

INERTIA STEEL LIMITED

Regd. off.: 422, TULSIANI CHAMBER, NARIMAN POINT, MUMBAI - 400021

DIRECTORS' REPORT

To the Members

The Directors herewith presents the 26th Annual Report on the business and operations of your company together with audited accounts for the year ended 31st March, 2010.

Financial Results

The summary of financial results of your company is as under:

(Amount in Rs.)

Particulars	2009-10	2008-09
Total Income	35000	116000
Total Expenditure	25428	106013
Profit/(Loss) for the year	9572	9987
Provision for tax	3500	3100
Net profit/(loss) after tax	6072	6887
Balance b/f from previous year	138893	132006
Balance carried to next year	144965	138893

Dividend

With a view to conserve the resources of the company, the board of directors do not recommend any dividend for the year under review.

Operations

During the year under review, the total income from operations was reduced to Rs. 35000/- as compared to Rs. 116000/- during the corresponding period of previous year. The Company still managed to earn profit of Rs. 6072/- after making necessary provision for tax as against Rs. 6887/- in the previous year.

Auditors Report

The Report of Auditors of the Company is self explanatory and the Board offers no further explanation.



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Deposits

The Company has not accepted any deposits covered u/s 58A and 58AA of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 during the financial year under scrutiny.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Shri Hari Gopal Joshi, Director retires by rotation and is eligible for re-appointment.

Director's Responsibility Statement

Pursuant to sub-section (2AA) of Section 217 of the Companies, Act, 1956, the Board of Directors of the company hereby state and confirm that:

- i) All the applicable accounting standards have been followed along with proper explanations relating to material departures in the preparation of the accounts enclosed herewith.
- ii) Annual accounts are prepared on the principle of a Going Concern.
- iii) Accounting policies selected, applied and judgments and estimates made in that behalf to the extent necessary are reasonable and prudent so as to give true and fair view of the state of affairs at the end of the financial year and of the profit or loss of the company for the year under review.
- iv) Sufficient care has been taken for maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and the procedures, practices and control systems in the day-to-day management are sound enough to prevent and detect the occurrence of frauds and irregularities.

Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

As the Company does not own an undertaking, where manufacturing operations are carried out, the information to be furnished u/s 217 (1)(e) of the Companies Act, 1956 regarding technology absorption and energy conservation are not applicable.

Similarly there were no foreign exchange earnings and outgo during the year under review.

