

**37TH  
ANNUAL REPORT  
2009-2010**



**STEEL STRIPS INFRASTRUCTURES LIMITED**  
(FORMERLY STEEL STRIPS & TUBES LIMITED)



## BOARD OF DIRECTORS

- Sh. R.K. Garg, *Chairman*
- Sh. S.S. Dawra, IAS (Retd.)
- Prof. (Dr.) B.B. Tandon
- Sh. S.S. Viridi
- Sh. H.K. Singhal
- Sh. Sanjay Garg, *Executive Director*

## AUDITORS

- S.C. Dewan & Co.  
Chartered Accountants  
SCO 90, 1st Floor, Swastik Vihar  
Panchkula.

## BANKERS

- HDFC Bank Limited

## REGD. OFFICE & WORKS

- Vill. : Somalheri/Lehli,  
P.O. Dappar, Tehsil Dera Bassi,  
Distt. Mohali, Punjab, 140 506

## CORPORATE OFFICE

- SCO 49-50,  
Sector 26, Madhya Marg,  
Chandigarh - 160 019.

## REGISTRAR & TRANSFER AGENTS

- Link Intime India Pvt. Ltd.  
A-40, 2nd floor, Near Batra Banquet Hall,  
Naraina Industrial Area, Phase II,  
New Delhi 110 028  
E-mail : delhi@intimespectrum.com

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# STEEL STRIPS INFRASTRUCTURES LTD.

## NOTICE

Notice is hereby given that the 37th ANNUAL GENERAL MEETING of the Company shall be held as scheduled below:

**Day & Date : Friday, the 24th day of September, 2010**

**Time : 11 : 00 AM**

**Venue : Company's Regd, Office at  
Village Somalheri/ Lehli, P.O. Dappar,  
Tehsil Rajpura, Distt. Mohali (Punjab), 140 506**

To transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2010 and the Balance Sheet as at that date and the Reports of Directors and Auditors thereon.
2. To elect a Director in place of Shri S.S. Dawra who retires by rotation and being eligible offers himself for re-appointment.
3. To elect a Director in place of Prof. (Dr.) B.B. Tandon who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the date of conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company on the terms and conditions to be decided by the Board of Directors. The retiring Auditors M/s. S.C. Dewan & Co., Chartered Accountants, being eligible, offer themselves for reappointment.

By Order of the Board of Directors

For STEEL STRIPS INFRASTRUCTURES LIMITED

Place : Chandigarh  
Dated : 20.08.2010

H.K. Singhal  
Director

### 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/herself and the proxy so appointed need not be a member of the Company. The proxy executed and properly stamped should reach the Company's Registered Office or Head Office at least 48 hours before the time of the meeting. The Blank Proxy Form is enclosed herewith.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 15th September, 2010 to 24th September, 2010 (both days inclusive).
3. The Company is maintaining the "INVESTORS SERVICE CELL" at its head office at SCO 49-50, Sector-26, Madhya Marg, Chandigarh.
4. Members having any queries relating to Annual Report are requested to send their queries at Company's Head Office at SCO 49-50, Sector 26, Madhya Marg, Chandigarh, at least seven days before the date of Annual General Meeting.
5. Copies of the relevant documents would be available for inspection by members at the Registered office of the Company on all working days, between 10.00 a.m. to 12.00 noon, prior to the date of Annual General Meeting



6. M/s Link Intime India Pvt. Limited, A-40, 2nd Floor, Naraina Industrial Area, Phase-II, Nr. Batra Banquet Hall, New Delhi – 110028 are acting as the common agency to carry out the Dematerialization and physical transfer of shares. Therefore the shareholders are requested to send the shares for transfer at the above mentioned address of the registrar.

By Order of the Board of Directors  
For STEEL STRIPS INFRASTRUCTURES LIMITED

Place : Chandigarh  
Dated : 20.08.2010

H.K. Singhal  
Director

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT  
AT THE ANNUAL GENERAL MEETING**

(In Pursuance of Clause 49 of the Listing Agreement)

Name of Director	Prof.(Dr.) B.B. Tandon	Shri S.S. Dawra
Date of Birth	15.09.1937	11.10.1943
Date of Appointment	25/02/2002	15.04.2008
Qualification Experience in Specific Functional Areas	M.Sc. from London School of Economics & a Textile Technologist. He was Chairman of Ludhiana Stock Exchange. Earlier he was the Dean and Chairman of the University Business School, Punjab University, Chandigarh and Director Gian Jyoti Institute of Management & Technology, Mohali.	Shri S.S. Dawra, IAS (Retd.) an eminent Civil Servant of 1969 batch of Punjab Cadre, retired as 'Secretary Personnel', Govt. of India. Shri Dawra has held various key positions in the Government. He possesses vast and varied experience in Finance, Commerce and Industries.
Directorship held in other Companies	Indian Acrylics Ltd. Steel Strips Ltd. & Steel Strips Wheels Ltd.	Housing Development & Infrastructure Ltd. and SAB Industries Ltd.
Chairman/Member of the Committee of Board of Directors of the Company	Member of Audit Committee and Share Holder Grievance Committee	-
Chairman/Member of the Committee of Directors of other Companies in which he is Director	Audit Committee, Sub-Committee, Remuneration Committee and Investor Grievances Committee of Indian Acrylics Ltd.	Member of Audit Committee of HDIL and SAB Industries Ltd.
Shareholding in the Company	Nil	Nil

# STEEL STRIPS INFRASTRUCTURES LTD.

## DIRECTORS' REPORT

To The Members,

Your Directors are pleased to present the 37th Annual Report of the Company together with Audited Accounts for the financial year ended 31st March, 2010.

### FINANCIAL HIGHLIGHTS

Particulars	(Rs. in Lacs)	
	2009-10	2008-09
Gross income & increase/ (decrease) in Value of property & traded goods	313.75	407.50
Gross Profit / (Loss)	122.38	170.28
Interest & Financial Charges	50.52	65.59
Depreciation	21.33	21.33
Diminution in value of Investment	(5.92)	-
Profit / (Loss) before tax	50.54	83.37
Profit / (Loss) for the year after tax	37.63	58.18

During the year under review, the gross income of the Company has declined to Rs. 313.75 Lacs as against Rs. 407.50 Lacs. The gross profit and net profit have also decreased to Rs. 122.38 Lacs and 50.54 Lacs as against Rs. 170.28 Lacs and Rs. 83.37 Lacs respectively in the previous year. Due to slow down in real estate business, the Company suffered lower sales and decline in profits.

### DIRECTORS

In accordance with the provisions of Companies Act, 1956, Shri S S Dawra and Prof.(Dr.) B B Tandon retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

### FINANCIAL STATUS

There is no change in the issued and subscribed capital of Rs.864.30 lacs

### INTERNAL CONTROL SYSTEMS

The Company has adequate Internal Control procedures commensurate with its size and nature

of business. These internal policies ensure efficient use and protection of assets and resources, compliance with policies and statutes, and ensure reliability as well as promptness of financial and operational reports.

