

2011 ANNUAL REPORT

OK PLAY INDIA LTD.



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CERTIFICATE



Quality Austria Training, Certification and Evaluation Ltd. awards this Quality Austria Certificate to the following organisation(s):

This Quality Austria Certificate confirms the application and further development of an effective



OK PLAY INDIA LIMITED
17 - 18, Roz-Ka-Meo Industrial Estate,
District - Mewat, Haryana - 122 103, India

QUALITY MANAGEMENT SYSTEM
complying with the requirements of standard
ISO/TS 16949:2009,
without product design

Manufacture of Plastic Moulded Products

Registration No.: 02495/0
IATF-Registration No.: 0121187
Date of initial issue: 11 May 2011
Valid until: 10 May 2014


The organisation have been audited in accordance with the "rules for the registration scheme for ISO/TS 16949 certification bodies, 3rd edition 1. October 2008".

Vienna, 11 May 2011

Quality Austria Training,
Certification and Evaluation Ltd.

Konrad Scheiber
General Manager

Gerald Perschler
Specialist representative

 qualityaustria



Quality Austria Training, Certification and Evaluation Ltd. is accredited as an organisation for certification activities by the BSI (UK) Federal Ministry of Agriculture, Forestry, Environment and Water Management.

Quality Austria is authorized by the VCA (Association of the Automobile Industry).

For examination and registration fees, please refer to the applicable regulations and conditions published in the Federal Law Gazette in recognition documents.

Quality Austria is the Austrian member of IAF (International Certification Federation).

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Letter by Chairman

September 3, 2011

It gives me great pleasure in communicating with you for the Annual General Meeting and forwarding the Annual Report of your company for the year ended 31st March, 2011.

During the year under review, the Company's gross sales have decreased by 20.20% over the last year due to reduced Government orders resulting in loss during the year.

However, as you would be aware, the company is continuing with its policy of innovation, expansion and diversification with number of new quality products being introduced during the year like Seesaw, Qdesk, Merry-go-round, Duck Rider, Horse Rider, Bike Rider and Budget Chair etc.

The company had entered into an agreement with Ashok Leyland Ltd. for supply of plastic fuel tanks and other products, the supplies of which have commenced.

The continuous development done by the company is expected to bring value to the company.

I acknowledge and appreciate the efforts of all employees in realising the goals of the company.

I would like to express my gratitude to the Board, Customers, Suppliers, Bankers, Employees and our Shareholders for their confidence and support.

With best wishes,
Sincerely



Justice (Retd.) T.R. Handa
Chairman & Whole time Director



CORPORATE INFORMATION

BOARD OF DIRECTORS

JUSTICE (RETD.) T.R.HANDA	Chairman & Whole -Time Director
SH. RAJAN HANDA	Managing Director
MRS. MAMTA HANDA	Whole -Time Director
DR. RAJAN WADHERA	Whole -Time Director
SH. SHALABH JASORIA	Director
SH. S.M. HANDA	Director
SH. RAKESH KR. BHATNAGAR	Director
SH. VIJAYENDRA KUMAR JAIN	Director

COMPANY SECRETARY

SH. DHIR SINGH BHATI

AUDITORS

M/S S.P. MARWAHA & CO.
22/44, WEST PATEL NAGAR,
NEW DELHI-100008

BANKERS

- CITI BANK N.A., GURGAON
- IDBI BANK, DELHI
- CANARA BANK, S.D. AREA, NEW DELHI
- STATE BANK OF INDIA, SOHNA
- INDIAN OVERSEAS BANK, VASANT VIHAR

REGISTERED OFFICE

PLOT NO. 17-18, ROZ-KA-MEO INDL. ESTATE,
TEHSIL NUH, DISTRICT MEWAT
HARYANA – 122103
PHONES: 0124 – 2362335-36
Websites: www.okplay.in

CORPORATE OFFICE

124, NEW MANGLAPURI, MEHRAULI,
NEW DELHI – 110030, INDIA
PH. : +91 11 46190000
FAX: +91 11 46190090
Investor.relations@okplay.in

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd Annual General Meeting of the members of OK PLAY INDIA LIMITED will be held on Friday, the 30th day of September, 2011 at 10.00 A.M. at Hakim Ji ki Choupal, opposite Batra Hospital, Vill-Ujina, P.S. - Nuh, Dist. Mewat (Haryana) to transact the following:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the financial year ended 31st March, 2011 and Balance Sheet of the Company as at that date along with Directors' Report and Auditors' report thereon and the Cash Flow Statement.
2. To appoint a Director in place of Sh. Shalabh Jasoria, Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sh. Surinder Mohan Handa, Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s S. P. Marwaha & Co., Chartered Accountants, the retiring auditors are eligible for re-appointment.

SPECIAL BUSINESS:

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

RE-APPOINTMENT OF MANAGING DIRECTOR

“**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions of the Companies Act, 1956, and subject to approval of the Central government as may be necessary, the consent of the company be and is hereby accorded for the re-appointment of Mr. Rajan Handa as Managing Director of the Company for a period of five years from 1st March, 2012 to 28th February, 2017 at the payment of remuneration and perquisites as set out hereunder:

I. Salary

Basic Salary: Rs.1,75,000/- (Rupees One Lac Seventy Five Thousand only) per month with effect from 1st March, 2012.

II. Allowances & Perquisites

Allowances & Perquisites shall be allowed in addition to Salary. However, it shall be restricted to an amount equal to Rs.1,75,000/- per month. Allowances and Perquisites are broadly classified as follows, viz., House Rent Allowance, Gas, Electricity, Water & Furnishing, Medical Reimbursement and Leave Travel concession as per rules of the Company, Personal Accident Insurance, Meal vouchers, Books & Periodicals, Use of Company's car with driver, Residential Telephones, Special Allowances etc.

For the purpose of calculating the above ceiling, perquisites will be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. However, ceilings under each of the above heads shall be fixed/re-fixed as may be mutually agreed to between the Company and the Appointee so as not to exceed the limit of Rs.1,75,000/-.

OK PLAY INDIA LIMITED

III. Other Payments and Provisions which shall not be included in the computation of the ceiling on remuneration:

i) Contribution towards Provident Fund and Superannuation Fund:

Contribution towards Provident Fund and Superannuation fund as per Company's rules as amended from time to time. Contributions to Provident Fund, Pension / Superannuation / Annuity Fund to the extent of the limits prescribed under I.T.Rules 1962 or notification issued there under from time to time will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act / Rules / Notifications.

ii) Gratuity

Gratuity payable as per the rules of the Company.

iii) Leave encashment

Encashment of Leave as per the rules of the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary, increase, modify or alter the remuneration and perquisites, in such manner as may be agreed to between the Board of Directors and Mr. Rajan Handa within and in accordance with provisions of the Companies Act, 1956 or any statutory modification thereto and as may be stipulated by the Central government”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution.”

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

RE-APPOINTMENT OF WHOLE TIME DIRECTOR

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions of the Companies Act, 1956 and subject to the approval of the Central government as may be necessary, the Consent of the Company be and is hereby accorded for the re-appointment of Justice T. R. Handa (Retd.) as - Chairman and Whole- Time Director of the Company for a period of five years from 1st March, 2012 to 28th February, 2017 at the remuneration and perquisites as set out hereunder:

I Salary

Basic Salary: Rs.1,50,000/- (Rupees One Lac Fifty Thousand only) per month with effect from 1st March, 2012.

II. Allowances & Perquisites

Allowances & Perquisites shall be allowed in addition to Salary. However, it shall be restricted to an amount equal to Rs.1,50,000/- per month. Allowances and Perquisites are broadly classified as follows, viz., House Rent Allowance, Gas, Electricity, Water & Furnishing, Medical Reimbursement and Leave Travel concession as per rules of the Company, Personal Accident Insurance, Meal vouchers, Books & Periodicals, Use of Company's car with driver, Residential Telephones, Special Allowances etc.

For the purpose of calculating the above ceiling, perquisites will be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. However, ceilings under each of the above heads shall be fixed/re-fixed as may be mutually agreed to between the Company and the Appointee so as not to exceed the limit of Rs.1,50,000/-.

III. Other Payments and Provisions which shall not be included in the computation of the ceiling on remuneration:

i) Contribution towards Provident Fund and Superannuation Fund:

Contribution towards Provident Fund and Superannuation fund as per Company's rules as amended from time to time. Contributions to

Provident Fund, Pension / Superannuation / Annuity Fund to the extent of the limits prescribed under I.T.Rules 1962 or notification issued there under from time to time will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act / Rules / Notifications.

ii) Gratuity

Gratuity payable, as per the rules of the Company.

iii) Leave encashment

Encashment of Leave as per the rules of the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary, increase, modify or alter the remuneration and perquisites, in such manner as may be agreed to between the Board of Directors and Justice T. R. Handa within and in accordance with provisions of the Companies Act, 1956 or any statutory modification thereto and as may be stipulated by the Central government”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution.”

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

RE-APPOINTMENT OF WHOLE TIME DIRECTOR

“RESOLVED THAT subject to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, approval be and is hereby accorded for the appointment of Dr. Rajan Wadhwa as Whole-Time Director of the Company for a period of three years from 1st October, 2011, to 30th September, 2014 and for payment of remuneration/ minimum remuneration as described below:

I Salary

Basic Salary: Rs.50,000/- (Rupees Fifty Thousand only) per month with effect from 1st October, 2011.

II. Allowances & Perquisites

Allowances & Perquisites shall be allowed in addition to Salary. However, it shall be restricted to an amount equal to Rs.50,000/- per month. Allowances and Perquisites are broadly classified as

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follows, viz., House Rent Allowance, Gas, Electricity, Water & Furnishing, Medical Reimbursement and Leave Travel concession as per rules of the Company, Personal Accident Insurance, Meal vouchers, Books & Periodicals, Use of Company's car with driver, Residential Telephones, Special Allowances etc.

For the purpose of calculating the above ceiling, perquisites will be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. However, ceilings under each of the above heads shall be fixed/re-fixed as may be mutually agreed to between the Company and the Appointee so as not to exceed the limit of Rs.50,000/-.

III. Other Payments and Provisions which shall not be included in the computation of the ceiling on remuneration:

i) Contribution towards Provident Fund and Superannuation Fund:

Contribution towards Provident Fund and Superannuation fund as per Company's rules as amended from time to time. Contributions to Provident Fund, Pension / Superannuation / Annuity Fund to the extent of the limits prescribed under I.T.Rules 1962 or notification issued there under from time to time will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act / Rules / Notifications.

ii) Gratuity

Gratuity payable as per the rules of the Company.

iii) Leave encashment

Encashment of Leave as per the rules of the Company.

“RESOLVED FURTHER THAT consent be and is hereby also accorded for payment of salaries, allowances etc as detailed above to Dr. Rajan Wadhwa as minimum remuneration in the absence or inadequacy of profits in any year.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary, increase, modify or alter the remuneration and perquisites, in such manner as may be agreed to between the Board of Directors and Dr. Rajan Wadhwa subject to the maximum annual remuneration not exceeding the limits prescribed under Table (B), Part II of Schedule XIII of the Companies Act, 1956.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution.”

Dated: 10th August, 2011
Regd. Office: -
17, Roz-Ka-Meo Industrial Estate
Tehsil Nuh, Distt. Mewat,
Haryana

**By order of the Board of Directors
for OK PLAY INDIA LTD.**

**(DHIR SINGH BHATI)
Company Secretary**

NOTES FOR MEMBERS ATTENTION

1. **A member entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on a poll on his/her behalf and the proxy need not be a member of the Company.**
2. **THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY FORM IS ENCLOSED.**
3. **An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at this Annual General Meeting is attached.**
4. The Register of members and share transfer books of the Company shall remain closed from 23.09.2011 to 30.09.2011 (both days inclusive).
5. Relevant details, in terms of clause 49 of the Listing Agreement, in respect of the Directors proposed to be appointed/re-appointed are given in the Report on Corporate Governance.
6. Members attending the meeting are requested to bring their copy of the Annual Report as extra copies will not be supplied.
7. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. All members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and forward all other correspondence including physical share certificates for transfer to Company's Share Transfer Agents MAS SERVICES LIMITED, T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi- 110 020.
10. Members seeking further information on the Accounts or any other matter contained in the Notice, are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.
11. To avail the facility of nomination, members may write to the Company for obtaining the Nomination Form (Form 2B).
12. **Entry to the venue of the meeting will be strictly on Entry Slip available at the counters at the entrance and to be exchanged with Attendance Slip.**
13. No Brief case or Bag will be allowed to be taken inside the venue of the meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO. 5 OF THE NOTICE

Sh. Rajan Handa was appointed as Managing Director on 21/8/2003 for a period of five years from 1st March, 2004 to 28th February, 2009. Thereafter, he was re-appointed for three years in the Annual General Meeting held on 30th September, 2008 from 1/3/2009 to 29/2/2012. His present term as Managing Director would expire on 29/2/2012.

In terms of provisions of Section 317(3) of the Companies Act, 1956, the Company could consider the reappointment of Mr. Rajan Handa up to two years before the date of the expiry of his existing term.

Sh. Rajan Handa is 51 years old. He is B. Tech and has over 29 years of industrial experience. He is the main driving force behind Company's growth right from the time of its incorporation.

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The Remuneration Committee and Board of Directors of your Company at its meeting held on 10/8/2011 approved, subject to approval of the members of the Company and Central Government, the re-appointment of and remuneration payable to Shri Rajan Handa as Managing Director of the Company for a further period of five years from 1st March, 2012 to 28th February, 2017. The Board of Directors recommends to pay remuneration and perquisites to Sh. Rajan Handa as Managing Director as per existing terms as set out in the resolution at item No.5.

Sh. Rajan Handa is interested in the resolution since it relates to his own re-appointment.

Justice T. R. Handa (Retd.), Chairman-cum-Whole Time Director and Mrs. Mamta Handa, Whole Time Director of the Company are interested in the resolution to the extent that they are related to Sh. Rajan Handa.

Due to imposition of sentence i.e. fine of Rs.10,000/- for default in filing satisfaction of charge under section 142 of the Companies Act,1956 by Hon'ble Court of Judicial Magistrate 1st Class Gurgaon, reappointment of Sh. Rajan Handa as a Managing Director from 1st March, 2012 requires approval of the Central Government in compliance of Section 269 read with Schedule XIII and other applicable provisions of the Companies Act, 1956.

