



Steel Strips Wheels Limited  
*Wheeling Towards Excellence*

# ANNUAL REPORT

exploring  
possibilities

ISO 9002, QS 9000 & TS-16949 Certified Company

**2011-12**

# CORPORATE

# Information

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## REGD. OFFICE

Village Somalheri/Lehli,  
P.O. Dappar, Tehsil Derabassi,  
Distt. S.A.S. Nagar (Mohali) Punjab.

## WORKS

- (i) Village Somalheri/Lehli,  
P.O. Dappar, Tehsil Derabassi,  
Distt. S.A.S. Nagar (Mohali) Punjab.
- (ii) Plot No. A-10, SIPCOT, Industrial Growth Centre,  
Vallam Village, Sriperumbudur, Tamil Nadu.
- (iii) Mouza Jojobera, P.O. & P.S. Chhota Govindpur,  
East Singhbhum District Jamshedpur, Jharkhand.

## HEAD 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

## BOARD OF DIRECTORS

Sh. R.K. Garg, Chairman  
Sh. Dheeraj Garg, Managing Director  
Sh. A.V. Unnikrishnan, Dy. Managing Director  
Ms. Ute Mayr, Whole Time Director  
Sh. Arun Prakash S Korati  
Rear Adml. M.M. Chopra, AVSM (Retd.)  
Sh. S.K. Bansal  
Sh. S.S. Grewal  
Sh. S.S. Jha  
Sh. Rajeev Singhal  
Sh. H.K. Singhal

## COMPANY SECRETARY

Sh. Shaman Jindal

## BANKERS / INSTITUTIONS

DEG, Germany  
AXIS Bank Ltd.  
Punjab National Bank  
HDFC Bank Limited  
State Bank of Indore  
State Bank of Bikaner & Jaipur  
United Bank of India  
Tata Capital Limited  
Export-Import Bank of India  
Yes Bank  
Canara Bank  
Bank of Baroda  
ICICI Bank Ltd.

## AUDITORS

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

# STEEL STRIPS WHEELS LIMITED

## STEEL STRIPS WHEELS LIMITED

Regd. Office: Village Somalheri/Lehli P.O.Dappar,  
Tehsil Derabassi, Distt. Mohali (Punjab)

### **NOTICE**

NOTICE is hereby given that the 26th Annual General Meeting of the Shareholders of the Company shall be held as scheduled below:

Day & Date : Saturday, 29<sup>th</sup> day of September 2012  
Time : 11.00 A. M.  
Venue : Company's Regd. Office at  
Village Somalheri/ Lehli, P.O. Dappar,  
Tehsil Dera Bassi, Distt. S.A.S Nagar, Mohali (Punjab)

to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012, the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Sh. M.M.Chopra who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sh. H.K.Singhal who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Sh. S. K. Bansal who retires by rotation and, being eligible, offers himself for re-appointment.
6. 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 Boards of Directors and to authorise the Board of Directors to fix their remuneration. The retiring Auditors M/s S. C. Dewan & Co., Chartered Accountants, being eligible, offer themselves for re-appointment.

#### **SPECIAL BUSINESS**

7. To consider, and, if thought fit, to pass, with or without modification(s), if any, following Resolution as an Ordinary RESOLUTION:  
"RESOLVED THAT Sh. Arun Prakash S Korati who was appointed as additional director w.e.f. 13.01.2012 and in respect of whom the company has received notice under section 257 of the Companies Act, 1956, be and is hereby appointed as director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

BY Order of the Board of Directors

Place: Chandigarh  
Date: 29.05.2012

H.K.Singhal  
Director

#### **NOTES:**

1. **A member entitled to attend and vote at the Annual General 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 instrument appointing the proxy, duly 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. Corporate Members intending to send their authorised representative to attend the meeting, are required to send to the company, a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 21.09.2012 to 29.09.2012 (both days inclusive).
4. The dividend, if approved, will be paid to members whose names appear on register of members of the company on 20-09-2012. Members are requested to notify their changed address, if any, immediately.
5. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the company for payment of dividend. The company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronics form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrar and Transfer Agents of the company.

6. The Company is maintaining the "INVESTORS SERVICE CELL" at its Head Office at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019.
7. Members having any queries relating to Annual Report are requested to send their queries at least seven days before the date of the Meeting.
8. Pursuant to the provisions of Section 205A of the Companies Act, 1956, Unclaimed/Unpaid dividend for the year ended 31.03.2004 was transferred to "INVESTORS EDUCATION AND PROTECTION FUND" in the year 2011. This year the Unpaid/Unclaimed Dividend for the year ended 31.03.2005 shall be transferred to the "INVESTORS EDUCATION AND PROTECTION FUND" in September, 2012. Thereafter no claim shall lie against the Company on the said fund, in respect of the same. Members who have not encashed their dividends are requested to claim the dividend from the Company immediately.
9. M/s Link Intime India Pvt. Limited, at A-40, 2nd Floor, Naraina Industrial Area, Phase-II, New Delhi 110028 are acting as the common agency to carry out the Dematerialization and physical transfer of shares. The shareholders are requested to send the shares for transfer at the above-mentioned address of the Registrar.
10. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" allowing paperless compliances by companies through electronic mode. Companies are now permitted to send various notices / documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit. Keeping in view the underlying theme and the circular issued by MCA, we propose to send all document to be sent to Shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Director's Report, Auditors' Report, etc. henceforth to the shareholder in electronic form, to the e-mail address provided by them and made available to us by the Depositories. These documents will also be available on the Company's website www.sswindia.com. Please note that you will be entitled to be furnished free of cost, with a copy of the Balance Sheet of the Company and all other documents required by law and Auditors' Report, upon receipt of a requisition from you, any time, as a member of the Company.  
Member who have not registered their email addresses so far are requested to register their email addresses, in respect of electronic holdings with the depository through their concerned depository participant members who hold shares in physical form are requested to register their email addresses with link Intime India Pvt. Ltd., Registrar and share transfer agent of the company.

BY Order of the Board of Directors

Place: Chandigarh  
Date: 29.05.2012

H.K.Singhal  
Director

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

### ITEM NO. 7

Sh. Arun Prakash S Korati, was appointed as additional director of the Company on 13.01.2012 by the Board of Directors of the company. In terms of Section 260 of the Companies Act, 1956 and Article 133 of the Articles of Association of the Company, he holds the office upto the date of this Annual General Meeting of the company. The Company received a notice in writing from a shareholder alongwith requisite payment of Rs. 500/-, proposing his candidature for the office of the Director of the company.

He is 45 years of age and is a Mechanical/ Civil Engineer and Masters in Marketing and also done Cost Accountancy. He has 22 years of experience - 19 years in the Indian Private Equity and Venture Capital Industry. Presently he is working with Axis PE. A Detail of his experience prior to Axis is as follows:

- **New Vernon:** Headed Private Equity investments for NV. Lead investments worth \$ 160 million. Investments included logistics, road construction, pharmaceuticals, branded spice, facility management, broking, hotel, engineering /automotive goods (2.5 years)
- **IL&FS Invnt. Mgr.:** Fund Manager for Auto Ancillary Fund with additional responsibility towards manufacturing sector. The fund delivered net double digit returns (5 years)
- **Actis:** Lead five investments. One delivered 25% IRR over 8 years, one 45% IRR over 2-3 years, two double digit returns and one capital write-off (2.5 years)
- **Pathfinder:** Pathfinder was investment manager to OPIC- Oppenheimer sponsored fund. Worked at junior level (5 years)
- **Godrej:** Sales engineer for CAD/CAM system.

By Order of the Board of Director

Place : Chandigarh  
Date : 29.05.2012

H.K.Singhal  
Director

# STEEL STRIPS WHEELS LIMITED

## ANNEXURE TO NOTICE DATED 29-05-2012

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT).

Name of Director	Sh. H.K. Singhal	Sh. M.M. Chopra	Sh. S.K. Bansal	Sh. Arun Prakash S Korati
Date of Birth	January 12, 1951	March 28, 1933	April 15, 1946	May 21, 1966
Date of Appointment on the Board	February 21, 2000	November 28, 1994	August 22, 2005	January 13, 2012
Qualification	B.Com, Chartered Accountant	B.A. (Hons), LLB, M.B.A.	B.Sc. Chartered Accountant, CFE	Mech/Civil Engg., Masters in Mkt. & Cost Accountancy
Expertise	<p>Sh. Humesh Kumar Singhal is a Non Executive Director. He is a Chartered Accountant and has more than 40 years of experience in the area of corporate finance, audit, treasury operations, internal management and management information systems. He has made several significant contributions to the company's growth and implementation of investment plans and business strategies. Over the period he occupied several managerial and advisory positions. He holds directorship of various companies and is a member of audit and other committees.</p>	<p>Rear Adml. M.M.Chopra is Non Executive Independent Director of the company. He has held various prestigious positions in Indian Navy. After retiring from Navy, he has functioned in advisory capacities to many big Corporates and was also the Executive Director of M/s Bombay dyeing &amp; Mfg. Co. Limited. He has been guiding the Company to streamline procedures, ensure better coordination and faster decision making. He is the president of the Governing Board of Delhi Public School Society and Chairman of National Bravery Award Commission.</p>	<p>Sh. Surinder Kumar Bansal, is an Independent Director. He is a practicing Chartered Accountant and possesses more than 40 years of experience in the areas of Corporate Finance, audit etc. Over the years he occupied several advisory positions. He is a member of Associations of Certified Fraud Examiner, U.S.A. and an associate member of Institute of Internal Auditor Inc, Florida, U.S.A. He has been empaneled as Non-official Nominee Director for appointment on the Board of various companies by IDBI Bank Ltd. and IFCL bank Limited. He has also been a member of Indian Council of arbitration.</p>	<p>Sh. Arun Prakash S. Korati has 22 years of experience - 19 years in the Indian private equity and venture capital industry. Presently he is working with Axis PE. Prior to Axis he had worked with New Vernon, IL &amp; FS Invst. Mgr., ACTIS, path finder and Godrej.</p>
Directorships held in companies	<p>Indian Acrylics Ltd. Steel Strips Wheels Ltd. SAB Industries Ltd. Steel Strips Ltd. Steel Strips Infrastructure Ltd. SAB Udyog Ltd. S.J. Mercantile Pvt. Ltd Steel Strips Mercantile P Ltd. Malwa Holdings Pvt. Ltd Munak Financiers Pvt. Ltd.</p>	<p>Indian Acrylics Ltd. Steel Strips Ltd. Steel Strips Wheels Ltd.</p>	<p>Steel Strips Wheels Ltd M/s. Marudhar Hotels (P) Ltd. Chetan Dalal Investigation and Management Services. Vardhman Acrylics Ltd. Shree Bhavani Infracon P Ltd.</p>	<p>Axis Pvt. equity Ltd. Steel Strips Wheels Ltd. Neesa Leisure Ltd. Vishwa Infrastructures and Services Pvt. Ltd.</p>

