

**27TH  
ANNUAL REPORT  
2011-12**

**CREATIVE**

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# **CREATIVE CASTINGS LIMITED**

Regd. Office : 102, G.I.D.C. Phase-II, Dolatpara, JUNAGADH-362 003.

## **-: BOARD OF DIRECTORS :-**

Shri Dhirubhai H. Dand	- Chairman
Shri R. R. Bambhania	- Managing Director
Shri V. D. Patel	- Executive Director
Shri S. V. Vaishnav	- Executive Director
Shri N. C. Vadgama	- Director
Shri S. M. Thanki	- Director
Shri V. R. Vaishnav	- Director

## **AUDITORS:**

**SUBHASH AKBARI & CO.**  
Chartered Accountants,  
223 Shikhar Complex,  
Jayshree Talkies Road, JUNAGADH  
Phone : 0285 - 26 23 479

## **REGISTRAR & TRANSFER AGENT:**

**LINK INTIME INDIA PVT. LTD.**  
C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (w),  
Mumbai-400 078.  
Phones : 022-25963838, Fax : 022-25946969  
**Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)**

## **REGISTERED OFFICE & WORKS**

**CREATIVE CASTINGS LIMITED**  
102,GIDC-II, Rajkot Road,  
Dolatpara, JUNAGADH  
Phone : 0285-2660224 / 2660254  
**E-Mail : [info@creative-cast.com](mailto:info@creative-cast.com)**

## **BANKERS:**

**STATE BANK OF INDIA**  
Circle Chowk, JUNAGADH-362001.

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**NOTICE OF THE ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 27th Annual General Meeting of the members of CREATIVE CASTINGS LIMITED will be held On Thursday, the 30th August, 2012 at 11.30 a.m. at the Registered Office of the Company situated at 102, G.I.D.C., Phase-II, Rajkot Road, Dolatpara, Junagadh – 3620 03. to transact the following Business.

**ORDINARY BUSINESS :**

- (1) To receive, consider and adopt the Audited Balance sheet as at **31st March, 2012** and the Statement of Profit & Loss for the year ended on that date and the Reports of Directors' and Auditors' thereon.
- (2) To declare Final dividend on Equity Shares.
- (3) To appoint a Director in place of **Dr. V. R. Vaishnav**, who retires by rotation and, being eligible, offers himself for reappointment.
- (4) To appoint a Director in place of **Mr. D. H. DAND**, who retires by rotation and, being eligible, offers himself for reappointment.
- (5) To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS:**

6. To pass with or without modification following resolution as an Ordinary Resolution.

To appoint M. Buha & Co. Company Secretary in Whole time practice in place of Shri Chetan D. Shah Whole time practicing Company Secretary for the year 2012-13.

“**RESOLVED THAT** M. Buha & Co., Company Secretary in Whole time practice be and hereby appointed to issue Compliance Certificate for the year 2012-13 at the remuneration as may be decided by the Board Of Directors”

BY ORDER OF THE BOARD  
For Creative Castings Ltd

PLACE : JUNAGADH  
DATE : 28/06/2012

(Dhirubhai H. Dand)  
CHAIRMAN

**Notes :**

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 24th August, 2012 to Thursday the 30th August, 2012 (both days inclusive).
3. Members who hold the shares in dematerialized form are requested to bring their Client ID and DP ID for easier identification of attendance at the AGM.
4. Members holding the shares in physical mode are requested to notify immediately for change of their address and bank particulars to the Company or its Share Transfer Agent and in case their shares are held in dematerialized form then information should be passed on directly to their respective Depository Participants and not to the Company / Share Transfer Agent without any delay.
5. The dividend as recommended by the Board, if declared at the meeting, will be payable to those members whose names appear on the Company's Register of Members as on 30th August, 2012.
6. Any request by demat holders for change of bank particulars after dispatch of Dividend Warrant should be accompanied by copy of Client Master list showing the changed bank details.

7. In terms of Section 205A and 205C of the Companies Act, 1956, any dividend remaining unclaimed for a period of seven years from the due date of payment is required to be transferred to the ' Investors' Education and Protection Fund (IEPF). Accordingly, the unclaimed dividend for the financial year 2004-05. Members, who have not encashed their dividend warrant so far, for the financial year 2004-2005 and the subsequent years, are requested to make their claims to the office of the Registrars Transfer Agents, Link Intime India Pvt Limited. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the Company or the said fund in respect of any amounts which were unclaimed / unpaid for a period of seven years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.
8. As required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed are as per attached Annexure .

BY ORDER OF THE BOARD  
For Creative Castings Ltd

PLACE : JUNAGADH  
DATE : 28/06/2012.

(Dhirubhai H. Dand)  
CHAIRMAN

## ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

### DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN ANNUAL GENERAL MEETING TO BE HELD ON 30<sup>th</sup> AUGUST, 2012

Name of Director	Dr. V.R.Vaishnav	Mr. D.H.Dand
Date of Birth	05/09/1942	01/06/1949
Date of Appointment	01/11/1986	22/11/1985
Qualification	M.S.	C.A.
Expertise in specific functional areas	40 years of Experience in Medical profession.	37 years of Experience in Professional of C.A.
List of Companies in which outside Directorship held	<u>Public Companies</u> NIL <u>Private Companies</u> NIL.	<u>Public Companies</u> NIL <u>Private Companies</u> NIL

### ANNEXURE TO NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT IN PURSUANCE OF SEC.173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS OF ITEM NO. 6 OF THE NOTICE.

#### Item No. 6

Shri Chetan D. Shah Whole time practicing Company Secretary has shown his un willingness to give compliance Certificate for the year 2012-13. the board of director has accepted his request and proposed to appoint M. Buha & co. Whole time practicing Company Secretary for the year 2012-13.

As per the Companies ( Amendment) Act,2000, it is mandatory for our company to obtain a Compliance Certificate from Company Secretary in Whole time practice, The Board of Directors, therefore, recommends appointing M. Buha & Co. to obtain certificate for the year 2012-13.

None of the Directors are interested in the above Resolution.

BY ORDER OF THE BOARD  
For Creative Castings Ltd

PLACE : JUNAGADH  
DATE : 28/06/2012

(Dhirubhai H. Dand)  
CHAIRMAN

**DIRECTORS' REPORT**

To the Members,

( Rs. in Thousands)

Your Directors have pleasure in presenting the **27th Annual Report** together with the Audited Accounts of the Company for the Year ended 31st March 2012.

<b>FINANCIAL RESULTS</b>	<b>For the Year 2011-12 Rs.</b>	<b>for the Year 2010-11. Rs.</b>
Gross Profit before Interest, Depreciation and Taxation	39613	16317
Less: Interest	1013	169
Profit before Depreciation	38600	16148
Less : Depreciation	7013	6912
Profit before Tax	31587	9236
Less : Provision for Taxes		
- Current Tax	9250	2274
- Deferred Tax	(1284)	(324)
	7966	1950
Profit after Tax	23621	7286
Surplus B/F From last year	36923	34179
Profit available for appropriation	60544	41465

**APPROPRIATIONS:**

1) Proposed Dividend @ 50% (Previous year 20%)	6500	2600
2) Provision for tax on the above dividend.	1054	442
3) General Reserve	3000	1500
Balance C/F to next year....	49990	36923

**PERFORMANCE:**

Performance of the company during the year under review was satisfactory. The Turnover has increased from Rs. **186219** Thousand to Rs. **296400** Thousand. as compared to previous year.