No other director is concerned or interested in the resolution.

The Board of Directors of your Company recommends the resolution for your approval as a Special Resolution.

The Explanatory Statement together with the accompanying Notice is may be treated as an 'abstracts of the terms of re-appointment and memorandum of interest' under section 302 of the Companies Act, 1956.

ITEM NO. 6 OF THE NOTICE

Justice T. R. Handa (Retd.) was appointed as Chairman-cum-Whole Time director of the Company on 21/8/2003 for a period of five years from 1st March, 2004 to 28th February, 2009. Thereafter, he was re-appointed for three years in the Annual General Meeting held on 30th September, 2008 from 1/3/2009 to 29/2/2012. His present term as Managing Director would expire on 29/2/2012.

Justice T. R. Handa (Retd.) is 87 years old and has vast experience in the areas of Legal, Administration, Arbitration and Industrial Relations. As per provisions of the Companies Act, 1956 a Special Resolution is required to be passed by the members for his re-appointment.

The Board of Directors of your Company at its meeting held on 10th August, 2011 approved, subject to approval of the members of the Company and Central Government, the re-appointment of and remuneration payable to Justice T. R. Handa (retd.) as Chairman cum Whole Time Director of the Company for a further period of five years from 1st March, 2012 to 28th February, 2017. The Board of Directors recommends to pay remuneration and perquisites to Justice T.R. Handa (Retd.) as Chairman cum Whole Time Director as per existing terms as set out in the resolution at item No. 6.

Justice T. R. Handa (Retd.) is interested in the resolution since it relates to his own re-appointment.

Sh. Rajan Handa, Managing Director, Mrs. Mamta Handa, Whole Time Director, of the Company are interested in the resolution to the extent that they are related to Justice T. R. Handa (Retd.).

Due to imposition of sentence i.e. fine of Rs.10,000/- for default in filing satisfaction of charge under section 142 of the Companies Act,1956 by Hon'ble Court of Judicial Magistrate 1st Class Gurgaon, reappointment of Justice T.R. Handa (Retd.) as a Chairman cum Whole Time Director from 1st March, 2012 requires approval of the Central Government in compliance of Section 269 read with Schedule XIII

and other applicable provisions of the Companies Act, 1956.

No other director is concerned or interested in the resolution.

The Board of Directors of your Company recommends the resolution for your approval as a Special Resolution.

The Explanatory Statement together with the accompanying Notice is may be treated as an 'abstracts of the terms of re-appointment and memorandum of interest' under section 302 of the Companies Act, 1956.

ITEM NO. 7 OF THE NOTICE

The Board of Directors at their Meeting held on 10th August 2011 re-appointed Dr. Rajan Wadhwa as Whole-Time Director for a further period of 3 years from 1st October, 2011 to 30th September, 2014 and also authorize the Remuneration Committee to fix the remuneration subject to approval of shareholders. Subsequently, the Remuneration Committee at their meeting held on 10th August 11, having regard to the various requirements stipulated in Schedule XIII, have fixed the remuneration payable to Dr. Rajan Wadhwa as detailed in the Resolution No.7, subject to approval of the shareholders.

The Notice read with the Explanatory Statement and contents therein may be treated as an abstract of the terms of re-appointment and remuneration payable to Dr. Rajan Wadhwa under section 302 of the Companies Act, 1956.

Hence, the proposed special resolutions, seeking approval of shareholders.

In this regard, as required under Part II, Section II (B) of Schedule XIII to the Companies Act, 1956 the following information is furnished:

I. GENERAL INFORMATION

(1) Nature of Industry:

The Company is in the business of plastic moulded products such as POP products, Industrial products, Automobile products and Children products.

(2) Date of commencement of commercial Production:

The Company commenced its commercial production in the year 1990.

(3) Financial Performance based on given indicators:

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Sales	4077.49	5055.73	4032.95
Profit/ (Loss) before tax	(1570.80)	749.50	(420.07)
Profit/ (Loss) after tax	(1035.62)	470.81	(112.25)

(Rs. In Lacs)

(4) Export performance, net foreign exchange earnings

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Foreign Exchange Earnings	30.03	44.17	53.04

(Rs. In Lacs)

(5) Collaborations:

The Company has ongoing **Marketing, Technical & Manufacturing** collaboration with **PURFORM of New Zealand, the world's largest selling plastic mannequins brand** – known internationally for pioneering the concept of mannequins and **Hofit Kibbutz Kinneret Ltd. (Hofit)** of Israel engage in manufacturing of inspection chambers for sewage, drainage, water and communication systems for domestic, public and industrial infrastructure.

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II. INFORMATION ABOUT THE APPOINTEES:

(1) Background details, recognition/awards:

Dr.Rajan Wadhera is 49 years old. He is PHD (Human Resources) and has good experience in human resources and other management related functions.

(2) Past remuneration:

Dr. Rajan Wadhera

Period	Salary (In Rs.)	Perquisites/ Allowances (In Rs.)	Retirement Benefits (In Rs.)	Total (In Rs.)
1.4.2009-31.03.2010	4,80,000	5,17,608	000	9,97,608
1.4.2010-31.03.2011	4,80,000	5,17,608	000	9,97,608

(3) Job profile and suitability:

Dr. Rajan Wadhera as Whole Time Director is responsible for overall management related to human resources and other related areas. With the requisite knowledge and experience as detailed in the background and considering the talents and skills acquired in the course of his career development, it is considered that the appointee is suitable for the assignment.

(4) Remuneration proposed:

Details of remuneration payable to Dr. Rajan Wadhera, Whole Time Director are furnished in the resolution under Item No.7 of the Notice.

The Remuneration in the form of salaries, allowances, etc. has been fixed by the Remuneration Committee of the Board, subject to maximum annual remuneration not exceeding the limits prescribed under Schedule XIII of the Companies Act, 1956.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Taking into consideration (a) the size of the organization (b) the level of operation of the unit (c) the invaluable experience of the incumbents (d) adverse business scenario faced by the Company in view of ever increasing oil prices and tight market situation (e) efforts required to be put in by the incumbents to bring back the Company to be profit making from sick Company and (f) industrial norms on remuneration package to Whole-Time Directors in Plastic Moulding Industries, it is considered that the remuneration package is very reasonable.

(6) Pecuniary relationship, directly or indirectly with the Company / relationship with Managerial personnel, if any

Dr. Rajan Wadhera has no pecuniary relationship with the Company, directly or indirectly (except to the extent of the remuneration received / receivable by her from the Company, and her respective holding in the Company's equity share capital).

III. OTHER INFORMATION

1. Reason of loss or inadequate profits

The Company's performance for the year 2010-11 was affected due to lack of government order in the current year compared to last year. The Company, as in the previous years and with a long term view, lot of its effort on Research and Development to cater to its customers in the automobile sector.

2. Steps taken or proposed to be taken for improvement

The Company continues to have a strong brand image in the market and the ongoing quality improvement efforts including improvement in process capabilities, reduction of scrap will enable the Company to meet new challenges in cost, quality and productivity.

The Company is also emphasizing on development of new business in plastic molding including development of new products especially the man hole, mannequins, outdoor play ground equipment and delivery boxes which are almost complete now. The Company continues to devote increasing efforts to build export markets and expect to achieve significant improvement in the current year.

3. Expected increase in productivity and profits in measurable terms

The Company is continuously making efforts to maintain the plant efficiency at the highest level, reduce expenditures, carry out market development activities to improve the sales, to disinvest non-core assets/investments and utilize the funds to reduce the interest burden. Action as proposed is expected to fetch good results in the years to come.

IV DISCLOSURES

The Shareholders of the Company have been informed about the remuneration of Dr. Rajan Wadhwa through the disclosures made in the Corporate Governance Report attached to the Directors report.

Dated: 10th August, 2011
Regd. Office: -
17, Roz-Ka-Meo Industrial Estate
Tehsil Nuh, Distt. Mewat,
Haryana

**By order of the Board of Directors
for OK PLAY INDIA LTD.**

**(DHIR SINGH BHATI)
Company Secretary**

OK PLAY INDIA LIMITED

DIRECTORS' REPORT

To
The Members,

The Directors have great pleasure in presenting the 22nd Annual Report on the operations of the Company together with the audited Financial Results of the Company for the financial year ended 31st March, 2011.

FINANCIAL RESULTS

Rs. In Lacs

	Current Year Ended 31st March , 2011	Previous Year Ended 31st March , 2010
Sales (Gross)	4032.95	5055.73
Other Receipt	35.62	16.75
Profit before Interest , Depreciation & exceptional items	458.81	646.70
Interest	382.26	132.81
Exchange Fluctuation	(74.47)	(719.84)
Depreciation	570.93	494.30
Profit/(Loss) for the Year	(419.91)	793.43
Excess provision written Back /Prior Period expenses	0.16	(10.07)
Profit/(Loss) before Tax	(420.07)	749.50
Provision for Tax	(112.25)	278.69
Profit/(Loss) after taxation	(307.82)	470.81
Net Profit carried to Balance Sheet	1264.50	1572.33

OPERATIONS

The sales in the year under review have shown a reduction by Rs.1022.78 Lacs from Rs. 5055.73 Lacs to Rs.4032.95 Lacs. The decrease in sales is mainly due to lack of Government orders in the current year compared to the last year. During the year the dollar weakened against the rupee and consequently there was an Exchanges Fluctuation gain of Rs. 74.47 Lacs in the current year.

The Company, as in the previous years and with a long term view, put lot of its efforts on Research and Development for introducing new products to its existing range to cater to its customers in the automobile sectors, children products sector where new products are being added to the existing diversified product range.

A detailed review of the company's performance and future prospects is included in the Management Discussion and analysis section of this Annual Report.

DIVIDEND

To conserve the funds for the business of the Company including the funding for the expansion plans, your Directors regret their inability to recommend any dividend.

FIXED DEPOSITS

During the financial year under review, your Company had neither accepted nor renewed any deposit from the public within the meaning of Section 58A of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the company's Articles of Association, Sh.Shalabh Jasoria and Sh. Surinder Mohan Handa retire by rotation at the ensuing Annual General

Meeting and being eligible offer themselves for re-appointment as Directors. The Notice convening the Annual General Meeting includes the proposals for re-appointment of Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm:

- (i) That in the preparation of the Annual Accounts, the applicable standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the Company had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2011 and of the profit & loss account of the Company for that period;
- (iii) That your Company had 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; and
- (iv) That the accounts of your Company have been prepared on a going concern basis.

HUMAN RELATIONS

Your Company continues to enjoy cordial relations amongst all its employees. In this pursuit of creating its own management cadre, your company has recruited executives and staff at various levels, including senior management positions during the year.

INDUSTRIAL RELATIONS

During the year, your Company maintained harmonious and cordial industrial relations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Statutory disclosures as required by the Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988, particulars relating to Conservation of Energy, technology absorption, foreign exchange earnings and outgo are given in the enclosed "Annexure-A" which forms part of the report.

CORPORATE GOVERNANCE

It has been the endeavor of your company to follow and put into practice the code of Corporate Governance, in letter and spirit. A detailed Corporate Governance Report is attached and forms part of this report.

A certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance report, as stipulated under clause 49 of the Listing Agreement, forms part of this report.

SUBSIDIARY COMPANY

During the year under review, the company subscribed to 39,00,000 equity shares of OK Play Auto Private Limited. The Subsidiary Company is proposing a plastic manufacturing unit for auto sector. In accordance with general circular no. 2/2011 issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary company are not being attached with the Balance Sheet of the company. The Company will make available the Annual Accounts of the subsidiary company and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary company will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary company. The Consolidated Financial statements presented by the Company include the financial results of its subsidiary company.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

OK PLAY INDIA LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report, highlighting the performance and prospects of the Company's plastic manufacture businesses is attached and forms part of this report.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee who falls under the terms of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

DEMATERIALISATION OF SHARES

As on 31st March, 2011, 93.84% (approx) of equity shares out of the total subscribed capital have been dematerialized.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE870B01016.

AUDITORS

M/s S. P. Marwaha & Co., Chartered Accountants, the present auditors of the company will retire as auditors at the ensuing Annual General Meeting and are eligible for re-appointment.

NOTES ON ACCOUNTS

The notes to the accounts referred to by the Auditors in their report are self-explanatory and may be treated as information/explanation submitted by the Board as contemplated under section 217(3) of the Companies Act, 1956.

LISTING OF SECURITIES

Presently, the Securities of the Company are listed at the Bombay Stock Exchange Ltd., The Ahmedabad Stock Exchange Ltd., and the Jaipur Stock Exchange Ltd. Hon'ble BIFR has directed Ahmedabad Stock Exchange Ltd. and Jaipur Stock Exchange Limited to waive off the arrears and allow the delisting of the company's shares from these stock exchanges.

ACKNOWLEDGEMENT

The Board of Directors wishes to place their appreciation of the company's clients, vendors, bankers, and investors for their continued support during the year.

Your Directors also wish to place on record their deep appreciation of the dedication and contribution made by employees at all levels, who through their competence, hard work and support have enabled the company to work efficiently and look forward to their continued support in future as well.

**By order of the Board of Directors
for OK PLAY INDIA LTD.**

Place: New Delhi
Dated: 10th August, 2011

Justice T.R.Handa (Retd.)
Chairman-cum-Whole-time Director

ANNEXURE 'A' TO DIRECTORS' REPORT

Information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Director's report for the year ended 31st March, 2011 :-

A. CONSERVATION OF ENERGY

- a) Energy conservation measures taken:
Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of fuel and electricity.
- b) Relevant data in respect of energy consumption is as below:

POWER CONSUMPTION:

	Current Year Ending Ending 31.03.2011	Previous Year 31.03.2010
a. Electricity Purchased		
1. Units	1173360	1593620*
2. Total Amount	60.86	72.51
3. Rate / unit	5.18	4.55
b. HSD Fuel Consumption		
1. Quantity (K.ltrs) (for production purpose)	554.900	674.545*
2. Total Amount	195.84	207.29

* Allocated Figures

B. TECHNOLOGY ABSORPTION

The Company does not depend on foreign technology for manufacturing of its engineering range of products. In fact, the Company is self-reliant in the design as well as in the manufacturing process of moulds. For the new generation range of automotive parts your company has entered into a technology transfer arrangement with M/s Solar Plastic Inc a USA based company.