Memberships/ chairmanships of committees of companies	<p>Munak Investments Pvt. Ltd Indlon Chemicals Ltd. SAB Developers P Limited Munak International Pvt. Ltd. Malwa Chemtex Udyog Ltd.</p> <p><b>Member</b> 1. Steel Strips Wheel Ltd. (i) Audit Committee (ii) Sub Committee (iii) Remuneration committee (iv) Shareholder grievance committee (v) Share Transfer committee 2. Steel Strips Infrastructure Ltd. (i) Audit Committee (ii) Share Transfer Committee (iii) Investor Grievance Committee 3. SAB Industries Ltd. (i) Audit Committee (ii) Share Transfer Committee (iii) Investor Grievance Committee 4. Steel Strips Ltd. (i) Audit Committee (ii) Share Transfer Committee (iii) Investor Grievance Committee 5. Indian Acrylics Ltd. (i) Audit Committee (ii) Sub Committee (iii) Remuneration committee (iv) Shareholder grievance committee (v) Share Transfer Committee</p>	<p><b>Member</b> 1. Steel Strips Ltd. (i) Audit Committee 2. Indian Acrylics Ltd. (i) Remuneration committee (ii) Sub Committee (iii) Audit Committee- Chairman</p>	<p><b>Member</b> 1. Steel Strips Wheels Ltd. (i) Audit Committee (ii) Remuneration committee (iii) Shareholder grievance committee (iv) Share Transfer committee</p>	NIL
Shareholding of Non-Executive Directors	30010 Shares	11284 Shares	NIL	NIL
Relationships between directors inter-se	NONE	NONE	NONE	NONE

# DIRECTORS'

# Report

To The Members,

Your Directors are pleased to present the 26th Annual Report together with the audited accounts of the Company for the year ended on March 31, 2012.

## FINANCIAL HIGHLIGHTS

(Rs. in Million)

PARTICULARS	2011-12	2010-11
Gross Sales	10,458.31	7,171.34
Other Income	101.69	16.31
Gross Income	10,560.00	7,187.65
Total Expenditures (excl Interest, depreciation and amortization)	9,526.93	6,299.94
Earnings before Interest and Depreciation	1,033.07	887.71
Interest & Financial Charges	275.89	203.21
Earnings before Depreciation and amortization	757.18	684.50
Depreciation and other w/ off	426.07	328.05
Earnings after Depreciation	331.11	356.45
Less: Prior Period Adjustment (net)	0.36	(0.74)
Profit Before Tax	331.47	355.70
Income tax (net of MAT credit entitlement)	26.09	3.53
Deferred Tax Liability	17.74	54.15
Profit for the year	287.64	298.02

## FINANCIAL PERFORMANCE

The gross Income of your company increased by 46.92% from Rs. 7187.65 million in 2010-2011 to Rs. 10560.00 million in 2011-12. In terms of Number of wheels, the company achieved sale of 10.19 million wheel rims as against sale of 9.64 million wheel rims during the previous year.

The Earnings before interest and depreciation (EBITDA) increased to Rs. 1033.07 million from Rs. 887.71 million in 2010-2011, achieving a growth of 16.37%.

The Profit before tax during the year under review however has decreased to Rs. 331.47 million from Rs. 355.70 million in 2010-11 due to high fluctuation in foreign exchange and increase in depreciation and amortization. The Profit after tax thereby decreased to Rs.287.64 million from Rs. 298.02 million.

The depreciation and other amortization increased to Rs. 426.07 million from Rs. 328.05 million due to commencement of commercial operations at Jamshedpur plant and 2nd Phase of Chennai Plant.

## TRANSFER TO RESERVES

Your company proposes to transfer of Rs. 219.17 millions to General Reserve.

## JAMSHEDPUR UNIT

Your directors are pleased to inform you that Jamshedpur Unit of the company had already commenced its commercial production and is manufacturing and supplying heavy commercial vehicle wheel rims to Tata Motors, Tata DLT and Ashok Leyland and other Trailer manufacturers. The company is now in process to supply these Wheel Rims to European customers.

Keeping in view the projected production plan of Tata Motors, this plant is under expansion to enhance its capacity from 1.00 million to a level of 1.60 Million Wheel rims.

#### **ORAGADAM UNIT**

The Second phase expansion at the Oragadam unit of the company has also been completed during the year and has started the commercial production. With this, the total installed manufacturing capacity of Oragadam unit of the company has increased from 2.5 million to 6.0 million wheel rims p.a.

#### **MANUFACTURING CAPACITIES**

With the commissioning of Jamshedpur unit, setting up of additional line at Dappar and expansion of Oragadam unit of the company, the total installed capacity of the company has increased to 16 million wheel rims per annum.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

Management discussion and analysis report for the year under review, as stipulated under clause 49 of listing agreement with stock exchanges, is presented in a separate section forming part of the Annual Report.

#### **CORPORATE GOVERNANCE**

The Company is firmly committed to the principles of Good Corporate Governance and believes that statutory compliance and transparency are necessary to enhance the shareholder value.

A separate section on Corporate Governance forming part of the Directors' Report and a certificate from the Company's auditors, confirming the compliance with the Listing Agreement, are included in the Annual Report.

#### **DIRECTORS**

During the year under review, Sh. Arun Parkash S. Korati was appointed as additional Director of the company w.e.f-13.01.2012.

The Central Govt, vide its letter dated 21st December, 2011 has approved re- appointment of Mrs Ute Mayr as whole time director for a further period of three years w.e.f 10/08/2011 to 09/08/2014.

Sh. B.B.Tandon resigned as a Director of the company. Your Directors place on record their sincere appreciation for the guidance and support provided by him during his tenure as a Director, for the success of the company.

In accordance with the provisions of Companies Act, 1956, Sh. S.K Bansal, Sh. M.M Chopra and Sh. H.K. Singhal will be retiring by rotation at the forthcoming Annual General Meeting and they are eligible for reappointment.

#### **DIVIDEND**

Your Directors are pleased to recommend a dividend of 15% (Rs. 1.50/- per share) for the year ended 31st March, 2012. The total cash outflow on account of the proposed dividend (incl. dividend tax) will be of Rs. 25.87 million (Previous year: 25.96 million), which represents 8.99% of the Profit after tax earned during the year.

#### **INTERNAL CONTROL SYSTEMS**

Your Company has adequate internal control procedures commensurate with its size and nature of business. These internal policies ensure efficient use and protection of the assets and resources, compliance with policies and statutes and ensure reliability as well as promptness of financial and operational reports.

#### **LISTING OF EQUITY SHARES**

We are pleased to inform that the equity shares of the Company are listed on the National Stock Exchange and Bombay Stock Exchange, offering a wide trading network to the shareholders.

#### **FIXED DEPOSITS**

The Company has neither invited nor accepted any deposits from the public during the year. There are no unclaimed deposit(s) lying with the Company.

#### **AUDITORS**

M/s S.C. Dewan & Co., Chartered Accountants were appointed as Statutory Auditors of the Company to hold office till the conclusion of the ensuing Annual General Meeting. The Auditors retire at the ensuing Annual General 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 your Company including buildings and plant & machinery are adequately insured.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- In preparation of the Annual Accounts, the applicable accounting standards have been followed.
- 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 of the profit for that period.
- 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.
- The annual accounts have been prepared on a going concern basis.

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

A Statement giving details of conservation of energy/technology absorption and foreign exchange earnings and outgo in terms of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, forms part of this report and is annexed herewith.

## **PARTICULARS OF EMPLOYEES**

The particulars of the employees as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975, as amended, are appended and form part of the Report.

## **CORPORATE SOCIAL RESPONSIBILITY**

“Corporate Social Responsibility (CSR) initiatives” are a way to reflect the respect and concern for people and communities living around us. It is an opportunity to make a positive change in the life of needy people and to reduce the gap in society.