During the year under review the over all profit is good. We are hopeful that we shall be able to do better during the financial year 2012-2013.

**DIVIDEND:**

The Board of Directors had recommended Dividend of **Rs. 5.00** ( Tax Free ) per Equity share for the year ended on 31<sup>st</sup> March, 2012. ( Previous Year **Rs. 2.00** [ TAX FREE] per Equity Share ) and the said Dividend shall be paid to those members whose names appear on the register of member of the company on record date.

## **OPERATION:**

Your Directors are hopeful for the better performance for the current financial year 2012-13 and the company has taken all remedial measures for cost cutting and taken steps to increase better sales realization and the company has taken all steps to improve its sales which will be in the benefit of the company. The export sales is increasing from year to year, and hope for the better exports during the F.Y. 2012-13.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 217 (2AA) of the Companies Act, 1956, the Directors would like to state that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- (ii) 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 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 year under review.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the Annual Accounts on a going concern basis.

## **DIRECTORS:**

**Shri V. R. Vaishnav** Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment.

**Shri D. H. Dand** Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment.

## **AUDITORS:**

**SUBHASH AKBARI & CO**, Chartered Accountants, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. We recommend their re-appointment. They have furnished a Certificate to the effect that their appointment, if made, will be in accordance with the limits specified in Section 224 (1B) of the Companies Act, 1956.

## **COMPLIANCE CERTIFICATE:**

Compliance certificate u/s 383A of the Companies Act, 1956 has been obtained from Mr. Chetan D. Shah, Practicing Company Secretary and the same has been annexed herewith.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The requirements for disclosure of particulars with respect to conservation of energy is not applicable to the Company. A statement giving details of Technology Absorption, Foreign Exchange Earnings and outgo in accordance with the Companies ( Disclosure of Particulars in the Report of Board of Directors ) Rules, 1988 is annexed hereto and forms part of this Report.

## **PARTICULARS OF THE EMPLOYEES:**

Since no Employee has received remuneration in Excess of limit mentioned under Section 217(2A) of the Companies Act, 1956. The particulars required under Section 217 (2A) of the Companies Act, 1956, read with the companies (particulars of Employees) Rules 1975, need to be not furnished.



**INDUSTRIAL RELATIONS:**

The Industrial Relations between the Management and Employees of the Company at all Levels continued to be extremely cordial during the entire year.

**APPRECIATION:**

Your Directors are grateful for the support and co-operation given by the Shareholders, Government Authorities, Company's Bankers, Insurance Company, Employees, Customers & Suppliers during the year under review.

**FOR AND ON BEHALF OF BOARD**

**PLACE: JUNAGADH**  
**DATE : 28/06/2012**

**( Dhirubhai H. Dand )**  
**CHAIRMAN**

**ANNEXURES TO THE DIRECTORS' REPORT**

**Annexure - (I) to the Directors' Report**

**( Rs. in thousand )**

Disclosure required under the Companies (Disclosure of particulars in the report of Directors) Rules, 1988.

**1. CONSERVATION OF ENERGY**

Your company has accorded high priority to the conservation of energy and have taken steps by introducing

new technology of insulation to conserve heat loss in various furnaces used for shell baking and heat-treatment. As regards saving of electricity loss, company has installed capacitors so as to maintain overall power-factor nearing unit.

**2. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

Your company operates on in house - technology developed for the products.

**3. RESEARCH & DEVELOPMENT**

Your company has adopted various steps with regards to develop new composition of metals, improve upon grain structure and control of the inclusion rating by introducing use of latest melting and metal purifying practices

**4. FOREIGN EXCHANGE EARNINGS & OUTGO**

Foreign Exchange Earnings on account of Export is equivalent to 94500 (Previous Year 47736 ). The total Foreign exchange used by way of ,Traveling Expenses Rs.-NIL-(Previous Year Rs.-NIL-)

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : JUNAGADH**  
**DATE : 28/06/2012.**

**(Dhirubhai H.Dand)**  
**CHAIRMAN**

## Compliance Certificate U/S. 383A

To,  
The Members  
CREATIVE CASTINGS LIMITED.

I have examined the registers, records, books and papers of CREATIVE CASTINGS LIMITED as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year;

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company, comments are not required.
4. The Board of Directors duly met Five times on **21st April, 2011, 28th June, 2011, 8th August, 2011, 10th November, 2011** and **24th January, 2012**, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members and complied with provision of section 154 of the Act.
- 6.. The annual general meeting for the financial year ended on **31st March, 2011** was held on **5th September, 2011** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes book maintained for the purpose.
7. No extra ordinary General meeting was held during the Financial year under review
8. The company has not given any loans to its directors or persons or firms or companies referred to under section 295 of the Act, during the year under review.
9. The Company has entered in to contract falling within the preview of section 297 of the act, and complied with the provisions of section 297.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The Company :
  - (i) as per the letter dated **10/04/2012** of Company's share transfer registrar M/s. Link Intime India P. .Ltd., there was no pending transfer as on **31st March, 2012**.
  - (ii) has deposited the whole amount of Final dividend declared during the financial year in a separate Bank Account.
  - (iii) has posted all the dividend warrants to the member of the Company as within due time during the financial year.
  - (iv) was not required to transfer any amounts to Investor protection and education fund.
  - (v) has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The appointment and re-appointment of directors were duly made at the Annual General Meeting.
15. The Company has appointed Shri Siddharth V. Vaishnav and Shri Vishal D. Patel as executive Director during the year under review.
16. The Company has not appointed any sole-selling agents during the financial year.



17. As informed the company is not required to obtain any approval from Central Government, Regional Director or Registrar of Companies except U/S 297 from Regional Director which was applied on Dt.13/07/2009
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Shares, debentures or other securities during the financial year.
20. The Company has not bought back any Shares during the financial year.
21. The Company has not issued any preference shares previously.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made borrowing during the financial year ended 31st March, 2012.
25. The company has not made loans and advances or given guarantee or provided security to other bodies corporate during financial year under review and consequently no entry have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's Registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the year under scrutiny.
31. As informed there was no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment imposed on the Company during the financial year, for offenses under the Act.
32. The Company has received Rs. 26003/- as security from its employees during the financial year 2011-12.
33. As informed, the Company has not established any provident fund u/s 418 of the Companies Act. 1956 and hence not applicable.

**Place : RAJKOT**  
**Date : 28/06/2012.**

**Chetan D. Shah**  
Company Secretary  
C.P.No.3930

**ANNEXURE - A**

Registers as maintained by the Company : STATUTORY REGISTERS

(1) Register of Charges u/s 143, (2) Copies of instruments creating charges u/s 136, (3) Register of Members and Index of members, (4) Register and Returns u/s 163, (5) Minutes books of Board meeting and general meeting for the year 2011 – 12. (6) Books of Accounts u/s 209, (7) Register of Directors, Managing Directors, Manager and Secretary u/s 303, (8) Register of Directors Share holding u/s 307, (9) Register of firms/company in which directors are interested u/s 301

**ANNEXURE – B**

Form and Returns as filed by the Company with the Registrar of Companies. and regional director during the financial year ending on 31st March, 2012.