Research and Development: -
a. Specified Areas in which the Company carries out R&D: -

The focus on Research and Development activity during the current year continued on development of new products & variants thereof apart from improving the existing products and value engineering of products.

b. Benefit derived as a result of above R&D: -

During the year, various types of Wooden Furniture & Pepsi Racks besides other items have been developed and production of the same commenced successfully.

c. Future plan of Action.

Further development of moulds and products based on market requirement.

d. Expenditure on Research and Development:-

The following Expenditure was incurred on conducting R&D.

	Rs. in Lakhs
a. Capital (Development & Manufacturing of Moulds)	342.93
b. Recurring	169.37
c. Total	512.30
d. Total R&D expenditure as a percentage of total turnovers	12.70%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:
a. Earnings

Foreign exchange earnings during the year were Rs.53,03,509.81/-
(Previous year Rs. 44,16,584.12/-)

b. Outgo

Foreign exchange outgo during the year was Rs.3,78,99,330.04/-
(Previous year Rs1,08,15,501.75/-)

for **OK PLAY INDIA LTD.**

Place: New Delhi
Date: 10th August, 2011

Justice T. R. Handa (Retd.)
Chairman cum Whole Time Director

OK PLAY INDIA LIMITED

REPORT OF THE DIRECTORS ON THE CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensure accountability, transparency, fairness in all its transactions. OK Play believes that good Corporate Governance contemplates that corporate actions balance the interest of all stakeholders and satisfy the tests of accountability, transparency, empowerment and integrity for the efficient and ethical conduct of businesses. OK Play's code of Corporate Governance has been drafted in compliance with the code of corporate governance as promulgated by the SEBI.

2. BOARD OF DIRECTORS

The Board of Directors consists of eight Directors out of which four are Non-executive Directors. All the directors are eminent professionals with experience in Business, Industry, Finance, and Law of which four are independent directors. The company has an executive chairman. The Board is responsible for the management of the business and meets regularly for discharging its role and functions.

BOARD MEETINGS

During the year under review 11 Board meetings were held i.e. on 03/04/10, 30/05/10, 05/06/10, 13/08/10, 03/09/10, 28/10/10, 13/11/10, 26/11/10, 01/12/10, 15/12/10 & 14/02/11. The Company had its last Annual General Meeting of Shareholders on 30/9/2010.

The particulars of composition of the Board of Directors and attendance of Directors at Board Meetings, Annual General Meeting and also number of other directorships and committee membership/chairmanship are as follows:

Name of Director	Category of Directorship	Attendance Board Last Meeting AGM		No. of other Directorships	No. of Board Committees	
					As Chairman	As Member
Justice T. R. Handa (Retd.)	Chairman & Whole-Time Director	11	Yes	0	1	1
Mr. Rajan Handa	Managing Director	11	Yes	4	0	2
Mrs. Mamta Handa	Whole-Time Director	11	No	4	0	1
Dr. Rajan Wadhwa	Whole-Time Director	10	Yes	1	0	2
Mr. S. M. Handa	Non Executive Director	7	No	0	0	2
Mr. Shalabh Jasoria	Non Executive Director	11	Yes	6	3	3
Mr. Rakesh K. Bhatnagar	Non Executive Director	2	No	1	0	1
Mr. Vijayendra K. Jain	Non Executive Director	2	No	1	0	1

3. COMMITTEE OF BOARD OF DIRECTORS

The Board of Directors had constituted four Committees of the Board, which are Audit Committee, Share Transfer Committee, Shareholders Grievances Committee and Remuneration Committee.

4. AUDIT COMMITTEE

The Company has a qualified and independent audit Committee comprising of two Non-executive Directors. The terms of reference of the Audit Committee are in consonance with provisions of section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock exchanges.

Minutes of meetings of the audit committee are circulated to members of the committee and the Board is kept apprised.

COMPOSITION

The Audit Committee comprises of the following Directors: -

			No. of Meeting attend
I.	Sh. Shalabh Jasoria	Independent & Non-executive	7
II.	Dr. Rajan Wadhra	Whole-Time-Director	5
III.	Sh. S. M. Handa	Independent & Non-Executive	5

The Chairman of the Audit Committee is always an independent & Non-executive director and is appointed by the members in the meeting.

Members of Audit Committee have requisite financial and management expertise. The Chairmen of the Audit Committee was present at the last Annual General Meeting and The Company Secretary acts as the Secretary to the committee.

During the year under review the Committee met on 30/05/2010, 05/06/2010, 13/08/2010, 30/11/2010, 26/11/2010, 15/12/2010 & 14/02/2011.

5. REMUNERATION COMMITTEE

The Remuneration Committee of Directors was reconstituted on 10/08/2011. The remunerations committee, a constitution of which is a non – mandatory requirement, was constituted by the Board of Directors to recommend/review the remuneration package of Whole-Time-Directors. The Remuneration of the Managing Director and the Whole Time Directors were approved by the Remuneration Committee, Board of Directors and the shareholders of the Company on his re-appointment.

COMPOSITION

The Remuneration Committee comprises of the following Directors: -

I.	Sh. Shalabh Jasoria	Independent & Non-executive
II.	Sh. Vijayendra Kumar Jain	Independent & Non-executive
III.	Mr. S. M. Handa	Independent & Non-Executive

Sh. Shalabh Jasoria is the chairman of the Remuneration Committee. Non Executive Directors were not paid anything during the financial year 2010-2011. The details of amount provided towards Director's remuneration are as follows:

(In Rs.)

Name	Salary	Sitting Fees	Total
Justice T. R. Handa (Retd.)	3600000	—	3600000
Rajan Handa	4200000	—	4200000
Mamta Handa	3020667	—	3020667
Rajan Wadhra	940008	—	940008

The Company has not provided for any performance linked incentive or Stock Option or Convertible instruments to the Director of the Company.

The Directors of the Company are appointed by the Shareholders upon recommendation of the Board of Directors within the framework of the Companies Act, 1956 as well as the Articles of the Association of the Company. The resolution passed by these two governing bodies together with the service rules of the company covers the terms, conditions and remuneration of such appointment. There is no service contract separately entered into by the Company with the Directors. Further, the resolutions appointing these Directors, do not prescribe for the payment of any separate Severance Fees to them. However, the requirement of notice period is as per the service rules of the Company.

OK PLAY INDIA LIMITED

6. SHARE TRANSFER COMMITTEE

The Company's shares are compulsorily required to be traded in dematerialized form. Hence, the committee met at regular intervals considering the volume of transfers received in the physical segment. During the year the committee met 17 times.

7. SHAREHOLDERS' GRIEVANCES COMMITTEE

COMPOSITION

The Shareholders Grievances Committee comprises of the following:-

- | | |
|------------------------|----------|
| 1. Mr. Rajan Handa | Member |
| 2. Dr. Rajan Wadhwa | Member |
| 3. Mr. Shalabh Jasoria | Chairman |

The Shareholders/Investors Grievances Committee was constituted on 22nd March, 2003 in terms of Listing Agreement. The Committee looks into the redressal of shareholders/investors complaints. The Company Secretary attends the Shareholders Grievances Committee.

No grievance of any investor was pending as on 31st March, 2011.

During the year the Company received 03 complaints from shareholders. All the complaints were attended promptly and resolved to the satisfaction of the shareholders.

None of the Directors of the Company were members in more than 5 Committees nor acted as a Chairman of more than 5 Committees including all companies in which they were Directors.

8. ANNUAL/ EXTRA-ORDINARY GENERAL MEETINGS

Year	AGM/EGM	Location	Date	Time
2010	AGM	Hakim Ji Ki Choupal, opposite Batra Hospital, Village-Ujina, Police Station – Nuh, Disst. Mewat, Haryana	30/09/2010	10.00 A.M.
2009	AGM	Hakim Ji Ki Choupal, opposite Batra Hospital, Village-Ujina, Police Station – Nuh, Disst. Mewat, Haryana	30/09/2009	10.00 A.M.
2008	EGM	Regd. Office: 17-18 Roz-Ka-Meo Industrial Estate, Tehsil Nuh, Distt. Mewat, Haryana	01/03/2008	10.00 A.M.
2008	AGM	Hakim Ji Ki Choupal, opposite Batra Hospital, Village-Ujina, Police Station – Nuh, Disst. Mewat, Haryana	30/09/2008	10.00 A.M.

Details of Special resolution(S) passed in previous Three Annual General Meetings.

(A) Year 2008

1. To approve the re-appointment of Mr. Rajan Handa as Managing Director and remuneration payable to him.
2. To approve the re-appointment of Justice T.R. Handa (Retd.) as Chairmen and Whole Time Director and remuneration payable to him.
3. To approve the re-appointment of Dr. Rajan Wadhwa as Whole Time Director and remuneration payable to him.

(B) Year 2009

To approve the re-appointment of Ms. Mamta Handa as Whole Time Director and remuneration payable to her.

(C) Year 2010

No Special Resolution was passed in the Annual General Meeting held in 2010.

Details of resolutions passed last year through Postal Ballot, the persons who conducted the Postal Ballot Exercise and details of the Voting Pattern

During the year ended March 31, 2011, the Company sought approval from its shareholders for passing Special/Ordinary resolutions through the process of Postal Ballot in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the companies (Passing of the Resolutions by the Postal Ballot) Rules, 2001. The Board of Directors of the Company, at its meetings had appointed Scrutinizers for conducting Postal Ballot in fair and transparent manner. The Postal Ballot forms received were kept in boxes sealed by the Scrutinizers. The declared results of the Postal Ballot were announced through the Bombay Stock Exchange and were also displayed on the website of the Company, www.okplay.in. Details of the same are given below:

Resolutions passed on 16.09.2010 (Notice dated 13.08.2010)

Sl. No.	Particulars	Details/Dates
1	Date of Board Meeting	13.08.2010
2	Scrutinizer appointed by the Board of Directors at its meeting	Mr. Sanjeev Kumar Bajaj, F.C.S., Practicing Company Secretary
3	Date of Notice seeking Shareholders' approval	13.08.2010
4	Date of completion of Dispatch of Notice	14.08.2010
5	Last date of receipt of duly filled Postal Ballot Form.	14.09.2010
6	Date of submission of Scrutinizer's report to the Chairman	16.09.2010
7	Date of declaration of Results	16.09.2010

S.No.	Particulars of the Resolutions Passed
1	Special Resolution u/s-17 of the Companies Act, 1956 for alteration in the Memorandum of Association of the Company, by way of inclusion of additional clauses in the "Other Object" Clause of the Memorandum of Association of the Company.
2	Special Resolution u/s 149 (2A) of the Companies Act, 1956 for the commencement of business mentioned in the "Other Object Clause" of the Memorandum of Association of the Company, as altered and as may be decided by the Board of Directors of the Company.
3	Special Resolution u/s-372A of the Companies Act, 1956 to make investments and /or provide security/ undertakings/guarantees to lenders of OK Play Auto Private Limited from time to time.
4	Ordinary Resolution u/s 293 (1) (a) of the Companies Act, 1956 to create mortgage/charge/sale in favour of financial institutions, corporations, banks, mutual funds, government/other agencies or any other person(s) etc. from time to time up to Rs. 300.00 Crores only.

Voting Pattern

Particulars	Resolution No.1	Resolution No.2	Resolution No. 3	Resolution No.4
Total number of Postal Ballot Papers received	138	138	138	138
Number of invalid Postal Ballot Papers received	17	17	17	17
Number of valid Postal Ballot Papers received	121	121	121	121
Total number of shareholders who voted for Resolution	121	115	115	115
Votes in favour of the Resolution	9726315	9724515	9718858	9719758
Votes against the Resolution	1000	1500	7157	6257
Resolution passed by % of valid votes received	99.99%	99.98%	99.92%	99.93%

OK PLAY INDIA LIMITED

9. Notes on Directors seeking appointment/reappointment as required under Clause 49IV (G) of the Listing agreement entered into with the Stock Exchanges.

Information Pursuant to Clause 49 IV (G) of the Listing Agreement A brief resume of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting is given below:		
Name of the Director	Mr. Shalabh Jasoria	Mr. S. M. Handa
Date of Birth	27.06.1963	15.09.1940
Date of appointment/ re-appointment	26.07.2005	29.03.2003
Expertise in specific functional areas	He is a practicing Chartered Accountant and has vast experience in finance, taxations, audit and related matters.	He is having more than 40 years of experience in the area of Finance, Accounts, Taxation & General Management.
Qualifications	Chartered Accountant (From Institute of Chartered Accountants of India)	B. Com
Name of the other Indian public limited companies in which directorship held	1. Leisure Finance & Investment (p) Ltd. 2. Headlines Financial Services (p) Ltd. 3. Bigur Finance Limited 4. Sri Vinayak Construction (p) Ltd. 5. N.A. Cold Storages (p) Ltd. 6. OK Play Infrastructure Limited	NIL
Chairman/Member of Board Committees in other Indian public limited companies	NIL	NIL
Shareholding in the company	2375	NIL

10. DISCLOSURES

- No transaction of material nature has been entered into by the Company with related parties i.e. Directors or Management, their relatives, conflicting with Company's interest.
- The Company has fulfilled all statutory compliances except the payment of listing fees to The Stock Exchange, Ahmedabad and Jaipur Stock Exchange Ltd.' Where the securities of the Company are listed. Hon'ble BIFR has directed Ahmedabad Stock Exchange Ltd. and Jaipur Stock Exchange Limited to waive off the arrears and allow the delisting of the company's shares from these stock exchanges.

11. MEANS OF COMMUNICATION

The Company published its Quarterly, Half Yearly Un-audited Financial Results and Audited Financial Results in the prescribed form. The results were forthwith sent to Stock Exchanges where the securities of the Company are listed and also published in the Newspapers namely Pioneer (English) & Veer Arjun (Hindi). The Management discussion and analysis report form part of this annual report.

12. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL

A qualified practicing Company Secretary carried out quarterly Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued / paid up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

13. CEO/CFO CERTIFICATION

In terms of requirements of clause 49 (V) of the Listing Agreement the CEO and CFO have submitted necessary certificate to the Board stating the particulars specified under the said clause. This certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings on 21st June, 2011.

14. GENERAL SHAREHOLDERS INFORMATION

General shareholders information has been given under shareholders diary, which is attached to this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company gives a lot of importance to its core business of manufacturing and sales of plastic molded products. However, the introduction of display products completely made of metal has also brought value to the company and shows the versatility of its manufacturing capabilities. Although, the sales of the company during the year have decreased due to reduction in government orders, yet the company is moving towards product diversification and reach. This is helped in considerable measure, by the 'Innovation & Designing Capabilities' the company possesses which enables the company to introduce new quality products for numerous industries/sectors.