With this view, your company supports “The Vatsal Chaya Trust” focused on enabling, educating and empowering urban deprived children and women. With the contribution of your company, over 700 children comprising child beggars, child laborers, child vendors, rag pickers and girls facing gender bias are provided free transport, clothing, study related material, skill training, music, art, craft training and personality development. At the core of this program is the marginalized child who is forced to work and stands at the very bottom of the poverty heap facing exploitation, violence, coercion and risky behavior patterns. The Vatsal Chaya Trust successfully provides flexible options for these children to access school and help them bridge the many gaps they have in learning, hygiene, health, nutrition as well as social and emotional skills.

## **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. 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. It also acknowledges and appreciates the commitment, dedication and contribution of the Employees towards growth of the company in all fields.

For and on behalf of Board of Directors

Place : CHANDIGARH  
Dated: 29th May, 2012

R.K. GARG  
CHAIRMAN

# ANNEXURE-A

## To the Directors' Report

**INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE PERIOD ENDED 31.03.2012**

### (A) CONSERVATION OF ENERGY

As part of a continuous process the Company adopts all suitable measures to conserve energy. This includes periodical check-ups, preventive maintenance and calibration of all electrical instruments & machineries as well as energy audits by independent agencies.

The details regarding present energy consumption including captive generation are furnished below as per Form A of the Annexure to the rules.

		Year Ended 31.03.2012				Year Ended 31.03.2011
		Dappar Unit	Oragadam Unit	Jamshedpur Unit	TOTAL	
I. Power and Fuel consumption						
1. Electricity						
a) Purchased Units	In lakhs	236.20	74.88	99.52	410.60	295.16
Total amount	Rs. in lakhs	1272.80	418.74	403.69	2095.23	1441.51
Rate/ Unit	Rs.	5.39	5.59	4.06	5.10	4.89
b) Own generation Units	In lakhs	9.46	23.27	10.53	43.26	22.46
Total amount	Rs. in lakhs	111.95	317.98	130.72	560.65	274.03
Rate/ Unit	Rs.	11.84	13.66	12.42	12.96	12.20
2. Fuel						
Quantity	Lac ltrs	3.16	6.91	3.05	13.12	7.98
Total amount	Rs. in lakhs	111.95	302.86	130.72	545.53	318.96
Rate/ Unit	Rs.	35.39	43.83	42.97	41.59	39.97
3. Consumption per unit of production						
Production (Wheel Rims)	Lac nos.	72.13	24.20	5.89	102.21	95.99
Electricity units/ wheel	Nos.	3.41	4.06	18.67	4.44	3.31
Cost per unit of production	Rs./ no.	19.20	30.45	90.67	25.98	17.90

### (B) TECHNOLOGY ABSORPTION

Your Company deploys state of the art technology. As a result the products developed and designed are accepted by its customers for commercial production. Your Company has extended its technical collaboration agreement with M/s Ringtechs Co. Ltd of Japan (a world renowned steel wheel manufacturing company). Your company is increasingly devoting resources for process improvements, cost efficiencies and quality improvements.

# STEEL STRIPS WHEELS LIMITED

## 1. Research & Development (R&D)

Your Company is a Govt. of India approved R&D centre.

a) Specific area in which R&D carried out by Company	<ul style="list-style-type: none"> <li>- Design and development of new wheel rims,</li> <li>- Design and development of new dies and tools.</li> </ul>		
b) Benefits derived as a result of the above R&D	<ul style="list-style-type: none"> <li>- Better yield of raw materials,</li> <li>- Better performance of products</li> <li>- Reduced cost of products</li> <li>- Reduction in process wastage</li> <li>- Better productivity</li> <li>- Value addition to customers of company by way of reduced weight of the wheel rims, leading to better fuel efficiency</li> </ul>		
c) Future plan of action	Development of new products which will be import substitutes		
d) Expenditure on R&D (Rs. in lakhs)		<b>Year Ended 31.03.2012</b>	<b>Year ended 31.03.2011</b>
	Capital	123.30	82.70
	Recurring	157.57	118.13
	Total	280.87	200.83

**Total R & D expenditure is 0.29% of total turnover.**

## 2. Technology absorption, adaptation and innovation

a) Efforts in brief made towards technology absorption, adaption and innovation	NIL	NIL
b) Benefits derived as a result of the above efforts e.g. product improvement, import substitution etc.	N.A.	N.A.
c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished		
i) Technology imported	NA	NA
ii) Year of Import	NA	NA
iii) Has technology been fully absorbed	NA	NA
iv) If not fully absorbed, areas where this has not taken place reason thereof and future plan of action.	NA	NA

## (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:	During the year your Company added new customers and new markets in Europe resulting into increased export sales. Further, during 2012-13 it shall be further adding new customers in Europe besides increased sales to existing customers		
b) Total foreign exchange used and earned during the year under review and previous year was as under (Rs. in lakhs)		<b>Year ended 31.03.2012</b>	<b>Year ended 31.03.2011</b>
	Used	13051.20	10721.49
	Earned	10448.97	5,963.21

For and on behalf of Board of Directors

Place : CHANDIGARH  
Dated: 29th May, 2012

R.K. GARG  
CHAIRMAN

# ANNEXURE-B

## To the Directors' Report

**STATEMENT UNDER SECTION 217 (2) (A) OF COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 ANNEXED TO THE DIRECTORS' REPORT FOR THE YEAR ENDING 31ST MARCH, 2012**

**A. EMPLOYED FOR FULL YEAR**

Sr. No.	Name of Employee	Designation	Experience (Yrs.)	Date of Commencement of Employment	Qualification	Remuneration (Rs.)	Age (Yrs.)	Last Employment before Joining
1.	Sh. Dheeraj Garg	Managing Director	18	26.06.1993	B.S. (FIN) USA	Rs. 19.69 Million	40	N.A.

- i) Remuneration includes Salary, Allowances, Commission, Contribution towards Provident Fund and perquisites valued as per Income Tax Act.
- ii) The conditions of employment of Shri Dheeraj Garg are contractual.
- iii) Sh. Dheeraj Garg are related to Sh. R.K. Garg, Director and Chairman and Mrs. Ute Mayr, Whole Time Director.

For and on behalf of Board of Directors

Place : CHANDIGARH  
Dated: 29th May, 2012

R.K. GARG  
CHAIRMAN

**DECLARATION REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT**

This is to confirm that the Board has prescribed code of conduct for all the Board members and Senior Management of the company , which is available on the website of the company.

I confirm that the company has in respect of the year ended 31st March, 2012, received from its Board Members as well as senior management personnel, a declaration of compliance with the code of conduct as applicable to them.

For Steel Strips Wheels Limited

Place : CHANDIGARH  
Dated: 29th May, 2012

DHEERAJ GARG  
MANAGING DIRECTOR

# CORPORATE

# Governance

## REPORT ON CORPORATE GOVERNANCE

### A brief statement on Company's philosophy on code of governance:

In order to ensure sustainable returns to all stakeholders of the business, it is imperative, to adopt, and follow certain policies, procedures and processes, which together constitute a "Code of Corporate Governance". It is important that such Code is institutionalized, to ensure transparency, consistency and uniformity of decision making processes and actions. Your Company has always believed in such a "Sound" Code of Corporate Governance, as a tool for highest standards of management and business integrity.

### BOARD OF DIRECTORS

#### Composition and category of Directors:

- (i) As on 31.03.2012, the Board of Directors comprised of 11 Directors with a Non-Executive Chairman. Of the Eleven Directors, 8 (i.e. 72%) are Non-Executive Directors, including 6 (i.e. 55%) Independent Directors. None of the Non-Executive / Independent Directors has any material pecuniary relationship or transaction with the Company.
- (ii) Six Board Meetings were held during the year and gap between two meetings did not exceed four months. The said six Board Meetings were held on 30.05.2011, 30.06.2011, 26.09.2011, 28.10.2011, 03.01.2012, and 13.02.2012.
- (iii) The names and categories of the directors on the Board, their attendance at Board Meetings and Annual General Meeting held during the year and the number of Directorships and Committee chairmanships / memberships held by them in other companies is given below. Other Directorships do not include directorships of private limited companies, foreign companies, and companies under Section 25 of the Companies Act. Chairmanships/ Memberships of Board Committees include only Audit and Shareholders/ Investors Grievance Committees. Necessary disclosures regarding committee position in other public companies as on 31.03.2012 have been made by the directors.

Name of Director and Designation	Category	No. of Board meetings held during the year 2011-12		Whether attended last AGM	No. of Directorships in other Public companies		No. of Committee positions held in other public companies	
		Held	Attended		Chairman	Member	Chairman	Member
Shri R.K.Garg, (Chairman)	Promoter - Non-Executive Director	6	4	No	3	2	-	-
Shri Dheeraj Garg (M.D)	Promoter - Executive Director	6	6	No	-	1	-	-
Ms. Ute Mayr	Promoter - Executive Director	6	2	No	-	-	-	-
Sh. A. V. Unnikrishnan (Dy M. D)	Executive Director	6	3	No	-	-	-	-
Shri Arun Prakash S Korati	Independent Non-Executive Director	6	1	No	-	2	-	-
*Prof. (Dr.) B. B. Tandon	Independent Non-Executive Director	6	0	No	-	3	-	3
Shri. H.K. Singhal	Non-Executive Director	6	4	Yes	-	7	-	8
Shri. M.M.Chopra	Independent Non-Executive Director	6	3	No	-	2	1	1
Shri Rajeev Singhal	Independent Non-Executive Director	6	2	No	-	1	-	-
Sh. S.K. Bansal	Independent Non-Executive Director	6	2	No	-	1	-	-
Shri. S.S. Grewal	Independent Non-Executive Director	6	3	Yes	-	1	-	-
Shri S.S. Jha	Independent Non-Executive Director	6	3	No	-	-	-	-

\* Prof. (Dr.) B. B. Tandon has resigned w.e.f 24.01.2012.

\*Sh.Arun Prakash S Korati appointed as Additional Director w.e.f 13.01.2012

- (iv) During the year, information as mention in annexure 1A to Clause 49 of the listing agreement has been placed before the Board for its consideration.

### AUDIT COMMITTEE

- (i) The terms of reference of Audit Committee are as per relevant guidelines and legislations and listing agreements. 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 and to review the adequacy of internal control systems and functions. During the year under review four Meetings of the Committee were held.
- (ii) The Composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category	No. of Meetings Attending during the year 2011-12
Shri S.S. Grewal Chairman	Independent Non-Executive Director	4
Shri S.K. Bansal	Independent Non-Executive Director	3
Shri S.S. Jha	Independent Non-Executive Director	4
Shri H.K. Singhal	Non-Executive Director	2

### SUB-COMMITTEE

The Sub-Committee of Board of Directors has been constituted to review Un-Audited Financial Results. During the year, one meeting of Sub-Committee was held.

The Composition of the Sub-Committee and particulars of meetings attended by the members of the Sub-Committee are given below:

Name	Category	No. of Meetings Attending during the year 2011-12
Shri Dheeraj Garg Chairman	Managing Director	1
Shri S.S. Grewal	Independent Non-Executive Director	1
Shri S.S. Jha	Independent Non-Executive Director	1
Shri H.K. Singhal	Non-Executive Director	1

### REMUNERATION CUM COMPENSATION COMMITTEE

The terms of reference of Remuneration Committee includes the determination of remuneration packages of the Managing/Executive Directors including remuneration policy, pension rights and any compensation payment or stock options and to approve the payment of managerial remuneration upto the limits specified therein. During the year one meeting of remuneration committee was held and all the below mentioned members have attended the said meetings.

1. Sh. S.S. Grewal Chairman - Independent Director
2. Sh. S.K. Bansal Independent-Non Executive Director
3. Sh. H.K. Singhal Non Executive- Director

### REMUNERATION POLICY :

The company's remuneration policy is driven by the success and performance of the individual employee and the company. Through its compensation programme, the company endeavors to attract, retain, develop and motivate a high performance work force. The company pays remuneration by way of salary, benefits, perquisites and allowances to its employees. The remuneration committee also decides the commission payable to the Managing Director out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 1956, based on the performance.

During the year, the company paid sitting fees of Rs. 10,000 per meeting to its Non Executive Directors for attending meetings of the Board and Rs. 5000 per meeting for attending the meetings of Audit committee and Sub-Committee. The company also reimbursed the out of pocket expenses incurred by Directors for attending meetings.

### DETAILS OF REMUNERATION FOR THE YEAR ENDED MARCH 31, 2012

Name of Directors	Basic Salary	HRA	Special Allowance	Contribution to Provident Fund	Commission	Total	Date of Appointment	Tenure
Sh. Dheeraj Garg (MD)	1800000	1080000	NIL	216000	16595000	19691000	01/06/2010	Up to 31/05/2015
Mrs. Ute Mayr	2031290	1218774	135419	243755	NIL	3629238	10/08/2011	Up to 09/08/2014
Sh. A. V. Unnikrishnan	1605000	561750	96000	192600	NIL	2455350	01/01/2009	Up to 31/12/2013

### NON-EXECUTIVE DIRECTORS (as on 31-03-2012):

NAME OF DIRECTOR	SITTING FEE (in Rs.)
1. Sh. R.K. Garg	40,000
2. Prof. (Dr.) B. B. Tandon	NIL
3. Rear Adml. M.M. Chopra AVSM (Retd.)	30,000
4. Sh. S.K. Bansal	35,000
5. Sh. S.S. Grewal	55,000
6. Sh. S.S. Jha	55,000
7. Sh. H.K. Singhal	55,000
8. Sh. Rajeev Singhal	20,000

# STEEL STRIPS WHEELS LIMITED

## DETAIL OF SHARES OF THE COMPANY HELD BY DIRECTORS AS ON 31ST MARCH, 2012.

Name	No. of Shares
Sh. R. K. Garg	289084
Sh. Dheeraj Garg	4640228
Sh. M. M. Chopra	11284
Sh. H. K. Singhal	30010

## SHARE TRANSFER COMMITTEE

The Share Transfer Committee approves and expedites the process of share transfers reviewed by the Company. The Committee met 18 times during the year. No transfer of shares and no request for demat of shares is pending. All the shares received for transfer have been transferred within the time period prescribed.

The committee consists of the following members:

Name	Category	No. of Meetings Attended during the year 2011-12
Shri S.K.Bansal , Chairman	Independent Non-Executive Director	18
Shri H.K. Singhal	Non-Executive Director	18
Shri Shaman Jindal	Company Secretary	18

## INVESTORS GRIEVANCE COMMITTEE

- (i) The company has constituted a investor grievance committee of Directors to look into the redressal of complaints of investors such as transfer of shares, non-receipt of shares after transfer, non-receipt of dividends and to ensure expeditious share transfer and demat process undertaken by the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

The committee consists of following members:-

1. Sh. S.S. Grewal - Chairman
2. Sh. S.K.Bansal - Independent Director.
3. Sh. H.K. Singhal - Non Executive Director.

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

- (ii) Detail of complaints received and redressed:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	7	7	-

- (iii) Name, Designation, Address & E-mail of Compliance Officer:

Sh. H. K. Singhal, Director  
Steel Strips Wheels Limited  
Corporate Office: S C O 49-50, Sector - 26,  
Madhya Marg, Chandigarh.  
Telephone No. 0172- 2793112, 2792385  
E-mail hksinghal@glide.net.in

## GENERAL BODY MEETINGS

Date and venue of last few General Meetings:

Details of Meeting	Date of Meeting	Time of Meeting	Venue of Meeting
23rd Annual General Meeting (2008-09)	30.09.2009	11.00 A.M	Regd Office of the company at Village Somalheri/ Lehli, P.O.Dappar Tehsil, Dera Bassi, Distt. Mohali, (Pb).
24th Annual General Meeting (2009-10)	30.09.2010	11.00 A.M	--Do--
25th Annual General Meeting (2010-11)	30.09.2011	11.00 A.M	--Do--

## SPECIAL RESOLUTION IN THE PREVIOUS 3 AGMs

- (a) At the AGM held on 30th day of September, 2009:  
(i) To appoint Sh. A. V. Unnikrishnan as whole Time Director for five years w.e.f. 01.01.2009.

## POSTAL BALLOT

No Postal Ballot was conducted during the year.

## DISCLOSURES

- (i) There were no materially significant related party transactions of the company which had potential conflict with the interests of the company at large.
- (ii) No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.
- (iii) The company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behaviors. No personnel has been denied access to the audit committee.
- (iv) The company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1 D to Clause 49 of the Listing Agreements with the Stock Exchanges.

- (a) The Company has set up a Remuneration

Committee details of which have been given earlier in this Report.

- (b) The Company has adopted a Whistle Blower policy and has established the necessary mechanism for employees to report concerns to the Audit Committee as stated above.

#### INSIDER TRADING

“Code of Conduct for Prevention of Insider Trading” pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, has been followed by the Company through out the year.

#### CEO/CFO CERTIFICATION

The Managing Director and the General Manager (Accounts) of the Company have certified to the Board that all the requirements of Clause 49 (V) of the Listing Agreement, inter alia, dealing with the review of financial statements and cash flow statement for the year ended 31.03.2012, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit Committee, have been duly complied with.

#### CONSTITUENTS OF RELATED PARTIES.

Following named Companies, individuals and HUF constitute the related parties:

#### GROUP COMPANIES:

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

#### INDIVIDUALS:

Sh. R.K. Garg, Smt. Sunena Garg, Ms. Priya Garg, Mr. Dheeraj Garg., Mrs. Ute Mayr

#### HUF:

R. K.Garg & Sons (HUF)

#### MEANS OF COMMUNICATION

The quarterly and annual results are generally published in “Economic Times”, Financial Express and “Desh Sewak “ and have also been submitted to the Stock Exchange on which the Company's equity shares are listed as per the requirements of the Listing Agreements to enable them to

put them on their own web sites. These were also put up on the Company's website [www.sswlindia.com](http://www.sswlindia.com). All the official news released and submitted by the company to the Stock Exchanges are also displayed on the web site of the Company.

