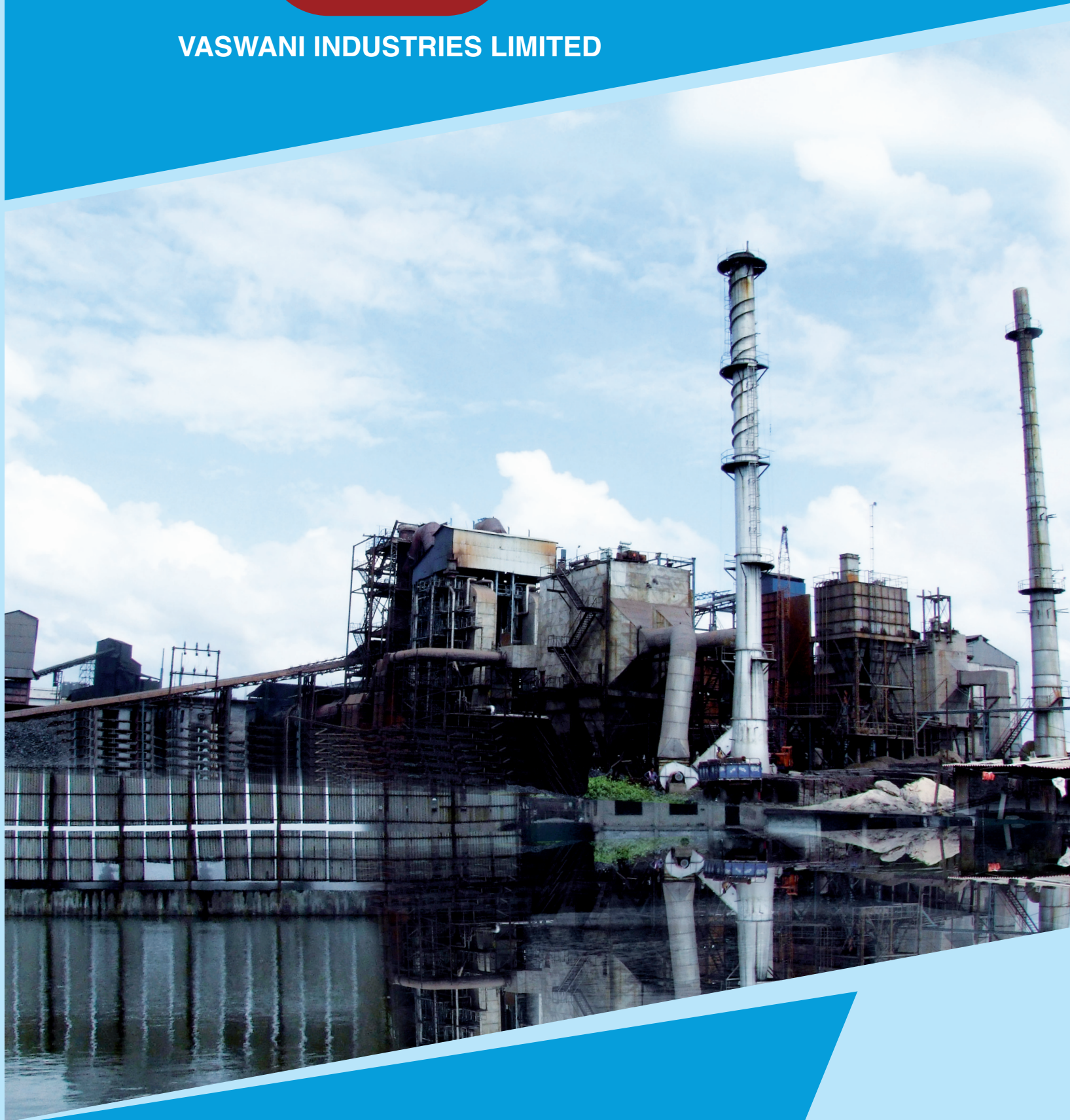




VASWANI INDUSTRIES LIMITED



8TH ANNUAL REPORT 2010-11



Man Power



Iron ore used as Raw Material for Manufacturing of Sponge Iron



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Ravi Vaswani	– Managing Director
Mr. Pramod Vaswani	– Whole Time Director
Mr. Yashwant Vaswani	– Whole Time Director
Mr. Lekhu Thadharam Mulchandani	– Independent Director
Mr. Ashok Suri	– Independent Director
Mr. Sunny Saini	– Independent Director