A direct result of these Capabilities is that the company is expanding its production capacity by putting up, through a subsidiary, a new manufacturing plant in south India, mainly for automotive products.

SEGMENT WISE PERFORMANCE

All the operations of the company are considered as a single business segment.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has an adequate and effective system of internal checks and controls to ensure proper accounting and utilization of all assets.

The Audit Committee of the Board of Directors regularly reviews the effectiveness of the internal control systems to ensure due compliances with various applicable laws, accounting standards and regulatory guidelines.

HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

As always, your company conducts continuous in-house programs for the development of competencies of its employees to enable the employees to give their best in their job responsibilities. The company also focuses on the safety, health and training of the employees.

The employee strength of your company currently is 148.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis Report containing the Company's objectives, expectations, projections, estimates about the Company's strategy for growth, product development, market share, controls may be "forward looking statement" within the meaning of applicable securities laws and regulations.

Forward Looking Statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied, depending upon economic conditions, demand, supply, change in government policies, price conditions, political conditions, economic scenario and various other incidental factors within or outside the country.

Dated: 10th August, 2011

Regd. Office :-
17, Roz-Ka-Meo Industrial Estate,
Tis. Nuh, Distt. Mewat
Haryana

By order of the Board of Directors
for **OK PLAY INDIA LTD.**

Justice T.R.Handa (Retd.)
Chairman-cum-Wholetime Director

OK PLAY INDIA LIMITED

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of OK PLAY INDIA LIMITED,

We have reviewed the compliance of conditions of corporate governance by OK PLAY INDIA LIMITED for the year ended 31st March, 2011, as stipulated in the Clause 49 of the Listing Agreement of the said Company with Stock Exchanges, with the relevant records and documents maintained by the Company and furnished to us.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

We have been explained that no investor grievances are pending as on 31st March, 2011 for a period exceeding one month against the Company as per the records maintained by the Company.

**For S. P. MARWAHA & Co.
Chartered Accountants**

Place: New Delhi
Date: 10th August, 2011

A. S. BAJAJ
Partner

SHAREHOLDER'S DIARY

1. DATE, TIME & VENUE OF THE ANNUAL GENERAL MEETING

30th September, 2011 at 10.00 A.M. at Hakim Ji Ki Choupal, Opposite Batra Hospital, Village – Ujina, P.S. Nuh, Dist. Mewat (Haryana).

2. PARTICULARS OF FINANCIAL CALENDAR

Financial Year	1 st April to 31 st March
First Quarter	1 st April to 30 th June
Second Quarter	1 st July to 30 th September
Third Quarter	1 st October to 31 st December
Fourth Quarter	1 st January to 31 st March

3. LISTING INFORMATION

Shares of your Company are listed on following Stock Exchanges:

Bombay Stock Exchange Limited
 Ahmedabad Stock exchange Limited
 Jaipur Stock Exchange Ltd.

The Hon'ble BIFR vide its order dt. 6/12/2005 has directed the Ahmedabad Stock Exchange and the Jaipur Stock Exchange to waive off arrears of listing fees payable and allow delisting of shares from these stock exchanges.

4. STOCK CODE

BSE 526415	JAIPUR -	AHMEDABAD 41770
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5. SHARES OF OK PLAY INDIA LTD. ARE TRADED IN DEMAT FORM:

National Securities Depository Ltd.

ISIN Code No. of Shares INE 870B01016

Central Depository Services (I) Ltd.

6. BOOK CLOSURE

From: 23rd September, 2011 to 30th September, 2011 (Both days inclusive)

7. INVESTOR SERVICE CELL

The Company's Investor's Service Cell is functioning at
 17-18 Roz-Ka-Meo Industrial Estate,
 Mewat (Haryana)
 E-mail : dhir.singh@okplay.in

8. COMPLIANCE OFFICER:

Mr. Dhir Singh Bhati, Company Secretary

9. PLANT LOCATION & ADDRESS FOR CORRESPONDENCE

OK PLAY INDIA LIMITED

17-18 Roz-Ka-Meo Industrial Estate
 Tis. Nuh, Distt. Mewat
 Haryana – 122 103

10. REGISTRAR AND SHARE TRANSFER AGENTS

MAS SERVICES LTD.

T-34, IInd Floor, Okhla Industrial Area,
 Phase-II, New Delhi- 110 020
 Ph. 011-26387281/82/83.

OK PLAY INDIA LIMITED

11. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2011

CATEGORY	No. of Shares	% to Total
A. PROMOTER'S HOLDING (Including Directors, Relatives & associates)	10618802	66.44
B. NON-PROMOTER'S HOLDING Banks, FIs, Mutual Funds, Insurance Companies, (Central/State Govt. Institutions/ Non-Govt. Institutions)	5600	0.04
a. Private Corporate Bodies	1336087	8.36
b. Indian Public	3612689	22.61
c. NRIs / OCBs	355305	2.22
d. Others	53617	0.34
GRAND TOTAL	15982100	100.00

12. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2011

Share holding of nominal value		Shareholders		Share Amount	
Rs.	Rs.	Number	% To Total	Rs.	% to total
(1)	(1)	(2)	(3)	(4)	(5)
Upto — 5000		8381	90.48	13663530	8.55
5001 to 10000		445	4.81	3700400	2.34
10001 to 20000		193	2.08	2956390	1.85
20001 to 30000		69	0.75	1816110	1.14
30001 to 40000		32	0.35	1125070	0.71
40001 to 50000		25	0.27	1185740	0.74
50001 to 100000		46	0.49	3300240	2.06
100001 and above		71	0.77	132073520	82.64
Total		9262	100.00	15982100	100.00

13. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Shares of the Company are in compulsory demat segment and are available for trading in the depository system of both NSDL and CDSL. As on March 31, 2011 93.85% of the Shares Capital of the Company had been dematerialized.

14. OUTSTANDING GDRS/ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY FCCB(S) AND CONVERSION THEREOF

The Company has issued Foreign Currency Convertible Bonds during the year 2007-08. The details of FCCBs issued by the Company as on March 31, 2011 are as under:

Sl. No.	Particulars	FCCB
1	Aggregate Value	USD 10 Million
2	Date of Issue	23.07.2007
3	Due on	24.07.2012
4	Applicable Interest Rate	NIL
5	Latest Conversion – Price per share of Rs. 10 each	Rs. 98.15 per share
6	Pre-agreed Conversion Exchange Rate	Rs. 40.34 per USD
7	Bought Back	USD 9.76 Million
8	Percentage Bought Back	97.6%
9	FCCBs Outstanding as on March 31, 2011	0.24 Million
10	Percentage Outstanding	2.4%
11	No. of shares (of Rs. 10 each) to be issued upon conversion of outstanding FCCBs, if opted by holders thereof	98,640

REPORT OF THE AUDITORS

TO THE MEMBERS OF OK PLAY INDIA LIMITED

We have audited the attached Balance Sheet of M/s. OK PLAY INDIA LIMITED as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order, to the extent applicable.
2. Further to our comments in the Annexure referred to in the 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 accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account, Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account, Cash Flow Statement dealt with by this report comply with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, as they apply to the Company.
 - (e) On the basis of written representations received from the directors as at 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of the 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 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011;
 - ii) in the case of Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For S. P. MARWAHA & CO.
Chartered Accountants
(FRN No. 000229-N)

A. S. BAJAJ
Partner
M.No.086120

Place: New Delhi
Date: 21st June, 2011

OK PLAY INDIA LIMITED

Annexure referred to in paragraph 1 of the report of even date

- i)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) These assets have been physically verified by the management at the end of the financial year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) As per the records and as explained to us, the Company has not disposed off any substantial or major portion of fixed assets during the year.
- ii)
 - a) As explained to us, the inventories held by the Company were physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii)
 - a) According to the information and explanations given to us, the Company has not granted during the year secured or unsecured loans to Companies, firms or other parties covered in the register maintained under section 301 of Companies Act, 1956. Accordingly, para (iii) (b),(c) and (d) of the order are not applicable.
 - e) According to the information and explanations given to us, the company has taken unsecured loan during the year from directors. The maximum amount involved during the year was Rs.82,50,000/- and there is no amount outstanding at the year end.
 - f) According to the information and explanations given to us, in our opinion, the terms and conditions of unsecured loans taken by the company, are not, prima-facie, prejudicial to the interest of the Company.
 - g) The Company has been regular in payment of principal amount as stipulated. Further, there are no dues outstanding as at the year end.
- iv)
 - a) 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 inventories, fixed assets and for the sale of goods and services.
 - b) In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control.
- v)
 - a) On the basis of the audit procedures performed by us, and according to the information and explanations and representations given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
 - b) 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 of the Act have been made at prices which are reasonable having regard to the prevailing market prices at that relevant time.
- vi) The Company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of sections 58 A and 58 AA of the Companies Act, 1956 and the rules framed thereunder are applicable.
- vii) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
- viii) The Central Government has prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of certain manufacturing activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have

been made and maintained. We have not, however, carried out a detailed examination of the same.

- ix) (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, wealth tax, custom duty, service tax, excise duty, cess and any other material statutory dues applicable to it except sales tax of Rs. 60,05,985.91 which is outstanding for more than six months from the date it became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, custom duty and cess which have not been deposited with the appropriate authorities on account of any dispute except:
- (i) disputed Sales Tax of Rs. 11,200/- pending before the Sales Tax Officer;
- (ii) disputed Sales Tax of Rs. 23,624/- pending before the Assistant Commissioner, Sales Tax;
- (iii) disputed penalty of Rs. 29,37,276/- under the Central Excise Act pending before the Central Excise & Service Tax Appellate Tribunal.
- x) The Company does not have accumulated losses at the end of the financial year March 31, 2011. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2011 and in the immediately preceding financial year ended March 31, 2010.
- xi) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions & banks.
- xii) As per records maintained by the Company, no loans or advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefits fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to this Company.
- xiv) As per the records maintained, the Company does not deal or trade in shares, securities, debentures and other investments.
- xv) The Company has given guarantees for loans taken by others from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prime facie prejudicial to the interest of the company.
- xvi) The term loans raised during the year have been applied for the purpose for which the loans were obtained.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we are of the opinion that funds raised on short term basis have not been used for long term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) The Company has not issued any debenture during the year.
- xx) The Company has not raised any money by public issues during the year.
- xxi) On the basis of the audit procedures carried out by us and information and explanation given by the management, we state that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S. P. MARWAHA & CO.
Chartered Accountants
(FRN No. 000229-N)

A. S. BAJAJ
Partner
M.No.08612

Place: New Delhi
Date: 21st June, 2011

OK PLAY INDIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE		AS AT 31.03.2011 (RS)		AS AT 31.03.2010 (RS)
SOURCES OF FUNDS					
SHARE HOLDERS' FUNDS					
Share Capital	A	159680277.00		159680277.00	
Reserves & Surplus	B	285634555.53	445314832.53	221743952.52	381424229.52
LOAN FUNDS					
Secured	C	571977144.16		108840919.81	
Unsecured		45394680.14	617371824.30	478899109.86	587740029.67
	TOTAL		1062686656.83		969164259.19
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	D	768565022.89		720999991.43	
Less : Depreciation		317610040.79		264546248.85	
Net Block		450954982.10		456453742.58	
Capital Work-in-Progress		280000.00	451234982.10	280000.00	456733742.58
INVESTMENTS					
DEFERRED TAX ASSET (NET)	E		39000000.00		0.00
			16628000.00		5403000.00
CURRENT ASSETS,					
LOANS & ADVANCES					
Inventories	F	122399744.79		92899011.02	
Sundry Debtors	G	161066075.76		139210612.96	
Cash & Bank Balances	H	97415892.99		105330216.92	
Loans & Advances	I	308514209.21		247212644.86	
		689395922.75		584652485.76	
Less : Current Liabilities & Provisions	J	192957074.02		134237009.36	
NET CURRENT ASSETS			496438848.73		450415476.40
MISCELLANEOUS EXPENDITURE	K		59384826.00		56612040.21
(To the extent not written off or adjusted)					
	TOTAL		1062686656.83		969164259.19
NOTES TO ACCOUNTS	R				

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

(Rajan Handa)
Managing Director

(Dhir Singh Bhati)
Company Secretary

AUDITORS' REPORT
As per our separate report of even date attached.
for S.P.MARWAHA & CO.
Chartered Accountants
(A.S.BAJAJ)
Partner

Place : New Delhi
Date : 21st June, 2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

		FOR THE YEAR ENDED 31.03.2011 (RS)	FOR THE YEAR ENDED 31.03.2010 (RS)
	SCHEDULE		
INCOME			
Sales (Gross)		403295127.77	505573179.63
Less: Excise Duty		20922928.95	23169044.50
Sales (Net)		382372198.82	482404135.13
Other receipts	L	3562444.04	1674957.89
		<u>385934642.86</u>	<u>484079093.02</u>
EXPENDITURE			
Manufacturing Expenses	M	216239604.30	288146053.46
Employees Remuneration and Benefits	N	64685430.00	58797984.07
Administrative & Other Expenses	O	29963658.45	30713273.71
Selling & Distribution Expenses	P	29166044.63	41752542.29
Interest & Finance Expenses	Q	38225504.88	13280733.62
		<u>378280242.26</u>	<u>432690587.15</u>
Profit before Depreciation & Exchange Fluctuation		7654400.60	51388505.87
Add/(Less) : Exchange Fluctuation on FCCB & ECB		7447791.00	71984000.00
Profit/(Loss) before Depreciation		15102191.60	123372505.87
Less : Depreciation	D	57093177.59	49430497.62
		(41990985.99)	73942008.25
Add : Excess Provision of tax written back		15880.00	1107270.00
Less : Prior period expenses		32306.00	99628.00
Profit/(Loss) before Tax		(42007411.99)	74949650.25
Provision for Tax			
- Current Tax		0.00	303000.00
- Deferred Tax		(11225000.00)	27566000.00
Profit/(Loss) after Tax		(30782411.99)	47080650.25
Profit & Loss A/C brought forward from last year		157232802.52	110152152.27
Profit carried to Balance Sheet		<u>126450390.53</u>	<u>157232802.52</u>
Basic/Diluted Earnings per share of face value of Rs.10 each (in Rupees)		(1.93)	2.95
NOTES TO ACCOUNTS	R		

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

(Rajan Handa)
Managing Director

(Dhir Singh Bhati)
Company Secretary

AUDITORS' REPORT

As per our separate report of even date attached.
for S.P.MARWAHA & CO.