1. Balance sheet u/s 220 For the year ended on 31st March, 2011 filed with registrar of Companies on 29/12/2011 Paid normal fee.
2. Form 66 u/s.383 - A has been filed with R.O.C. on dated 22/09/2011 Paid normal fee.
3. Form 25C u/s. 269 has been filed with R.O.C. on dated 22/07/2011 Paid normal fee.
4. Form 32 u/s 303 has been filled with R.O.C. on dated 30/06/2011 Paid normal fee.

## AUDITORS' REPORT

To,  
The Members of  
CREATIVE CASTINGS LTD.

We have audited the attached Balance Sheet of Creative Castings Limited as at **31st March, 2012** and also the Statement of Profit & Loss for the year ended on that date annexed thereto and the Cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial 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 as amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we enclosed in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order..
2. Further to our comments in the Annexure referred in paragraph (1) above, we report that :
  - 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 as far as appears from our examination of the books.
  - c) The Balance Sheet, Statement of Profit & Loss & Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
  - d) In our opinion, the Balance Sheet, Statement of Profit & Loss & Cash Flow Statement comply with the accounting standards referred to in Sub. Section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors, as on 31.03.2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2012 from being appointed as a director in terms of 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 financial statements read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present 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 **31st 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 Cash Flow Statement, of the Cash Flows for the year ended on that date.

PLACE: JUNAGADH  
Date : 28/06/2012

FOR SUBHASH AKBARI & CO.  
Firm Registration No. 124349W  
Chartered Accountants

SUBHASH K. AKBARI  
PROPRIETOR  
M. NO. 114659

**ANNEXURE TO THE AUDITORS' REOPRT**

(Referred to in paragraph 1 of our report of even date)

- i) a) The Company has maintained proper records to show full particulars including quantitative details and situations of Fixed Assets (other than in respect of tools, dies, furniture & fixture).
- b) As per the information and explanations given to us, the Fixed Assets of the Company have been physically verified by the Management at reasonable intervals and no serious discrepancies between the book records and physical verification were noticed.
- c) During the year, the Company has not disposed off any substantial / major part of Fixed Assets.
- ii) a) As per the information and explanations given to us, the Inventories have been physically verified by the Management at reasonable intervals during the year.
- b) In our opinion and as per the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) The Company has maintained proper records of Inventories. According to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii) a) As per information furnished, the Company has not granted any Loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, Accordingly, the provisions of clauses 4 (iii) (b) to (d) of the Order are not applicable.
- b) As per information furnished, the Company has not taken any Loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, Accordingly, the provisions of clauses 4 (iii) (f) to (g) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of Inventory and Fixed Assets and for the Sale of Goods and services. We have not observed any continuing failure to correct major weaknesses in the internal control system.
- v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956 :
  - a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
  - b) According to the information and explanations given to us the transactions in pursuance of such contracts or arrangements have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- vi) As the company has not accepted any deposits from the public, within the meaning of provisions of Sections 58A and 58AA and other relevant provisions of the Companies Act, 1956, and Rules made there under, clause(vi) of the order is not applicable.
- vii) In our opinion, the company has an Internal Audit system commensurate with the size of the Company and nature of its business.
- viii) We have broadly reviewed the cost records maintained by the company relating to the manufacturing of castings, pursuant to the Companies ( Cost Accounting Records ) rules, 2011 prescribed by the Central Govt. Under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service-Tax, Custom Duty, Excise Duty, Cess and other Statutory dues wherever applicable. According to information and explanations given to us, no undisputed arrears of Statutory dues were outstanding as at **31st March-2012**, for a period of more than six months from the date they became payable.

b) The details of disputed statutory dues are as under :

Name of the Statute	Nature of Dues	Amount disputed Rs.in thousand	Amount Paid Rs. in thousand	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Dues	17779	6026	Commissioner of Income Tax

- x) There are no accumulated losses of the Company as on **31st March-2012**. The Company has not incurred any Cash losses during the financial year covered by our Audit and the immediately preceding financial year.
- xi) Based on our audit procedure and on the basis of information and explanation given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to Banks. The Company has no borrowings from financial institutions or by way of debentures.
- xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any Loans and / or Advances on the basis of security by way of pledge of Shares, Debentures and other securities.
- xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit fund Company or Nidhi / Mutual Benefit Fund / Society.
- xiv) Clause (xiv) of the Order is not applicable to the Company as the Company is not dealing or trading in Shares, Securities, Debentures and other Investments.
- xv) 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.
- xvi) Clause (xiv) of the Order is not applicable to the Company as the Company, the company has not taken any term loan during the year.
- xvii) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us, on and over all basis, funds raised on short term basis have prima facie not been used during the year for long term investment.
- xvii) The company has not made any preferential allotment of shares during the year.
- xix) Clause (xix) of the Order is not applicable to the Company as the Company has not issued any Debentures.
- xx) The Company has not raised any money by Public Issues during the year covered by our report.
- xxi) As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

PLACE: JUNAGADH  
Date : 28/06/2012

**FOR SUBHASH AKBARI & CO.**  
**Firm Registration No. 124349W**  
**Chartered Accountants**

**SUBHASH K. AKBARI**  
**PROPRIETOR**  
**M. NO. 114659**

**CREATIVE CASTINGS LIMITED - JUNAGADH**  
**BALANCE SHEET AS AT 31/03/2012**

(Rs. In Thousand)

PARTICULARS	Note	2011-12	2010-11
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's funds</b>			
(a) Share Capital	3	13,000	13,000
(b) Reserves and Surplus	4	109,368	93,301
<b>2. Non-current liabilities</b>			
(a) Deferred Tax liabilities (Net)	5	6,035	7,319
(b) Long-term Provisions	6	491	19
<b>3. Current Liabilities</b>			
(a) Short term borrowings	7	7,807	15,971
(b) Trade payables	8	40,629	27,455
(c) Other current liabilities	9	2,486	3,234
(d) Short term provisions	10	12,915	6,680
<b>TOTAL</b>		<b>192,731</b>	<b>166,979</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	11	33,660	39,829
(b) Non-current investments	12	1,815	1,815
(c) Long-term loans and advances	13	8,953	2,952
<b>2. Current assets</b>			
(a) Inventories	14	51,948	44,756
(b) Trade receivables	15	83,308	54,044
(c) Cash and Cash equivalents	16	1,082	5,514
(d) Short-term loans and advances	17	11,860	17,964
(e) Other current assets	18	105	105
<b>TOTAL</b>		<b>192,731</b>	<b>166,979</b>
Significant accounting policies and notes on Financial Statements	1 to 26		

As per our report of even date

**For SUBHASH AKBARI & Co.,**  
 Firm Registration No. 124349W  
 Chartered Accountants.

**SUBHASH K. AKBARI**

Proprietor.  
 M. No. 114659

**FOR CREATIVE CASTINGS LIMITED**

Dhirubhai H. Dand - Chairman  
 S. V. Vaishnav - Executive Director  
 V. D. Patel - Executive Director  
 V. R. Vaishnav - Director  
 N. C. Vadgama - Director

Place : Junagadh  
 Date : 28th June , 2012

Place : Junagadh  
 Date : 28th June , 2012

## CREATIVE CASTINGS LIMITED - JUNAGADH

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2012

		(Rs. in Thousand)		
PARTICULARS	Note	2011-2012	2010-2011	
I	Revenue from operations	19	296,400	186,219
II	Other Income	20	3,553	1,082
III	<b>Total Revenue (I + II)</b>		<b>299,953</b>	187,301
IV	Expenses			
	Cost of Materials Consumed	21	136,714	87,887
	Changes in inventories of finished goods, work in progress	22	(6,929)	(13,101)
	Employee benefits expense	23	28,808	26,999
	Finance Costs	24	1,013	169
	Depreciation	11	7,013	6,912
	Other expense	25	101,747	69,199
	<b>Total Expense</b>		<b>268,366</b>	178,065
V	(III-IV)		<b>31,587</b>	9,236
VI	Exceptional Items		-	-
VII.	Profit before extraordinary items and tax (V-VI)		<b>31,587</b>	9,236
VIII	Extraordinary items		-	-
IX	Profit before tax (VII-VIII)		<b>31,587</b>	9,236
X	<b>Tax expense:</b>			
	(1) Current tax		9,250	2,274
	(2) Deferred tax		(1,284)	(324)
			<b>7,966</b>	1,950
XI	Profit for the period from continuing operations (IX - X)		<b>23,621</b>	7,286
XII	Profit/(Loss) for the period from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit from discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit/(Loss) for the year (XI + XIV)		<b>23,621</b>	7,286
XVI	<b>Earnings per equity share:</b>			
	(1) Basic (Rs.)		18.17	5.60
	(2) Diluted (Rs.)		18.17	5.60
Significant accounting policies and notes on Financial Statements		1to26		

As per our report of even date

**For SUBHASH AKBARI & Co.,**  
Firm Registration No. 124349W  
Chartered Accountants.

**SUBHASH K. AKBARI**  
Proprietor.  
M. No. 114659

Place : Junagadh  
Date : 28th June , 2012

**FOR CREATIVE CASTINGS LIMITED**

Dhirubhai H. Dand - Chairman  
S. V. Vaishnav - Executive Director  
V. D. Patel - Executive Director  
V. R. Vaishnav - Director  
N. C. Vadgama - Director

Place : Junagadh  
Date : 28th June , 2012

**CREATIVE CASTINGS LIMITED - JUNAGADH****CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2012**

PARTICULARS	(Rs. in Thousand)	
	2011-2012	2010-2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before extraordinary items and tax	31,587	9,236
Adjustments for:		
Depreciation	7,013	6,912
Finance Cost	1,013	169
(Profit) / Loss on sale of Assets/shares	-	157
Interest/Dividend Income	(138)	(161)
Operating Profit before working capital changes	39,475	16,313
Adjustments for : ( increase ) / decrease in operating assets :		
Inventories	(7,192)	(15,996)
Trade Receivable	(29,264)	(6,366)
Short Term loans & Advances	6,104	(2,796)
Long Term Loans & Advances	(6,001)	(1,130)
Other Current Assets	-	-
Adjustments for : increase / (decrease) in operating liabilities		
Trade payables	13,174	(7,810)
Other Current Liabilities	(748)	(1,263)
Short Term Provisions	(6)	14,467
Long Term Provisions	472	19
Cash generated from operations	16,014	(4,562)
Direct taxes paid	(7,520)	(2,268)
Cash flow before Extraordinary Items	8,494	(6,830)
Extraordinary Items - ( Reversal of Gratuity Liability )	-	3,685
<b>NET CASH FROM OPERATING ACTIVITIES :</b>	<b>8,494</b>	<b>(3,145)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(845)	(3,302)
Purchase of Investments	-	-
Sale of Fixed Assets	-	755
Sale / Written off of Investments	-	-
Interest/Dividend Received	138	161
Net Cash used in investing activities	(707)	(2,386)
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds of Long Term Borrowings (net)	-	-
Net Increase / Decrease in Short term Borrowings	(8,164)	12,762
Dividend Paid	(2,600)	(3,900)
Dividend Tax Paid	(442)	(648)
Finance Cost	(1,013)	(169)
Net Cash used in financial activities	(12,219)	8,045
Net increase in cash and cash equivalents(A+B+C)	(4,432)	2,514
Cash and Cash equivalents at the beginning of the year	5,514	3,000
Cash and Cash equivalents at the end of the year Note : 16	1,082	5,514

Significant accounting policies and notes on Financial Statements 1 to 26

As per our report of even date

For **SUBHASH AKBARI & Co.,**  
Firm Registration No. 124349W  
Chartered Accountants.

**SUBHASH K. AKBARI**  
Proprietor.  
M. No. 114659

Place : Junagadh  
Date : 28th June , 2012

**FOR CREATIVE CASTINGS LIMITED**

Dhirubhai H. Dand - Chairman  
S. V. Vaishnav - Executive Director  
V. D. Patel - Executive Director  
V. R. Vaishnav - Director  
N. C. Vadgama - Director

Place : Junagadh  
Date : 28th June , 2012

Notes forming part of the financial statements of the Accounts for the year ended 31<sup>st</sup> March, 2012.

**1. Corporate Information :**

CREATIVE CASTINGS LIMITED is a public limited company domiciled in India and incorporate under the provisions of the Companies Act, 1956, Its shares are listed in one stock exchange in India. ( OTC ) The company is engaged in manufacturing of steel and alloy steel investment castings. The company is also engaged in manufacturing of Power from wind energy. The Casting Manufacturing unit of the company is situated at G.I.D.C. Estate, Phase – II Rajkot Road, Dolatpara Junagadh - 362 003. The company caters to both domestic and international markets.

**2. Basis of Preparation.**

The financial statement of the company have been prepared in accordance with generally accepted accounting principles in India ( Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting standards ) Rules, 2006, ( as amended ) and the relevant provisions of the Companies Act, 1956. The Financial statements have been prepared on an accrual basis and under the historical cost convention. except where specifically stated.

**2.1 Significant Accounting policies:**

**a. Change in accounting policy**

During the year ended 31<sup>st</sup> March, 2012 the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company, for preparation and presentation of its financial statements, the adoption of revised Schedule VI does not impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

**b. Fixed Assets & Depreciation:**

Fixed assets are stated at cost less depreciation. Cost of acquisition or construction is inclusive of duties taxes and other incidental expenses except cenvat credit.

Depreciation on assets is provided on the basis of Straight Line Method at the rates prescribed in schedule XIV of the Companies Act, 1956,

**c. Inventories :**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the average basis and where applicable, includes the cost of material (net of available Cenvat credit), labour and factory overheads. Finished products also include excise duty on products manufactured.

**d. Cenvat:**

Cenvat benefit is accounted for by reducing the purchase cost of the materials/fixed assets.

**e. Foreign Currency Transaction:**

**Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion.**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.





## **Exchange difference**

Monetary items denominated in Foreign Currencies at the year end and not covered by forward exchange contract are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.

All exchange differences are recognized as income or as expenses in the period in which they arise.

## **f. Retirement benefits**

A ) Company's contributions Payable during the year to the Government Provident fund and ESIC , which are defined contribution schemes , are charged to the Profit & Loss Account.

