	7,465,577	7,054,906	17,748	911,701	2,800.37

b) RAW MATERIAL CONSUMED : (From 1.10.2010 to 30.09.2011)

(Amt. In Rs Lacs)

NAME OF ITEM	OPENING STOCKS		PURCHASES		CONSUMED		CLOSING STOCK	
	QTY (kgs)	VALUE	QTY.(kgs)	VALUE	QTY.(kgs)	VALUE	QTY.(kgs)	VALUE
Phthalic Anhydride & Others	2,155,548	1,179.94	12,772,168	15,289.97	13,398,543	16,049.03	1,529,173	851.51
	-							
	2,155,548.00	1,179.94	12,772,168.00	15,289.97	13,398,543.00	16,049.03	1,529,173.00	851.51

2010-2011

2009-2010

c) C.I.F. Value of Imports (From 1.10.2010 to 30.9.2011)

322.26

474.86

d) F.O.B. Value of Exports (From 1.10.2010 to 30.9.2011)

3,507.95

1,958.00

Both direct and through Merchant Exporters including value of Advance License

Signature to schedules "A" TO "O" as per our report of even date

for & on behalf of the Board of Directors

For SAYEED KHAN & ASSOCIATES

**SAYEED KHAN
PROPRIETOR**

**RAMCHANDRA GHANEKAR
WHOLETIME DIRECTOR**

**DINESH SHARMA
DIRECTOR**

**NEELAM ARORA
DIRECTOR**

PLACE: MUMBAI

DATED : 21st February, 2012

22nd Annual Report 2010 - 2011



CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(Rs. In Lacs)

	AS AT 30.9.2011	AS AT 30.9.2010
A) CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	(1,502.54)	(797.01)
ADJUSTMENTS FOR :		
DEPRECIATION	575.92	466.32
PRELIMINARY EXPENSES	6.14	6.14
INTEREST PAID	1,206.40	1,248.65
OTHER INCOME	(0.43)	(6.84)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	285.49	917.26
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES	(1,299.50)	105.94
INVENTORIES	723.56	1,275.97
TRADE PAYABLE & OTHERS	476.25	(1,412.59)
CASH GENERATED FROM OPERATIONS	185.79	886.57
CASH FLOW BEFORE EXTRAORDINARY ITEMS	185.79	886.57
EXTRAORDINARY ITEMS :		
PRELIMINARY EXPENSES INCURRED	-	-
NET CASH FROM OPERATING ACTIVITIES	185.79	886.57
B) CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASE OF FIXED ASSETS	(2.99)	(2,301.32)
CAPITAL WORK IN PROGRESS ADDITIONS	-	-
INTEREST INCOME	0.43	6.84
NET CASH USED IN INVESTING ACTIVITIES	(2.56)	(2,294.48)
C) CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM SHARE CAPITAL	-	-
PROCEEDS FROM BORROWINGS	1,029.25	2,606.27
INTERESTS PAID	(1,206.40)	(1,248.65)
NET CASH USED IN FINANCING ACTIVITIES	(177.15)	1,357.62
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENTS	6.09	(50.29)
CASH & CASH EQUIVALENTS (OPENING BALANCE)	234.70	284.99
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	240.79	234.70

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of SHREYAS INTERMEDIATES LTD. derived from the audited financial Statements for the year ended 30th September, 2011 and found the same to be drawn in accordance therewith and with the requirements of clause 32 of the listing agreements with the Stock Exchanges.

For SAYEED KHAN & ASSOCIATES
Chartered Accountants

PLACE: MUMBAI
DATED: 21st February 2012

Sayed Khan
Proprietor



22nd Annual Report 2010 - 2011

SHREYAS INTERMEDIATES LTD.

Regd. Office : D-21, D-22, D-23, M.I.D.C., Lote Parshuram, Taluka Khed, District Ranagiri-415722, Maharashtra

PROXY FORM

Folio No. / DP/ID No.

No. of Shares Held :

I/We
of
in the District of
being a member / members of the above named Company hereby appoint

☐
in the district of

as/my/our Proxy to vote for me/us on my/our behalf at the **22nd ANNUAL GENERAL MEETING**
of the Company to be held on Wednesday, 21st March, 2012 at 12.00 Noon. at D-21, D-22, D-23,
M.I.D.C., Lote Parshuram, Taluka Khed, Dist. : Ratnagiri - 415 722. Maharashtra.

Signed this day of 2011.

Affix
Revenu
Stamp of
Rs. 1/-

- Note :
1. A member entitled to attend and vote at the meeting is entitled to a point a proxy and vote instead of himself.
 2. A proxy need not be a member.
 3. This proxy form duly completed should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before the Commencement of the meeting.

SHREYAS INTERMEDIATES LTD.

Regd. Office : D-21, D-22, D-23, M.I.D.C., Lote Parshuram, Taluka Khed, District Ranagiri-415722, Maharashtra

ATTENDANCE SLIP

Folio No. / DP/ID No.

No. of Shares Held :

(Please present this slip at the entrance of the Meeting Venue)

I/We hereby record my presence at the **22nd ANNUAL GENERAL MEETING** of the Company at 12.00 Noon
at D-21, D-22, D-23, M.I.D.C., Lote Parshuram, Taluka Khed, Dist. : Ratnagiri - 415 722. Maharashtra. on
Wednesday, 21st March, 2012 and at any adjournment thereof.

NAME OF THE SHAREHOLDER : _____

NAME OF THE PROXY : _____

SIGNATURE OF THE MEMBER / PROXY : _____

Note : To be signed and handed over at the Meeting Venue.

BOOK-POST



If undelivered, please return to :
SHREYAS INTERMEDIATES LTD.
122-125 Solaris - II Opp. L & T Gate No. 6,
Sakivihar Road, Powai, Andheri (E),
Mumbai - 400 072.

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