### CORPORATE GOVERNANCE

A separate section on Corporate Governance forms part of the Directors' Report in pursuance to Clause 49 of the Listing Agreement and is included in the Annual Report.

### FIXED DEPOSITS

The Company has not accepted any fresh deposits from the public during the year. Deposits of Rs.134.50 lacs were brought forward from previous year. During the year, the Company has repaid Rs.50.00 lacs and renewed Rs.24.50 lacs out of these deposits. There are no unpaid or unclaimed deposits as at the end of the year.

### AUDITORS

M/s S.C. Dewan & Co.were appointed as Statutory Auditors of the Company to hold office till the conclusion of the ensuing Annual General Meeting of the Company. The Auditors retire at the said meeting and, being eligible, have offered themselves for re-appointment. The Company has received a certificate from them pursuant to Section 224 (IB) of the Companies Act, 1956, confirming their eligibility for reappointment.

### INSURANCE

All Properties and insurable interests of the Company including Buildings and Plant & Machinery are adequately insured.

### MANAGEMENT DISCUSSION & ANALYSIS

Your Company is engaged in infrastructure, real estate, trading and commission agency business. The long term objective of the Company is to be a strong player in these segments and is continuously exploring various opportunities for growth.

### DIRECTORS' RESPONSIBILITY STATEMENT

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



i) In preparation of the Annual Accounts, the applicable accounting standards have been followed.

ii) Appropriate accounting policies have been selected and applied consistently, judgments and estimates made are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at the end of the financial year and the Profit for that period.

iii) Proper and sufficient care has been taken for maintenance of 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.

iv) The annual accounts have been prepared on a going concern basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 217 (1)(e) of the Companies Act, 1956 with regard to conservation of Energy and Technology Absorption are not applicable because during the year the Company was engaged in Real Estate and Trading & Agency Business. Further, during the year there was no

foreign exchange earning & out go.

**PARTICULARS OF EMPLOYEES**

The statement of employees, as required under Section 217 (2A) of the Companies Act, 1956 is not applicable as there was no employee who was drawing a salary of Rs.24,00,000/- and above per annum if employed for full year, or a salary of Rs.2,00,000/- and above per month if employed for a part of the year.

**ACKNOWLEDGMENTS**

Your Directors wish to place on record their appreciation for the continued co-operation the Company received from various departments of the Central and State Government, Bankers, Financial Institutions, Dealers and Suppliers, and also acknowledge the contribution made by the employees.

The Board also wishes to place on record its gratitude to the valued Customers, Members and Investing public for their continued support and confidence reposed in the Company.

For and on behalf of  
BOARD OF DIRECTORS

CHANDIGARH	H.K.SINGHAL	SANJAY GARG
31.05.2010	DIRECTOR	EXECUTIVE DIRECTOR

# STEEL STRIPS INFRASTRUCTURES LTD.

## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Code of Corporate Governance

The underlying principles of Corporate Governance are the values, ethics and commitment to follow best business practices. Thus it rests upon the foundations of transparency, disclosures and fairness in dealing with its stakeholders, i.e. investors, customers and business associates.

### Board of Directors

Composition and category of Directors:

The Board has a total strength of six Directors comprising of three Independent Directors, one Executive Director, one Non- Executive Director and one Promoter Director. None of the Independent Directors have any material pecuniary relationship with the company.

Shri Sanjay Garg, Executive Director, a Cost and Works Accountant and a Law Graduate, is a well qualified and experienced professional and is associated with the group since 1989. He has held various Managerial/Advisory positions. Prof. (Dr.) B.B. Tandon, an M.Sc from London School of Economics and a Textile Technologist, has been the Dean & Chairman, University Business School, Panjab University, Chandigarh. Shri S.S. Virdi, an Engineer (F.I.E) by qualification is a successful Industrialist for over two decades. Shri S S Dawra, retired as Secretary Personnel to the Govt. of India. Shri H.K. Singhal, Chartered Accountant, has over 30 years of experience in finance and administration, and has occupied several Managerial/ Advisory positions. Shri R.K. Garg, an Engineer (F.I.E.) and an eminent Industrialist, is the Promoter and Chairman of the Company.

### BOARD MEETINGS

The dates of Board meetings are fixed in advance and agenda papers are circulated to Directors seven days before the meeting. During the year under review, five Board Meetings were held, one each on 29.05.2009, 30.06.2009, 31.07.2009, 30.10.2009 and 30.01.2010.

Detail of attendance at the Board Meetings is as follows:

	Board Meetings held during the tenure of director	Attendance at the Board Meetings
<b>Promoter Director</b>		
Shri R.K. Garg, Chairman	5	5
<b>Executive Director</b>		
Shri Sanjay Garg	5	5
<b>Non Executive Directors</b>		
Prof. (Dr.) B.B. Tandon	5	5
Shri S.S. Virdi	5	5
Shri H.K. Singhal	5	5
Shri S S Dawra	5	4

### Number of Directorships and Committee Memberships held by Directors in other Companies

Name of Director	Directorship of other Companies	Membership of Committees*	Chairmanship of Committees*
Shri R.K. Garg Chairman	6	None	1
Shri Sanjay Garg Executive Director	2	1	None
Prof. (Dr.) B.B. Tandon	3	3	None
Shri S.S. Virdi	2	2	2
Shri H.K. Singhal	6	7	None
Shri S S Dawra	2	2	-

\* This includes Membership/Chairmanship of Audit Committee and Investors Grievance Committee.

### DIRECTORS' REMUNERATION

#### A. WHOLETIME DIRECTOR:

Shri Sanjay Garg is whole time director of the Company. His appointment is valid upto 31.12.2011. His particulars and details of remuneration paid are as under:



<b>DESIGNATION</b>	<b>Executive Director</b>
DATE & TENURE	01.01.2009 & three years
BASIC SALARY	55,000 Per month
H.R.A. @ 35 %	19,250 Per month
SPECIAL ALLOWANCE	10,000 Per month
<b>TOTAL</b>	<b>84,250 Per month</b>

**PERQUISITES:** In addition to the above, the Executive Director enjoys the following perquisites:

- (a) Contribution to Provident Fund @ 12% of the Basic Salary;
- (b) Re-imbusement of Medical Bills upto one month's Basic Salary in a year;
- (c) Gratuity not exceeding half month's salary for each completed year of service
- (d) Earned Leave as per Company Rules (Unavailed portion of the Earned Leave may be encashed at the end of the tenure)
- (e) Chauffeur Driven Car and Telephone at residence for Official use (the private use of Car and telephone shall be billed by the Company to the appointee)
- (f) Re-imbusement of Club Fee subject to a maximum of one club (membership fee is not reimbursable).

**B. INDEPENDENT AND NON- EXECUTIVE DIRECTORS**

Following Sitting Fee was paid to the Directors for attending the meetings of the Board and Committees thereof:

NAME OF DIRECTOR	SITTING FEE (in Rs.)
Shri R.K. Garg	25000
(Prof.) Dr. B.B. Tandon	35000
Shri S.S. Virdi	35000
Shri H.K. Singhal	35000
Shri S S Dawra	20000

**COMMITTEES OF DIRECTORS**

The Board has constituted the following committees of Directors to deal with matters which need quick decisions and timely monitoring of activities falling within their terms of reference.

**AUDIT COMMITTEE**

The Audit Committee comprises of:

- 1. Shri S.S. Virdi – Chairman
- 2. Prof.(Dr.) B B Tandon
- 3. Shri H.K. Singhal

The terms of reference of the Audit Committee are in accordance with the provisions of Section 292A of Companies Act, 1956 and the principles of Corporate Governance. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting, briefing the Management about the adequacy of internal control systems, reviewing the adequacy of internal audit functions and appointment of external and internal auditors.

During the year under review four Meetings of the Committee were held, one each on 30.06.2009, 31.07.2009, 30.10.2009 and 30.01.2010.

Attendance of Members at the Meeting of the Audit Committee held during 2009-10 was as under:

Members	Meetings Held	Meetings attended
1. Shri S.S. Virdi - Chairman	4	4
2. Prof.(Dr.) B B Tandon	4	4
3. Shri H.K. Singhal	4	4



# STEEL STRIPS INFRASTRUCTURES LTD.

## SHARE TRANSFER COMMITTEE

The Share Transfer Committee considers, approves and monitors transfers, splitting/ consolidation of shares and issue of duplicate Shares.

The Committee consists of the following directors:

1. Shri H.K. Singhal – Director
2. Shri Sanjay Garg - Executive Director
3. Prof. (Dr.) B.B. Tandon - Director

The Committee met 19 times during the year. No requests for share transfer are pending.

## INVESTORS GRIEVANCE COMMITTEE

The Investors' Grievance Committee consists of following directors:-

- |                            |   |                         |
|----------------------------|---|-------------------------|
| 1. Prof. (Dr.) B.B. Tandon | - | Independent Director.   |
| 2. Shri S.S. Virdi         | - | Independent Director.   |
| 3. Shri H.K. Singhal       | - | Non Executive Director. |

The committee looks into the redressal of shareholders' complaints like transfer of shares, non-receipt of balance sheet, etc. The Committee oversees the performance of the Registrar and Transfer Agents, and recommends measures for overall improvement in the quality of investor services.

The Company addresses all complaints suggestions and grievances expeditiously and replies are sent and issues resolved within 15 days unless there is a dispute or other legal constraint.

## GENERAL BODY MEETINGS

Date and venue of last few General Meetings of the shareholders:

	Date	Venue
34th AGM	29.09.2007	Regd Office of the Company at Village Somalheri/ Lehli, P.O. Dappar, Tehsil Rajpura, Distt. Patiala, (Punjab).
35th AGM	24.09.2008	- do -
36th AGM	24.09.2009	- do -

During the year ended 31.03.2010, the Company's shareholders have not passed any Special Resolution through postal ballot, as there was no such item which required to be passed through postal ballot.

## DISCLOSURES

### A. Related Party Transactions

The Company has not entered into any transaction of material nature, with its promoters, the directors or relatives, the management etc. that may have potential conflict with the interests of the Company at large.

### B. Compliances by the Company.

No penalties, strictures have been imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

## INSIDER TRADING

"Code of Conduct for Prevention of Insider Trading" pursuant to the requirement of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, has been followed by the Company throughout the year.

## CONSTITUANTS OF RELATED PARTIES

Following named Companies and individuals constitute the related parties:

### GROUP COMPANIES

Indian Acrylics Ltd., SAB Industries Ltd., Steel Strips Wheels Ltd., Steel Strips Ltd., Steel Strips Industries Ltd., Indlon Chemicals Ltd., SAB Developers Pvt. Ltd., Malwa Chemtex Udyog Ltd., S.S. Credits Pvt. Ltd., S.J. Mercantile Pvt. Ltd., Indian Acrylics Investments Ltd., Malwa Holdings Pvt. Ltd., Steel Strips Mercantile Pvt. Ltd., Steel Strips Financiers Pvt. Ltd., Steel Strips Holdings Pvt. Ltd., Munak International Pvt. Ltd., Munak Financiers Pvt. Ltd., Munak Investments Pvt. Ltd., S.A.B. Udyog Ltd., Chandigarh Developers Pvt. Ltd. and DHG Marketing Pvt. Ltd.



## INDIVIDUALS

Shri R.K. Garg, Smt Sunena Garg, Ms. Priya Garg, Mr. Dheeraj Garg and Ms. Ute Mayr.

## MEANS OF COMMUNICATION

The Company regularly intimates the Unaudited Quarterly Financial Results as well as the Audited Financial Results to the Stock Exchanges immediately after the same are taken on record by the Board. These Financial Results are regularly published in the "Business Standard" and "Desh Sewak"

## GENERAL SHAREHOLDER INFORMATION

Registered Office : Village Somalheri/Lehli, P.O. Dappar, Tehsil Rajpura, Distt. Mohali (Pb.)

Address for Correspondence : SCO 49-50, Sector 26, Madhya Marg, Chandigarh -160019

Annual General Meeting : To be held on 24<sup>th</sup> September, 2010 at the Regd. office of the Company.

Financial Calendar (Tentative)

Results for quarter ending June 2010 -- 2nd week of August, 2010

Results for quarter ending Sept. 2010 -- 2nd week of Nov., 2010

Results for quarter ending Dec. 2010 -- 2nd week of Feb., 2011

Results for quarter ending March 2011 -- Last week of May, 2011

Book Closure date : 15<sup>th</sup> of Sept., 2010 to 24<sup>th</sup> of Sept., 2010

Scrip Code on BSE : 513173

### Listing On Stock Exchanges:

The shares of the Company are listed and traded regularly on Bombay Stock Exchange. The Company confirms that it has paid listing fees due to the Stock Exchange.

### Distribution of Shareholding:

(a) Class-wise Distribution of Equity Shares as on 31<sup>st</sup> March, 2010

Share holding of		Shareholders		Share Amount	
Face Value (Rs.)	Face Value (Rs.)	Number	%age to Total	In Rs.	%age to Total
UPTO	5,000	14472	95.93	21698970	25.10
5,001	10,000	337	2.23	2817900	3.26
10,001	20,000	132	0.88	2015500	2.34
20,001	30,000	42	0.28	1082280	1.25
30,001	40,000	18	0.12	641850	0.74
40,001	50,000	18	0.12	855000	0.99
50,001	1,00,000	29	0.19	2085000	2.41
1,00,001	AND ABOVE	38	0.25	55233500	63.91
		15086	100.00	86430000	100.00

(b) Shareholding Pattern as on 31<sup>st</sup> March, 2010

S.NO.	PARTICULARS	NO. OF SHARES	(%) Age
1.	Promoter & Persons acting in concert	4326000	50.05
2.	Bodies Corporate	957475	11.08
3.	Financial Institutions, Banks & Mutual funds	100	-
4.	NRI's	1200	0.01
5.	General Public	3358225	38.86
	TOTAL SHAREHOLDING	8643000	100.00

# STEEL STRIPS INFRASTRUCTURES LTD.

## MARKET PRICE DATA: (BSE)

Date	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades	Net T/O (Rs.)
April 2009	6.19	4.95	19000	36	100,055
May 2009	8.28	5.52	14900	32	114,538
June 2009	16.65	7.85	61400	185	801,935
July 2009	23.20	16.00	37400	161	704,625
August 2009	21.80	17.15	32000	80	580,840
September 2009	18.90	14.50	11900	61	197,370
October 2009	15.22	10.45	14100	43	195,379
November 2009	15.84	9.30	5900	36	75,372
December 2009	17.35	12.50	19300	78	299,320
January 2010	16.80	12.05	17700	74	252,049
February 2010	14.00	12.15	12300	45	158,627
March 2010	14.70	12.05	43700	84	577,795

### Dematerialization of Shares and Liquidity:

The Company's script forms part of the "Compulsory demat segment" for all investors. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) through the Registrar M/s Link Intime India Pvt. Limited, A-40, 2nd floor, Near Batra Banquet Hall, Naraina Industrial Area, Phase II, New Delhi 110 028. The Company has also appointed them as Common Agency to look after dematerialization of shares as well as for physical transfer of shares. Members are requested to address all their correspondence with the Registrar at the above address.

As on 31.03.2010 there were 15086 shareholders of the Company. 6961250 (80.54%) equity shares of the Company were held in demat form and the balance 1681750 (19.46%) equity shares were held in physical form.

**ISIN of the Company is: INE205F01016**

Place : Chandigarh

Dated:31.05.2010

**H. K. Singhal**

Director

On behalf of Board of Directors

**Sanjay Garg**

Executive Director

### AUDITORS' DECLARATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Board Members & the Senior Management Personnel have adopted and affirmed compliance of the Code of Conduct for the Financial Year ended on March 31, 2010

Place : Chandigarh

Dated : 31.05.2010

**Sanjay Garg**

Executive Director

### CERTIFICATE OF CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by Steel Strips Infrastructures Limited for the year ended on 31st March 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our review of the relevant records and documents maintained by the Company and furnished to us for review and the information and explanations given to us by the Company, we certify that the Company complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement with the Stock Exchanges.

For S.C. Dewan & Co.  
Chartered Accountants

Place: Chandigarh

Date : 31.05.2010

**S.C. DEWAN**

PARTNER



## AUDITORS' REPORT

To  
The Shareholders,  
Steel Strips Infrastructures Limited.

We have audited the attached Balance Sheet of M/s STEEL STRIPS INFRASTRUCTURES LIMITED (Formerly Known as Steel Strips & Tubes Ltd.) as at 31.03.2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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.

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.

- 1) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4-A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters as specified in paragraph 4 and 5 of the said order.
- 2) Further to our comments in the Annexure referred to in paragraph 1 above, we state 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 under the law, have been kept by the Company so far as appears from our examination of such books.
  - (iii) The Balance Sheet and Profit and Loss Account and the Cash Flow Statement

referred to in this report are in agreement with the books of accounts.

- (iv) In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report, comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
- (v) On the basis of written representation received from Directors, as on 31.03.2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31.03.2010 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, read together with the significant accounting policies as per schedule of Notes on 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 31.03.2010, and,
  - (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date.
  - (c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

**for S.C. Dewan & Co.  
Chartered Accountants**

Place : Chandigarh  
Dated : 31.05.2010

**S.C. Dewan  
Partner**

# STEEL STRIPS INFRASTRUCTURES LTD.

## ANNEXURE

Referred to in paragraph 1 of our report of even date:

1. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. No Material Fixed Assets have been disposed off during the year.
2. Physical verification of inventory has been conducted at reasonable intervals by the management. The procedures of physical verification of inventory followed by the management appear to be reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification dealt with in the books of accounts.
3. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. The company has taken loans from such companies, firms or other parties covered in the said register, terms where of are not prejudicial to the interest of the company.
4. There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
5. The transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered in the register. Each of these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted fresh deposit from the public during the year. There was no interest overdue for repayment as on 31.03.2010. Total amount of fixed deposit outstanding is Rs. 84.50 lacs.
7. The company has an internal audit system commensurate with its size and nature of its business.
8. The Company has not been required to maintain cost records under Section 209(1)(d) of the Companies Act, 1956.
9. The company is regular in depositing undisputed statutory dues including, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Wealth tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities.
10. The company has been registered for a period of more than 5 years, having existing share capital of Rs. 864.30 lac. The company has no accumulated losses. It has not incurred cash loss during the year under review nor during the previous year.
11. The company has not defaulted in repayment of dues to a financial institution or bank.
12. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund company.
14. The company is not running any Nidhi/Mutual Benefit Fund/ Society.
15. The company is not a Financing Company.
16. The company has not given any guarantee for loans taken by others from bank or financial institutions.
17. The term loans were applied for the purpose for which the loans were obtained, as per the information available from the records of the company.
18. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
19. The company has not issued any Debentures upto date.
20. The company has not raised any money by Public Issue during the year.
21. No fraud on or by the company has been noticed or reported during the year.
22. The company is not a sick company under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985.

**for S.C. Dewan & Co.  
Chartered Accountants**

Place : Chandigarh  
Dated : 31.05.2010

**S.C. Dewan  
Partner**



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2010

PARTICULARS	SCHEDULE NO.	AS AT 31.03.2010	AS AT 31.03.2009 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>SHARE HOLDERS FUNDS</b>			
Capital	A	8,64,30,000	8,64,30,000
Reserve & Surplus	B	1,36,93,925	99,30,507
<b>LOANS FUNDS</b>			
Secured	C	12,58,880	2,81,59,018
Un-Secured	D	3,72,10,000	1,87,96,207
Deferred Tax Liability		17,95,629	21,82,149
<b>Total:</b>		<u>14,03,88,434</u>	<u>14,54,97,881</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	E	2,88,98,741	2,88,98,741
Less : Depreciation		<u>1,78,16,502</u>	<u>1,56,83,129</u>
Net Block		1,10,82,239	1,32,15,612
<b>INVESTMENTS</b>	F	1,87,96,000	1,82,04,000
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	G	11,39,81,634	11,66,30,585
Sundry Debtors	H	43,92,874	20,86,203
Cash & Bank Balances	I	6,10,534	36,72,951
Other Current Assets, Loans & Advances	J	<u>2,08,69,057</u>	<u>1,92,49,271</u>
		13,98,54,099	14,16,39,010
Less :Current Liabilities & Provisions	K	<u>2,93,43,904</u>	<u>2,75,60,742</u>
Net Current Assets		11,05,10,195	11,40,78,269
Profit & Loss Account		-	-
<b>Total:</b>		<u>14,03,88,434</u>	<u>14,54,97,881</u>
<b>NOTES ON ACCOUNTS</b>	S		

### AUDITORS' REPORT:

Certified in terms of our separate report of even date annexed:

For S.C.Dewan & Co.  
Chartered Accountants

PLACE: Chandigarh  
DATED: 31.05.2010

**S.C.Dewan**  
Partner

**Sanjay Garg**  
Executive Director

**S.S. Virdi**  
**H. K. Singhal**  
Directors

# STEEL STRIPS INFRASTRUCTURES LTD.

## PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010

PARTICULARS	SCHEDULE NO.	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>INCOME</b>			
Operating & Other Income	L	3,40,23,638	5,61,54,896
Increase/(Decrease) in the Value of Property	M	(26,93,040)	(1,43,85,780)
Increase/(Decrease) in the Value of Traded goods stock	M	44,089	(10,18,797)
TOTAL		<u>3,13,74,687</u>	<u>4,07,50,319</u>
<b>EXPENDITURE</b>			
Traded Goods Purchased	N	41,602	95,988
Employee Cost	O	43,42,707	44,30,928
Financial Expenses	P	50,51,717	65,58,724
Administrative Expenses	Q	46,80,427	47,47,779
Bad debts & Advances written off		-	21,80,776
Up Keep & Maintenance Charges	R	1,06,63,259	1,22,65,866
Provision for diminution in the value of investment		(5,92,000)	-
Depreciation		21,33,375	21,33,375
TOTAL		<u>2,63,21,087</u>	<u>3,24,13,436</u>
<b>PROFIT / ( LOSS ) FOR THE YEAR BEFORE TAX</b>		<b>50,53,600</b>	<b>83,36,883</b>
Prior Period Adjustment		6,702	-
Provision for Taxation		16,70,000	27,46,000
Deferred tax Liability / (Assets)		(3,86,520)	(3,48,095)
Fringe Benefit Tax		-	1,21,100
<b>PROFIT FOR THE YEAR AFTER TAX</b>		<b>37,63,418</b>	<b>58,17,878</b>
Less: Brought Forward Profit /(Loss) from Previous Year		55,52,028	(2,65,850)
<b>BALANCE CARRIED TO RESERVE &amp; SURPLUS</b>		<b><u>93,15,446</u></b>	<b><u>55,52,028</u></b>

**AUDITORS' REPORT:**

Certified in terms of our separate report of even date annexed:

For S.C.Dewan & Co.  
Chartered Accountants

PLACE: Chandigarh  
DATED: 31.05.2010

**S.C.Dewan**  
Partner

**Sanjay Garg**  
Executive Director

**S.S. Virdi**  
**H. K. Singhal**  
Directors



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

(AMOUNT IN RS.)

A. CASH FLOW FROM OPERATING ACTIVITIES	2009-2010	2008-2009
<b>NET PROFIT / LOSS BEFORE TAX AND EXTRAORDINARY ITEMS:</b>	<b>50,53,600</b>	<b>83,36,883</b>
ADJUSTMENT FOR:-		
-DEPRECIATION	21,33,375	21,33,375
-INTEREST AND OTHER FINANCIAL CHARGES	50,51,717	65,58,724
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,22,38,692</b>	<b>1,70,28,982</b>
ADJUSTMENT FOR :-		
-TRADE AND OTHER RECEIVABLES	(39,26,457)	(1,27,21,937)
-INVENTORIES	26,48,951	1,54,04,577
-TRADE PAYABLES / CURRENT LIABILITIES	13,96,641	1,19,135
<b>CASH GENERATED FROM OPERATIONS</b>	<b>1,23,57,827</b>	<b>52,50,522</b>
-INTEREST AND OTHER FINANCIAL CHARGES PAID	50,51,717	65,58,724
-PROVISION FOR TAXATION	16,70,000	27,46,000
-PROVISION FOR FRINGE BENEFIT TAX	-	1,21,100
-DEFERRED TAX LIABILITY	(3,86,520)	(3,48,095)
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>60,22,630</b>	<b>(38,27,207)</b>
-EXTRAORDINARY ITEMS	6,702	-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>60,15,928</b>	<b>(38,27,207)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
-PURCHASE OF FIXED ASSETS	-	-
-SALE OF USED CAR	-	6,29,321
-ADJUSTMENT OF DEPRECIATION	-	3,93,438
INCREASE IN FIXED DEPOSIT (PUBLIC)	(50,00,000)	11,00,000
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(50,00,000)</b>	<b>11,00,000</b>
INCREASE / (-) DECREASE IN THE VALUE OF INVESTMENT	5,92,000	(2,21,80,000)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
-PROCEEDS FROM PROMOTERS & ASSOCIATES	2,87,60,000	-
-REPAYMENT OF INTER CORPORATE LOAN	(53,46,207)	(4,57,444)
-REPAYMENT OF SECURED LOAN	(2,69,00,138)	1,57,09,722
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(40,78,345)</b>	<b>60,12,834</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS : (A+B+C)</b>	<b>(30,62,418)</b>	<b>32,85,628</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b> (OPENING BALANCE)	<b>36,72,951</b>	<b>3,87,323</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE CLOSING OF THE YEAR</b> (CLOSING BALANCE)	<b>6,10,534</b>	<b>36,72,951</b>

**Sanjay Garg**  
 Executive Director

**S.S. Virdi**  
**H. K. Singhal**  
 Directors

### AUDITORS' REPORT:

We have verified the Cash Flow Statement of Steel Strips Infrastructures Limited derived from audited financial statements and the books and records maintained by the company for the year ended 31st March, 2010 and found the same in agreement therewith.

For S.C.Dewan & Co.  
Chartered Accountants

PLACE: Chandigarh  
DATED: 31.05.2010

**S.C. Dewan**  
Partner



# STEEL STRIPS INFRASTRUCTURES LTD.

## SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>SCHEDULE - 'A' SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL:</b>	<b>11,50,00,000</b>	11,50,00,000
1,15,00,000 Equity Shares of Rs. 10 each (Previous year 1,15,00,000 Equity Shares)		
50,000 Redeemable Cumulative Preference Shares of Rs. 100 each (Previous year 50,000 Shares)	<b>50,00,000</b>	50,00,000
	<u><b>12,00,00,000</b></u>	<u>12,00,00,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>	<b>8,64,30,000</b>	8,64,30,000
86,43,000 Equity Shares of Rs. 10/- each fully paid-up (Previous year 86,43,000)		
	<u><b>8,64,30,000</b></u>	<u>8,64,30,000</u>
<b>SCHEDULE - 'B' RESERVES &amp; SURPLUS</b>		
<b>CAPITAL RESERVES</b>		
Fixed Assets Revaluation Reserve	<b>43,78,479</b>	43,78,479
<b>PROFIT &amp; LOSS A/C</b>	<b>93,15,446</b>	55,52,028
	<u><b>1,36,93,925</b></u>	<u>99,30,507</u>
<b>SCHEDULE - 'C' SECURED LOANS</b>		
<b>A. TERM LOANS</b>		
The Housing & Urban Development Corporation (HUDCO)	<b>507</b>	2,56,65,282
Car Loan from ICICI Bank	<b>12,58,373</b>	24,93,736
	<u><b>12,58,880</b></u>	<u>2,81,59,018</u>
1. Car loan from ICICI Bank is secured by post dated cheques issued by the Company in favour of the Bank, as well as endorsement of Bank's name on the Registration certificate of the vehicles.		
<b>SCHEDULE - 'D' UNSECURED LOANS</b>		
Fixed deposits (From Public)	<b>84,50,000</b>	1,34,50,000
Inter Corporate / Promoters & Associates	<b>2,87,60,000</b>	53,46,207
	<u><b>3,72,10,000</b></u>	<u>1,87,96,207</u>

### SCHEDULE - 'E' FIXED ASSETS & CAPITAL WORK IN PROGRESS

Particulars	Gross Block		Depreciation		Net Block		(Amount in Rs.)	
	Cost As At	Sales/	As at	Adjust	As at	As at	As at	As at
	01.04.2009	During The Adjustments	01.04.2009	-ments	2009-10	31.03.2010	31.03.2009	31.03.2010
Land & Site Development	6,90,172	-	6,90,172	-	-	-	6,90,172	6,90,172
Infrastructure project for commercial Parking	76,07,589	-	76,07,589	43,09,717	6,16,000	49,25,717	26,81,872	32,97,872
Plant & Machinery	58,10,072	-	58,10,072	17,67,483	2,75,978	20,43,461	37,66,611	40,42,589
Data Processing Equipment	14,02,907	-	14,02,907	13,32,762	63,012	13,95,774	7,133	70,145
Furniture, Fixture & Office Equipment	25,93,542	-	25,93,542	8,91,965	1,67,580	10,59,545	15,33,997	17,01,577
Vehicles	1,01,90,834	-	1,01,90,834	71,23,853	9,68,129	80,91,982	20,98,852	30,66,981
Kitchen Equipment	6,03,625	-	6,03,625	2,57,347	42,676	3,00,023	3,03,602	3,46,278
<b>TOTAL</b>	<b>2,88,98,741</b>	-	<b>2,88,98,741</b>	<b>1,56,83,127</b>	<b>21,33,375</b>	<b>1,78,16,502</b>	<b>1,10,82,239</b>	<b>1,32,15,612</b>
<b>Previous Year</b>	<b>2,88,98,741</b>	-	<b>2,88,98,741</b>	<b>1,35,49,752</b>	<b>21,33,375</b>	<b>1,56,83,129</b>	<b>1,32,15,612</b>	<b>1,53,48,989</b>

# STEEL STRIPS INFRASTRUCTURES LTD.

PARTICULARS	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>SCHEDULE - 'F' INVESTMENTS</b>		
NIL (Previous Year 554500) Equity shares of SAB Industries Ltd. of Rs. 10/- each at cost (Quoted)	-	-
3700000 Equity Shares of Indian Acrylics Ltd. of Rs. 10/- each at cost (Quoted)	<b>3,70,00,000</b>	3,70,00,000
<b>Less</b> : Provision for diminution in the value of Investment	<b>1,82,04,000</b>	1,87,96,000
	<u><b>1,87,96,000</b></u>	<u>1,82,04,000</u>

## SCHEDULE - 'G' INVENTORIES

### A. CURRENT ASSETS:

#### INVENTORIES

(As taken valued and certified by the Management)

a) Commercial Property	<b>11,34,56,907</b>	11,61,49,947
b) Traded Goods stock	<b>5,24,727</b>	4,80,638
	<u><b>11,39,81,634</b></u>	<u>11,66,30,585</u>

## SCHEDULE - 'H' SUNDRY DEBTORS

(Unsecured and considered good/unless  
otherwise specified)

Outstanding for more than six months old	<b>86,19,876</b>	62,01,427
Others	<b>14,57,000</b>	15,68,778
	<b>1,00,76,876</b>	77,70,205
Less Bad & Doubtful Debts charged to Profit & Loss Account	<b>56,84,002</b>	56,84,002
	<u><b>43,92,874</b></u>	<u>20,86,203</u>

## SCHEDULE - 'I' CASH & BANK BALANCES

Cash in Hand	<b>1,34,070</b>	1,59,708
Cheque in Hand	<b>3,35,092</b>	12,45,366
With scheduled Banks		
- In current Accounts	<b>1,26,372</b>	22,52,877
- Fixed Deposits Receipts	<b>15,000</b>	15,000
	<u><b>6,10,534</b></u>	<u>36,72,951</u>



PARTICULARS	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
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**SCHEDULE - 'J' LOANS & OTHER ADVANCES**

Advances recoverable in cash or in kind or for value to be received (Unsecured, Considered good unless otherwise stated)

Tax deducted at source	74,31,714	57,76,347
Security Deposits	12,54,842	12,54,842
Other Advances	1,39,09,967	
Less: Bad & Doubtful Advances charged to Profit & Loss account	<u>17,27,466</u>	<u>1,22,18,082</u>
	<u>2,08,69,057</u>	<u>1,92,49,271</u>

**SCHEDULE - 'K' CURRENT LIABILITIES & PROVISIONS**

**A CURRENT LIABILITIES**

Sundry creditors		
-for Purchases	5,82,687	6,25,650
others	8,83,507	10,91,465
Advances from customers	2,78,552	40,706
Security Deposits	69,55,451	74,44,770
Service Tax Payable	16,90,274	7,92,918
Ed. Cess Payable	84,622	40,100
Other Liabilities	1,31,00,809	1,29,33,815

**B PROVISIONS**

For Gratuity	5,91,548	4,81,139
For Earned Leave	1,10,454	1,04,607
For Fringe Benefit Tax	-	4,600
For Taxation	50,66,000	40,00,972
	<u>2,93,43,904</u>	<u>2,75,60,742</u>

**SCHEDULE - 'L' OPERATING AND OTHER INCOME**

Sale of Traded Goods	1,98,225	2,63,828
Goods Returned	-	4,56,054
Income from Trading & Agency Business	6,067	29,242
Shop sale consideration	38,00,000	2,09,16,000
Rental Income of Commercial property	1,98,96,767	2,59,82,394
Hoarding & Publicity receipts	46,70,070	48,69,230
Receipts from Parking Area Infrastructure Project	30,36,460	27,11,240
Miscellaneous Income	6,53,713	3,60,295
Interest Received	15,11,091	1,49,624
Excess Provision Written back	2,51,245	4,16,989
	<u>3,40,23,638</u>	<u>5,61,54,896</u>

# STEEL STRIPS INFRASTRUCTURES LTD.

PARTICULARS	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
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## SCHEDULE - 'M' INCREASE/DECREASE IN THE VALUE OF PROPERTY &

### TRADED GOODS

#### A REAL ESTATE

Opening Gross Value	<u>21,83,07,386</u>	<u>21,83,07,386</u>
Percentage of unsold area of the total estimated built up area	51.97 %	53.20%
Closing Value of unsold area (a)	11,34,56,907	11,61,49,947
Opening Value (b)	11,61,49,947	13,05,35,727
Increase / (Decrease) in value of Property (a-b)	<u>(26,93,040)</u>	<u>(1,43,85,780)</u>

#### B INCREASE / DECREASE IN VALUE OF TRADED GOODS

Opening Stock	4,80,638	14,99,435
Closing stock	5,24,727	4,80,638
Increase / Decrease in Value of Stock	<u>44,089</u>	<u>(10,18,797)</u>

## SCHEDULE - 'N' PURCHASE OF TRADED GOODS

Traded goods Purchased	41,602	95,988
Less : Trade Discount	-	-
	<u>41,602</u>	<u>95,988</u>

## SCHEDULE - 'O' EMPLOYEE COST

Salary, Wages Bonus & Other Allowances	30,35,495	31,95,843
Directors Remuneration (including contribution to provident fund)	10,90,200	10,02,000
Contribution to Provident Fund & others	1,62,638	1,75,741
Welfare Expenses.	54,374	57,343
	<u>43,42,707</u>	<u>44,30,927</u>



PARTICULARS	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
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### SCHEDULE - 'P' FINANCIAL EXPENSES

Interest		
-Term Loans	26,53,418	44,24,660
-Public Deposits	11,71,323	14,47,654
-Others	6,24,150	6,37,115
Other Financial Charges	6,02,826	49,295
	<u>50,51,717</u>	<u>65,58,724</u>

### SCHEDULE - 'Q' ADMINISTRATIVE & OTHER EXPENSES

Rent	5,867	-
Lease charges	16,75,161	13,86,333
Licence fees for infrastructure project	2,44,271	2,19,816
Travelling & Conveyance -Directors	1,12,279	85,135
-Others	38,877	14,208
Printing & Stationery	1,40,082	1,41,788
Postage, Telegram & Telephones	2,37,440	2,76,998
Director's Sitting Fee	1,44,000	1,09,000
Advertisement & Publicity	44,784	51,984
Vehicle Running Expenses	2,65,147	3,69,477
Auditors Remuneration	55,150	55,150
Legal & Professional Charges	2,99,300	474,367
Bad debts & Advances written off	-	-
Fees & Taxes	1,07,530	70,872
Insurance Charges	2,59,462	291,201
Office Expenses	49,850	71,610
License fees for Software Charges	97,249	68,620
Diwali Expenses	44,040	18,820
Sale/Service Tax Paid	15,990	25,503
Other Miscellaneous Expenses	1,32,895	2,79,385
Listing Fee	57,794	48,425
Business Promotion	12,100	5,000
Loss on Sale of Fixed Assets	-	-
Managers Fee for Parking Area Infrastructure Project	6,41,159	6,84,087
	<u>46,80,427</u>	<u>47,47,779</u>

### SCHEDULE - 'R' UPKEEP & MAINTENANCE COST

Water & Electricity Charges	66,87,824	84,72,856
Repair & Maintenance expenses	21,55,742	20,21,493
Security services	7,82,768	7,44,099
Horticulture Expenses	10,36,925	10,27,418
	<u>1,06,63,259</u>	<u>1,22,65,866</u>

# STEEL STRIPS INFRASTRUCTURES LTD.

## SCHEDULE - 'S' NOTES ON ACCOUNTS:

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### i). Convention

The financial statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards and relevant presentational requirements of the Companies Act, 1956.

#### ii). Fixed Assets

Fixed Assets are stated at cost less depreciation. Cost of acquisition or construction is inclusive of duties, taxes and other incidental expenses.

#### iii). Depreciation

Depreciation on fixed assets is provided on straight line method as per rates specified in schedule XIV to Companies Act, 1956. Infrastructure project of commercial parking under 'Build Operate and Transfer' scheme of Noida has been depreciated over a period of 11.35 years, which is the remaining period of the license agreement, on straight line basis.

#### iv). Inventories

Inventory of Real Estate business and of Traded Goods has been valued at cost or market price whichever is lower.

#### v). Transactions in Foreign Currency.

There were no foreign currency transactions during the year.

#### vi). Retirement Benefits:-

Gratuity and Earned Leave have been provided for in the books of accounts on actuarial valuation basis at the end of the year.

#### vii). Interest

Interest in respect of fixed deposits from public or with Bank have been accounted for on accrual basis.

#### viii). Recognition of Income/Expenditure

All revenues and expenses are accounted for on accrual basis.

2. In compliance with AS 22 issued by ICAI on Accounting for the taxes of Income, a sum of Rs. 3,86,520/- (previous year Rs.3,48,095/-) has been considered as deferred tax Assets in respect of timing difference for the year under consideration and the same has been credited to profit & loss account.

3. The quoted investments are stated at cost. A provision for diminution in value is made if the diminution seems to be of permanent nature. An amount at Rs. 5,92,000/- was reversed in the Provisions during the year under Consideration as the value of shares of Indian Acrylics Limited increased as compared to previous year. The overall Provision towards diminution in the value of shares stands at Rs 1,82,04,000/- as on 31-03-2010

4. Contingent liabilities not provided for amount to Rs. NIL (Previous Year NIL)

5. In the opinion of the Board, the current assets, loans & advances are approximately of the value stated, if realised in the ordinary course of business. The provision for all known liabilities are adequate and not in excess of amount considered reasonably necessary.

6. Sales Tax liability/Service Tax liability has been provided for as per returns filed. Liability arising on assessment, if any, shall be provided for at the time of final assessment.



7. Debit and credit balance in the accounts of a few suppliers and others are subject to confirmation and reconciliation.

8. Payments to Auditors included under Auditors Remuneration

	Current Year (Rs)	Previous Year (Rs)
- Statutory Audit Fee	40,000	40,000
- Company Law Matters & Tax Audit	8,000	8,000
- Certification Work	2,000	2,000
- Service Tax	5,150	5,150
	<b>55,150</b>	<b>55,150</b>

9. The accounting policies adopted for segment reporting are in line with the accounting policies of the company. The company has considered following business segments for disclosure.

- (a). Real Estate business.
- (b). Infrastructure Project of commercial parking under 'Built, Operate and Transfer' scheme.
- (c). Trading and Agency business.
- (d). Services.

10. Earning per Share (EPS)

	Current year	Previous year
Profit/Loss as per profit and loss account (PAT)	37.63	58.18
No. of equity shares	8643000	8643000
Profit/ Loss per share (Rs.)	0.44	0.67

Note:- Diluted Earning per share is not applicable as the same is anti-dilutive.

11. Sundry creditors include a sum of Rs. Nil (Previous year Rs. Nil) due to Micro and Small Undertaking, which are outstanding for more than 45 days as at 31.03.2010.

