

Annual Report 2009-2010



SIRHIND STEEL LIMITED

Board of Directors

Ravi Malhotra
Chairman & Managing Director

Rajika Malhotra
Whole-time Director

M. L. Sharma

Amal Dhru

Auditors

Manubhai & Co.

Bankers

Axis Bank Limited
State Bank of India

Regd. Office

7th floor Shalin
Ashram Road
Ahmedabad 380 009

Works

Odhav
Ahmedabad 382 415

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NOTICE

Notice is hereby given that the 33rd Annual General Meeting of Sirhind Steel Limited will be held on Monday, August 23, 2010 at 10 am at 7th floor, Shalin, Ashram Road, Ahmedabad 380 009 to transact the following business:

Ordinary Business

- 1 To receive, consider and adopt the Accounts for the year ended 31st March, 2010 together with the Report of the Directors and Auditors thereon.
- 2 To appoint a Director in place of Mr. M L Sharma, who retires by rotation and is eligible for re-appointment.
- 3 To appoint Auditors and fix their remuneration.

By order of the Board

Ahmedabad
May 31, 2010

Ravi Malhotra
Chairman & Managing Director

NOTES

- 1 A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Proxies in order to be effective must be deposited with the Company not less than 48 hours before the meeting.
- 2 The Register of Members and Share Transfer Books will remain closed from 16.08.2010 to 23.08.2010, both days inclusive.

DIRECTORS' REPORT

To The Members,

Your Directors present the 33rd Annual Report and the Audited Accounts for the year ended 31st March, 2010.

| | Year ended 31.03.2010 | Rs. in Lacs Year ended 31.03.2009 |
|-------------------------------------|--------------------------|---|
| Financial Results | | |
| Profit before Depreciation | 676.37 | 297.98 |
| Depreciation | 16.07 | 15.55 |
| Profit before Tax | 660.30 | 282.43 |
| Provision for Tax | 90.76 | 69.73 |
| Profit after Tax | 569.54 | 212.70 |
| Balance brought forward | 214.90 | 592.20 |
| Balance available for appropriation | 784.44 | 804.90 |
| Appropriations | | |
| Transfer to General Reserve | 210.00 | 590.00 |
| Balance carried to Balance Sheet | 574.44 | 214.90 |
| | 784.44 | 804.90 |

Operations

The sales income for the year was Rs.7300.66 lacs compared to Rs.9720.71 lacs in the previous year and profit before depreciation for the year was Rs.676.37 lacs compared to Rs.297.98 lacs. The net profit for the year after tax expenses of Rs.90.76 lacs was Rs.569.54 lacs as compared to Rs.212.70 lacs after tax expense of Rs.69.73 lacs in the previous year. The Directors do not recommend any dividend for the year.

Director's Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that:

- in preparation of annual accounts the applicable accounting standards have been followed,
- the accounting policies have been selected and applied consistently and the judgement and estimates made 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,
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
- the annual accounts have been prepared on a going concern basis.

Conservation of Energy, Technology Absorption, Forex Earnings and Outgo

Information Pursuant to Section 271 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is annexed to the report.

Directors

Mr. M L Sharma retires by rotation and being eligible offers himself for re-appointment.

Fixed Deposits

The Company has not accepted deposits from the public.

Particulars of Employees

The information required under Section 217(2A) of the Companies Act, 1956, read with the Rules framed there under is annexed to the report.

Auditors

The Auditors M/s Manubhai & Co. retire at the conclusion of ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Board recommends for their re-appointment as Auditors of the Company for the year 2010-11 to hold office until the conclusion of next Annual General Meeting.

For and on behalf of the Board

Ahmedabad
May 31, 2010

Ravi Malhotra
Chairman & Managing Director

Annexure to Director's Report for the year ended 31st March 2010**Conservation of Energy, Technology Absorption, Forex Earnings and Outgo****F O R M - A**

| | Year ended 31.03.2010 | Year ended 31.03.2009 |
|---|----------------------------------|----------------------------------|
| (A) Power & Fuel Consumption | | |
| 1. Electricity | | |
| Units | 2618950 | 2814875 |
| Amount | 16780297 | 17006553 |
| Rate Rs./ Unit | 6.41 | 6.04 |
| 2. Furnace Oil | | |
| Qty KL | 1224 | 1327 |
| Amount | 27314311 | 30758560 |
| Rate Rs./ KL | 22316 | 23179 |
| (B) Consumption per Unit of Production | | |
| Electricity Units/MT | 104.8 | 103.9 |
| Furnace Oil Ltrs/MT | 49.0 | 49.0 |

F O R M - B

| | | |
|--|------------|-----|
| Technology Absorption | Nil | Nil |
| Foreign Exchange Earnings and outgo | Nil | Nil |

Particulars of Employees

| Name | Designation | Qualification | Age (Years) | Date of Joining | Experience (Years) | Gross Remuneration | Last Employment |
|---------------|----------------------|---------------|----------------|--------------------|-----------------------|-----------------------|--------------------|
| Ravi Malhotra | Managing Director | B.Com | 57 | 16.04.1977 | 34 | 3044735 | Nil |

AUDITORS' REPORT

To
The Shareholders
SIRHIND STEEL LIMITED

1. We have audited the attached Balance Sheet of **SIRHIND STEEL LIMITED** as at 31st March, 2010, and also Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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.
3. As required by the Companies (Auditors' 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 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The Balance Sheet, Profit & Loss Account and Cash flow statement dealt with by this report are in agreement with books of account;
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash flow statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of Clause (g) of sub Section (1) of Section 274 of the Companies Act, 1956;
 - (vi) 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:
 - a) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2010,
 - b) in the case of Profit & Loss Account of the Profit for the year ended on that date; and
 - c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

For MANUBHAI & CO.
Chartered Accountants
Firm Registration No. 106041W

Ahmedabad
May 31, 2010

(K. C. Patel)
Partner
Membership No. 30083