



Hariyana Metals Ltd.

2012

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ANNUAL
REPORT

2012

38th ANNUAL REPORT 2011 - 12
38th ANNUAL REPORT 2011 - 12



HARIYANA METALS LIMITED

COMPANY REGN. NO : L99999MH1975PLC018080

38th ANNUAL REPORT 2011 - 2012

REGISTERED OFFICE

**OLD MOTOR STAND, ITWARI,
NAGPUR - 440 008
MAHARASHTRA**

BOARD OF DIRECTORS

**MR. HARISH AGRAWAL
MR. DINESH AGRAWAL
MR. BHARAT KUMAR PATNI**

AUDITORS

**SAJJAD RASUL & CO.
CHARTERED ACCOUNTANTS
NAGPUR**



NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of Hariyana Metals Limited will be held on Saturday, the **29th day of September, 2012** at 2.00 P. M. at the Registered Office of the Company at Old Motor Stand, Itwari, Nagpur - 440 008, (Maharashtra) to transact the following business as an Ordinary Business :

To consider, pass following resolution with or without modification as an ordinary resolution

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2012 and the Balance Sheet as at that date and Reports of the Auditors and Directors thereon including Secretarial Compliance Certificate.
2. To appoint a Director in place of Mr. Bharat Kumar Patni, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

By order of the Board

Place : Nagpur

Dated : 31st August 2012

Director
(Dinesh Agrawal)

NOTES

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING, DULY STAMPED AND SIGNED.

MEMBERS ARE REQUESTED TO BRING THEIR COPY OF ANNUAL REPORT.



REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Annual Report and Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS / WORKING:

The financial results of the company as disclosed in the account are summarised below

	<u>2011-2012</u>	<u>2010-2011</u>
Total Revenue	1,18,67,046	18,50,68,564
Total expenses	<u>2,02,82,478</u>	<u>19,78,76,479</u>
Profit/(Loss) exceptional and extraordinary Items and tax	(84,15,432)	(1,28,07,915)
Exceptional Items	0	0
Profit before extraordinary items and tax	(84,15,432)	(1,28,07,915)
Extraordinary Items	0	0
Profit before Tax	(84,15,432)	(1,28,07,915)
Tax Before Tax		
1. Current tax	0	0
2. Deferred tax	0	0
3. Tax for Earlier years	(4,221)	(6,44,158)
4. Earlier year(TDS)	<u>0</u>	<u>0</u>
Profit(Loss) for the period	(84,19,653)	(1,34,52,073)
Profit/(Loss) from last year	73,40,568	2,07,92,641
Profit / (Loss) for the Period	(10,79,085)	73,40,568

The Directors of the company are hopeful for the better results in the next year.



PUBLIC DEPOSITS:

During the year under review, the Company has not accepted the Public Deposits within the meaning of Section 58-A of the Companies Act, 1956 read with the rules framed thereunder.

CONSERVATION OF ENERGY:

The consumption of energy is being continuously monitored and effective measures are adopted to achieve economic consumption. Total foreign earning and outgo, energy consumption and energy consumption per MT of Production is as per Form 'A' is enclosed.

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT:

Production Department of the Company are always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its products. The technology used by the Company is updated as a continuous exercise. The Company does not have a separate Research and Development activity.

PARTICULARS OF EMPLOYEES:

As required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975; as amended, the particulars of employees covered there under are Nil.

DIRECTOR:

Mr. Bharat Kumar Patni, director retire by rotation and being eligible, offers himself for re-appointment. There is no other change in the composition of the Board of your Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors confirms:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
2. That the directors had selected such accounting policies and applied them consistently and made judgements 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 and of the profit or loss of the company for that period;



3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. That the directors had prepared the annual accounts on a going concern basis.

AUDITORS:

Auditor's qualifications read with notes and other details in Balance Sheet are self-explanatory and do not require for any additional information.

The Company's Auditors Sajjad Rashul & Co., Chartered Accountants, Nagpur - retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

SECRETARIAL COMPLIANCE CERTIFICATE:

In terms of proviso to section 383A(1) of the Companies Act 1956, as amended, the Company has obtained necessary Secretarial Compliance Certificate from a Practising Company Secretary, and the same is attached herewith.