12. Detail of Provision as per AS-29

(Rs. in Lacs)

PARTICULARS	Employee Benefits (Gratuity)	Employee Benefits (Earned Leave)	Doubtful Debtors Advances	Deferred Tax Fringe Benefits Tax and Income Tax (MAT)	Provision for Diminution in the value of Investment
Balance as at 01.04.09	4.81	1.04	74.10	40.06	187.96
Provision made during the year	1.10	0.06	Nil	16.70	Nil
Provision Written off or w/back paid during the period	-	-	Nil	6.10	5.92
Balance as at 31.03.10	5.91	1.10	74.10	50.66	182.04

13. Directors Remuneration:  
PARTICULARS

	Current year Ended 31.03.10 (Rs.)	Previous year Ended 31.03.09 (Rs.)
Salary and Allowances	1011000	930000
Contribution to Provident Fund	79200	72000
<b>Total:</b>	<b>1090200</b>	<b>1002000</b>



# STEEL STRIPS INFRASTRUCTURES LTD.

## 14. Related Party Disclosures

Detail of transactions entered into with related parties during the year as required by Accounting Standard – 18 on “Related Party Disclosures” issued by the Institute of Chartered Accountants of India are as under: -

(Rs. in Lacs)

Particulars	Key Management personnel (KMP)	Enterprises over which KMP are able to exercise significant Influence including relatives	Total for the current year 2009-2010	Total for the previous year 2008-09
1. Interest Paid	-	6.24	<b>6.24</b>	6.37
2. (i) Loan Received	-	287.60	<b>287.60</b>	53.46
(ii) Outstanding at the end of the year	-	287.60	<b>287.60</b>	53.46
3. Loan Repaid	-	53.46	<b>53.46</b>	-
4. Management Contract - (Salaries) 10.90		-	<b>10.90</b>	10.02

### Notes:-

a. Key Management Personnel:

Sh. R.K. Garg  
Chairman

Sh. Sanjay Garg  
Executive Director

Sh. H.K. Singhal  
Director

b. Enterprises over which Key Management Personnel (KMP) are able to exercise significant control and with whom transactions have taken place during the year:-

Aswera International Mkt. Pvt. Ltd.

R.K. Garg & Sons (HUF), SAB Udyog Ltd., SAB Industries Ltd., Steel Strips Ltd.

c. No transactions have taken place during the year with the relatives of the key Management Personnel.

15. Additional information pursuant to the provision of Paragraphs 3 & 4 of Part II of Schedule VI of the Companies Act, 1956:

a). The company is primarily dealing in Real Estate, Infrastructure and Trading & Agency business activities; hence the quantitative data is not applicable.

b). There was no employee during the year (previous year nil) who was drawing a remuneration of not less than Rs. 2400000/- per annum, if employed throughout the year, or not less than Rs. 200000/- if employed for part of the year.

16. The company has taken the Group Gratuity and Group Leave encashment policies from LIC and entire premiums demanded by them for the year 2009-10 have been paid / provided for as per the requirements of AS – 15.

17. a). Previous year figures have been regrouped and re-arranged wherever considered necessary to make them comparable with those current year.

b). Figures have been rounded off to the nearest rupee.

18. Schedule A to S form an integral part of Balance Sheet, Profit & Loss Account and Cash Flow Statement.

### AUDITORS' REPORT:

Certified in terms of our separate report of even date annexed:

For S.C.Dewan & Co.  
Chartered Accountants

PLACE: Chandigarh  
DATED: 31.05.2010

**S.C.Dewan**  
Partner

**Sanjay Garg**  
Executive Director

**S.S. Viridi**  
**H. K. Singhal**  
Directors



**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE THE COMPANIES ACT, 1956.**

**Balance Sheet Abstract and Company's General Business Profile**

**I. Registration Details**

Registration No.	L27109PB1973PLC003232	State Code
Balance Sheet Date	31-03-2010	16

**II. Capital Raised during the year (Amount Rs. in lacs)**

	NIL	Right Issue
	NIL	Private Placement
	NIL	NIL

**III. Position of Mobilization and Deployment of funds ( Amount Rs. In lacs )**

Total Liabilities	1403.88	Total Assets
		1403.88

**Sources of Funds:**

Paid Up Capital	864.30	Reserves & Surplus
Secured Loans	12.59	Unsecured Loans
Deffered Tax Liability	17.95	372.10

**Application of Funds:**

Net Fixed Assets	110.82	Investments
Net Current Assets	1105.10	Misc. expenditure
		-

**IV. Performance of Company (Amount Rs. in lacs)**

Turnover	313.75	Total Expenditure
Profit before Tax	50.54	Profit after Tax
Earning Per Share	0.44	Dividend
		NIL

**V. Generic Names of Three Principal Products of Company(as per monetary terms) : Not Applicable**

**AUDITORS' REPORT:**

Certified in terms of our separate report of even date annexed:

For S.C.Dewan & Co.  
Chartered Accountants

PLACE: Chandigarh  
DATED: 31.05.2010

**S.C.Dewan**  
Partner

**Sanjay Garg**  
Executive Director

**S.S. Viridi**  
**H. K. Singhal**  
Directors

# STEEL STRIPS INFRASTRUCTURES LTD.

Regd. Office : Village Somalheri / Lehli, P.O. Dappar, Tehsil Derabassi,  
Distt. S.A.S. Nagar, Mohali, Punjab

(In case the Member is unable to be present in person at the meeting this form may be used.)

## PROXY FORM

I/We \_\_\_\_\_  
of \_\_\_\_\_ being a member/members of Steel  
Strips Infrastructures Limited hereby appoint Mr./ Mrs. /Miss \_\_\_\_\_ of  
\_\_\_\_\_ or failing him/her, Mr./Mrs./Miss/ \_\_\_\_\_ of as  
my/our proxy to attend and to vote for me/us and on my/our behalf at the 37<sup>th</sup> ANNUAL GENERAL  
MEETING of the Company to be held on Friday the 24<sup>th</sup> September 2010 at 11.00 a.m. at Company's  
Registered Office at Village Somalheri / Lehli, P.O. Dappar, Tehsil Derabassi, Distt. S.A.S. Nagar, Mohali,  
Punjab- 140 506 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of September 2010.

Regd. Folio No./Client ID No. \_\_\_\_\_

Signature \_\_\_\_\_



### NOTE :

1. The Proxy must be deposited at the Registered Office of the Company at least 48 hours before the time for holding the meeting.
2. A proxy need not be a member of the Company.

# STEEL STRIPS INFRASTRUCTURES LTD.

Regd. Office : Village Somalheri / Lehli, P.O. Dappar, Tehsil Derabassi,  
Distt. S.A.S. Nagar, Mohali, Punjab

## ATTENDANCE SLIP

**(To be handed over at the entrance of the Meeting Hall)**

\_\_\_\_\_  
Name of the Member

(In Block Letters)

Registered Folio No./Client ID No.....

\_\_\_\_\_  
Name of the Proxy (in Block Letters)

[To be filled in case the Proxy attends instead of the member (s)]

I hereby record my presence at the 37<sup>th</sup> ANNUAL GENERAL MEETING held on Friday the 24<sup>th</sup> September 2010 at 11.00 A.M. at Company's Registered Office at Village Somalheri / Lehli, P.O. Dappar, Tehsil Derabassi, Distt. S.A.S. Nagar, Mohali, Punjab- 140 506

Member's/Proxy Signature

(To be Signed at the time of handing over this slip)

**BOOK POST**  
(Printed Material)



*If Undelivered please return to:*  
**STEEL STRIPS INFRASTRUCTURES LIMITED**  
(Formerly Steel Strips & Tubes Ltd.)  
S.C.O. 49-50, Sector 26, Madhya Marg,  
CHANDIGARH - 160 019