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Mr. Lekhu Thadharam Mulchandani	– Chairman
Mr. Pramod Vaswani	– Member
Mr. Sunny Saini	– Member

REMUNERATION COMMITTEE

Mr. Lekhu Thadharam Mulchandani	– Chairman
Mr. Ashok Suri	– Member
Mr. Sunny Saini	– Member

SHAREHOLDERS'/INVESTOR GRIEVANCES COMMITTEE

Mr. Lekhu Thadharam Mulchandani	– Chairman
Mr. Sunny Saini	– Member
Mr. Yashwant Vaswani	– Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Rachana Hingar upto September 1st, 2011.

Mr. Anurag Pandya w.e.f. September 1st, 2011.

STATUTORY AUDITORS

M/s Sunil Johri & Associates

BANKERS

State Bank of India

Union Bank of India

IDBI Bank

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.,

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W),

Mumbai 400 078

REGISTERED OFFICE

MIG-4, Indrawati Colony,

Raipur- 492 001,

Chhattisgarh



LETTER TO SHAREHOLDERS

Dear Members,

You are cordially invited to attend the 8th Annual General Meeting of the members to be held on Monday, 17th October, 2011 at 10:30 A.M. at the Registered Office of the Company at MIG-4, Indrawati Colony, Raipur Chhattisgarh, India.

The Notice for the meeting, containing the business to be transacted, is enclosed herewith.

Warm Regards,

Ravi Vaswani
Managing Director

NOTICE

NOTICE is hereby given that the **8TH ANNUAL GENERAL MEETING** of the members of **Vaswani Industries Ltd.** will be held on Monday, the 17th October, 2011 at 10:30 A. M. at Registered Office of the Company situated at MIG-4, Indrawati Colony, Raipur, Chhattisgarh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2011 and Profit & Loss Accounts of the Company for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri Yashwant Vaswani, Whole-Time Director of the Company, who retires by rotation and is eligible for re-appointment.
3. To appoint a director in place of Shri Ashok Suri, Director of the Company, who retires by rotation and is eligible for re-appointment.
4. To appoint Statutory Auditors for holding the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to consider and if thought fit to pass with or without modification the following resolution as an "Ordinary Resolution."

"RESOLVED THAT M/s Sunil Johri & Associates, (Registration No. 005960C), Chartered Accountants, Nathani Building, Shastri Chowk, Raipur be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board plus reimbursement of actual travelling and other incidental expenses incurred in connection with the audit."

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification the following resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 94 (1) (a) of the Companies Act, 1956, the Authorized Share Capital of the Company be increased from Rs. 25,00,00,000/- (Rs. Twenty Five Crore only) divided into 2,47,50,000 (Two Crore Forty Seven Lac Fifty Thousand only) equity shares of Rs. 10/- each (Rs. Ten only) and 2,50,000 (Two Lac Fifty Thousand only) 10% Non-cumulative redeemable preference shares of Rs.10/- each (Rs. Ten only) to Rs. 30,00,00,000/- (Rs. Thirty Crore only) by creation of 50,00,000/- (Fifty lacs only) Equity Shares of Rs. 10 each/-, ranking *pari-passu* with the existing equity shares of the company."

"RESOLVED FURTHER THAT in compliance with the provisions of Section 16 of the Companies Act, 1956, the existing capital clause No. V appearing in the Memorandum of Association be substituted with the following new clause:

"V. The Authorized Share Capital of the Company is Rs. 30,00,00,000/-(Rs.Thirty Crore Only) divided into 2,97,50,000 (Two Crore Ninety Seven Lac Fifty Thousand only) Equity shares of Rs. 10/- each and 2,50,000 (Two Lac Fifty Thousand only) 10% Non-cumulative redeemable Preference Shares of Rs.10/- each (Rs. Ten Only)"

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things necessary to give effect to increase in authorized share capital and necessary alterations in Memorandum of association"

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

"RESOLVED THAT in compliance with the provisions of Section 31 of the Companies Act, 1956, the existing capital clause appearing in Article 3 of Articles of Association be substituted by the following new article:

"3. The Authorized Share Capital of the Company is as per the Capital Clause "V" of Memorandum of Association of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things necessary to give effect to increase in authorized share capital and necessary alterations in Articles of Association"