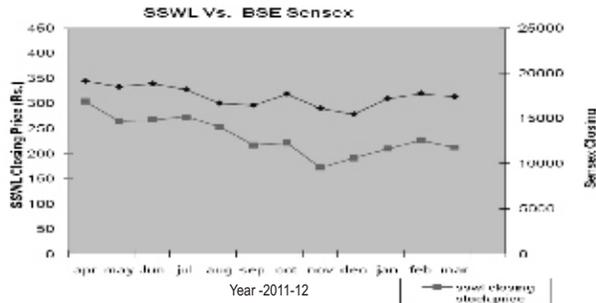
#### GENERAL SHAREHOLDER INFORMATION

- (i) Annual General Meeting: 29 September, 2012 at 11.00 am at Village Somalheri/ Lehli, P.O. Dappar, Tehsil Dera Bassi, District Mohali (Pb.)
- (ii) Financial Year 1st April to 31st March
- (iii) Year Ending March 31,2012
- (iv) Financial Calendar (tentative)
- Results for quarter ending June 2012-- 2nd week of August, 2012  
Results for quarter ending Sept. 2012 -- 2nd week of November, 2012  
Results for quarter ending Dec. 2012 -- 2nd week of February, 2013  
Results for quarter ending March 2013 -- Last week of May, 2013
- (v) Book Closure date : 21-09-2012 to 29 -09-2012 (Both day inclusive)
- (vi) Dividend Payment date: October 2012.
- (vii) Listing on stock Exchange : The Bombay Stock Exchange and the National Stock Exchange. The company has paid listing fees to both the above stated Stock Exchanges and there is no outstanding payment as on date.
- (viii) Stock code ;
- Bombay stock Exchange (BSE) - 513262  
National Stock Exchange (NSE) - SSWL  
ISIN No. of the Company's shares in Demat form : INE802C01017 (with NSDL and CDSL).
- (ix) Stock Market Price data : Monthly High and Low quotations on Mumbai Stock Exchange (BSE) and National Stock Exchange Limited (NSE) during each month in last financial year were as under.

Month	Bombay Stock Exchange		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2011	339.95	255.00	339.90	252.05
May 2011	314.45	247.00	313.00	246.05
June 2011	304.00	240.00	304.00	243.05
July 2011	310.00	262.40	309.80	263.00
Aug 2011	286.90	245.05	290.00	248.00
Sept 2011	267.90	213.10	264.95	212.30
Oct 2011	235.10	206.35	236.80	205.00
Nov 2011	229.90	162.00	234.90	158.40
Dec 2011	253.20	173.50	253.00	172.30
Jan 2012	219.00	186.35	220.10	188.30
Feb 2012	245.75	208.80	247.00	209.05
Mar 2012	242.00	207.10	241.40	205.60

# STEEL STRIPS WHEELS LIMITED

- (X) Performance of Share price of the company in company Comparison to the BSE Sensex.



S.No	PARTICULARS	NO. OF SHARES	(%)
1.	Promoter and Promoter Group	7819900	52.68
2.	Mutual Funds/UTI/Financial Institutions, Banks & Foreign Institutional Investors	408040	2.75
3.	Foreign Bodies Corporate	1227000	8.27
	Other Body Corporate	3312510	22.32
4.	Individuals	1990894	13.41
5.	Any other :		
	Non Residents	24730	0.17
	Clearing Members	22154	0.15
	HUF	27642	0.18
	Trust	10300	0.07
<b>Total</b>		<b>14843170</b>	<b>100.00</b>

- (xi) Registrar and Transfer Agents  
Name and address:  
Link Intime India Pvt. Ltd.  
A-40, 2nd floor, Naraina Industrial Area,  
Phase- II, Near Batra Banquet Hall,  
New Delhi - 110 028  
Phone Number : 011-41410592,93,94  
Fax Number: 011-41410591  
Email: delhi@linkintime.co.in

- (xii) **Place for Acceptance of documents:**  
Documents will be accepted at :  
Link Intime India Pvt. Ltd.  
A-40, 2nd floor, Naraina Industrial Area,  
Phase- II, Near Batra Banquet Hall,  
New Delhi - 110 028

- (xiii) **Share Transfer System**  
93.59% of the shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. As regard transfer of shares held in physical form, the transfer document can be lodged with the Registrar and Transfer Agents i.e. Link Intime India Pvt. Ltd.  
Transfer of shares in physical form is normally processed within 12 to 15 days from the date of receipt if the documents are complete in all respect.

- (xiv) **Distribution of Shareholding.**

- (a) Class-wise Distribution of Equity Shares as on 31st March, 2012

Shares/Debtentures Holding of Nominal Value	Number of share	% age of Total
Upto 5000	1331032	8.97
5001 10000	205334	1.38
10001 20000	169037	1.14
20001 30000	101187	0.68
30001 40000	35604	0.24
40001 50000	47198	0.32
50001 100000	143666	0.97
100001 and above	12810112	86.30
<b>Total</b>	<b>14843170</b>	<b>100.00</b>

- (b) Shareholding Pattern as on 31st March, 2012

## DEMATERIALIZATION AND PHYSICAL TRANSFER OF SHARES:

The Company's script forms part of the Compulsory demat segment for all investors. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar M/s Link Intime India Pvt. Ltd., A-40, 2nd floor, Naraina Industrial Area, Phase II, Near Batra Banquet Hall, New Delhi 110 028. The company had also appointed M/s Link Intime India Pvt. Limited as common Agency to look after dematerialisation of shares as well as for physical transfer of shares.

As on 31-03-2012 there were 12663 shareholders of the Company. Out of these 8592 shareholders were holding 13891954 (93.59%) equity shares in the dematerialized form and rest of them i.e 4071 shareholders were holding 951216 (6.41%) equity shares in physical form.

## OUTSTANDING GDRS/ADRS WARRANTS OF ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE, LIKELY IMPACT ON EQUITY.

There is no outstanding GDR/ADR or any convertible instrument.

## CORPORATE IDENTIFICATION NO.

L27107PB1985PLC006159

## TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company has been paying Dividend regularly for last Fourteen years (except for the year 2008-09), starting from the year 1996-97. Some amount of the dividend remain lying unclaimed in the "Unpaid Dividend Accounts" being maintained by the Company with HDFC Bank limited, Sector 8, Chandigarh, Axis Bank Ltd., Sector 35 Chandigarh and Yes Bank Ltd, Worli Branch, Nehru Centre, 4th floor, Discovery of India, Dr. A.B.Road, Worli, Mumbai 400018.

In compliance with the provisions of Section 205A of the Companies Act, 1956, the unpaid dividend for the year 2003-2004 has already been transferred to the "Investor Education and Protection Fund. Further, the unpaid dividend for the year 2004-2005 shall be transferred to the Investor Education and Protection Fund in the month of September 2012.

- PLANT LOCATION**
- (a) Village Somalheri/ Lehli, P.O. Dappar, Tehsil Dera Bassi, District Mohali (Pb.)
  - (b) Plot no. A-10, SIPCOT Industrial Growth Centre, Vallam Village, Sriperumbudur, Tamil Nadu
  - (c) Moja Jojobera, P. O. & P. S. Chhota Govindpur East Singhbhum district Jamshedpur, Jharkhand.

**ADDRESS FOR CORRESPONDENCE:**

**To the Registrar & Share Transfer Agents**

Link Intime India Pvt. Ltd.  
A-40, 2nd floor, Naraina Industrial Area,  
Phase- II, Near Batra Banquet Hall,  
New Delhi - 110 028

Phone Number : 011-41410592,93,94  
Fax Number : 011-41410591  
Email: delhi@linkintime.co.in  
Contact Persons: Mr. V. M. Joshi or Mr. Swapan Nasker

**To the company**

Steel Strips Wheels Limited  
S.C.O. 49-50, Sector 26  
Madhya Marg,  
Chandigarh -160019

Phone No. 0172- 2793112  
Email ID: hksinghal@glide.net.in  
Contact Person: Sh. H.K.Singhal

**Place : Chandigarh**  
**Date : 29th May, 2012**

**On behalf of Board of Directors**  
**R.K. GARG**  
**CHAIRMAN**

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

We have examined the compliance of conditions of Corporate Governance by Steel Strips Wheels Limited for the year ended on 31<sup>st</sup> March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of 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.

In our opinion and to the best of our information and according to the explanation given to us and the representation made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement with the Stock Exchanges.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Chandigarh  
Date : 29th May, 2012

**For S. C. Dewan & Company**  
**Chartered Accountants**

**(S.C.DEWAN)**  
**PARTNER**

# MANAGEMENT

## Discussion & Analysis

The Indian Economy emerged with remarkable rapidity from the slowdown caused by the global financial crisis of 2008-09 however during 2011-12, a variety of factors, including monetary tightening, rupee depreciation and continued turmoil in the Eurozone, fueled anxiety about India's macroeconomic and industrial outlook for 2012. GDP growth dropped to 6.9 percent, registering the slowest year-on-year increase in past two years.

However India remains among the fastest growing economies of the world and GDP growth expected to pick up to 7.6% in 2012-13. Country's sovereign credit rating rose by a substantial 2.98 percent in 2007-12.

Automobile industry is one of the highest revenue earning industry and contributes about 5% of India's GDP.