B ) Gratuity and leave encashment which are defined benefits, are accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary.

C ) Actuarial gains/losses in respect of defined benefits are immediately taken to Profit & Loss account and are not deferred.

## **g. Excise:**

Excise Duty has been accounted on the basis of, both, payments made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

## **h. Dividend**

Dividend whenever proposed by the Board of Directors as appropriation of profits are provided for in the books of account, pending approval of the shareholders at the annual general meeting.

## **i Contingent liability:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but disclose its existence in the financial statements.

Liabilities in respect of Show Cause Notices received are considered as contingent liabilities only when they are converted into demands and contested by the Company.

## **j Investment:**

Investments are classified into long term investment. Investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

## **k. Export Incentives:**

Export Incentives relating to DEPB Licenses and Duty draw back are accounted in the year of export on accrual basis considering the realizable value thereof..

## **l. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

### **Sales of goods**

Revenue from sales of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Sales include excise duty, sales tax and value added tax.. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire liability arising during the year.

## **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

## **Dividend Income**

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

## **m. Earnings Per Share**

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **n. Provisions**

A provision is recognized when the company has a present obligation as a result of past event, It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed of each reporting date and adjusted to reflect the current best estimate.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as separate asset but only when the reimbursement is virtually certain. The expenses relating to any provision is presented in the statement of profit and loss net of any reimbursement.

## **o. Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## **p. Taxation :**

Tax expenses comprises current and deferred tax. Current Income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the report date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognize in equity and not in the Statement of profit and loss.

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax rules that have enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward business losses and unabsorbed depreciation allowance under tax laws, are recognized only if there is a virtual certainty of its realization. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date, the carrying amount of deferred tax assets are reviewed to re-assure realization.

## **q. Segment reporting**

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serve different markets. The analysis of geographical segments is based on the areas in which major operating division of the company operate.

**CREATIVE CASTINGS LIMITED - JUNAGADH**

Notes forming parts of the financials statements for the year ended 31st March, 2012.

**NOTE 3 : SHARE CAPITAL**

(Rs. in Thousand)

<b>PARTICULARS</b>	<b>2011-12</b>	<b>2010-11</b>
<b>AUTHORISED :</b>		
30,00,000 Equity Shares of Rs.10 each	<u>30,000</u>	<u>30,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>		
13,00,000 Equity Shares of Rs.10 each fully paid up. *	<u>13,000</u>	<u>13,000</u>
(Previous Year 13,00,000 Equity Shares of Rs. 10 each fully paid up.)		
<b>Total :</b>	<u><u>13,000</u></u>	<u><u>13,000</u></u>

\* No Shareholders holding more than 5 % shares in the company.

\* Terms / rights attached to shares :

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declare and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting .

In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company after distribution of all preferential amounts. The distribution will be in propotion to the numbers of equity shares held by the shareholders.

**NOTE 4: RESERVES & SURPLUS**

<b>PARTICULARS</b>	<b>2011-12</b>	<b>2010-11</b>
<b>RESERVES:</b>		
Share Premium	<u>10,000</u>	<u>10,000</u>
General Reserve		
Opening Balance	<u>46,378</u>	<u>41,192</u>
Add: Reversal of Gratulity Liabilitty	<u>0</u>	<u>3,686</u>
Add: Transfer from Profit & Loss A/c	<u>3,000</u>	<u>1,500</u>
	<u><u>59,378</u></u>	<u><u>56,378</u></u>
<b>SURPLUS :</b>		
Opening Balance	<u>36,923</u>	<u>34,179</u>
Add. Profit for the year	<u>23,621</u>	<u>7,286</u>
	<u><u>60544</u></u>	<u><u>41465</u></u>
<b>Less:-</b>		
- Dividend on Equity shares	<u>6,500</u>	<u>2,600</u>
- Tax on distributed profit on Equity shares	<u>1,054</u>	<u>442</u>
- Transfer to General Reserve	<u>3,000</u>	<u>1,500</u>
<b>Total :</b>	<u><u>109,368</u></u>	<u><u>93,301</u></u>

**NOTE 5 : DEFERRED TAX LIABILITIES**

<b>PARTICULARS</b>	<b>2011-12</b>	<b>2010-11</b>
Deferred Tax Liabilities on account of Diferance between Book & Tax Depreciation	<u>6,251</u>	<u>7,488</u>
Deferred Tax Assets on Account of Employees Benefits	<u>(216)</u>	<u>(169)</u>
Deferred Tax Liabilities / (Assets)	<u><u>6,035</u></u>	<u><u>7,319</u></u>

## CREATIVE CASTINGS LIMITED - JUNAGADH

## NOTE 6: LONG TERM PROVISIONS

(Rs. in Thousand)

PARTICULARS	2011-12	2010-11
Leave Salary Provision	491	19
Total :	<u>491</u>	<u>19</u>

## NOTE 7: SHORT TERM BORROWINGS

PARTICULARS	2011-12	2010-11
<b>SECURED</b>		
Working Capital Loan from Bank of State Bank of India	7,807	15,971
Total :	<u>7,807</u>	<u>15,971</u>

\* Working Capital Loan from bank is Secured against Hypothecation of all Stocks, Bill Discount and Book-debts, Equitable Mortgage of all Land & Building and Plant & Machineries of the Company and against the personal guarantees of all the directors. The Cash credit limit is repayable on Demand and carries Interest rate @ 13 % to 15.25 % p.a.

## NOTE 08: TRADE PAYABLES

PARTICULARS	2011-12	2010-11
Trade Payables	40,629	27,455
Total :	<u>40,629</u>	<u>27,455</u>

\* The Company has not received information from vendors regarding their status under the Micro, small and Medium Enterprise Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid / payable under this Act have not been given .

\* Trade payables includes amount due to Directors of Rs. 167 Thousands.(Previous year Rs. 55 Thousands ).

## NOTE 09: OTHER CURRENT LIABILITIES

PARTICULARS	2011-12	2010-11
Creditors for Capital Goods	1	18
Advance Payment From Customers	105	112
Other Payable @	2,148	2,934
Unclaimed Dividend	107	71
T.D.S. Payable	125	99
Total :	<u>2,486</u>	<u>3,234</u>

@ includes employees bond deposit Rs. 219 Thousands ( P.Y. Rs. 193 Thousands ).