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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act 1956 and provisions of the Articles of Association of the Company, and order of Securities Appellate Tribunal (SAT) dated 25.08.2011 and subject to such regulatory, statutory and other approvals permissions and sanctions as may be required and subject further to such terms, conditions, alterations, modifications, changes and variations as may be specified while according such approvals which the Board of Directors of the Company be and is hereby authorized to accept, if it thinks fit, the Company be and is hereby authorised to capitalise upto Rs.2,50,00,000 (Rs.Two Crore Fifty lac only) out of 'Securities Premium Account' and transferred the same to share capital account towards issue and allotment of equity shares not exceeding 25,00,000 (Twenty Five lacs only) equity shares of Rs.10/- each, as bonus shares credited as fully paid-up, to members of company (other than the Promoters/Promoter Group entities) holding Equity Share of Rs.10/- each, and whose names stand in the register of members of the company on the 'Record Date' i.e. 30.09.2011, in the proportion of 1 (one) new fully paid-up Equity Share of Rs. 10/- each for every 4 (four) Equity Shares of Rs.10/- each, held as on the "Record Date" and any fractional bonus shares left over within the limit of 25,00,000 equity shares (after allocating the above bonus shares in the ratio of 1:4 to the aforesaid non-promoter shareholders) may be held by such person(s)/account(s) for the benefit of the aforesaid non-promoter shareholders which shares may be dealt with and disposed off in such manner as the Board may consider appropriate in the interest of the non-promoter shareholders; and that the bonus shares so issued (including the fractional bonus shares) and allotted be treated for all purposes as an increase of the nominal amount of the Equity Capital of the Company held by each such member/person and not as income and that the said Equity Shares be issued and allotted, inter-alia, on the following terms and conditions :

(a) The new Equity Shares of Rs. 10/- each to be issued and allotted as Bonus Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects and carry the same rights as the then existing Equity Shares of the Company, notwithstanding the date or dates of allotment thereof, including entitlement to payment of dividend, if declared, for the financial year in which the same are allotted.

(b) No letter of allotment shall be issued in respect of the Bonus Shares but in the case of Members who hold Equity Shares (or opt to receive the Bonus Shares) in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participants and in the case of Members who hold Equity Shares in certificate form, the share certificates in respect of the Bonus Shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

(c) The issue and allotment of fully paid-up new Equity Shares as Bonus Shares to the extent that they relate to non-residents shall be subject to approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds, matters and things as may in its sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the issue and allotment of Bonus Shares as aforesaid or any other matter incidental or consequential thereto

**By order of the Board of Directors
For Vaswani Industries Limited**

**Anurag Pandya
(Company Secretary)**

Place: Raipur (C.G.)

Date: 20/09/2011

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 THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- Relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of special business as set out above annexed hereto.
- A Corporate Member shall be deemed to be personally present only if it is represented in accordance with Section 187 of the Companies Act, 1956, i.e. only if the Corporate Member sends certified true copy of the Board Resolution/Power of Attorney authorizing the representative to attend and vote the Annual General Meeting.
- Register of Members and Share Transfer Book of the Company will remain closed from; 03.10.2011 to 17.10.2011 (both days inclusive).
- Documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M.
- Members are requested to kindly notify the Company immediately any change of address:
 - To their Depository Participants (DPs) in respect of their electronic share accounts, and
 - To the Company at its Registered Office in their physical shares so as to enable the Company to address the future communications at their correct addresses.



7. Members who are holding Equity shares in identical order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
8. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. The Record Date for the purpose of issue of Bonus Shares shall be published in newspapers in due course and will also be intimated to the Stock Exchanges.
10. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting venue. However, entry to the Auditorium will be strictly on the basis of the entry slip available at the counters at the venue and to be exchanged with attendance slip.
11. Members are requested to bring their copies of Notice and Attendance Slip at the time of the meeting.
12. No gift(s) shall be distributed at the ensuing 8th Annual General Meeting of your Company.

By order of the Board of Directors
For Vaswani Industries Limited

Anurag Pandya
(Company Secretary)

Place: Raipur (C.G.)
Date: 20/09/2011

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

ITEM NO. 5 & 6:

The present authorised share capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crore only). Now in view of Company proposing Issue of Bonus Shares for which increase in Authorised Share Capital is required, so your director recommend as an adequate mean to increase the authorized share capital and then to allot the shares, to issue Bonus Shares.