LISTING OF SHARES:

The Equity Shares of the Company are listed on The Bombay Stock Exchange, Mumbai & Calcutta Stock Exchange, Kolkata.

ACKNOWLEDGEMENTS:

The Board of Directors are grateful to the Company's Bankers, Other Government, Semi-Government, and Statutory Bodies for their continued co-operation and assistance during the year.

For and on behalf of the Board

Place : Nagpur
Dated 31st August 2012

DIRECTOR
(Dinesh Agrawal)

DIRECTOR
(Harish Agrawal)

**ANNEXURE TO THE REPORT OF THE DIRECTORS****CONSERVATION OF ENERGY:**

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. Effective measures have been taken to minimise the loss of energy as far as possible.

Form 'A': Disclosure of particulars with respect to Conservation of Energy

Particulars	31 st March 2012	31 st March, 2011
Electricity Purchased (Unit)	-	1367624
<u>Coal consumed :</u>		
Quantity	-	4076
Total Cost	-	148.26
Average Rate (PMT)	-	3637
Furnace Oil	-	
Other Internal Generation	-	
<u>Consumption per unit of Production :</u>		
Electricity	-	138

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT:

Production Department of the Company are always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its products. The technology used by the Company is updated as a continuous exercise. The Company does not have a separate Research and Development activity.

FOREIGN EXCHANGE EARNINGS / OUTGO:

The relevant details in respect of earnings in foreign exchange and outgo in foreign currency are NIL

For and on behalf of the Board

Place : Nagpur

Dated 31st August 2012

DIRECTOR
(Dinesh Agrawal)

DIRECTOR
(Harish Agrawal)



AUDITOR'S REPORT

To the members of
HARIYANA METALS LIMITED

We have audited the attached Balance Sheet of Hariyana Metals Limited as at 31st March 2012, the Profit and Loss Account and also the Cash flow statement 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.

1. 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.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.

ATTENTION IS INVITED TO THE FOLLOWING :-

- The aggregate of balances in the account of parties to whom loans or advances (unsecured without bearing interest) in the nature of loan have been made, exceed the limit prescribed under section 370 of the Companies, Act, 1956.
- The representation made to us by the management (which cannot be verified and hence accepted) relating to: -
 1. Various entries of receipts and issues of cheque on behalf of various parties
 2. Various adjustments between the parties account by journal entry.
 3. Non inclusion of contingent liability of Rs. 4868223 item no.. 11(i) "Claim not acknowledged as debts in Schedule 19".
- Balances of sundry debtors and debit balances of sundry creditors and loans and advances are subject to confirmation.



3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account, as required by the law, have been kept by the company, so far as appears from our examination of those books.
- c) The Balance Sheet, the Profit & Loss Account and the cash flow statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, the Profit & Loss Account and the cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956
- e) In our opinion, and based on information and explanation given to us, none of Directors are disqualified as on 31st March 2012 from being appointed as Directors in term of section 274(1)(g) of The Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March 2012;
 - (ii) In so far as it relates to the Profit & Loss Account, the loss of the company for the year ended on that date; and
 - (iii) In so far as it relates to the cash flow statement, of the cash flow of the company for the year ended on that date.



**ANNEXURE REFERRED TO IN PARAGRAPH 2 OF THE AUDITOR'S REPORT ON
THE ACCOUNTS OF PRABHU STEEL LIMITED FOR THE YEAR ENDING 31st
MARCH 2012**

As required by the Companies (Auditor's report) Order, 2003 issued by the central Government of India in terms of section 227(4-A) of the Companies Act, 1956, we report that:

1 In respect of fixed assets:

(A) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

(B) As explained to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and the nature of assets. No material discrepancies were noticed on such physical verification.

(C) In our opinion the Company has not disposed off any substantial/major part of fixed assets during the year and the going concern status of the company is not affected.

2 In respect of its inventories:

(A) As explained to us, the inventory of stocks of raw material, trading goods & finished goods has been physically verified by the management at regular intervals during the year.

(B) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company has maintained proper records of inventory. And there were no material discrepancies noticed on physical verification of inventory as compared to the book records. The discrepancies, if any, in respect of other than finished goods, trading goods and raw materials, could not be ascertained in the absence of records which should have been maintained.

3 In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956: