



## THE SERVICE INSURANCE

SUJANA METAL PRODUCTS LIMITED | ANNUAL REPORT 2007-08

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

CHAIRMAN	:	SHRI Y.S. CHOWDARY
MANAGING DIRECTOR	:	SHRI R.K.BIRLA
DIRECTORS	:	SHRI G.SRINIVASA RAJU SHRI S.HANUMANTHA RAO SHRI J. RAMAKRISHNAN* Dr. K.SRINIVASA RAO* Dr. V.MALAKONDA REDDY* SHRI K.KAMESWARA RAO* SHRI S.RAMACHANDRAN* SHRI N.SRIKRISHNA*

\* Independent, Non-Executive Directors

### MANAGEMENT COMMITTEE

:	SHRI Y.S.CHOWDARY SHRI G.SRINIVASA RAJU SHRI R.K.BIRLA SHRI S.HANUMANTHA RAO
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### AUDIT COMMITTEE

:	SHRI N.SRIKRISHNA SHRI S.HANUMANTHA RAO DR.K.SRINIVASA RAO DR.V.MALAKONDA REDDY SHRI K.KAMESWARA RAO
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### SHARE TRANSFER COMMITTEE

:	SHRI Y.S.CHOWDARY SHRI G.SRINIVASA RAJU SHRI R.K.BIRLA
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### SHAREHOLDERS' GRIEVANCES COMMITTEE

:	SHRI S.HANUMANTHA RAO SHRI Y.S.CHOWDARY SHRI G.SRINIVASA RAJU
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### REMUNERATION COMMITTEE

:	DR.K.SRINIVASA RAO SHRI J.RAMAKRISHNAN Dr. V.MALAKONDA REDDY
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### COMPANY SECRETARY

:	SHRI SHAIK IBRAHEEM
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### AUDITORS

:	M/S.DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS, HYDERABAD.
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# SUJANA METAL PRODUCTS LIMITED

**BANKERS** : BANK OF BARODA  
BANK OF INDIA  
INDIAN OVERSEAS BANK  
INDIAN BANK  
KARNATAKA BANK LIMITED  
LAKSHMI VILAS BANK LIMITED  
PUNJAB NATIONAL BANK  
STATE BANK OF PATIALA  
SBI FACTORS AND COMMERCIAL SERVICES (P) LTD.

**FINANCIAL INSTITUTIONS** : IDBI BANK LIMITED  
IFCI LIMITED

**REGISTERED OFFICE** : SURVEY NOS.296/7/9, IDA BOLLARAM,  
JINNARAM MANDAL, MEDAK DIST, A.P.

**PLACE OF KEEPING THE BOOKS  
OF ACCOUNTS U/S.209 OF THE  
COMPANIES ACT, 1956** : NO.18, NAGARJUNA HILLS,  
PUNJAGUTTA, HYDERABAD - 500 082.

**WORKS** : **HYDERABAD DIVISION:**  
(i) SURVEY Nos.296/7/9,  
(ii) SURVEY Nos.296/7/7, I.D.A.BOLLARAM,  
JINNARAM MANDAL, MEDAK DIST, A.P.  
**CHENNAI DIVISION :**  
MANJANKARANAI VILLAGE,  
CHENGAI M.G.R. DIST., TAMILNADU.

**VISAKHAPATNAM DIVISION :**  
SANIVADA VILLAGE, RAJEEVNAGAR,  
VISAKHAPATNAM - 530 046.

**LISTING** : BOMBAY STOCK EXCHANGE LIMITED,  
PHIROZE JEEJEEBHOY TOWERS,  
DALAL STREET, MUMBAI - 400 001.  
  
THE MADRAS STOCK EXCHANGE LTD,  
EXCHANGE BUILDING, P.BOX 183, 11,  
2ND LINE BEACH, CHENNAI - 600 001.  
  
HYDERABAD STOCK EXCHANGE LTD,  
6-3-654, ADJACENT TO ERRAMANZIL BUS STOP,  
SOMAJIGUDA, HYDERABAD - 500 082.