Chartered Accountants

(A.S.BAJAJ)

Partner

Place : New Delhi
Date : 21st June, 2011

OK PLAY INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	<u>Year ended</u> <u>31st March,2011</u> <u>Rs</u>	<u>Year ended</u> <u>31st March,2010</u> <u>Rs</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before Tax and extraordinary items	(41,990,985.99)	73,942,008.25
Adjustments for :		
Depreciation	57,093,177.59	49,430,497.62
Loss/(Profit) on sale of Assets	(316,358.04)	860,630.47
Interest Received	2,780,536.00	1,223,170.11
Interest Payments	38,225,504.88	13,280,733.62
Deferred Revenue Expenditure written off	3,233,368.00	3,233,368.00
Exchange Fluctuation Loss/(Gain)	(7,447,791.00)	(71,984,000.00)
Operating Profit before Working Capital changes	51,577,451.44	69,986,408.07
Adjustments for :		
Trade and Other Receivables	(21,855,462.80)	60,811,579.61
Inventories	(29,500,733.77)	(20,845,197.17)
Trade Payables	58,735,944.66	(58,044,380.79)
Cash generated from operations	58,957,199.53	51,908,409.72
Interest paid	(38,225,504.88)	(13,280,733.62)
Cash flow before extraordinary items	20,731,694.65	38,627,676.10
Direct taxes paid	(349,343.00)	(112,826.00)
Extraordinary items	(32,306.00)	(99,628.00)
Net Cash from Operating Activities	20,350,045.65	38,415,222.10
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(56,101,263.07)	(71,567,386.12)
Sale of Fixed Assets	4,823,204.00	896,587.00
Interest Received	(2,780,536.00)	(1,223,170.11)
Net Cash used in Investing Activities	(54,058,595.07)	(71,893,969.23)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Investments made	(39,000,000.00)	-
Loans & Advances paid	(60,952,221.35)	28,153,544.79
Deferred Revenue Expenses	(6,006,153.79)	(30,273,462.21)
Proceeds from Long Term Borrowings	131,752,600.63	65,828,693.24
Net Cash used in Financing Activities	25,794,225.49	63,708,775.82
Net increase in Cash and Cash Equivalents	(7,914,323.93)	30,230,028.69
Cash and Cash Equivalents as at 1st April,2010	105,330,216.92	75,100,188.23
Cash and Cash Equivalents as at 31st March,2011	97,415,892.99	105,330,216.92

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

(Rajan Handa)
Managing Director

(Dhir Singh Bhati)
Company Secretary

AUDITORS' REPORT

As per our separate report of even date attached.
for S.P.MARWAHA & CO.

Chartered Accountants

(**A.S.BAJAJ**)
Partner

Place : New Delhi
Date : 21st June, 2011

	AS AT 31.03.2011 RS	AS AT 31.03.2010 RS
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED CAPITAL		
3,00,00,000 (Previous year 3,00,00,000) Equity shares of Rs.10/- each	300000000.00	300000000.00
	<u>300000000.00</u>	<u>300000000.00</u>
ISSUED		
1,60,38,000 (Previous year 1,60,38,000) Equity shares of Rs.10/- each	160380000.00	160380000.00
	<u>160380000.00</u>	<u>160380000.00</u>
SUBSCRIBED AND PAID UP		
1,59,82,100 (Previous year 1,59,82,100) Equity shares of Rs.10/- each Less : Allotment Money unpaid	159821000.00 140723.00 <u>159680277.00</u>	159821000.00 140723.00 <u>159680277.00</u>
SCHEDULE ' B '		
RESERVES & SURPLUS		
Capital Reserve	3142150.00	3142150.00
Add: Discount on FCCB bought back	<u>94673015.00</u>	0.00
Share Premium Account	59845000.00	59845000.00
General Reserve	1524000.00	1524000.00
Profit & Loss Account	<u>126450390.53</u>	<u>157232802.52</u>
	<u>285634555.53</u>	<u>221743952.52</u>
SCHEDULE ' C '		
LOAN FUNDS		
SECURED LOANS		
(Refer Note no. 5 of Schedule 'R' - Notes to Accounts)		
TERM LOANS		
From Banks	40886437.00	15669901.00
Against Vehicles	10530188.48	13566393.82
External Commercial Borrowing from Bank	336742722.00	0.00
WORKING CAPITAL LOANS		
From Banks	183817796.68	71214385.07
From Others - Domestic Factoring Facility	0.00	<u>8390239.92</u>
	<u>571977144.16</u>	<u>108840919.81</u>
UNSECURED		
(Refer Note no. 6 of Schedule 'R' - Notes to Accounts)		
Foreign Currency Convertible Bonds	10895472.00	449759000.00
Term Loan from Others	<u>34499208.14</u>	<u>29140109.86</u>
	<u>45394680.14</u>	<u>478899109.86</u>
SCHEDULE ' E '		
INVESTMENTS		
LONG TERM		
Trade - Unquoted		
Investment in Subsidiary	39000000.00	0.00
39,00,000 (Previous year Nil) Equity Shares of Rs.10/- each fully paid of OK Play Auto Private Limited		
	<u>39000000.00</u>	<u>0.00</u>

OK PLAY INDIA LIMITED

SCHEDULE ' D ' FIXED ASSETS

DESCRIPTION	*GROSS BLOCK			* DEPRECIATION			* NET BLOCK		
	AS ON 01.04.2010	ADDITIONS / (DISPOSALS)	AS ON 31.03.2011	AS AT 01.04.2010	1.4.2010 to 31.03.2011	ADJUSTED	TOTAL UPTO 31.03.2011	AS ON 31.03.2011	AS ON 31.03.2010
LAND (FREEHOLD)	131287662.60	0.00	131287662.60	-	-	-	-	131287662.60	131287662.60
BUILDINGS	57529965.35	215139.00	57745104.35	12187569.22	1624832.94	-	13812402.16	43932702.19	45342396.13
PLANT & MACHINERY	462142478.98	48573885.89 (2294476.43)	508421888.44	230770943.94	49081300.90	(1171396.76)	278680848.08	229741040.36	231371535.04
FURNITURE & FITTINGS	9722467.02	2273434.03	11995901.05	3344770.75	614962.99	-	3959733.74	8036167.31	6377696.27
OFFICE EQUIPMENTS	16307670.05	311851.25 (30500.00)	16589021.30	10326876.21	1431114.62	(6989.40)	11751001.43	4838019.87	5980793.84
MOTOR LORRY	1313525.00	719562.00	2033087.00	485359.56	210098.20	-	695457.76	1337629.24	828165.44
MOTOR CAR	30337902.40	2419896.00 (6211255.18)	26546543.22	5733824.38	2894601.01	(2850999.49)	5777425.90	20769117.32	24604078.02
INTANGIBLE ASSETS	12358320.03	1587494.90	13945814.93	1696904.79	1236266.93	-	2933171.72	11012643.21	10661415.24
	720999991.43	47565031.46	768565022.89	264546248.85	57093177.59	(4029385.65)	317610040.79	450954982.10	456453742.58
CAPITAL WORK-IN-PROGRESS	280000.00	0.00	280000.00	0.00	0.00	0.00	0.00	280000.00	280000.00
TOTAL	721279991.43	47565031.46	768845022.89	264546248.85	57093177.59	(4029385.65)	317610040.79	451234982.10	456733742.58
PREVIOUS YEAR	652639892.31	68640099.12	721279991.43	216285820.76	49430497.62	(1170069.53)	264546248.85	456733742.58	

* in Rs.

SCHEDULE ' F '
INVENTORIES

	AS AT 31.03.2011 RS	AS AT 31.03.2010 RS
Packing Materials & Accessories	38228199.10	23740239.43
Raw Materials	19638745.48	17962076.93
Work - In - Process	33356260.38	34128050.17
Stores & Spares	3973258.34	4947328.74
Finished Goods	27203281.49	12121315.75
	<u>122399744.79</u>	<u>92899011.02</u>

SCHEDULE ' G '
SUNDRY DEBTORS

(Unsecured, Considered Good)

More than Six Months	67388911.07	60369597.03
Others	93677164.69	78841015.93
	<u>161066075.76</u>	<u>139210612.96</u>

SCHEDULE ' H '
CASH AND BANK BALANCES

Cash in Hand including imprest	973797.28	1035412.28
Balances in Scheduled Banks:		
In Current Account including cheques in hand	75983355.71	85263747.64
In Fixed Deposit	20458740.00	19031057.00
	<u>97415892.99</u>	<u>105330216.92</u>

SCHEDULE ' I '
LOANS & ADVANCES'

(Unsecured, Considered Good)

Advances recoverable in Cash or in kind or for value to be received	304224785.21	243431367.06
Staff Advances	826675.00	667191.80
Security and Other Deposits	1021329.00	1266097.00
Advance Income Tax / TDS	2441420.00	1847989.00
	<u>308514209.21</u>	<u>247212644.86</u>

SCHEDULE ' J '
CURRENT LIABILITIES & PROVISIONS
A) CURRENT LIABILITIES

Sundry Creditors (Trade)	17745276.54	14389504.71
Sundry Creditors (Others)	107005226.24	95762728.88
Due to Directors	2081105.42	1500312.49
Other Liabilities	60004157.82	19026994.28

B) PROVISIONS

Provision for Taxation	0.00	303000.00
Provision for Gratuity/Leave Encashment	6121308.00	3557469.00
	<u>6121308.00</u>	<u>3254469.00</u>
	<u>192957074.02</u>	<u>134237009.36</u>

SCHEDULE ' K '
MISCELLANEOUS EXPENDITURE
Deferred Revenue Expenditure

FCCB Issue Expenses	6466736.00	9700104.00
Less: Written off during the year	<u>3233368.00</u>	<u>3233368.00</u>
Advertisement Expenses	39213964.00	38685564.00
Research & Development	16937494.00	11459740.21
	<u>59384826.00</u>	<u>56612040.21</u>

OK PLAY INDIA LIMITED

FOR THE YEAR
ENDED
31.03.2011
(RS)

FOR THE YEAR
ENDED
31.03.2010
(RS)

SCHEDULE 'L'

OTHER RECEIPTS

Interest Received	2780536.00	1223170.11
Profit on Sale of Fixed Assets	316358.04	0.00
Miscellaneous Receipts	465550.00	451787.78
	<u>3562444.04</u>	<u>1674957.89</u>

SCHEDULE 'M'

MANUFACTURING EXPENSES

Cost of goods/materials :

Purchases	108536373.60	191440269.11
Add : Decrease (Less increase) in stocks	<u>(15986844.50)</u>	<u>(11904749.00)</u>
Power and Fuel	25670192.72	27979729.05
Stores and Spares consumed	6861108.72	8437383.22
Repairs and Maintenance :		
Plant & Machinery	660538.43	709790.59
Buildings	<u>734202.36</u>	<u>1004582.04</u>
Accessories	54600130.04	44406324.69
Packing Charges	14550951.16	13963964.89
Other Expenses	18756620.78	10847297.02
Excise Duty Pulverised Material	1856330.99	1261461.85
	<u>216239604.30</u>	<u>288146053.46</u>

SCHEDULE 'N'

EMPLOYEES REMUNERATION & BENEFITS

Salaries, Wages and Bonus	61866606.00	56237284.97
Contribution to Provident & other funds	2818824.00	2560699.10
	<u>64685430.00</u>	<u>58797984.07</u>

**FOR THE YEAR
ENDED
31.03.2011
(RS)**

**FOR THE YEAR
ENDED
31.03.2010
(RS)**

SCHEDULE 'O'

ADMINISTRATIVE & OTHER EXPENSES

FCCB issue expenses written off	3233368.00	3233368.00
Fee & Registration	563869.39	608334.80
Balances Written Off	72139.84	630426.13
Donation	17100.00	10201.00
Rent	939950.00	988500.00
Insurance	690755.92	577387.58
Travelling & Conveyance Expenses	10007405.67	7778720.07
Postage and Telephones	2550188.37	2413234.97
Printing & Stationery	839241.11	903204.89
Welfare Expenses	1212483.62	1350369.23
Legal & Professional charges	1030411.94	773156.00
Electricity & Water Expenses	938854.34	882446.54
Audit Fee	120000.00	120000.00
Wealth Tax	80126.00	81478.00
Rates & Taxes	3785155.42	6282084.95
Miscellaneous Expenses	1956753.36	1628818.66
Repair & Maint. (Others)	1873963.47	1544616.42
Loss on Sale of Assets	0.00	860630.47
Advertisement others	51892.00	46296.00
	<u>29963658.45</u>	<u>30713273.71</u>

SCHEDULE 'P'

SELLING AND DISTRIBUTION EXPENSES

Royalty Paid	0.00	1029339.00
Advertisement	765780.00	437560.00
Business Promotion Expenses	520077.78	690763.46
Freight & Octroi	14973554.25	16506362.88
Discounts	11823231.51	11791743.91
Commission Paid	0.00	9637273.00
Damaged Goods	1083401.09	1659500.04
	<u>29166044.63</u>	<u>41752542.29</u>

SCHEDULE 'Q'

INTEREST & FINANCE EXPENSES

Other Interest	11594437.12	3223896.56
Discounting charges	124885.00	4364515.52
Bank Interest	25524883.00	4195966.00
Bank & Finance Charges	981299.76	1496355.54
	<u>38225504.88</u>	<u>13280733.62</u>

OK PLAY INDIA LIMITED

SCHEDULE 'R'

SCHEDULE OF NOTES TO THE ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 AND THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

1. Significant Accounting Policies
 - i. General
These Accounts have been prepared on historical cost basis. All expenses and income to the extent considered payable and receivable, unless stated otherwise, have been accounted for on Mercantile basis.
 - ii. Fixed Assets including Intangible assets and Depreciation
Fixed Assets are stated on cost basis including the cost of installation where incurred. Depreciation on fixed assets (other than intangible assets) has been provided according to Straight Line Method on prorata basis at rates specified in schedule XIV of the Companies Act, 1956.
Intangible assets comprising of product designs, technical know-how etc. are amortized over a period of ten years, the estimated minimum useful life of the related products.
 - iii. Investments
Long Term Investments are stated at cost. Provision for diminution in the value is made only if such a decline is other than temporary.
 - iv. Inventories
The closing stock of Raw Materials, Packing Material & Accessories, Stores & Spares and Work in Process have been valued at cost while the Finished Goods have been taken at lower of cost or net realisable value. These goods have been taken as per inventory taken, valued and certified by the management.
 - v. Provision for Current and Deferred Tax.
Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.
 - vi. Provisions and Contingent Liabilities/Assets
Provision in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of the obligations. Contingent Liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognised or disclosed in the financial statements.
 - vii. Employee benefits
Company's contribution to Government Administered Provident Fund and Employees' State Insurance Corporation are charged to Profit & Loss Account.
Defined benefit contributions in respect of gratuity are provided on the basis of actuarial valuation made at the end of the financial year. Actuarial gains or loss arising from such valuation are charged to revenue in the year in which they arise.
 - viii. Research & Development
Expenditure on research & development which results in creation of capital assets is treated in the same way as expenditure on fixed assets. Other research & development expenditure is treated as deferred revenue expenditure for writing it off over the years when the benefit would be received.
 - ix. Revenue Recognition
Sales (net of returns) are recognised at the point of dispatch of goods to customers and include excise duty but exclude sales taxes.
 - x. Foreign Currency transactions
Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary items (assets and liabilities) denominated in foreign currency are translated into rupee at the exchange rates prevailing on the balance sheet date.
2. Estimated amount of contracts remaining to be executed on capital account and not provided for amount to Rs. Nil (Previous Year Rs. Nil).