The Board of Directors of the Company proposed to increase the Authorised Share Capital upto Rs. 30,00,00,000/- (Rupees Thirty Crore, only) divided into 2,97,50,000 (Two Crore Ninety Seven Lacs Fifty Thousand only) Equity shares of Rs. 10/- each and 2,50,000 (Two Lacs Fifty Thousand only) 10% Non-Cumulative redeemable preference shares of Rs.10/- each (Rupees Ten Only)

In terms of provisions of Section 94 and 31 of the Companies Act, 1956 approval of the members of the Company is required for alteration in the Memorandum of Association by passing an Ordinary Resolution and Article of Associations a Special Resolution as proposed in the item no. 5 & 6 of Notice.

Your Directors therefore recommend passing the resolutions set out at item no. 5 and 6 of the Notice as an Ordinary Resolution and Special Resolution respectively.

None of the Directors of the Company is concerned or interested in the said resolution.

ITEM NO. 7:

As per the Order of Securities Appellate Tribunal (SAT) dated 25.08.2011, your directors have proposed that sum of not exceeding Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lacs only) be drawn from the Securities Premium Account of the Company and capitalised and transferred to Share Capital Account towards issue and allotment of Equity Shares not exceeding 25,00,000 (Twenty Five Lacs) Equity Shares of Rs.10 each as Bonus Shares, credited as fully paid-up, to the members holding Equity Shares as on the Record Date as specified in this behalf. The Bonus Shares will be issued in the proportion of 1 new Equity Share for every 4 Equity Shares held on the date of record date i.e. October 3, 2011.

The Bonus Shares so allotted shall rank *pari-passu* in all respect including dividend with the existing equity shares of the Company.

Your Directors therefore recommend passing the resolution set out at item no.7 of the notice as an Special Resolution.

None of the Directors of the Company is concerned or interested in the said resolution.

By order of the Board of Directors
For Vaswani Industries Limited

Anurag Pandya
(Company Secretary)

Place: Raipur (C.G.)
Date: 20/09/2011



DIRECTORS' REPORT

To,

The Members

Vaswani Industries Limited

Your Directors have pleasure in presenting the 8th Annual Report of your Company together with the Audited Statement of accounts for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

Financial Results of the Company for the financial year ending 31st March 2011 are summarized below for your consideration:

PARTICULARS	Rupees in Lacs	
	31-03-2011	31-03-2010
SALES	13153.10	9196.44
PROFIT BEFORE INTEREST AND DEPRECIATION	1980.86	1490.50
INTEREST	801.17	552.27
DEPRECIATION	472.78	338.14
NET PROFIT BEFORE TAX & PRIOR PERIOD ADJUSTMENT	706.91	600.08
PRIOR PERIOD ADJUSTMENT	0.00	2.53
NET PROFIT BEFORE TAX	706.91	602.61
PROVISION FOR TAXES	211.63	234.42
NET PROFIT AFTER TAX	495.29	368.20
PROPOSED DIVIDEND	0.00	33.73
TAX ON PROPOSED DIVIDEND	0.00	5.73
TRANSFER TO GENERAL RESERVE	49.53	36.82

2. PERFORMANCES

During the year under review, the Company has achieved sales revenue of Rs. 13153.10 Lacs as against Rs. 9196.44 lacs in the previous year thereby registering a increase of approx Rs. 3956.66 Lacs over the previous year. The profit before depreciation and interest amounted to Rs.1980.86 Lacs as against Rs. 1490.50 lacs in the previous year. After providing for interest, depreciation and tax, the net profit of the Company stands at Rs. 495.29 Lacs as against Rs. 368.20 Lacs in the previous year.

3. OPERATIONAL REVIEW

Your directors are pleased to inform you that the physical performance in the entire chain of the Integrated Steel & Power Plant operation of the Company has been excellent during the year. The Power Division has marked a remarkable increase in the Power generation due to commissioning of 4 MW Power Plant. The Generation of power has increased from 60396000 Units to 74753378 units vis-à-vis Previous year. Due to efficient running of the Generation Plant, the generation loss has also decreased as compared to previous year i.e. 1.93% to 1.79%.