### Annual GDP and its components-growth (in Percentage)

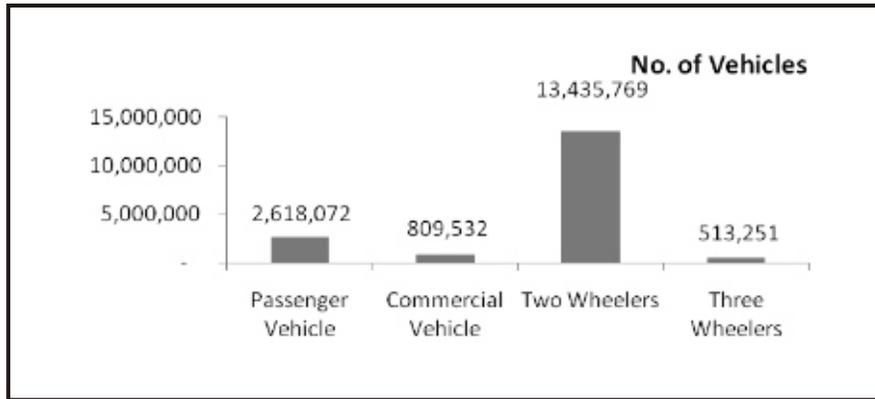
Sector	2011-12 (Estimated)	2010-11	2009-10	2008-09
GDP at factor cost	6.9	8.4	8.4	6.7
Agriculture	2.5	7.0	1.0	0.1
Mining	-2.2	5.0	6.3	2.1
Manufacturing	3.9	7.6	9.7	4.3
Power & Gas	8.3	3.0	6.3	4.6
Construction	4.8	8.0	7.0	5.3
Hotel & Communication	11.2	11.1	7.8	5.7
Financial Services	9.1	10.4	9.4	12.0
Social Spending	5.9	4.5	12.0	12.5

Sustaining high growth is likely to be the overarching concern in 2012, although the risk of inflation will remain, largely because of a weakening rupee.

There is a need to be alert and prepared to take proactive steps as the emerging scenario warrants, with the objective of bringing down inflation.

### INDUSTRY & SEGMENT DYNAMICS

The Indian auto components industry witnessed growth of 12.24% in comparison to 26.17% growth achieved last fiscal. The factors responsible are worsening consumer sentiment, lack of liquidity in the financial system and higher cost of finance.



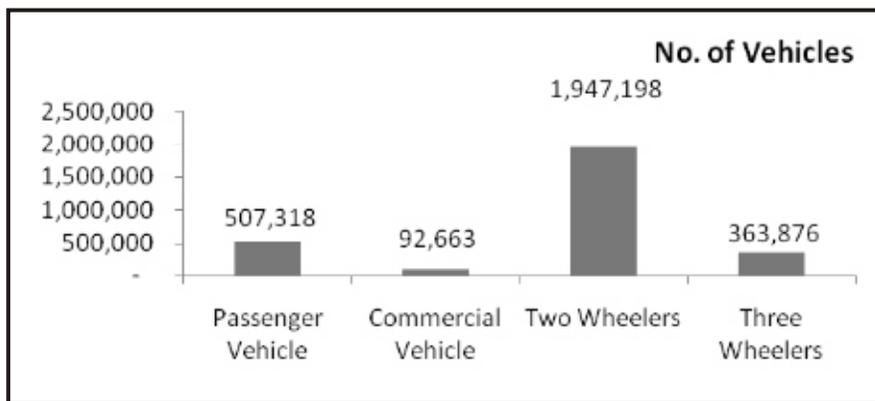
Domestic Sales Trends of the auto sector in 2011-12

Industry expects the trend of low automobile sales volume growth, and in turn the auto ancillary business growth to slow down in the current financial year as compared to the prior year especially for passenger cars and possibly for commercial vehicles, in view of the headwinds being faced by almost all industries today.

The long term prospects are however still bright and the demand will grow due to various underlying factors including India's rising per capita income, increasing rural demand, growing urbanization, swelling replacement demand, Infrastructure development, Stress on mechanized farming etc.

#### EXPORT OUTLOOK

In the year gone, country's merchandise exports grew by 21 per cent year-on-year in 2011-12, to USD 303.7 billion. During 2011-12, engineering exports grew 17 per cent to USD 58.2 billion, compared to USD 49.7 billion in the previous fiscal., which accounts for 19% of India's total exports.



Export Sales Trends of automobile sector

In the Auto sector, the overall export of automobiles in all categories in financial year 2011-12 is 2.91 million units as compare to 2.34 million units in the previous year, showing an increase of 24.4 percent. The major chunk in total exports remains with the two wheeler segment with 1.94 million units compare to 1.54 million units in the previous year.

For SSWL, the financial year 2011-12 proved to be a year of significant improvement in performance. Further, SSWL has penetrated the European and Latin American markets and registered total export sales of Rs. 118.47 crores with an increase of 68% as compared to export sales of Rs. 70.30 crores in the previous year. This has become possible as a result of SSWL's constant endeavor to become a company with a Global Footprint.

## THE INDIAN AUTOMOBILE MARKET AND OUR OUTLOOK :

The Indian automobile market has made its mark in the world by giving quality products at competitive prices. The Automobile and Auto Component sectors go hand in hand. With the robust growth in the automobile sector, the auto component sector has also flourished. There has been consistent growth in the auto component market in recent years and as per ACMA it is estimated that the Indian auto component market will be worth US \$ 66 billion by 2015-16.

Significant investments are being made by Indian OEMs and auto component manufacturers in order to increase their capacities and fill the gap between the supply and demand. This has opened a new opportunity for your Company also to offer contemporary products to its export customers by upgrading its technology. As your Company now exports around 12% of its total sales, we have to focus on technological changes to keep abreast of various developments and be responsive to the market and specific customer requirements.

Further despite being a highly price sensitive and competitive market, the profitability indicators for OEMs in India are amongst the best when compared to those in the developed markets and some of the other emerging markets owing to a competitive cost base. These factors put together have attracted several major international players to the Indian market.

The Three main Auto hubs in India, as of today, are - North (Haryana), West (Maharashtra) & South (Chennai), with share of business being equally divided among the three. Your company has manufacturing locations in North and South and is proposing a new plant in West, to enable cater to the growing Indian Auto industry demand.

The fourth emerging Auto hub is in Gujarat.

### Domestic Sales Forecast for FY13 by SIAM

Segment	Actual Growth 11-12	Forecast FY13
Passenger Vehicle	4.66%	10%-12%
Two Wheelers	14.16%	11%-13%
Commercial Vehicles	18.20%	9%-11%
Three Wheelers	-2.43%	5%-7%
Overall Industry	12.24%	10%-12%

Growth is projected across all segments by SIAM & Company is today best positioned/equipped to tap all the growth avenues.

## FINANCIAL ANALYSIS

The Company posted higher sales in the financial year 2011-12 and for the first time in its history the Company's turnover crossed the Rs. 1000 crores mark. The gross revenues of the Company increased to Rs. 1056.00 crores as compared to 718.77 crores in 2010-11, registering an significant increase of 46.92%. The Profit after Tax (PAT) for the year 2011-12 was at Rs. 28.76 crores .

Keeping in view the financial performance and availability of funds the Directors have recommended a final dividend of 15% i.e. Rs.1.50 per equity share subject to the approval of the shareholders at the ensuing Annual General Meeting resulting in a payout of Rs. 2.23 crores (excluding dividend tax). The earnings per share (EPS) stood at Rs.19.38 per equity share .

## RISKS & OUTLOOK

Steel is the primary raw material for the products of the company, and is a very significant part of the final product cost of steel wheel. Rising steel prices continue to be a reality and pose a challenge to the margins of the company in this competitive auto component sector.

To mitigate the risk, the Company continues to strive to improve its operational performance and develop new components, which are technologically superior and have an edge over the competitors. Any increase of steel prices does not lead to pressure on the absolute operating margins of the company.

### SALES PERFORMANCE AND PROFILE

The company has successfully navigated through the troubled times. The sales to the major customers have shown a steady rising trend in both domestic and export segments. During the year the Company has been able to consolidate on its sales with the domestic as well as foreign customers.

In 2011-12 Company maintained its focus on increasing the share of sales in Tractors & LCV/HCV segments.

Tractor & CV segment contribute more to Top-line & EBITDA margins. The Company recorded a growth of 161% in the sale in CV segment and 48% in the sale in Tractor Segment during the year under review as compared to previous year 2010-11.

Further the Company is undertaking expansion plan in Jamshedpur plant to enhance installed capacity from 1Mn wheel rims per annum to 1.6Mn wheel rims per annum catering mainly to LCV/HCV segment, same is in line with Company's aspiration to increase its share of business in the CV/Tractor segment.

With Jamshedpur expansion total installed capacity of Company will increase to 16.6Mn wheel rims per annum.

Entry of new OEM's in Indian Market will open further growth avenues. The new entrants are following a two-pronged strategy for emerging markets

- (a) adapting premium products for local markets and
- (b) entering the low-cost segment through local engineering, sourcing and production. In India, most of international players have forged alliances with local partners to help them understand the market in a better way and address it with products that meet India specific requirements.

### GROWTH CV & TRACTOR SEGMENT:

#### CV SEGMENT:

The trend of new international OEM's is more-so visible in HCV/LCV & Tractor segment as briefed in below exhibit:

International Player	Indian Partner	Segment	Capacity (units/year)	Comments
Daimler	-	M&HCV	100,000	To start commercial production by mid CY 2012
ISUZU	Swaraj	M&HCV	18,000	Recently introduced 12T truck, planning to enter into >16T category
MAN AG	Force Motors#	M&HCV	24,000	Presence into niche heavy duty HCV segment, especially large tippers
Volvo	Eicher	M&HCV	48,000	Strong presence in 5 -12T segment. Gaining traction in HCV segment
Navistar	M&M	M&HCV	50,000	Gradually ramping up production with initial focus on 25T+ category
Beiqi Foton Motors	-	LCV/MCV	100,000	First phase of production by early CY13, wherein engines will be supplied by Cummins.