## NOTE 10: SHORT TERM PROVISIONS

PARTICULARS	2011-12	2010-11
Proposed Dividend	6,500	2,600
Provisions for Tax Proposed Dividend	1,054	442
Provisions for Income Tax (Net of Advance Tax & T.D.S.)	1,735	6
Bonus Provision	3,419	3,104
Gratuity Provision	77	26
Leave Salary Provision	130	502
Total :	<u>12,915</u>	<u>6,680</u>

**CREATIVE CASTINGS LIMITED - JUNAGADH**
**NOTE : 11 FIXED ASSETS**

(Rs. in Thousand)

NATURE OF ASSETS	GROSSBLOCK				DEPRECIATION			NETBLOCK		
	OPENING BALANCE 01/04/2011	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL AS AT 31/03/12	PROVIDED UP TO 01/04/2011	PROVIDED FOR THE YEAR	DEDUCTION DURING THE YEAR	BALANCE AS AT 31/03/12	BALANCE AS AT 31/03/12	BAIANCE AS AT 31/03/11
<b>Tangible Assets (Own assets )</b>										
Lease Hold Land	490	0	0	490	0	0	0	0	490	490
Factory Building	10,571	0	0	10571	5,622	353	0	5975	4596	4,949
Plant & Machinery	28,842	590	0	29432	20,944	1,801	0	22745	6687	7,898
Plant & Mach.(100% Dep.)	130	0	0	130	130	0	0	130	0	0
Ele. Installation	1,859	0	0	1859	1,854	2	0	1856	3	6
Lab. Equipments	225	0	0	225	225	0	0	225	0	0
Measuring Instruments	1,606	75	0	1681	394	4	0	398	1283	1,212
Dies & Patents	1,803	0	0	1803	1,803	0	0	1803	0	0
Furniture, Fixtures	2,255	125	0	2380	1,879	150	0	2029	351	376
Vehicles - Motor Cars	5,775	0	0	5775	1,122	549	0	1671	4104	4,653
Computer	2,604	55	0	2659	2,052	66	0	2118	541	552
Diesel Rickshaw	144	0	0	144	8	3	0	11	133	136
Scooter & Motor Cycle	92	0	0	92	92	0	0	92	0	0
Intercom System	489	0	0	489	438	39	0	477	12	52
Copier Machine	225	0	0	225	124	11	0	135	90	101
Fax Machine	102	0	0	102	72	5	0	77	25	30
Spectrometer	2,004	0	0	2004	825	207	0	1032	972	1,179
Diesal Generator Set	4,003	0	0	4003	1,565	190	0	1755	2248	2,437
Wind Power Unit	35,133	0	0	35133	19,375	3,633	0	23008	12125	15,758
<b>T O T A L</b>	<b>98352</b>	<b>845</b>	<b>0</b>	<b>99197</b>	<b>58,873</b>	<b>7,013</b>	<b>0</b>	<b>65537</b>	<b>33660</b>	<b>39,829</b>
PREVIOUS YEAR TOTAL	97,504	3,302	2,454	98,353	53,503	6,912	1,542	58,873	39,829	44,351

**NOTE 12 : NON CURRENT INVESTMENTS (AT COST)**

LONG TERM INVESTMENT	Nos.of Shares	Face value Rs.	2011-2012	2010-2011
<b>1) EQUITY SHARES UNQUOTED</b>				
Junagadh Vibhaglya N. S. Bank Ltd	1	1271	0	1
<b>1) EQUITY SHARES QUOTED ( fully paid )</b>				
A J brothers Ltd	1900	10	29	29
Aequint Exports Ltd	3800	10	38	38
Ahmedabad Gases Ltd	2900	10	29	29
Asahi Fibers Ltd.	3000	10	30	30
Bagri Minerals & Chem. Ltd.	1300	10	13	13
Bhupendra Cap.& Finance Ltd	1700	10	68	68
Classic Global Secu. Ltd	600	10	9	9
Cosboard Industries Ltd.	1400	10	20	20
Damania Capital Markets Ltd.	6200	10	186	186
Emmessar Chem. Indu. Ltd	600	10	6	6
Garvee Granite Ltd	23800	10	238	238
Hindustan Agrigen.ind. Ltd	400	10	4	4
I.F.C.I.Ltd	100	10	3	3
Indo Credit Capital Ltd	1200	10	12	12
Indo-duch protines Ltd	500	10	5	5
Investment & Presision Castings Ltd.	50	10	9	9
Kongarar Textiles Ltd	600	10	27	27
Midpoint Soft.& ele.sys.Ltd	1500	10	15	15
Reliance Industries Ltd.	850	10	239	239
Narmada Gelatines Ltd.	400	10	3	3
Shree Karthik Papers Ltd	1500	10	15	15
Source Financial Serv. Ltd	5000	10	135	135
State Bank of India Ltd.	1250	10	350	350
Sterilite Industries Ltd.	500	10	137	137
Supriya Pharmaceuticals Ltd	500	10	10	10
Tina Electronic Ltd	700	10	7	7
Valley Abrasives ltd.	1500	10	15	15
Vatsa Industries Ltd.	30000	10	163	162
NOTES:-			<b>1815</b>	<b>1815</b>
			<b>1815</b>	<b>1,814</b>
I. Aggregate of quoted Inve. (cost)			<b>981</b>	<b>933</b>
Market Value			<b>0</b>	<b>1</b>
II. Aggregate of unquoted Inve. (cost)			<b>0</b>	<b>1</b>

## CREATIVE CASTINGS LIMITED - JUNAGADH

## NOTE 13: LONG TERM LOANS AND ADVANCES

(Rs. in Thousand)

PARTICULARS	2011-12	2010-11
<u>Unsecured Considered Good</u>		
Disputed Income Tax Paid	6,026	0
Sundry Deposits	2,219	2,952
Advances for capital expenditure	708	0
<b>Total :</b>	<b>8,953</b>	<b>2,952</b>

## NOTE 14 : INVENTORIES

PARTICULARS	2011-12	2010-11
{Valued as stated in the accounting policies in Note No. 2.1( c )}		
Raw materials	11,496	11,587
Work - in - progress @ ( Refer Note below)	19,427	24,405
Finished goods	16,686	4,779
Stores and spares	3,561	3,538
Fuel & Chemicals	778	447
<b>Total :</b>	<b>51,948</b>	<b>44,756</b>

Note : Details of Inventory of work - in - progress

a) Steel Runners & Risers	6,383	9,073
b) Castings ( in process )	11,054	12,937
e) Other materials	1,990	2,395
<b>Total :</b>	<b>19,427</b>	<b>24,405</b>

## NOTE 15 : TRADE RECEIVABLES

PARTICULARS	2011-12	2010-11
<u>Unsecured Considered Good</u>		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment	620	982
Other Trade Receivables	82,688	53,062
<b>Total :</b>	<b>83,308</b>	<b>54,044</b>

## NOTE 16 CASH &amp; CASH Equivalents

PARTICULARS	2011-12	2010-11
Cash on Hand	36	107
Balance with Scheduled Bank		
In Current Account	509	5,165
In Fixed Deposit Account @	191	180
In Unpaid dividend A/c.	93	62
	793	5,407
Cheques on hand & Remittance in transit	253	0
<b>Total :</b>	<b>1,082</b>	<b>5,514</b>

@ Fixed deposits with banks which have an original maturity of more than 12 months

**CREATIVE CASTINGS LIMITED - JUNAGADH**
**NOTE 17 : SHORT TERM LOANS AND ADVANCES**

(Rs. in Thousand)

PARTICULARS	2011-12	2010-11
<b>Unsecured Considered Good</b>		
Advances recoverable in cash or in kind or for value to be received.	1,485	3,432
Advances for expenses	267	591
Advances for raw materials	303	143
Advances to Employees	852	666
Balance with Government authorities		
(a) Central Excise	2,445	4,413
(b) VAT Credit Receivable	5,699	7,372
(c) Service Tax Credit Receivable	110	746
Prepaid Expenses	699	601
<b>Total :</b>	<b>11,860</b>	<b>17,964</b>