The performance of the Steel Division is excellent as compared to previous year in terms of production. The Production of Sponge Iron has increased from 47378.030 MT to 58637.570 MT as Compared to Previous Year. The Sales revenue of the year in respect of Sponge Iron Plant has increased by 35.14 % as compared to previous year. This is due to increased production and better marketing strategy.

4. FUTURE PROSPECTS AND EXPANSIONS

The Company has already setup 4MW Power generation plant resulting into increased power generation in the said financial year. Further the Company has applied to the Nodal Agency of Chhatisgarh Govt. (CREDA) to go for Solar Power Plant as an alternative source of energy to supplement the increased demand of power at a cheaper cost. The completion of the project will depend upon Govt. policies. All these expansion plans are expected to increase the present volumes significantly in the ensuing year and the Company is expected to maintain this growth momentum in future year also.

5. INITIAL PUBLIC OFFER

During the financial year 2010-2011, your Company had initiated the process of Initial Public offer of 1,00,00,000 (One Crore) Equity Shares of the Company ("the Issue") and filed its final Prospectus dated May 6, 2011 with SEBI and Registrar of Companies, M.P. The Issue which remained opened from April 29, 2011 to May 3, 2011 received good response from the public and hence, was oversubscribed. The basis of allotment was filed with the stock exchange(s) on May 10, 2011. However, some complaints were filed with SEBI regarding certain irregularities in the bidding process. Accordingly, SEBI vide its Order dated May 26, 2011 directed the stock exchange(s) to withhold listing of Company's shares and initiated detailed investigation in the matter. SEBI vide its Order dated July 11, 2011 had held that the investigation did not prima facie suggest any involvement of the Company in bidding process and further directed that Company's shares may be listed subject to conditions, inter alia, that a withdrawal option may be given by the Company to investors falling under the Non-Institutional Investors (NII) & Retail Individual Investors (RII) category for such number of shares by which the allotment ratio was impacted due to withdrawals/rejections in the bidding process. The Company filed appeal against the said SEBI's Order before the Securities Appellate Tribunal (SAT). After hearing the parties and considering the circumstances peculiar to the present case, SAT has vide its Order dated 25th August, 2011 disposed off the Company's appeal as per the terms and conditions agreed between the Company and SEBI. As per the SAT Order, the Company

will be giving withdrawal option to the investors in RII category to the extent of 15,00,348 shares. Upon conclusion of the withdrawal option and compliance with other formalities, the stock exchanges shall give listing permission to the Company. Immediately after obtaining listing permission, the Company will initiate necessary steps for making a bonus issue of shares to the investors in the IPO (excluding Promoters/Promoter Group entities) in the ratio of 1 Bonus Share for every 4 Equity Shares held.

The Company is in the process of complying with the directions of SAT by giving the concerned investors a withdrawal option and making a bonus issue of shares subsequently.

6. DIVIDEND

In view of the funds required for the expansion of operation of the Company. The Board of Directors of your Company does not recommend any dividend for the year ending 31st March, 2011.

7. No material changes and commitment occurred since the conclusion of the financial year.

8. There are no changes, which have occurred during the financial year in the name of business of the Company.

9. PROVISION FOR TAX

Liability of tax have been determined on the basis of Accounting Standard - 22 which is accounting for taxes on income and accordingly. The tax expenses comprising of deferred tax liability & current tax have been calculated.

10. PERSONNEL

No employee was in receipts of remuneration exceeding the limits set out under Section 217 (2A) of the Companies Act, 1956.

11. DIRECTORS

a. Pursuant to the Articles 135, 154, 155, 156 & 165 of the Article of Association of the Company read with Sec. 255 and 256 of the Companies Act, 1956. Shri. Yashwant Vaswani Whole time Director and Shri Ashok Suri Director of the Company are due to retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

b. None of the Directors of the Company are disqualified from being appointed as directors specified in section 274 (1) (g) of the Companies Act, 1956.

12. AUDITORS

The Auditors, **M/s Sunil Johri & Associates, Chartered Accountants, Raipur** will retire at the conclusion of the ensuing Annual General Meeting and they, being eligible, have offered themselves for re-appointment. The shareholders are requested to re-appoint the Auditors for the current year.

The Company has received letters from all of them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

13. AUDITORS REPORT (QUALIFICATIONS/ COMMENTS)

The Observations made by the Statutory Auditors in their report, read with relevant notes to accounts, are self-explanatory. The following are the explanations to the qualifications of auditors in their report for the year ended 31st March, 2011.