Source: ICRA Report December11

The domestic scenario looks brighter providing renewed opportunities for auto ancillary units

### TRACTOR SEGMENT:

The Indian tractor industry has experienced strong volume growth during FY10-FY12 on the back of favorable cyclical and structural demand drivers. While tractor volumes remained robust through most of FY12 despite macro-economic headwinds; the domestic tractor market is showing some signs of weakness over the last couple of months. The demand-

## STEEL STRIPS WHEELS LIMITED

side economics in the tractor industry continue to find favour from factors such as support from the Government of India (GOI) towards rural development and agri-mechanisation, scarcity of farm labour especially during the sowing season, increase in credit flow to agriculture, increase in non-agri application of tractors as in infrastructure projects, growth in niche power segments (<20HP and >50HP) and untapped territories, besides healthy export sales.

Major Drivers of Tractor Segment:

Factors	Remarks
Scarcity of Farm labours	Alternate employment opportunities following urban migration and other Government- run schemes such as the National Rural Employment Guarantee Act (NREGA) have necessitated greater farm mechanisation
Increasing non-agricultural application	Increasing use of tractors for haulage in infrastructure and construction projects
Strong replacement demand	Roughly 40% of domestic demand is from the replacement market. The average life-cycle of a tractor has reduced to ~8-9-years from ~11-12 years.
Export Sales	Addition of new export destinations and increased offerings by domestic manufacturers in the higher HP segment has spurred export growth in FY11& FY12

Besides most of the tractor manufacturers have announced their capacity enhancement projects which will provide further opportunities to Company.

Company	Location	Capacity Units/annum	Investment Rs. Crore	Completion Date
<b>Recently completed</b>				
Rajkot Tractors	Rajkot	12,000	NA	Nov-11
ITL	Hoshiyarpur	20,000	NA	Sep-11
Escorts	Faridabad	25,000	NA	Jun-11
<b>Greenfield Projects</b>				
ITL	Bihar	25,000	55	NA
M&M	Zaheerabad AP	1,00,000	300	Jul-12
John Deere	Dewas, MP	50,000	350	Sep-12
VST Tillers	Hosur, TN	30,000	100	Dec-12
New Holland	Greater Noida, UP	30,000	220	Dec-13
Escorts	Undecided	50,000	NA	May-13
<b>Brownfield Projects</b>				
SAME	Ranipet, TN	9,000	20	Jun-12
John Deere	Pune, Mah	NA	90	Sep-12
HM	Pinjore, Haryana	15,000	NA	Nov-13

Source: ICRA February 2012

### **INTERNAL CONTROLS AND THEIR ADEQUACY**

The Company has a robust internal control and audit system to provide adequate assurance regarding the effectiveness and efficiency of its systems and operations. The controls are commensurate to the needs of the organization given its size and complexity of operations. The standard operating procedures ensure compliance to local regulation and statutes as applicable to the Company. The Company strictly ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

### **HUMAN RESOURCES**

Human resources being one of the most important factors for the growth of an organization, the company has initiated measures towards building capability and providing growth to employees at all levels. Company launched -Progress & Growth system for Performance Management and Career Growth of the employees. This system will enable people to learn and grow in the organization and make SSWL a learning organization. Also, the Company is in process of Creating a Technical Training Centre, SSWL-Skill India School of Excellence. The said Centre will enable people to acquire world class Skills. This is a capability measure in collaboration with National Skill Development Council which will build capability not only for Employees and Organization but for society at large.

During this year, the Company continued to maintain its track record of peaceful industrial relations ever since its inception. It sustains and fosters its unique paternal culture across all operating locations. Several health and safety initiatives are introduced as part of a structured program to enhance the safety and health of its workmen and other associates.

### **SEGMENT REPORTING**

The Company is primarily engaged in the manufacturing business of steel wheel rims catering to different segment of automobile industry. The inherent nature of activities is governed by the same set of risk and returns; hence these have been grouped as a single segment. The said treatment is in accordance with the principle enunciated in the Accounting Standard on Segment Reporting (AS 17).

### **DISCLAIMER**

This report contains certain statements that the Company believes and may be considered as forward looking statements. These forward looking statements may be identified by their use of words like 'plan', 'hope', 'will', 'expect', 'aim' or such similar words or phrases. All such statements are subject to risks and uncertainties which could cause actual results to vary materially from those contemplated by the relevant forward looking statements.

# AUDITORS'

# Report

## S.C. DEWAN & CO.

### CHARTERED ACCOUNTANTS

SCO 90, 1st Floor, Swastik Vihar, Panchkula-134 109

Tel. : 2556190, 2556890

To the Members of

#### STEEL STRIPS WHEELS LIMITED

We have audited the attached Balance Sheet of M/s **STEEL STRIPS WHEELS LIMITED** as at 31.03.2012 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 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 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 31.03.2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31.03.2012 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 and notes thereon 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 31.03.2012, and,
  - (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date, and
  - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Chandigarh  
Date : 29th May, 2012

For S.C. Dewan & Company  
Chartered Accountants

S.C. DEWAN  
PARTNER

# ANNEXURE

## To Auditors' Report

Referred to in Paragraph I of our report of even date:

1. In respect of its fixed assets:
    - (a) 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.
    - (b) 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.
    - (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
  2. In respect of its inventories:
    - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
    - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
    - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
  3. The Company has not granted or taken any loan, secured or unsecured loans to/ from Companies covered in the register maintained under section 301 of the Act.
  4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
  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. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
  7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
  8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
-

9. In respect of statutory dues:

- (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess, and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2012 for a period of more than six months from the date of becoming payable.
- (b) The Company is regular in depositing undisputed statutory dues including, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth tax, Service tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities except for the demands/ claims disputed by the Company as per details given below:

Nature of Dues	Amount Rs Lacs	Amt. Deposited Rs. Lacs	Fourm where dispute is pending	Period to which the amount relates
Income Tax	99.56	25.00	Commissioner of Income tax Appeals	Assessment Year 2007-08
Income Tax	72.23	36.22	Astt. Commissioner of Income Tax	Assessment Year 2006-07

The company is of the view that the demand is likely to be reversed by the Income Tax Department in view of the decision of various appellate authorities and interpretations of other relevant provision of Income Tax Act 1961.

10. The Company has no accumulated losses/cash losses.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. In our opinion, the Company is not a Financing Company.
15. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. 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.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long term investment.
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 Companies Act, 1956.
19. The Company has not issued any Debentures to the public.
20. The Company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For S.C. Dewan & Company  
Chartered Accountants

Place: Chandigarh  
Date : 29th May, 2012

S.C. DEWAN  
PARTNER

# BALANCE SHEET

As at 31st March, 2012

₹ in Lacs

PARTICULARS	NOTES	As at 31st March, 2012	As at 31st March, 2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Funds :</b>			
Share Capital	1	1,484.32	1,484.32
Reserves and Surplus	2	29,424.67	26,807.09
<b>2) Share Application Money Pending allotment</b>			
		-	-
<b>3) Non Current Liabilities</b>			
Long Term Borrowings	3	27,572.22	22,554.19
Deferred Tax Liability (Net)	4	2,309.99	2,132.62
Long Term Provisions	5	323.55	283.50
<b>4) Current Liabilities</b>			
Short Term Borrowings	6	22,921.43	19,814.34
Trade Payables	7	10,600.73	8,397.00
Other Current Liabilities	8	910.10	1,688.65
Short Term Provisions	9	363.54	533.47
<b>TOTAL</b>		<b>95,910.55</b>	<b>83,695.18</b>
<b>II. ASSETS</b>			
<b>1) Non Current Assets</b>			
<b>a) Fixed Assets</b>			
Tangible Assets	10	76,053.66	65,166.51
Intangible Assets		-	-
		76,053.66	65,166.51
Less : Depreciation		19,655.78	15,527.95
<b>Net Block</b>		<b>56,397.88</b>	<b>49,638.56</b>
Capital Work in Progress		4,842.68	3,560.17
Intangible Assets Under Development		198.72	123.75
		<b>61,439.28</b>	<b>53,322.48</b>
b) Non Current Investments	11	29.00	30.83
c) Long Term Loans and Advances	12	615.30	373.37
<b>2) Current Assets</b>			
Current Investments		-	-
Inventories	13	13,490.98	15,047.83
Trade Receivables	14	13,748.20	9,110.79
Cash and Bank Balances	15	2,276.29	2,681.51
Short Term Loan & Advances	16	4,280.03	3,128.37
Other Current Assets	17	31.47	-
<b>TOTAL</b>		<b>95,910.55</b>	<b>83,695.18</b>
Significant Accounting Policies			
Notes to Financial Statement	1-28		

As per our report of even date.