**REGISTRAR & SHARE TRANSFER  
AGENTS** : M/S BIGSHARE SERVICES PVT. LTD.,  
G-10, LEFT WING, AMRUTHA VILLE,  
OPP: YASHODA HOSPITAL, RAJ BHAVAN ROAD,  
SOMAJIGUDA, HYDERABAD - 500 082.  
PHONE NO: 040 - 2337 4967

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## NOTICE

*NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of the Company will be held on Friday, 27th day of February, 2009 at Plot Nos.10, 11 & 12, Survey No.172, Bollaram Village, Jinnaram Mandal, Medak District, Andhra Pradesh at 11.30 A.M. to transact the following business:*

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet of the Company as at 30th September, 2008 and the profit and loss account for the period ended 30th September, 2008 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri K.Kameswara Rao, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri J.Ramakrishnan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and fix their remuneration. The retiring auditors M/s. Deloitte Haskins & Sells, Chartered Accountants, Hyderabad are eligible for re-appointment.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

"RESOLVED THAT Shri N.Srikrishna, who was appointed as an Additional Director of the Company with effect from 28th January, 2008 and holds office upto the date of this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company under Section 257 of the Companies Act, 1956 who shall be liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, if necessary, Shri R.K.Birla, Managing Director of the Company be and is hereby re-appointed as Managing Director of the Company for a period of 5(Five) years commencing from 28.01.2008, until otherwise decided."

"RESOLVED FURTHER that Shri S.Hanumantha Rao, Director and Shri Shaik Ibraheem, Company Secretary of the Company be and are hereby severally authorized to file necessary forms with Registrar of Companies, to complete all the formalities and compliances and to do all such acts, deeds and things as may be necessary in this regard."

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

"RESOLVED that pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government, if necessary, Shri R.K.Birla, Managing Director's remuneration be fixed on the following terms and conditions, with effect from 01.11.2007 for the balance period of tenure of his office:

Salary	: Rs.5,00,000/- per month
H.R.A.	: Rs.1,00,000/- per month
TOTAL	: Rs.6,00,000/- per month

"RESOLVED FURTHER that Shri S.Hanumantha Rao, Director and Shri Shaik Ibraheem, Company Secretary of the Company be and are hereby severally authorized to file necessary forms with Registrar of Companies, to complete all the formalities and compliances and to do all such acts, deeds and things as may be necessary in this regard."

**BY ORDER OF THE BOARD**

PLACE: HYDERABAD  
DATE: 29.01.2009

**Y.S. CHOWDARY**  
CHAIRMAN

# SUJANA METAL PRODUCTS LIMITED

## NOTES:

1. *A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY STAMPED AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.*
2. Members/Proxies are requested to bring along with them Annual Reports being sent to them.
3. The Share transfer books and Register of Members of the Company will remain closed on 26.02.2009 (One day only).
4. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection at the venue of the Annual General Meeting of the Company during the Annual General Meeting. The Register of Directors' Shareholding is also available for inspection of the Members at the registered office of the Company, fourteen days before and three days after, the date of the Annual General Meeting of the Company.
5. The registration of share transfers and other related correspondence will be dealt with by the Company at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at G-10, Left Wing, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
6. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 is enclosed.

### EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956:

#### Item No.5:

Shri N.Srikrishna was appointed as an Additional Director of the Company at the Meeting of Board of Directors of the Company held on 28th January, 2008 who holds office up to the date of the ensuing Annual General Meeting of the Company.

Shri N.Srikrishna is a Fellow Member of the Institute of Chartered Accountants of India. Shri N.Srikrishna is in the profession of Chartered Accountancy for the last 22 years and is a Partner in M/s Brahmaiah & Co., Chartered Accountants, Chennai for a period of 15 years. He handled many Corporate Audits including audits of large manufacturing companies, NBFCs, Technology Companies, Housing Finance Companies, consultancy assignments, risk assessments, corporate taxation of large Corporates, Public Sector Undertakings, investigations on behalf of Public Sector Banks etc. Thus, his presence on the Board will be highly beneficial to the Company.

Notice required under Section 257 of the Companies Act, 1956 together with the requisite deposit has been received from a member proposing the appointment of Shri. N.Srikrishna as Director. The said notice and the Memorandum and Articles of Association of the Company are available for inspection at the Registered Office of the Company on any working day.

Therefore, your Directors recommend the resolution for your approval.

None of the Directors of the Company except Shri N.Srikrishna is concerned or interested in the aforesaid resolution.

#### Item No.6 and 7:

Shri R.K.Birla, was re-appointed as Managing Director of the Company for a period of 5 years with effect from 28.01.2008. Shri R.K.Birla is an able and efficient person to shoulder the responsibilities and duties of the Managing Director of the Company. Shri R.K.Birla did his Bachelor Degree Course in arts and Master of Business Administration (MBA) from BITS, Pilani.

In accordance with the provisions of Sections 198, 269 and 309 of and Schedule XIII of the Companies Act, 1956, approval of shareholders is required for the appointment of Managing Director and for enhancement of his remuneration with effect from 01.11.2007 till the expiry of his tenure of office on 27.01.2013.



Therefore, Your Directors recommend the resolution for your approval.

None of the Directors except Shri R.K.Birla is interested or concerned in the aforesaid resolution.

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting you the Nineteenth Annual Report of your Company together with the Audited Accounts for the year ended 30th September, 2008 comprising of 15 months from 01.07.2007 to 30.09.2008.

BY ORDER OF THE BOARD

PLACE: HYDERABAD  
DATE: 29.01.2009

Y.S. CHOWDARY  
CHAIRMAN

Additional Information pursuant to Clause 49 of the Listing Agreement :

**Brief profile of Shri K.Kameswara Rao, Director, who retires by rotation and is eligible for re-election.**

Shri K.Kameswara Rao has been on the Board of Directors since 30th January, 2006.

Shri K.Kameswara Rao had banking experience of 38 years at various senior levels. He retired from State Bank of India as Chief General Manager and held various responsible positions in the fields of General Banking, Credit, Treasury etc.

**Brief profile of Shri J.Ramakrishnan, Director, who retires by rotation and is eligible for re-election.**

Shri J.Ramakrishnan has been on the Board of Directors since 25th July, 1995.

Shri J.Ramakrishnan, retired as Principal Collector, Central Excise and Customs Department. He is having over 30 years of experience in Central Excise and Customs Department.

Shri J.Ramakrishnan, presently holding the position of Director in Sujana Universal Industries Limited.

### Company's Performance:

Your Directors hereby report that the Company has achieved a turnover of Rs. 187782.29 lakhs upto 30.09.2008 consisting of fifteen (15) months, as against the turnover of Rs. 75092.06 lakhs during the previous financial year ended 30.06.2007 consisting of twelve (12) months.

*The highlights of the financial results are as follows:*

	(Rupees in Lakhs)	
	2007-2008 (15 Months)	2006-2007 (12 Months)
Operating profit before depreciation & interest	11801.40	7316.49
Interest	4465.99	2401.63
Depreciation	2202.82	1512.96
Operating profit after depreciation and interest	5132.59	3401.90
Other Income	348.44	92.30
Profit before tax	5481.04	3494.22
Provision for tax	2399.22	1195.13
Profit before extra-ordinary items	3081.81	2299.09
Extraordinary items	740.71	0.00
Profit after extraordinary items	3822.52	2299.09
Add :Profit brought forward	6259.85	4002.09
Profit available for appropriation	10082.37	6301.17

# SUJANA METAL PRODUCTS LIMITED

## Review of Operations:

Growth in Revenue and Profit During the year under review, your company recorded a total income of Rs.189563.24 lakhs, compared to Rs. 75184.35 lakhs in the previous financial year, which represents a 152.10% growth. The net profit for the year stands at Rs.3822.52 lakhs as compared to the net profit of Rs. 2299.08 lakhs in the previous year, which represents a 66.26% increase over previous year.

## Industrial Relations:

Your directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year.

## Allotment of 80,83,000 equity shares of Rs.5/- each of the Company on preferential basis to promoters and Non-Promoters:

In pursuance of special resolution passed by the members of the Company in the 18th Annual General Meeting held on 31.12.2007, to issue 80,83,000 Equity shares of Rs.5/- each at a price determined as per the provisions of SEBI (Disclosure and Investor Protection) Guidelines 2000, of Rs.36/- per share to the existing members of the Company and/or Promoters or Promoter Group members and/or non-promoters for the purpose of acquiring industrial undertakings manufacturing and dealing in steel products and for general corporate purposes, the Company allotted 80,83,000 equity shares of Rs.5/- each to the promoters & Non-promoters on 28.01.2008 and subsequently listed in BSE.

The proceeds of the issue have been utilized for the purpose for which they have been raised.

## Allotment of 6,05,00,000 convertible warrants of Rs.5/- each at a price of Rs.36/- per warrant to the promoters and promoter group:

In pursuance of special resolution passed by the members of the Company in the 18th Annual General Meeting held on 31.12.2007, to issue 6,05,00,000 convertible warrants of Rs.5/- each at a price determined as per the provisions of SEBI (Disclosure and Investor Protection) Guidelines 2000, of Rs.36/- per share to the Promoters and Promoter Group, the Company allotted 6,05,00,000 Convertible

Warrants to the promoters & promoter group on 28.01.2008. These warrants are compulsorily convertible into equity shares within a period of eighteen months from the date of allotment i.e., 28.01.2008.

During the year under review, 32,00,000 warrants out of 6,05,00,000 warrants had been converted into 32,00,000 equity shares of Rs.5/- each of the Company and subsequently listed in BSE.

The proceeds of the issue have been utilized for the purpose for which they have been raised.

## Subsidiary Companies:

### *M/s Alpha Ventures Limited:*

M/s Alpha Ventures Limited, is a wholly owned subsidiary company incorporated on 6th March, 2007 in Cayman Islands for carrying on any business / activity of trading in different commodities which is not prohibited by the Company's Law (2004 Revision) or as the same may be revised from time to time, or any other law of Cayman Islands.

As per the law prevailing in Cayman Islands, Financial Statements of M/s Alpha Ventures Limited are not required to be audited. Therefore, Audited accounts, Directors' report, Auditors' report and other related information of M/s Alpha Ventures Limited could not be annexed as per Section 212 (1) of the Companies Act, 1956.

### *M/s Asian Tide Enterprises Limited:*

M/s Asian Tide Enterprises Limited, is a wholly owned subsidiary company incorporated on 3rd July, 2007 in Hong Kong for carrying on the business of trading of goods and services with accent on procuring raw materials (in bulk) for manufacturing activities of the Company (melting scarp for its rolling division) and sale surplus in the market.

Your Company's Financial Year is not coinciding with the Financial Year of M/s Asian Tide Enterprises Limited. M/s Asian Tide Enterprises Limited has carried on the business transactions from the date of the incorporation.

The financial statements of M/s Asian Trade Enterprises Limited are yet to be audited for its first financial year and therefore audited

accounts, Directors' report, Auditors' report and other related information could not be annexed as per Section 212 (1) of the Companies Act, 1956.

***M/s Glade Steel Private Limited:***

M/s Glade Steel Private Limited is a wholly owned subsidiary company incorporated on 2nd May, 2005 in Andhra Pradesh for carrying on the business as manufacturers, producers sellers, dealers etc in Steel, Iron and Alloys in all forms and all by-products and joint products thereof. The 100% shareholding of this Company has been acquired by making an investment of Rs.6,74,51,400/-

Audited financial statements, Directors' Report and Auditors' Report of **M/s. Glade Steel Private Limited** for the financial year ended 31.03.2008 pursuant to Section 212(1) are given from page no.62 to page no.73 and forming part of this Report.

Statement pursuant to Section 212(1)(e) of the Companies Act, 1956 relating to Subsidiary Companies, as at 30th September, 2008, is also annexed to this Report.

**Consolidated Financial Statements:**

The Consolidated Financial Statements of the Company and its subsidiaries, prepared and presented in accordance with Accounting Standard (AS) 21, are attached to and form part of the Annual Report.

**Acquisitions:**

During the period, the Company acquired an operating unit from Sarita Steel and Industries Limited, Rajam, Anthakapalli Village, Andhra Pradesh, on 'slump sale basis'. As part of this acquisition, the Company has taken over the outstanding dues of Rs.2170 Lakhs payable to SASF (Stressed Assets Stabilization Fund) , a division of IDBI. SASF as approved their letter dated July 9, 2008.

**Corporate Governance:**

A report on Corporate Governance along with Practising Company Secretary certificate on compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement, is provided elsewhere in the Annual Report.

**Management Discussion and Analysis Report:**

Management Discussion and Analysis Report is provided elsewhere in the Annual Report.

**Directors:**

Shri N.Srikrishna has been appointed as an Additional Director with effect from 28.01.2008. Shri N.Srikrishna holds office upto the date of the ensuing Annual General Meeting. Notice has been received from a Member, under Section 257 of the Companies Act, 1956, proposing the name of Shri N.Srikrishna for appointment as Director liable to retire by rotation.

Shri K.Kameswara Rao and Shri J.Ramakrishnan, Directors of the Company, are liable to retire by rotation in the forthcoming Annual General Meeting of the Members of the Company and being eligible offers themselves for reappointment.

**Directors' Responsibility Statement:**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating management, confirm that-

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b. that they have selected such accounting policies and applied them consistently and made judgments 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;
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- d. That they have prepared the annual accounts on a going concern basis.

**Code of conduct**

The Board has laid down a Code of Conduct for all Board Members and Senior Management



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of the Company. The Code of Conduct has been posted on the Company's website. Board Members and Senior Management personnel have affirmed compliance with the Code for the financial year 2007-08. A separate declaration to this effect is made out in the Corporate Governance Report.

## Promoter Group Companies:

Pursuant to intimation from promoters, names of Promoters and companies comprising the "Group" as defined in the Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969, have been disclosed on page no.18 in the Annual Report.

## Statutory Auditors:

The Company's Statutory Auditors M/s. Deloitte Haskins & Sells, Chartered Accountants, Hyderabad, who retire at the ensuing Annual General Meeting of your Company, being eligible offers themselves for reappointment.

Your Board of Directors recommended the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Hyderabad, as Statutory Auditors of your Company. Your approval for such appointment is solicited.

## Personnel

The relations with employees continued to be cordial throughout the year. The Board appreciates the willful co-operation and team spirit in the Management Cadre and other employees of the Company.

Information required to be furnished under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended is annexed to this report.

## Human Resource Management:

With the size of expansion going in the Company, human resources assume greater importance and have a significant place in the Organizational Structure. Your Company has been able to create a favorable work environment that encourages innovation and meritocracy. Your Company has put in place a scalable recruitment and human resource

management. The efforts of your Company in the area of employee management and HR practices have been proved effective in Human Resource Management. Emphasis is given to the overall development of the personality of individual employee. Welfare schemes for employees and their families are run in the factories.

## Dividend

The Board of Directors of your Company has recommended dividend of 1% on 35,31,625 Cumulative Redeemable Preference Shares of Rs.100/- each to the holders of Cumulative Redeemable Preference Shares for the year under review as per the terms of issue of Cumulative Redeemable Preference Shares.

## Quality

High quality standards are maintained in all areas and review of the same is also made constantly in view of the rapid changes that are taking place in the global markets.

## Insurance

All the properties and insurable assets of the Company, including Building, Plant and Machinery, Stocks etc., wherever necessary and to the extent required, have been adequately covered.

## Listing of Company's Securities:

Your Company's shares are currently listed on Hyderabad, Bombay and Madras Stock Exchanges.

## Dematerialization of Shares:

Your Company shares have been made available for dematerialization through the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL).

## Fixed Deposits:

The Company has not accepted any fixed deposits and the provisions of Section 58A of the Companies Act, 1956 are not applicable.

## Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the report of the Board of Directors) Rules, 1988 are given in the Annexure 1 and forms part of this report.

## Explanations to qualifications in Auditors' Report:

**Comments on Company Statutory Auditor's remarks for the year 2007-08:**

The Statutory Auditors of the Company 'M/s Deloitte Haskins & Sells' have made the following comments in their report on the Company.

### 1. Auditors Comments:

Paragraph (ix) (a) in Annexure to the Audit Report, "Delays in deposit of provident fund dues, employee state insurance dues, taxes deducted at source, advance payment of taxes and wealth tax, the company has been regular in depositing undisputed statutory dues including investor education and protection fund, customs duty, excise duty, cess, service tax and any other material statutory dues applicable to it with the appropriate authorities during the year".

### Company Explanation:

The delay in payment of statutory dues are not regular and the delay is due to non remittance on due dates in some occasions. However, the company has cleared all the statutory dues in time with necessary late payment fee and the company has taken appropriate steps to avoid delay in future.

### 2. Auditors Comments:

Paragraph (ix) (b) in Annexure to the Audit Report "details of undisputed amounts payable in respect of investor education and protection fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and any other material statutory dues which were in arrears as at September 30, 2008 for a period of more than six months from the date they became payable are given below"

Nature of Statute	Nature of Dues	Amount	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Income Tax and Fringe Benefit Tax	90,145,576	1999-2008	July, September December and March of the each year	Not Paid

### Company Explanation :

The company is in the process of reconciling the differences in the amounts payable to the Income Tax Department in the previous year. As per the company's claim certain refunds are pending with the Income Tax department. However, an amount of Rs 78.71 Lakhs has has been remitted after the date of the Balance Sheet.

### 3. Auditors Comments:

Paragraph (ix) (c) in Annexure to the Audit Report "details of dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited as on March 31, 2008 on account of any dispute are given below"