- (a) During the year the Company has not produced M.S. Ingots, due to high profit margin in power generation.
- (b) In view of long standing relationship with particular enterprises your Company enjoys credit period higher than the period prescribed by law and outstanding dues are paid accordingly. However your Company would ensure that the outstanding dues to these parties would be minimize over a period.
- (c) Confirmation from creditors regarding certain disclosure relating to Micro/ Small/Medium Enterprises is in process. In next year your Company would ensure the bifurcation relating to Micro/Small/Medium Enterprises.

14. CORPORATE GOVERNANCE

According to Clause 49 of Listing Agreement there shall be a separate section on Corporate Governance in the Annual Reports of Company, with a detailed compliance report on Corporate Governance. Non-compliance of any mandatory requirement of this clause with reasons thereof and the extent to which the non-mandatory requirements have been adopted should be specifically highlighted.

The companies shall submit a quarterly compliance report to the stock exchanges within 15 days from the close of quarter.

Since the Company is in process of being listed on Bombay Stock Exchange & National stock Exchange of India, the above provisions shall become applicable to the Company only after listing.

15. CONSERVATION OF ENERGY & TECHNICAL ABSORPTION & FOREIGN EXCHANGE EARNING OUTGO

In accordance with the requirements of section 217 (i) (e) of the companies Act, 1956 read with the companies (disclosure of particulars in report of Board of Directors) rules 1988, a statement showing the information relating to the Conservation of Energy, Research and Development, Technology absorption and foreign exchange earnings and is enclosed in form-A and should be treated as a part of this report.



16. PUBLIC DEPOSITS

The Company has not accepted Public Deposit within the meaning of Section 58A of the Companies Act, 1956 after complying necessary formalities. There are no overdue or unclaimed deposits.

17. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217(2AA) of the Companies Act 1956, with respect to Directors, Responsibility Statement, it is hereby confirmed that:-

- In the preparation of the Annual Accounts, the mandatory Accounting Standards as referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, has been followed and there were no material departures.
- Appropriate accounting policies have been selected and applied consistently and have 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 as on 31st March, 2011 and the profit of the Company for the year ended 31st March' 2011.
- Proper and sufficient care has been taken 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;
- The Annual Accounts for the financial year ended 31st March, 2011 have been prepared on 'going concern' basis.

18. ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the continued assistance and support extended by various Government authorities, Company's bankers, consultants, auditors, suppliers, customers and all its esteemed shareholders of the Company during the year under review.

Your Directors also wish to place on record their deep sense of appreciation to the committed services and support of the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Place: Raipur (C.G.)
Date: 31.08.2011

Ravi Vaswani
(Managing Director)

Pramod Vaswani
(Whole-time Director)

ANNEXURE TO THE DIRECTORS REPORT OF EVEN DATE

Statement as required under section 217 (1)(e) of the companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

The Company is making all efforts to minimize the energy consumption. Details of total energy consumption and energy consumption per unit of production as per Form – A are given hereunder:-

		For the Year ended 31-03-2011	For the Year ended 31-03-2010
1	Electricity		
	a Purchased		
	Total units	5526450	4025980
	Total Amount (In Rs.)	18220525	12883136
	Rate / Unit (In Rs.)	3.30	3.20
	b Own Generation		
	Through Diesel Generation (Ltrs)	NIL	NIL
	Unit per Ltrs of Diesel Oil	NIL	NIL
	Rate / Unit per Ltrs (in Rs.)	NIL	NIL
2	Coal (Specify quantity and where used)		
	Quantity (In MT)	130868.87	89435.640
	Total Cost (In Rs.)	270728341	140133140
	Average Rate (In Rs.)	2068.699	1566.86
3	Consumption Per Unit of Production		
	Production of Sponge Iron (In MT.)	58637.570	47378.030
	Electricity (In Unit)	94.25	84.98
	Coal (In MT)	1.99	1.89

B. TECHNOLOGY ABSORPTION

The technology adopted by the Company is fully indigenous. As no expenditure were made on Research & Development, the details of disclosure are not required.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year Company has acquired a term loan of \$ 20 Lacs on which interest of Rs. 5102133.48 is paid which is charged in Profit & Loss A/c.