**NOTE 18: Other Current assets**

PARTICULARS	2011-12	2010-11
Interest Accrued on Deposit	105	105
<b>Total :</b>	<b>105</b>	<b>105</b>

**NOTE 19 : Revenue from Operations**

PARTICULARS	2011-12	2010-11
<b>( A ) Sales of Products</b>		
Sales of Manufactured Goods		
a) Castings	308,461	186,307
b) Wind Electric Power Income	7,330	6,638
<b>( B ) Other Operating Revenues</b>		
Duty Drawback & other export incentives	1,943	2,277
	<b>317,734</b>	<b>195,222</b>
Less : - Excise duty	21,334	9,003
<b>Total:</b>	<b>296,400</b>	<b>186,219</b>

**NOTE 20 : OTHER INCOME**

PARTICULARS	2011-12	2010-11
Interest Income [ T.D.S. 12 (P.Y. 18 ) ]	138	161
Dividend From Long Term Investment [ (Rs. 63 (P.Y. Rs. 100) ]	0	0
Foreign Exchange Rate Diff. Income	2,975	0
Profit on sale of Fixed Assets	0	185
Miscellaneous income	440	736
<b>Total :</b>	<b>3,553</b>	<b>1,082</b>

**NOTE 21 : MATERIALS CONSUMED**

PARTICULARS	2011-12	2010-11
Opening Stock	11,587	9,294
Add: Purchases	136,623	90,180
	<b>148,210</b>	<b>99,474</b>
Less: Closing Stock	11,496	11,587
<b>Total :</b>	<b>136,714</b>	<b>87,887</b>
<b>Materials Consumed Comprises :</b>		
a) Metal Scraps	89,529	60,402
b) Ferro-Alloys	28,878	14,228
c) Other materials	18,307	13,257
<b>Total :</b>	<b>136,714</b>	<b>87,887</b>

## CREATIVE CASTINGS LIMITED - JUNAGADH

NOTE 22 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS GOODS . (Rs. in Thousand)

PARTICULARS	2011-12	2010-11
Inventories at the end of the year		
Finished goods	16,686	4,779
Stock - in - process	19,427	24,405
	<u>36,113</u>	<u>29,184</u>
Inventories at the beginning of the year		
Finished goods	4,779	3,994
Stock - in - process	24,405	12,089
	<u>29,184</u>	<u>16,083</u>
Net (increase)/ decrease	<u>(6,929)</u>	<u>(13,101)</u>

NOTE 23 : Employee Benefit Expenses

PARTICULARS	2011-12	2010-11
Salary,wages & bonus	25,855	24,821
Contribution to Provident Fund ( Refer Note No. 26.16 )	2,054	1,863
Staff Welfare expenses	899	315
Total :	<u>28,808</u>	<u>26,999</u>

NOTE 24 : FINANCE COSTS

PARTICULARS	2011-12	2010-11
Interest expenses on :		
( i ) Borrowings From Bank	1,013	169
Total :	<u>1,013</u>	<u>169</u>

NOTE 25 : OTHER EXPENSES

PARTICULARS	2011-12	2010-11
Stores & Spares consumed	11,806	7,635
Packing materials consumed	4,827	2,998
Other Manufacturing Expenses	30,239	17,614
Power & Fuel	34,996	26,618
Rent	62	62
Repairs and Maintenance - Machinery	1,243	893
Repairs and Maintenance - Building	611	214
Repairs and Maintenance - Others	2	8
Insurance	538	516
Rates and Taxes	207	0
Communication	515	418
Travelling Exp.	249	291
Sales-tax	4,806	3,078
Payment to Auditors ( For statutory audit)	50	45
Foreign Exchange Rate Diffrence	0	215
Bad debt written off	856	0
Service Tax	61	26
Loss on Sale of Assets	0	157
Other Misc.Expenses	10,679	8,411
Total :	<u>101,747</u>	<u>69,199</u>



**Note 26 Additional Information to the Financial Statements**

1. Contingent liabilities not provided for in respect of:

- [i] Bank guarantees outstanding as at 31st March, 2012 for which the Company has given counter guarantees amounting to Rs. 180 Thousands (Previous year Rs. 180 Thousands ).
- [ii] Income Tax demand of Rs. 17779 Thousands ( Previous year Rs. NIL ) raised by the Income Tax department at the time of Assessment. The said demand is disputed by the company. The company has paid Rs.6026 Thousands ( Previous year Rs. NIL ) against the said demand.

2. Provision for current taxes represents estimated liability having regard to the profit adjusted for appropriate reliefs, allowances, etc. under the Income tax Act / Rules.

Deferred Tax is calculated at current statutory Income Tax rate and is recognized on timing differences between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent year

3. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated in the balance sheet if realized in the ordinary course of business.

4. The provision for all known liabilities is adequate and not in excess of the amount reasonably required.

5. Confirmation of debit/credit balances have not been received and hence these balances are subject to adjustment, if any.

6. Value of Raw materials and Components consumed. (Rs. in Thousand)

PARTICULARS	31ST MARCH, 2012		31ST MARCH 2011	
	% of total Consumption	Value	% of total Consumption	Value
Imported at landed Cost	---	---	---	---
Indigenously obtained	100.00 %	136714	100.00 %	87887
	100.00 %	136714	100.00 %	87887

7. Value of Stores & Spares Consumed: (Rs. in Thousand)

PARTICULARS	31ST MARCH, 2012		31ST MARCH 2011	
	% of total Consumption	Value	% of total Consumption	Value
Imported at landed Cost	0.00 %	0	0.00 %	0
Indigenously obtained	100.00 %	11806	100.00 %	7635
	100.00 %	11806	100.00 %	7635

8. Information in regard to C.I.F. Value of Imports. (Rs. in Thousand)

PARTICULARS	Value	Value
i) Raw-Materials	Nil	Nil
ii) Components & Spare Parts	Nil	Nil
iii) Capital Goods	Nil	Nil

9. Information in regard to earning in Foreign Exchange. (Rs. in Thousand)

PARTICULARS	31ST MARCH, 2012		31ST MARCH 2011	
	Qty. in M.T.	Value	Qty. in M.T.	Value
Export of Goods Calculated on FOB basis (including Tool devec charges Rs.3870 Thousands (P.Y.Rs.1527 Thousands)	117.810	94500	80.600	47736
Total :-	117.810	94500	80.600	47736

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10. Information in regard to expenditure in foreign currency : for Traveling Expenses Rs. -Nil- ( P. Y. Rs. -Nil - )
11. **SEGMENT INFORMATION** : The company has identified two Reportable Segments viz. Investment Casting and Power.

(A) **PRIMARY SEGMENT :** ( Rs. in Thousand)

PARTICULARS	2011-12 Amt.	2010-11 Amt.
1 Segment Revenue		
Investment Castings	292623	180663
Power	7330	6638
Other Unallocated Revenue [Rs. 63 (Previous Year Rs. 100)]	0	0
Total	299953	187301
Less : Inter Segment Revenue	7330	6638
<b>Net Operational Income</b>	<b>292623</b>	<b>180663</b>
2 Segment Result - Profit / (Loss)		
Investment Casting	29038	6561
Power	3562	2845
Total	32600	9406
Less : Interest and Financial Charges	1013	170
Other Un-allocable Expenditure	0	0
<b>Profit before Tax</b>	<b>31587</b>	<b>9236</b>
3 Capital Employed ( Segment Assets - Segment Liabilities )		
Investment Casting	103568	82638
Power	12765	16344
Un-allocated	6035	7319

Segment Capital employed represent segment assets less segment liabilities of each segment. Tax related liabilities can not be allocated have been disclosed as unallocated.