3. Contingent Liabilities not provided for :
 - (i) Demand of penalty of Rs. 29,37,276/- (Previous Year Rs. 29,37,276/-) under the Central Excise Act is in dispute and pending before the Central Excise & Service Tax Appellate Tribunal.
 - (ii) Guarantees given to banks as counter guarantees for performance of contracts Rs. 146,23,000/- (Previous Year Rs. 113,50,000/-).
 - (iii) Letter of credit issued by banks Rs. 201,70,159/- (Previous year Rs.112,99,036/-)
 - (iv) Corporate Guarantee, restricted to Rs. 19.48 crores, given as security for the credit limits sanctioned by a bank to the subsidiary company, OK Play Auto Private Limited.
 - (v) Security, in the form of charge on the properties and Residual value of Block assets, present and future, after netting the prime security for term loans, provided to a bank for the credit limits sanctioned by it to the subsidiary company, OK Play Auto Private Limited.
4. In the opinion of the Management, the Current Assets, Loans and Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business atleast equal to the amount stated therein. The provision for all known liabilities have been made and are adequate. However, the balances of parties are subject to confirmation.
5. Amounts shown under the head 'Secured Loans' have been secured as below:-
 - (i) Term Loans
 From Banks : Secured against hypothecation of assets created from Term Loan.
 Against Vehicles : Secured against hypothecation of respective vehicles.
 - (ii) Working Capital Loans:
 From Banks : Secured against hypothecation of stocks of Raw Material, Work-in-process, Finished Goods & Other Stocks and book debts.
 Term Loans and Working Capital Loans from banks are collaterally secured by:
 - a) Equitable Mortgage on the Company's property at 124, New Manglapuri, Mehrauli, New Delhi.
 - b) Equitable mortgage of land and building at plot no.17-18, Rojka Meo Industrial Estate, Tehsil Nuh, District Mewat, Haryana.
 - c) Hypothecation of all the Current Assets of the company.
 - d) First charge on other net block assets of the company.
 - e) Negative lien on the property of land at Bawal Industrial Estate, Phase II, Haryana
 - f) Personal guarantees of two of the directors of the company.
 - g) Pledge of Equity Shares of the company of the value of Rs. 10 crores by one of the directors.
6. 'Term Loan from others' shown under Unsecured Loans in Schedule 'C' – Loan Funds has been secured by third party property and by pledge of equity shares by a director.
7. In respect of the Domestic Factoring Facility availed by the company, the discounting charges have been provided as per the terms of the sanction letter. However, the factoring company has charged excess discounting charges of Rs. 1,69,365.52 during the year, to which the company disagrees and hence has not provided the same. Accordingly the profits of the company would have been lower by the said amount had the company accepted the excess charges of the factoring company.
8. Advertisement expenses in the nature of deferred revenue expenditure would be written off over the years when the benefit would be received.
9. The Board of Directors of the Company at its meeting held on 23rd July, 2007 issued zero coupon unsecured Foreign Currency Convertible Bonds ('FCCB') aggregating to US \$ 10 million, at par. The bondholders have an option to convert these bonds into equity shares at an initial conversion price of Rs. 140/- per share at a fixed exchange rate (Rs. 40.34 = US \$ 1). The conversion price may be reset on the first, second and third anniversaries of the Bonds. The reset conversion price cannot be lower than Rs. 98.15 or the applicable reset floor price as prescribed by SEBI from time to time. The conversion price will be subject to certain adjustments as detailed in the offering circular such as dilution, bonus, dividends, right issue etc. Unless previously redeemed, repurchased or converted, the company will redeem these bonds at 146.25 percent of the principal amount on 24th July, 2012. As at 31st March, 2011 none of the 'FCCB' have been converted into equity shares. However, during the year, 'FCCB' of the face value of USD 9,760,000 have been bought back by the company at a discount of 24% to the face value of the 'FCCB' and the balance of 'FCCB' outstanding as on

OK PLAY INDIA LIMITED

31st March, 2011 have been included and disclosed in Schedule 'C'- Loan Funds under the sub-heading 'Unsecured'.

The company expects that the bond holders would opt for conversion rather than redemption and hence, in that case no premium would be payable and on that basis the same is not provided for. Maximum premium amount payable at current exchange rates is Rs.50,39,156/-.

10. Expenses on issue of Foreign Currency Convertible Bonds are being written off over five financial years.

11. Defined Benefit Plan

Reconciliation of opening and closing balances of Defined Benefit obligation

	GRATUITY (FUNDED) 2010- 11 (Rs.)	GRATUITY (FUNDED) 2009- 10 (Rs.)
Present value of obligation at beginning of the year	24,64,442	20,75,361
Interest Cost	1,97,155	1,66,029
Current Service cost	4,20,498	4,20,355
Benefits paid	(80,826)	(3,29,109)
Actuarial (gain) / loss on obligation	4,86,045	1,31,806
Present value of obligation at year end	<u>34,87,314</u>	<u>24,64,442</u>

Reconciliation of opening and closing balances of fair value of plan assets

Fair value of plan assets at beginning of year	18,08,092	9,96,753
Expected return on plan assets	1,59,696	69,950
Employer Contributions	5,24,342	10,70,498
Benefits paid	(80,826)	(3,29,109)
Actuarial gain / (loss) on plan assets	0	0
Fair value of plan assets at year end	<u>24,11,304</u>	<u>18,08,092</u>

Reconciliation of fair value of assets and obligations

Present value of obligation at year end	34,87,314	24,64,442
Fair value of plan assets at year end	<u>(24,11,304)</u>	<u>(18,08,092)</u>
Net liability recognized in balance sheet	<u>10,76,010</u>	<u>6,56,350</u>

Expense recognized during the year (Under the head "Employees Remuneration and Benefits" - Refer Schedule 'N')

Current Service cost	4,20,498	4,20,355
Interest Cost	1,97,155	1,66,029
Expected return on plan assets	(159,696)	(69,950)
Net actuarial (gain)/ loss recognized in the year	4,86,045	1,31,806
Net cost recognized in the year	<u>9,44,002</u>	<u>6,48,240</u>

Reconciliation showing movements during the year in the Net Liability

Net liability at beginning of year	6,56,350	10,78,608
Cost recognized in the year	9,44,002	6,48,240
Employer Contributions	<u>(5,24,342)</u>	<u>(10,70,498)</u>
Net liability at year end	<u>10,76,010</u>	<u>6,56,350</u>

Actual return on plan assets

Expected return on plan assets	1,59,696	69,950
Actuarial gain/ (loss) on plan assets	0	0
Actual return on plan assets	<u>1,59,696</u>	<u>69,950</u>

Actuarial assumptions

Mortality Rate (LIC)	1994-96(Ultimate	1994-96 (Ultimate)
Withdrawal Rate	1% to 3%	1% to 3%
	Depending on Age	Depending on Age
Discount rate (per annum)	8%	8%
Salary Escalation	6%	6%

12. The deferred tax liability/asset comprise of the following:

	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
(a) Deferred Tax Liability		
(i) Related to Fixed Assets	331,39,000	348,98,000
(ii) Deferred Revenue Expenditure allowed under the Income Tax Act, 1961	<u>0</u>	<u>0</u>
	<u>331,39,000</u>	<u>348,98,000</u>
(b) Deferred Tax Assets		
(i) Disallowance under the Income Tax Act, 1961	29,17,000	192,18,000
(ii) Unabsorbed depreciation/carried forward of losses under the Income Tax Act, 1961	<u>468,50,000</u>	<u>210,83,000</u>
	<u>497,67,000</u>	<u>403,01,000</u>
(c) Deferred Tax Liability/(Asset)/(Net)	(166,28,000)	(54,03,000)

13. The Company has not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.

14. All the operations of the company are considered as a single business segment for the purpose of Accounting Standard 17, 'Segment Reporting'(AS17)), issued by the Institute of Chartered Accountants of India.

15. Related Party Disclosures:

(I) Relationships

Key Management Personnel

Justice T.R. Handa (Retd.)

Mr. Rajan Handa

Mrs. Mamta Handa

Dr. Rajan Wadhera

Relatives

Mrs. Usha Handa

Note: Related party relationship is as identified by the company and relied upon by the Auditors.

(II) Transactions carried out with related parties referred in (I) above, in ordinary course of business:

Nature of Transactions	Related Parties(Referred in (I))
Remuneration Paid	Rs. 142,18,136/-
Sale of Products	Rs 22,126/-
Loan from directors	Max. Amount Rs.82,50,000/- Bal. on 31.03.2011 - NIL

16. Earnings Per Share (EPS):

	31.03.2011	31.03.2010
(a) Net Profit available for equity share holders (Rs.)	(307,82,411.99)	470,88,650.25
(b) Weighted average number of Equity Shares of Rs.10/- each outstanding during the year (No. of Shares)	159,82,100.00	159,82,100.00
(c) Basic / Diluted Earnings per shares (Rs.) (a/b)	(1.93)	2.95

Potential equity shares on conversion of the Foreign Currency Convertible Bonds into equity shares, at the option of the bond holders, are having an anti-dilutive effect and are therefore ignored in calculating diluted earnings per share.

17. Details of Managerial Remuneration:

	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Salary	59,16,667.00	49,80,000.00
H.R.A.	35,50,000.00	29,88,000.00
Other Allowances	22,94,008.00	17,32,008.00
P.F.	4,94,000.00	3,81,600.00
Gratuity Provision	<u>19,63,461.00</u>	<u>28,847.00</u>
	<u>142,18,136.00</u>	<u>101,10,455.00</u>

OK PLAY INDIA LIMITED

18. Break up of the remuneration paid to the statutory auditors of the Company:

	31.03.2011	31.03.2010
For Audit Fee	80,000.00	80,000.00
For Tax Audit	40,000.00	40,000.00
In Other Capacity	NIL	NIL

19. Consumption of Raw Material

	31.03.2011		31.03.2010	
	Qty.(M.T.)	Value(Rs.)	Qty.(M.T.)	Value(Rs.)
Plastics *	1119.311	9,80,45,053.69	2092.174	14,78,35,648.49

*Since all our basic raw material is plastic in nature and is consumed in different proportions in different products, the above information is given under one head.

20. Particulars of Stocks of Finished Goods and Sales

	Qty (Nos.)		Value (Rs.)	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
(i) Opening Stock				
Tanks & other Products	4,801	8,587	28,82,582.01	23,79,370.44
Toys & Furniture	9,530	12,443	58,08,741.62	63,79,699.95
	14,331	21,030	86,91,323.63	87,59,070.39
(ii) Closing Stock				
Tanks & other Products	4,524	4,801	94,84,855.51	28,82,582.01
Toys & Furniture	12,359	9,530	130,26,449.41	58,08,741.62
	16,883	14,331	225,11,304.92	86,91,323.63
(iii) Sales/Adjustment				
Tanks & other Products	1,11,957	3,58,697	18,61,29,746.59	27,59,13,619.90
Toys & Furniture	2,25,577	1,12,697	20,68,13,987.84	17,15,05,911.24
	3,37,534	4,71,394	39,29,43,734.43	44,74,19,531.14

21. Particulars of Capacity and Production

Description	Unit	Licensed Capacity		Installed Capacity		Production	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Tanks & other Products	Nos.	Not Applicable as per Note below		5,92,400	5,92,400	1,11,680	3,54,911
Toys & Furniture	Nos.			5,38,600	5,13,600	2,28,406	1,09,784

Note: In 1990 the Licensed Capacity of 1500 M.T. was issued to the unit but subsequently license requirement was abolished for this industry.

