

SIRHIND STEEL LIMITED

ANNUAL ACCOUNTS
2013-2014



G. K. Choksi & Co.

Chartered Accountants

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.
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INDEPENDENT AUDITOR'S REPORT

To,
The Members,
SIRHIND STEEL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **SIRHIND STEEL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

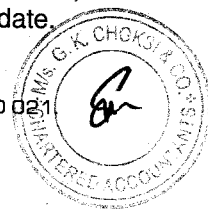
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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Emphasis of Matter

Reference is invited to note 23 with regard to closure of manufacturing activities and investment made by company in securities, mutual funds and other liquid funds out of retained earnings. The company, out of earned profits in earlier financial year and retained in to the business, has made aforesaid investment and in order to undertake such activity the company has modified the object clause in Memorandum of Association. Subsequent to year end, the company has sought advice from Reserve Bank of India about regulatory compliances relating to Non Banking Finance Companies to be made by it. Pending response from Reserve Bank of India, as to requirement of regulatory compliance relating to NBFC the income generated out of such investment has been considered and classified as "Revenue from Operations".

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March, 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants

Shaunak V. Muzumdar

SHAUNAK V. MUZUMDAR

Partner

Mem. No. 37571

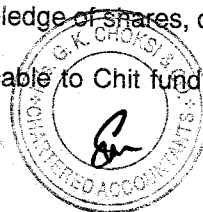
Place : Ahmedabad
Date : 30th May, 2014



Annexure to the Auditors' Report

(Referred to in our Report of even date to the members of Sirhind Steel Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The company had retired all the fixed assets related to manufacturing activities consequent upon the resolution passed by Board of Directors to close the same in the preceding financial year. The company has sold the retired assets during the year under review.
- (ii) There is no inventory during the year, hence this clause is not applicable.
- (iii) The Company has neither taken nor granted any loans, secured or unsecured, from / to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the clauses 4(iii) (a) to 4(g) of the order are not applicable.
- (iv) In our opinion and according to information and explanation given to us; there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of fixed assets, and with regard to the services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that there are no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (b) According to the information and explanations given to us, since there are no such contracts and arrangements, paragraph 4(v)(b) of the order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or other relevant provisions of the Act and the rules framed there under.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business
- (viii) As company is not engaged in production, processing or manufacturing activities during the year, hence maintenance of cost records is not applicable to the company.
- (ix) (a) In our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues and the company had no arrears of such outstanding dues as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, no undisputed statutory dues with the appropriate authorities in respect of any statutory dues were in arrears, as at 31st March 2014 for a period of more than six months from the date they become payable.
- (x) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xi) According to information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (xii) According to information and explanations given to us, the Company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to Chit fund, Nidhi or Mutual Benefit Funds/Societies are not applicable to the Company.



- (xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) The company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) The company has not taken any term loans during the year and accordingly clause 4(xvi) of the report is not applicable.
- (xvii) According to the information and explanations given to us and over all examination of the balance sheet of the company, funds raised on short-term basis have not been used for long-term investments.
- (xviii) The Company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the period under review.
- (xx) The Company has not raised any money by public issues during the period under review.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

Shaunak V. Muzumdar

SHAUNAK V. MUZUMDAR

Partner

Mem. No. 37571

Place : Ahmedabad
Date : 30th May, 2014



SIRHIND STEEL LIMITED

Balance Sheet as at 31st March, 2014

[Amount in Rs.]

Particulars	Notes	As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	4 00 77 000	4 00 77 000
Reserves and Surplus	3	57 85 57 927	54 16 32 010
		<u>61 86 34 927</u>	<u>58 17 09 010</u>
Non-Current liabilities			
Deferred tax liabilities (Net)	4	7 14 478	22 43 909
Current liabilities			
Trade payable	5	10 10 077	11 79 921
Other current liabilities	6	11 236	2 53 630
		<u>10 21 313</u>	<u>14 33 551</u>
Total		<u>62 03 70 718</u>	<u>58 53 86 470</u>
ASSETS			
Non-Current assets			
Fixed Assets			
Tangible Assets	7	1 46 53 904	1 09 96 444
Non-current investments	8	45 71 08 517	45 53 92 967
Long term - loans and Advances	9	1 58 66 544	1 51 75 838
		<u>48 76 28 965</u>	<u>48 15 65 249</u>
Current Assets			
Other Non-current Assets	10	10 59 35 160	0
Trade receivables	11	0	46 00 000
Cash & cash equivalents	12	2 42 97 481	9 55 05 277
Short term - Loans & advances	13	0	39 003
Other current assets	14	25 09 112	36 76 941
		<u>13 27 41 753</u>	<u>10 38 21 221</u>
Total :		<u>62 03 70 718</u>	<u>58 53 86 470</u>
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

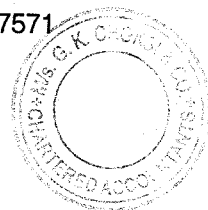
Chartered Accountants

Shaunak V. Muzumdar

SHAUNAK V. MUZUMDAR

Partner

Mem. No. 37571



FOR AND ON BEHALF OF THE BOARD

Ravi Malhotra

Ravi Malhotra

Chairman & Managing Director

Rajika Malhotra

Rajika Malhotra

Whole Time Director

N. C. Kapadia

N C Kapadia

Director

Place : Ahmedabad
Date : 30th May, 2014

Place : Ahmedabad
Date : 30th May, 2014