(B) **GEOGRAPHICAL SEGMENT :**

The following table shows the distribution of the company's sales by geographical market : ( Rs. in Thousand)

REVENUE	2011-12	2010-11
INDIA	213961	138571
OUTSIDE INDIA	94500	47736
	<b>308461</b>	<b>186307</b>

(a) **Assets base on geographical location :** ( Rs. in Thousand)

	CARRYING AMOUNT OF SEGMENT ASSETS		ADDITION TO FIXED ASSETS AND INTANGIBLE ASSETS	
	2011-12	2010-11	2011-12	2010-11
WITHIN INDIA	162351	149880	845	3302
OVERSEAS	30381	17098	0	0
	<b>192732</b>	<b>166978</b>	<b>845</b>	<b>3302</b>

12. **DEFERRED TAX LIABILITY / ( Assets ) :** ( Rs. in Thousand)

Particulars	As at 31.03.2012	As at 31.03.2011
Difference between Book & Tax Depreciation	6251	7488
Deferred Tax Assets - Others	(216)	(169)
	<b>6035</b>	<b>7319</b>

**13. EARNING PER SHARE**

Basic earning per share	Rs.	18.17	5.60
Diluted Earning per share	Rs.	18.17	5.60
Nominal value per share	Rs.	10.00	10.00

Earning per share is calculated by dividing the Profit attributable to the Equity Shareholders by the number of Equity Share outstanding during the year. The number used in calculating basic and diluted earning per share, are as under.

PROFIT AFTER TAXATION ( Rs. in Thousand)		23621	7286
The number of shares outstanding during the year	Nos.	1300000	1300000

**14. IMPAIRMENT OF ASSETS**

An Assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. On the assessment made by the Management and the Valuation Report of the Approved Valuer, there is no impairment of Assets and there for no provision for Impairment of loss is required.

**15. RELATED PARTY INFORMATION**

Disclosure in respect of related parties ( as defined in Accounting Standard 18), with whom transaction have taken place during the year are given below:

**(1) RELATIONSHIP :**
**(a) Key Management Personnel**

(i) Rajan R. Bambhania (ii) Vishal D. Patel wef. 01.07.2011 (iii) Sidhharth V. Vaishnav w.e.f. 01.07.2011.

**(b) Relatives of Key Management Personnel**

(i) Kokilaben D. Dand (ii) Hina V. Patel (iii) Dipti S. Vaishnav

**Note :** Related Party relationship is as identified by the company and relied upon by the auditors.

**(2) TRANSACTION WITH RELATED PARTIES :**
**(Rs. in Thousand)**

PARTICULARS	2011-12	2010-11
<b>EXPENSES :-</b>		
Remuneration to person referred in 1 (a)	2239	730
Remuneration to person referred in 1 (b)	1471	0
<b>OUTSTANDING :-</b>		
Payable to person referred in 1 (a)	539	176
Payable to person referred in 1 (b)	326	0

**16. DISCLOSURES IN RESPECT OF DEFINED CONTRIBUTION PLAN, RECOGNISED AS EXPENSES FOR THE YEAR IS AS UNDER:**

PARTICULARS	YEAR ENDED 2011-12	YEAR ENDED 2010-11
Employer's Contribution to Provident Fund	2054	1863
Employer's Contribution to E.S.I.	589	534

**DISCLOSURES IN RESPECT OF DEFINED BENEFIT PLAN IN RESPECT OF GRATUITY AND LEAVE ENCASHMENT.**

The present value of obligation is determined based on actuarial valuation using the projected unit credit method for Gratuity and Leave Encashment. :

The amount recognized in the Balance Sheet are as follows :-

PARTICULARS	YEAR ENDED 2011-12 Gratuity - Leave Encashment.		YEAR ENDED 2010-11 Gratuity - Leave Encashment.	
Present Value of Obligation ( Total Funded & Unfunded )	13012	621	9973	520
Fair Value of Plan asset	12935	--	9948	--
Unrecognized past service cost	--	--	--	--
Net Liability in the Balance Sheet ( Un-funded)	77	621	26	520

The amount recognized in the Profit & Loss Account are as follows :-

Current Service Cost	750	515	597	426
Interest on Obligation	847	44	734	42
Expected return on plan assets	(1004)	--	(655)	--
Net actuarial losses (gains) recognized in year	2203	43	308	27
Past service cost	--	--	--	--
Losses (gains) on curtailment and settlement	--	--	--	--
Total included in 'employee benefit expenses'	2796	602	984	495

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as under :-

Opening defined benefit obligation	9973	520	8636	489
Service cost	750	515	597	426
Interest cost	848	44	734	42
Actuarial losses ( gains )	2128	43	229	27
Benefits paid	(687)	(502)	(2237)	(463)
Closing defined benefit obligation	13012	620	9973	520

Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as under :-

Opening fair value of plan assets	9947	--	4950	--
Expected return	1004	--	655	--
Actuarial gains and (losses)	(75)	--	(78)	--
Contribution by Employer	2745	--	4644	--
Benefits paid	(687)	--	(224)	--
Closing fair value of plan assets	12934	--	9947	--

Principal actuarial assumptions at the Balance Sheet date

Discount rate per annum	8.50 %	8.50 %	8.50 %	8.50 %
Expected return per annum on plan assets .	9.15 %	0.00 %	9.00 %	0.00 %
Salary Escalation per Annum	7.50 %	7.50 %	6.50 %	6.50 %
Retirement Age	58 years	58 years	58 years	58 years
Mortality	----- LIC-1994-96 Mortality tables -----			
Withdrawal Rates	1.00 %	1.00 %	1.00 %	1.00 %

The estimates of future salary increases, consideration in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

#### 17. Previous year figures

Till the year ended 31st March, 2011, the company was using pre-revised Schedule VI to the Companies act, 1956, for preparation and presentation of its financial statements. During the year ended 31st March, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed preparation of Financial statements. However, it significantly impacts presentation and disclosures made in the financial statements particularly presentation of balance sheet.

18. Figures rounded off to nearest thousand. All the figures including previous year figures have been rounded off to nearest thousand. Where the rounding off has become zero, actual figures have been shown in brackets.

**As per our report of even date**  
**FOR SUBHASH AKBARI & CO.,**  
 Firm Registration No. 124349W  
 Chartered Accountants

SUBHASH K. AKBARI  
 PROPRIETOR  
 M. NO. 114659

PLACE : JUNAGADH  
 DATE : 28/06/2012

**FOR : CREATIVE CASTINGS LIMITED**  
 Dhirubhai H. Dand - Chairman  
 S. V. Vaishnav - Executive Director  
 V. D. Patel - Executive Director  
 V. R. Vaishnav - Director  
 N. C. Vadgama - Director

PLACE : JUNAGADH  
 DATE : 28/06/2012