22. (i) Stock, Purchases & Sales of Steel Furniture (Trading)

	Qty (Kgs.)		Value (Rs.)	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Opening Stock	502	NIL	19,70,433.69	NIL
Closing Stock	NIL	502	NIL	19,70,433.69
Purchase (-) Returns	613	19001	44,45,199.90	376,57,896.50
Sale	1115	18499	74,08,669.34	563,04,910.04

(ii) Stocks, Purchases & Sales of Other Finished Goods (Trading)

	Qty (Nos.)		Value (Rs.)	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Opening Stock	600	1957	14,59,558.43	39,45,242.44
Closing Stock	2839	600	46,91,976.57	14,59,558.43
Purchase/Adjustment	2934	NIL	43,69,451.46	NIL
Sale	695	1357	29,42,724.00	18,48,738.45

23. Consumption of imported and indigenous material and percentage thereof.

	31.03.2011		31.03.2010	
	Value(Rs.)	Percentage	Value(Rs.)	Percentage
RAW MATERIAL				
Imported	247,53,808.79	25.25	26,86,953.44	1.82
Indigenous	732,91,244.90	74.75	14,51,48,695.05	98.18
	980,45,053.69	100.00	14,78,35,648.49	100.00
ACCESSORIES & COMPONENTS				
Imported	9,33,259.19	1.71	11,43,979.00	2.58
Indigenous	5,36,66,870.85	98.29	4,32,62,345.69	97.42
	5,46,00,130.04	100.00	4,44,06,324.69	100.00

24. Expenditure incurred in Foreign Currency

	31.03.2011	31.03.2010
	(Rs.)	(Rs.)
a) Travelling	6,15,859.74	4,22,065.84
b) Telephone	56,910.92	74,871.43
c) Fees	1,98,723.73	1,84,109.20
d) Technical Knowhow	15,87,494.90	23,84,750.50

25. Earning in Foreign Exchange

	31.03.2011	31.03.2010
	(Rs.)	(Rs.)
FOB Value of Exports (Rs.)	53,03,509.81	44,16,584.12

26. CIF Value of Imports

	31.03.2011	31.03.2010
	(Rs.)	(Rs.)
a) Capital Assets	45,54,979.00	10,57,669.00
b) Raw Material	268,68,530.54	35,09,774.65
c) Accessories	5,34,487.25	30,58,573.65
d) Finished Goods	33,69,069.96	1,23,687.48
e) Maintenance	1,13,274.00	—

27. Previous year's figures have been regrouped wherever necessary to make them comparable with the current year.

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

(Rajan Handa)
Managing Director

(Dhir Singh Bhati)
Company Secretary

AUDITORS' REPORT
As per our separate report of even date attached.
for S.P.MARWAHA & CO.
Chartered Accountants

Place : New Delhi
Date : 21st June, 2011

(A.S.BAJAJ)
Partner

OK PLAY INDIA LIMITED

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.

	3	0	3	4	7
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Balance Sheet Date

3	1		0	3		2	0	1	1
---	---	--	---	---	--	---	---	---	---

Date Month Year

State Code

0	5
---	---

 (Refer Code List 1)

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

					N	A
--	--	--	--	--	---	---

Bonus Issue

					N	A
--	--	--	--	--	---	---

Rights Issue

					N	A
--	--	--	--	--	---	---

Private Placement

					N	A
--	--	--	--	--	---	---

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities

1	0	6	2	6	8	7
---	---	---	---	---	---	---

Source of Funds

Total Assets

1	0	6	2	6	8	7
---	---	---	---	---	---	---

Paid-Up Capital

	1	5	9	6	8	0
--	---	---	---	---	---	---

Reserves & Surplus

	2	8	5	6	3	5
--	---	---	---	---	---	---

Secured Loans

	5	7	1	9	7	7
--	---	---	---	---	---	---

Application of Funds

Unsecured Loans

		4	5	3	9	5
--	--	---	---	---	---	---

Net Fixed Assets

	4	5	1	2	3	5
--	---	---	---	---	---	---

Investments

		3	9	0	0	0
--	--	---	---	---	---	---

Net Current Assets

	4	9	6	4	3	9
--	---	---	---	---	---	---

Misc. Expenditure

		5	9	3	8	5
--	--	---	---	---	---	---

Deferred Tax Asset

		1	6	6	2	8
--	--	---	---	---	---	---

IV. Performance of Company (Amount in Rs. Thousands)

Turnover

	4	0	3	2	9	5
--	---	---	---	---	---	---

+ - Profit/Loss Before Tax

	-	4	2	0	0	7
--	---	---	---	---	---	---

Total Expenditure

	4	4	5	3	0	2
--	---	---	---	---	---	---

+ - Profit/ Loss After Tax

	-	3	0	7	8	2
--	---	---	---	---	---	---

(Please tick Appropriate box + for Profit, - for Loss)

Earning Per Share in Rs.

		-	1	.	9	3
--	--	---	---	---	---	---

Dividend Rate %

				N	I	L
--	--	--	--	---	---	---

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code)

3	9	2	6	9	0	8	0
---	---	---	---	---	---	---	---

Product Description

P	L	A	S	T	I	C	W	A	T	E	R	T	A	N	K	S
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Item Code No. (ITC Code)

9	5	0	1	0	0	1	0
---	---	---	---	---	---	---	---

Product Description

P	L	A	S	T	I	C	W	H	E	E	L	E	D	T	O	Y	S
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Item Code No. (ITC Code)

9	5	0	3	4	9	3	0
---	---	---	---	---	---	---	---

Product Description

P	L	A	S	T	I	C	T	O	Y	S	O	T	H	E	R	S
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF OK PLAY INDIA LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENT OF OK PLAY INDIA LIMITED AND ITS SUBSIDIARIES

1. We have audited the attached Consolidated Balance Sheet of OK PLAY INDIA LIMITED (" the Company") and its subsidiary (the Company and its subsidiary constitute "the Group") as at March 31, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 (Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006.
4. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company and its subsidiary, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at March 31, 2011;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the Loss of the Group for the year ended on that date and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For S. P. MARWAHA & CO.
Chartered Accountants
(FRN No. 000229-N)

Place: New Delhi
Date: 21st June, 2011

A. S. BAJAJ
Partner
M.No.086120

OK PLAY INDIA LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE		AS AT 31.03.2011 (RS)
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	A	159680277.00	
Reserves & Surplus	B	285634555.53	445314832.53
MINORITY INTEREST			99894.00
LOAN FUNDS			
Secured	C	626497144.16	
Unsecured		45394680.14	671891824.30
TOTAL			1117306550.83
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	D	793018907.89	
Less : Depreciation		317611266.53	
Net Block		475407641.36	
Capital Work-in-Progress		1090612.74	476498254.10
DEFERRED TAX ASSET (NET)			16628000.00
CURRENT ASSETS,			
LOANS & ADVANCES			
Inventories	E	122399744.79	
Sundry Debtors	F	161066075.76	
Cash & Bank Balances	G	147679931.99	
Loans & Advances	H	326190825.21	
Less : Current Liabilities & Provisions	I	757336577.75	
		193153965.02	
NET CURRENT ASSETS			564182612.73
MISCELLANEOUS EXPENDITURE	J		59997684.00
(To the extent not written off or adjusted)			
TOTAL			1117306550.83
NOTES TO ACCOUNTS	Q		

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

(Rajan Handa)
Managing Director

(Dhir Singh Bhati)
Company Secretary

AUDITORS' REPORT
As per our separate report of even date attached.
for S.P.MARWAHA & CO.
Chartered Accountants

Place : New Delhi
Date : 21st June, 2011

(A.S.BAJAJ)
Partner

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCHEDULE	FOR THE YEAR ENDED 31.03.2011 (RS)
INCOME		
Sales (Gross)		403295127.77
Less: Excise Duty		<u>20922928.95</u>
Sales (Net)		382372198.82
Other receipts	K	<u>3562444.04</u>
		<u>385934642.86</u>
EXPENDITURE		
Manufacturing Expenses	L	216239604.30
Employees Remuneration and Benefits	M	64685430.00
Administrative & Other Expenses	N	29963658.45
Selling & Distribution Expenses	O	29166044.63
Interest & Finance Expenses	P	<u>38225504.88</u>
		<u>378280242.26</u>
Profit before Depreciation & Exchange Fluctuation		7654400.60
Add/(Less) : Exchange Fluctuation on FCCB & ECB		<u>7447791.00</u>
Profit/(Loss) before Depreciation		15102191.60
Less : Depreciation	D	<u>57093177.59</u>
		(41990985.99)
Add : Excess Provision of tax written back		15880.00
Less : Prior period expenses		<u>32306.00</u>
Profit/(Loss) before Tax		(42007411.99)
Provision for Tax		
- Current Tax		0.00
- Deferred Tax		<u>(11225000.00)</u>
Profit/(Loss) after Tax		(30782411.99)
Profit & Loss A/C brought forward from last year		<u>157232802.52</u>
Profit carried to Balance Sheet		<u>126450390.53</u>
Basic/Diluted Earnings per share of face value of Rs.10 each (in Rupees)		(1.93)
NOTES TO ACCOUNTS	Q	

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

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AUDITORS' REPORT
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Chartered Accountants

Place : New Delhi
Date : 21st June, 2011

(A.S.BAJAJ)
Partner

OK PLAY INDIA LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

Year ended
31st March, 2011
Rs

A. CASH FLOW FROM OPERATING ACTIVITIES :	
Net Profit/(Loss) before Tax and extraordinary items	(41,990,985.99)
Adjustments for :	
Depreciation	57,093,177.59
Loss/(Profit) on sale of Assets	(316,358.04)
Interest Received	2,780,536.00
Interest Payments	38,225,504.88
Deferred Revenue Expenditure written off	3,233,368.00
Exchange Fluctuation Loss/(Gain)	(7,447,791.00)
Operating Profit before Working Capital changes	51,577,451.44
Adjustments for :	
Trade and Other Receivables	(21,855,462.80)
Inventories	(29,500,733.77)
Trade Payables	58,672,560.66
Cash generated from operations	58,893,815.53
Interest paid	(38,225,504.88)
Cash flow before extraordinary items	20,668,310.65
Direct taxes paid	(349,343.00)
Extraordinary items	(32,306.00)
Net Cash from Operating Activities	20,286,661.65
B. CASH FLOW FROM INVESTING ACTIVITIES :	
Purchase of Fixed Assets	(81,323,374.07)
Sale of Fixed Assets	4,823,204.00
Interest Received	(2,780,536.00)
Net Cash used in Investing Activities	(79,280,706.07)
C. CASH FLOW FROM FINANCING ACTIVITIES :	
Loans & Advances paid	(78,552,837.35)
Deferred Revenue Expenses	(6,476,003.79)
Proceeds from Long Term Borrowings	186,272,600.63
Net Cash used in Financing Activities	101,243,759.49
Net increase in Cash and Cash Equivalents	42,249,715.07
Cash and Cash Equivalents as at 1st April, 2010	105,430,216.92
Cash and Cash Equivalents as at 31st March, 2011	147,679,931.99

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

(Rajan Handa)
Managing Director

(Dhir Singh Bhati)
Company Secretary

AUDITORS' REPORT
As per our separate report of even date attached.
for S.P.MARWAHA & CO.
Chartered Accountants

Place : New Delhi
Date : 21st June, 2011

(A.S.BAJAJ)
Partner

SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS

AS AT
31.03.2011
RS

SCHEDULE 'A'

SHARE CAPITAL

AUTHORISED CAPITAL

3,00,00,000 (Previous year 3,00,00,000)	300000000.00
Equity shares of Rs.10/- each	
	300000000.00

ISSUED

1,60,38,000 (Previous year 1,60,38,000)	160380000.00
Equity shares of Rs.10/- each	
	160380000.00

SUBSCRIBED AND PAID UP

1,59,82,100 (Previous year 1,59,82,100)	
Equity shares of Rs.10/- each	159821000.00
Less : Allotment Money unpaid	140723.00
	159680277.00

SCHEDULE ' B '

RESERVES & SURPLUS

Capital Reserve	97815165.00
Share Premium Account	59845000.00
General Reserve	1524000.00
Profit & Loss Account	126450390.53
	285634555.53

SCHEDULE ' C '

LOAN FUNDS

SECURED LOANS

(Refer Note no. 7 of Schedule 'Q' - Notes to Accounts)

TERM LOANS

From Banks	95406437.00
Against Vehicles	10530188.48
External Commercial Borrowing from Bank	336742722.00

WORKING CAPITAL LOANS

From Banks	183817796.68
	626497144.16

UNSECURED

(Refer Note no. 8 of Schedule 'Q' - Notes to Accounts)

Foreign Currency Convertible Bonds	10895472.00
Term Loan from Others	34499208.14
	45394680.14

OK PLAY INDIA LIMITED

SCHEDULE ' D ' FIXED ASSETS

DESCRIPTION	*GROSS BLOCK			* DEPRECIATION			* NET BLOCK	
	AS ON 01.04.2010	ADDITIONS / (DISPOSALS)	AS ON 31.03.2011	AS AT 01.04.2010	1.4.2010 to 31.03.2011	ADJUSTED	TOTAL UPTO 31.03.2011	AS ON 31.03.2011
LAND (FREEHOLD)	131287662.60	0.00	131287662.60	0.00	0.00	0.00	0.00	131287662.60
LAND (LEASEHOLD)	0.00	24382724.00	24382724.00	0.00	0.00	0.00	0.00	24382724.00
BUILDINGS	57529965.35	215139.00	57745104.35	12187569.22	1624832.94	0.00	13812402.16	43932702.19
PLANT & MACHINERY	462142478.98	48573885.89 (2294476.43)	508421888.44	230770943.94	49081300.90	(1171396.76)	278680848.08	229741040.36
FURNITURE & FITTINGS	9722467.02	2273434.03	11995901.05	3344770.75	614962.99	0.00	3959733.74	8036167.31
OFFICE EQUIPMENTS	16307670.05	341851.25 (30500.00)	16619021.30	10326876.21	1432340.36	(6989.40)	11752227.17	4866794.13
MOTOR LORRY	1313525.00	719562.00	2033087.00	485359.56	210098.20	0.00	695457.76	1337629.24
MOTOR CAR	30337902.40	2419896.00 (6211255.18)	26546543.22	5733824.38	2894601.01	(2850999.49)	5777425.90	20769117.32
GOODWILL	0.00	41161.00	41161.00	0.00	0.00	0.00	0.00	41161.00
INTANGIBLE ASSETS	12358320.03	1587494.90	13945814.93	1696904.79	1236286.93	0.00	2933171.72	11012643.21
CAPITAL WORK-IN-PROGRESS	720999991.43	72018916.46	793018907.89	264546248.85	57094403.33	(4029385.65)	317611266.53	475407641.36
TOTAL	721279991.43	810612.74	1090612.74	0.00	0.00	0.00	0.00	1090612.74
LESS: DEPRECIATION TRANSFERRED TO CAPITAL WORK IN PROGRESS		72829529.20	794109520.63	264546248.85	57094403.33	(4029385.65)	317611266.53	476498254.10
BALANCE DEPRECIATION TRANSFERRED TO PROFIT & LOSS ACCOUNT					1225.74			
					57093177.59			

* in Rs.

SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS

AS AT
31.03.2011
RS

SCHEDULE ' E '

INVENTORIES

Packing Materials & Accessories	38228199.10
Raw Materials	19638745.48
Work - In - Process	33356260.38
Stores & Spares	3973258.34
Finished Goods	27203281.49
	122399744.79

SCHEDULE ' F '

SUNDRY DEBTORS

(Unsecured, Considered Good)

More than Six Months	67388911.07
Others	93677164.69
	161066075.76

SCHEDULE ' G '

CASH AND BANK BALANCES

Cash in Hand including imprest	1072443.28
Balances in Scheduled Banks:	
In Current Account including cheques in hand	126148748.71
In Fixed Deposit	20458740.00
	147679931.99

SCHEDULE ' H '

LOANS & ADVANCES'

(Unsecured, Considered Good)

Advances recoverable in Cash or in kind or for value to be received	321901401.21
Staff Advances	826675.00
Security and Other Deposits	1021329.00
Advance Income Tax / TDS	2441420.00
	326190825.21

SCHEDULE ' I '

CURRENT LIABILITIES & PROVISIONS

A) CURRENT LIABILITIES

Sundry Creditors (Trade)	17745276.54
Sundry Creditors (Others)	107100533.24
Due to Directors	2081105.42
Other Liabilities	60105741.82

B) PROVISIONS

Provision for Gratuity/Leave Encashment	6121308.00
	193153965.02

OK PLAY INDIA LIMITED

SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS

		AS AT 31.03.2011 RS
<u>SCHEDULE 'J'</u>		
<u>MISCELLANEOUS EXPENDITURE</u>		
<u>Deferred Revenue Expenditure</u>		
Preliminary Expenses		612858.00
FCCB Issue Expenses	6466736.00	
Less: Written off during the year	3233368.00	3233368.00
Advertisement Expenses		39213964.00
Research & Development		16937494.00
		<u>59997684.00</u>

**FOR THE YEAR
ENDED
31.03.2011
(RS)**

<u>SCHEDULE 'K'</u>		
<u>OTHER RECEIPTS</u>		
Interest Received		2780536.00
Profit on Sale of Fixed Assets		316358.04
Miscellaneous Receipts		465550.00
		<u>3562444.04</u>

<u>SCHEDULE 'L'</u>		
<u>MANUFACTURING EXPENSES</u>		
Cost of goods/materials :		
Purchases	108536373.60	
Add : Decrease (Less increase) in stocks	(15986844.50)	92549529.10
Power and Fuel		25670192.72
Stores and Spares consumed		6861108.72
Repairs and Maintenance :		
Plant & Machinery	660538.43	
Buildings	734202.36	1394740.79
Accessories		54600130.04
Packing Charges		14550951.16
Other Expenses		18756620.78
Excise Duty Pulverised Material		1856330.99
		<u>216239604.30</u>

<u>SCHEDULE 'M'</u>		
<u>EMPLOYEES REMUNERATION & BENEFITS</u>		
Salaries, Wages and Bonus		61866606.00
Contribution to Provident & other funds		2818824.00
		<u>64685430.00</u>

SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS

FOR THE YEAR
ENDED
31.03.2011
(RS)

SCHEDULE 'N'

ADMINISTRATIVE & OTHER EXPENSES

FCCB issue expenses written off	3233368.00
Fee & Registration	563869.39
Balances Written Off	72139.84
Donation	17100.00
Rent	939950.00
Insurance	690755.92
Travelling & Conveyance Expenses	10007405.67
Postage and Telephones	2550188.37
Printing & Stationery	839241.11
Welfare Expenses	1212483.62
Legal & Professional charges	1030411.94
Electricity & Water Expenses	938854.34
Audit Fee	120000.00
Wealth Tax	80126.00
Rates & Taxes	3785155.42
Miscellaneous Expenses	1956753.36
Repair & Maint. (Others)	1873963.47
Advertisement others	51892.00
	<hr/>
	29963658.45
	<hr/>

SCHEDULE 'O'

SELLING AND DISTRIBUTION EXPENSES

Advertisement	765780.00
Business Promotion Expenses	520077.78
Freight & Octroi	14973554.25
Discounts	11823231.51
Damaged Goods	1083401.09
	<hr/>
	29166044.63
	<hr/>

SCHEDULE 'P'

INTEREST & FINANCE EXPENSES

Other Interest	11594437.12
Discounting charges	124885.00
Bank Interest	25524883.00
Bank & Finance Charges	981299.76
	<hr/>
	38225504.88
	<hr/>

OK PLAY INDIA LIMITED

SCHEDULE 'Q'

SCHEDULE OF NOTES TO THE CONSOLIDATED ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 AND THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

1. Significant Accounting Policies

(1) Principles of consolidation

The consolidated financial statements relate to OK Play India Limited ('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".
 - The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
 - Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
 - Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
 - As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- (2) Other significant accounting policies
These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

2. The subsidiary company considered in the consolidated financial statements is:

<u>Name of the subsidiary</u>	<u>Country of Incorporation</u>	<u>Proportion of ownership interest</u>
OK Play Auto Private Limited	India	99.74%

3. Financial Information of Subsidiary Company

Rs in Lacs

<u>Name of Subsidiary Company</u>	<u>Capital</u>	<u>Reserves</u>	<u>Total Assets</u>	<u>Total Liabilities</u>	<u>Investments</u>	<u>Turnover/ Total Income</u>	<u>Profit Before Taxation</u>	<u>Provision for Taxation</u>	<u>Profit After Taxation</u>	<u>Proposed Dividend</u>
OK Play Auto Private Limited	391.00	Nil	1299.59	1299.59	Nil	Nil	Nil	Nil	Nil	Nil

4. Estimated amount of contracts remaining to be executed on capital account and not provided for amount to Rs. Nil.

5. Contingent Liabilities not provided for :

- Demand of penalty of Rs. 29,37,276/- under the Central Excise Act is in dispute and pending before the Central Excise & Service Tax Appellate Tribunal.
- Guarantees given to banks as counter guarantees for performance of contracts Rs. 146,23,000/-.
- Letter of credit issued by banks Rs. 201,70,159/-.
- Corporate Guarantee, restricted to Rs. 19.48 crores, given as security for the credit limits sanctioned by a bank to the subsidiary company, OK Play Auto Private Limited.
- Security, in the form of charge on the properties and Residual value of Block assets, present and future, after netting the prime security for term loans, provided to a bank for the credit limits sanctioned by it to the subsidiary company, OK Play Auto Private Limited.

6. In the opinion of the Management, the Current Assets, Loans and Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business atleast equal to the amount stated therein. The provision for all known liabilities have been made and are adequate. However, the balances of parties are subject to confirmation.

7. Amounts shown under the head 'Secured Loans' have been secured as below:-

(i) Term Loans

From Banks : Secured against hypothecation of assets created from Term Loan.

Against Vehicles : Secured against hypothecation of respective vehicles.

(ii) Working Capital Loans:

From Banks : Secured against hypothecation of stocks of Raw Material, Work-in-process, Finished Goods & Other Stocks and book debts.

Term Loans and Working Capital Loans from banks are collaterally secured by:

- a) Equitable Mortgage on the Company's property at 124, New Manglapuri, Mehrauli, New Delhi.
 - b) Equitable mortgage of land and building at plot no.17-18, Rojka Meo Industrial Estate, Tehsil Nuh, District Mewat, Haryana.
 - c) Hypothecation of all the Current Assets of the company.
 - d) First charge on other net block assets of the company.
 - e) Negative lien on the property of land at Bawal Industrial Estate, Phase II, Haryana
 - f) Personal guarantees of two of the directors of the company.
 - g) Pledge of Equity Shares of the company of the value of Rs. 10 crores by one of the directors.
8. 'Term Loan from others' shown under Unsecured Loans in Schedule 'C' – Loan Funds has been secured by third party property and by pledge of equity shares by a director.
 9. In respect of the Domestic Factoring Facility availed by the company, the discounting charges have been provided as per the terms of the sanction letter. However, the factoring company has charged excess discounting charges of Rs. 1,69,365.52 during the year, to which the company disagrees and hence has not provided the same. Accordingly the profits of the company would have been lower by the said amount had the company accepted the excess charges of the factoring company.
 10. Advertisement expenses in the nature of deferred revenue expenditure would be written off over the years when the benefit would be received.
 11. The Board of Directors of the Company at its meeting held on 23rd July, 2007 issued zero coupon unsecured Foreign Currency Convertible Bonds ('FCCB') aggregating to US \$ 10 million, at par. The bondholders have an option to convert these bonds into equity shares at an initial conversion price of Rs. 140/- per share at a fixed exchange rate (Rs. 40.34 = US \$ 1). The conversion price may be reset on the first, second and third anniversaries of the Bonds. The reset conversion price cannot be lower than Rs. 98.15 or the applicable reset floor price as prescribed by SEBI from time to time. The conversion price will be subject to certain adjustments as detailed in the offering circular such as dilution, bonus, dividends, right issue etc. Unless previously redeemed, repurchased or converted, the company will redeem these bonds at 146.25 percent of the principal amount on 24th July, 2012. As at 31st March, 2011 none of the 'FCCB' have been converted into equity shares. However, during the year, 'FCCB' of the face value of USD 9,760,000 have been bought back by the company at a discount of 24% to the face value of the 'FCCB' and the balance of 'FCCB' outstanding as on 31st March, 2011 have been included and disclosed in Schedule 'C'- Loan Funds under the sub-heading 'Unsecured'.

The company expects that the bond holders would opt for conversion rather than redemption and hence, in that case no premium would be payable and on that basis the same is not provided for. Maximum premium amount payable at current exchange rates is Rs.50,39,156/-.

12. Expenses on issue of Foreign Currency Convertible Bonds are being written off over five financial years.
13. The deferred tax liability/asset comprise of the following:

	As at 31st March, 2011 (Rs.)
(a) Deferred Tax Liability	
(i) Related to Fixed Assets	331,39,000
(ii) Deferred Revenue Expenditure allowed under the Income Tax Act, 1961	0
	<u>331,39,000</u>
(b) Deferred Tax Assets	
(i) Disallowance under the Income Tax Act, 1961	29,17,000
(ii) Unabsorbed depreciation/carried forward of losses under the Income Tax Act, 1961	468,50,000
	<u>497,67,000</u>
(c) Deferred Tax Liability/(Asset)(Net)	<u>(166,28,000)</u>

OK PLAY INDIA LIMITED

14. Related Party Disclosures:

(I) Relationships

Key Management Personnel

Justice T.R. Handa (Retd.)

Mr. Rajan Handa

Mrs. Mamta Handa

Dr. Rajan Wadhera

Relatives

Mrs. Usha Handa

Note: Related party relationship is as identified by the company and relied upon by the Auditors.

(II) Transactions carried out with related parties referred in (I) above, in ordinary course of business:

Nature of Transactions

Related Parties(Referred in (I))

Remuneration Paid

Rs. 142,18,136/-

Sale of Products

Rs 22,126/-

Loan from directors

Max. Amount Rs.82,50,000/- Bal. on 31.03.2011 - NIL

15. Earnings Per Share (EPS):

31.03.2011

(a) Net Profit available for equity share holders (Rs.) (307,82,411.99)

(b) Weighted average number of Equity Shares of Rs.10/- each outstanding during the year (No. of Shares) 159,82,100.00

(c) Basic / Diluted Earnings per shares (Rs.) (a/b) (1.93)

Potential equity shares on conversion of the Foreign Currency Convertible Bonds into equity shares, at the option of the bond holders, are having an anti-dilutive effect and are therefore ignored in calculating diluted earnings per share.

16. Details of Managerial Remuneration:

31.03.2011

	(Rs.)
Salary	59,16,667.00
H.R.A.	35,50,000.00
Other Allowances	22,94,008.00
P.F.	4,94,000.00
Gratuity Provision	19,63,461.00

142,18,136.00

17. Capital Work in Progress:

31.03.2011

	(Rs.)
Opening Balance	2,80,000.00
Add: Expenses on Project under Construction	8,10,612.74
Closing Balance	10,90,612.74

18. All the operations of the company are considered as a single business segment for the purpose of Accounting Standard 17, 'Segment Reporting'(AS17), issued by the Institute of Chartered Accountants of India.

For and on behalf of the Board

(Justice T.R.Handa) (Retd.)
Chairman cum Wholetime Director

(Rajan Handa)
Managing Director

(Dhir Singh Bhati)
Company Secretary

AUDITORS' REPORT

As per our separate report of even date attached.
for S.P.MARWAHA & CO.
Chartered Accountants

Place : New Delhi
Date : 21st June, 2011

(A.S.BAJAJ)
Partner

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the form below and send to the addressee.

**To,
The Company Secretary,
OK Play India Limited,
124, New Manglapuri,
Mehrauli, New Delhi-110030.**

Name.....e-mail id.....

Address:

.....

.....

Folio No.....
(in case of Physical holding)

No. of equity shares held:

Signature of Member

OK PLAY INDIA LTD.

Regd. Office: 17, Roz-Ka-Meo, Industrial Estate, Tehsil Nuh, District Mewat, (Haryana)

PROXY FORM

Folio No. : _____ DP_ID : * _____

No. of shares held : _____ Client_ID : * _____

I/WE _____ of _____ being a member of OK PLAY INDIA LIMITED hereby appoint _____ of _____ or failing him _____ of _____

as my / our Proxy to attend and vote for me / us on my / our behalf at the 22nd Annual General Meeting of Company to be held on Friday, the 30th September, 2011 and at any adjournment thereof.



Signed this _____ day of _____ 2011.

* Applicable for investors holding Shares in Electronic form

Affix
Re. 1/-
Revenue
Stamp

NOTE:

- The proxy must be returned so as to reach the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.**
- Proxy cannot speak at the meeting or vote on a show of hands.

..........TEAR HERE..........

OK PLAY INDIA LTD.

Regd. Office: 17, Roz-Ka-Meo, Industrial Estate, Tehsil Nuh, District Mewat, (Haryana)

ATTENDANCE SLIP

Folio No. : _____ DP_ID : * _____

No. of shares held : _____ Client_ID : * _____

Member's Name and Address: _____

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the TWENTY TWO ANNUAL GENERAL MEETING OF OK PLAY INDIA LTD. on Friday, the 30th September, 2011.

Members/Proxy's Name (In Block Letters): _____

Members/Proxy's Signature _____

NOTE: *Applicable for investors holding Shares in Electronic form

- Members / Proxies are requested to bring the duly signed attendance slip to the Meeting and hand it over at the entrance.
- This attendance slip is valid in case shares are held on the date of meeting.







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Corporate Office:

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New Delhi-110030, India.

ph: +91 11 46190000. Fax: +91 11 46190090

Registered Office & Works:

Plot No. 17-18, Roz-Ka-Meo Industrial Estate,
Tehsil Nuh, Distt. Mewat Haryana - 122103, India.

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