

Annual Report
2011-2012



SIRHIND STEEL LIMITED

Board of Directors

Ravi Malhotra
Chairman & Managing Director

Rajika Malhotra
Whole-time Director

M. L. Sharma

Amal Dhru

Auditors

G. K. Choksi & Co.

Bankers

Axis Bank Limited
State Bank of India

Registrars & Share Transfer Agents

Link Intime India Pvt Ltd
303, Shoppers Plaza-V,
Opp. Municipal Market, off C. G. Road,
Ahmedabad 380 009

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 35th Annual General Meeting of Sirhind Steel Limited will be held on Monday, September 03, 2012 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, 2012 together with the Report of the Directors and Auditors thereon.
- 2 To appoint a Director in place of Mr. Amal Dhru, who retires by rotation and is eligible for re-appointment.
- 3 To appoint Auditors and fix their remuneration.

Special Business

- 4 To Consider and if thought fit to pass with or without modification, the following resolutions as ordinary resolution:

"RESOLVED THAT, pursuant to the provisions of Section 198,269,309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 as amended from time to time the Company hereby approves of the appointment and terms of remuneration of Mrs. Rajika Malhotra as Whole Time Director of the Company for a period of three years with effect from 1st January, 2012, upon the terms and conditions set out in the Explanatory Statement annexed to the notice.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to revise the above salary and any revision in the remuneration payable to Mrs. Rajika Malhotra shall be within the overall limits stipulated under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be required in this regard."

By order of the Board

Ahmedabad
30.05. 2012

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 An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
- 3 The Register of Members and Share Transfer Books will remain closed from 27.08.2012 to 03.09.2012 both days inclusive.

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

Item No. 4

The term of appointment of Mrs. Rajika Malhotra as Whole Time Director expired on 31.12.2011. Mrs Malhotra is associated with the Company as Director since 1994 and was appointed Whole Time Director from 01.01.2009. The Board of Director of the Company at its Meeting held on 30.01.2012 re-appointed Mrs. Rajika Malhotra as Whole Time Director for a further period of 3 (three) years with effect from 1st January, 2012. The particulars of the terms of appointment and remuneration payable to Mrs. Malhotra are as under:

Term

Three years from 1st January, 2012 to 31st December, 2014

Salary

Not exceeding 1% of the Net Profit of the Company computed in the manner laid down in section 309 (5) of the Act.

Reimbursement of Expenses

The Company shall pay to or reimburse the Whole Time Director all costs, charges and expenses that may have been or may be incurred by her for the purpose of business of the Company.

General

The aggregate remuneration inclusive of salaries and other benefits shall always be within the overall ceiling laid down in the section 198, 309 and other applicable provisions of the Act. The terms and conditions of the appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard.

A copy of resolution passed by the Board of Directors for the terms of appointment of Mrs. Rajika Malhotra is open for inspection at the registered office of the Company on any working day between 10 am to 5 pm.

None of the Directors of the Company except Mrs. Rajika Malhotra, herself and Mr. Ravi Malhotra are concerned or interested in passing of the above Resolution.

The Board commends the Resolutions set out at item 4 of the Notice for your approval.

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

Item No. 4

The term of appointment of Mrs. Rajika Malhotra as Whole Time Director expired on 31.12.2011. Mrs Malhotra is associated with the Company as Director since 1994 and was appointed Whole Time Director from 01.01.2009. The Board of Director of the Company at its Meeting held on 30.01.2012 re-appointed Mrs. Rajika Malhotra as Whole Time Director for a further period of 3 (three) years with effect from 1st January, 2012. The particulars of the terms of appointment and remuneration payable to Mrs. Malhotra are as under:

Term

Three years from 1st January, 2012 to 31st December, 2014

Salary

Not exceeding 1% of the Net Profit of the Company computed in the manner laid down in section 309 (5) of the Act.

Reimbursement of Expenses

The Company shall pay to or reimburse the Whole Time Director all costs, charges and expenses that may have been or may be incurred by her for the purpose of business of the Company.

General

The aggregate remuneration inclusive of salaries and other benefits shall always be within the overall ceiling laid down in the section 198, 309 and other applicable provisions of the Act. The terms and conditions of the appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard.

A copy of resolution passed by the Board of Directors for the terms of appointment of Mrs. Rajika Malhotra is open for inspection at the registered office of the Company on any working day between 10 am to 5 pm.

None of the Directors of the Company except Mrs. Rajika Malhotra, herself and Mr. Ravi Malhotra are concerned or interested in passing of the above Resolution.

The Board commends the Resolutions set out at item 4 of the Notice for your approval.

DIRECTORS' REPORT

To The Members,

Your Directors present the 35th Annual Report and the Audited Accounts for the year ended 31st March, 2012.

	Year ended 31.03.2012	₹ Lacs Year ended 31.03.2011
Financial Results		
Profit before Depreciation	359.64	382.15
Depreciation	17.41	17.53
Profit before Tax	342.23	364.62
Provision for Tax	72.99	38.17
Profit after Tax	269.24	326.45
Balance brought forward	350.89	574.44
Balance available for appropriation	620.13	900.89
Appropriations		
Transfer to General Reserve	350.00	550.00
Balance carried to Balance Sheet	270.13	350.89
	620.13	900.89

Operations

The sales income for the year was ₹ 11496.85 lacs compared to ₹ 7381.71 lacs in the previous year, but the operating margins were under pressure due to adverse market conditions and steep increase in the input cost of raw material and fuel. The profit before depreciation for the year was ₹ 359.64 lacs compared to ₹ 382.15 lacs in the previous year. The net profit for the year after tax expenses of ₹ 72.99 lacs was ₹ 269.24 lacs as compared to ₹ 326.45 lacs after tax expense of ₹ 38.17 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.

Cost Audit

The Ministry of Corporate Affairs has issued industry specific Cost Audit Order No. 52 /26 / CAB/2010 dated 30th June, 2011. Accordingly in terms of the above order and pursuant to provisions of Section 233 B of the Companies Act, 1956, your Directors have appointed Mr. Vinod Himmatlal Shah, Cost Accountant, as the Cost Auditor of the Company.

Directors

Mr. Amal Dhru retires by rotation and being eligible offer 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 G K Chokshi & Co. Chartered Accountants 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 2012-2013 to hold office until the conclusion of the next Annual General Meeting.

For and on behalf of the Board

Ahmedabad
May 30, 2012

Ravi Malhotra
Chairman & Managing Director

Annexure to Director's Report for the year ended 31st March 2012**Conservation of Energy, Technology Absorption, Forex Earnings and Outgo****FORM - A**

	Year ended 31.03.2012	Year ended 31.03.2011
A. Power & Fuel Consumption		
1. Electricity		
Units	2984900	2194045
Amount	20224171	14279242
Rate ₹/ Unit	6.78	6.51
2. Furnace Oil		
Qty KL	1373	1011
Amount	52378147	27204782
Rate ₹/ KL	38149	26909
B. Consumption per Unit of Production		
Electricity Units/MT	106	106
Furnace Oil Ltrs/MT	49	49

FORM - 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	58	16.04.1977	35	2945312	Nil