For and on behalf of Board

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

S.C. Dewan  
Partner

**Dheeraj Garg**  
Managing Director

S.K. Bansal  
S.S. Jha  
M.M. Chopra  
H.K. Singhal  
Directors

Place : CHANDIGARH  
Dated : 29th May, 2012

Shaman Jindal  
Company Secretary

## PROFIT & LOSS ACCOUNT

For the year ended 31st March, 2012

₹ in Lacs

PARTICULARS	NOTES	31st March, 2012	31st March, 2011
<b>INCOME</b>			
<b>I. Revenue from Operations</b>	18	95,723.99	65,616.49
<b>II Other Income</b>			
Other Misc Income	19	1,016.87	163.06
<b>III. TOTAL REVENUE (I + II)</b>		<b>96,740.86</b>	<b>65,779.54</b>
<b>IV. EXPENSES</b>			
Cost of Material Consumed	20	67,508.87	42,798.70
Purchase of Trading Goods		--	--
Decrease / (Increase) in Stocks	21	(1,514.22)	(638.83)
Employees Benefits Expenses	22	5,273.20	3,570.69
Financial Expenses	23	2,758.91	2,032.10
Depreciation / Amortization	10	4,260.67	3,280.55
Other Expenses	24	15,142.31	11,171.87
<b>TOTAL EXPENSES</b>		<b>93,429.75</b>	<b>62,215.07</b>
<b>V. Profit before exceptional items</b>		3,311.11	3,564.47
<b>VI Exceptional Items</b>			
Prior Period Income		8.41	0.64
Prior Period Expenses		4.85	8.07
<b>Profit Before tax</b>		<b>3,314.67</b>	<b>3,557.05</b>
<b>VII. LESS : Tax Expenses</b>			
Current TAX (MAT)		663.18	709.00
Less : Mat Credit Entitlement		(439.06)	(709.00)
Deferred Tax		177.37	541.50
<b>Total Taxes</b>		<b>401.49</b>	<b>541.50</b>
Add : Taxes - Previous Year		36.83	35.34
		<b>438.32</b>	<b>576.84</b>
<b>VIII. Profit Carried to Balance Sheet</b>		<b>2,876.35</b>	<b>2,980.20</b>
<b>Earnings per Equity Share</b>			
Basic (Nominal value of Share Rs. 10 each)	25	19.38	21.28
Diluted (Nominal Value of Shares Rs. 10 each)		19.38	21.28
Significant Accounting Policies			
Notes to Financial Statement	1-28		

As per our report of even date.

For and on behalf of Board

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

S.C. Dewan  
Partner

**Dheeraj Garg**  
Managing Director

S.K. Bansal  
S.S. Jha  
M.M. Chopra  
H.K. Singhal  
Directors

Place : CHANDIGARH  
Dated : 29th May, 2012

Shaman Jindal  
Company Secretary

# CASH FLOW STATEMENT

## FOR THE YEAR ENDED 31ST MARCH, 2012

₹ in Lacs

S. No	PARTICULARS	March 31, 2012		March 31, 2011	
<b>A.</b>	<b>Cash Inflow/ (Outflow) from Operating activities</b>				
	<b>Profit before tax</b>		3,314.67		3,557.05
	Depreciation	4,127.84		3,280.55	
	Miscellaneous expenses written off			-	
	Bad debts written off			(0.38)	
	(Profit)/ Loss on sale of assets	4.01		2.31	
	(Profit)/ Loss on sale of investments	(3.79)		(3.33)	
	Interest received	91.70		(81.44)	
	Interest paid	<b>2,133.13</b>	<b>6,352.89</b>	<b>1,726.55</b>	<b>4,924.27</b>
	<b>Operating profit before working capital changes</b>		<b>9,667.56</b>		<b>8,481.31</b>
	Adjustment for				
	- (Increase)/ decrease in inventory	1,556.85		(7,336.08)	
	- (Increase)/ decrease in trade and other receivables	(4,637.41)		(3,855.50)	
	- Increase/ (decrease) in trade payables	1,255.26	(1,825.30)	5,928.56	(5,263.03)
	<b>Cash inflow from operating activities</b>		<b>7,842.26</b>		<b>3,218.28</b>
	Taxes paid		260.95		50.40
	<b>Net cash from / (used) in operating activities</b>		<b>7,581.31</b>		<b>3,268.69</b>
<b>B</b>	<b>Cash flows from/ (used) in Investing Activities</b>				
	Purchase of fixed assets	(12,716.23)		(14,459.63)	
	Exchange fluctuation in Fixed assets			(132.06)	
	Sale of fixed assets	471.59		276.34	
	Sale of investments	1.83		20.00	
	Investment in mutual fund			(15.83)	
	Profit on sale of investments / Assets	(0.22)		3.33	
	Interest received	(91.70)		81.44	
	<b>Net cash from / (used) in investing activities</b>		<b>(12,334.74)</b>		<b>(14,226.41)</b>
<b>C</b>	<b>Cash flows from/ (used) in Financing Activities</b>				
	Proceeds from issue of equity shares Incl. premium			6,663.15	
	Proceeds from long term borrowings	5,058.08		7,828.84	
	Repayment of long term borrowings (net of fluctuation)	(1,425.07)		(5,905.04)	
	Proceeds from/ (repayment of) Unsecured loans			(2,453.00)	
	Changes in working capital loans/short term borrowings	3,107.09		6,885.64	
	Increase/Decrease in Long/short Term Loan & Advances			-	
	Dividend paid	(258.77)		(136.16)	
	Interest paid	(2,133.13)		(1,726.55)	
	<b>Net cash from / (used) in financing activities</b>		<b>4,348.21</b>		<b>11,156.87</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(405.22)</b>		<b>199.14</b>
	Cash and cash equivalents as at April 1, 2011		2,681.51		2,482.37
	<b>Cash and cash equivalents as at March 31, 2012</b>		<b>2,276.29</b>		<b>2,681.51</b>

As per our report of even date.

For and on behalf of Board

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

S.C. Dewan  
Partner

**Dheeraj Garg**  
**Managing Director**

S.K. Bansal  
S.S. Jha  
M.M. Chopra  
H.K. Singhal  
**Directors**

Place : CHANDIGARH  
Dated : 29th May, 2012

Shaman Jindal  
**Company Secretary**

## SIGNIFICANT ACCOUNTING POLICIES

### i) **Accounting Convention**

The financial statements are prepared under the historical cost convention in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act 1956 and relevant presentational requirements of the Companies Act, 1956.

### ii) **Fixed Assets**

Fixed assets are stated at cost (net of CENVAT) less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses and interest on loan taken for the acquisition of qualifying assets up to the date of commissioning of assets.

The exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, have been added to or deducted from the cost of the asset and shall be depreciated over the balance useful life of the asset.

Die Tooling, developed in-house, includes cost of material, taxes and duties and other direct/ incidental expense on in-house development.

### iii) **Depreciation/ amortization**

- a. Depreciation on fixed assets (other than those referred to in b and c below) is provided on straight line method in accordance with Schedule XIV to the Companies Act, 1956.
- b. Depreciation on assets costing Rs. 5,000 or less is provided 100% on prorata basis for days put in use.
- c. The leasehold land is amortized over the period of lease.
- d. Difference of Exchange Rate fluctuation on imported plant and machineries procured out of long term foreign currency loans is amortized over the residual life of relevant plant and machineries.

### iv) **Inventories**

- a. Raw materials lying at Factory and job workers have been valued at cost.
- b. Stocks in process have been valued at Raw material cost plus proportionate of conversion cost.
- c. Finished goods lying at factory have been valued at Raw material cost plus conversion cost including excise duty payable.
- d. Scrap has been valued at net realizable value.
- e. Stores and Spares have been valued at cost.

### v) **Investments**

Long-term investments are carried at cost less provision, if any, for diminution in value which is other than temporary. Current investments are carried at lower of cost and fair value.

### vi) **Transactions in Foreign Currency**

- i) Foreign currency transactions are recorded at the exchange rate prevailing as at the date of transactions except export sales which are recorded at a rate notified by the customs for invoice purposes. Such rate is notified in the last week of the month and is adopted for recording export sales of the next month. The exchange fluctuation arising as a result of negotiation of export bill is accounted for as difference in exchange rates.
- ii) Monetary items denominated in a foreign currency are reported at the closing rate as at the date of balance sheet. The reinstatement difference is charged to profit and loss account.
- iii) Non-monetary items (fixed assets and loans) denominated in a foreign currency are reinstated as at the date of balance sheet. The difference on re-instatement is carried to relevant non-monetary items.

### vii) **Employee Benefits**

The Company has various schemes of retirement benefits such as provident fund, gratuity and leave encashment, which is

dealt with as under

- i) Contributions to provident fund are made in accordance with the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to revenue every year.
- ii) Provision for Gratuity is made based on actuarial valuation. The gratuity liability in respect of employees of the Company is covered through a policy taken by a trust from Life Insurance Corporation of India. The contribution towards premium of the policy to the trust is charged to revenue every year.
- iii) Provision for leave encashment is made based on actuarial valuation. The leave encashment liability is covered through a policy taken from Life Insurance Corporation of India. The contribution towards premium of the policy is charged to revenue every year.

**viii) Borrowing costs**

Borrowing costs that are attributable to acquisition or construction of a qualifying asset are capitalized as part of cost of such assets. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

**ix) Cenvat**

The balance in the Service Tax and Modvat account is shown as current asset.

**x) Revenue Recognition**

Sales revenue is recognized as and when goods are handed over to carrier.

- Insurance claim is recognized on actual receipt basis.
- Interest from bank is recognized on accrual basis.

**xi) Recognition of expenses**

Expenses are recognized on accrual basis except Technical know-how fees and Royalty on sales which is recognized on cash basis.

**xii) Impairment of Assets**

At each balance sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss, i.e., the amount by which the carrying amount of asset exceeds its recoverable amount is provided in the books of account.

**xiii) Accounting for taxes on income**

Provision for taxation for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods. In respect of carry forward of losses and unabsorbed depreciation, deferred tax assets are recognized based on virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

MAT credit entitlement is recognized as an asset and carried under Loans and advances.

- xiv) Provision involving substantial degree of estimate in measurement are recognised when there is present obligation as result of past events and it is probable that there will be an outflow of resources, contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

**Notes on Financial Statements for the year ended 31st March, 2012**

The previous year figures have been regrouped / reclassified wherever necessary to confirm the current year presentation

**NOTE - 1**

**SHARE CAPITAL**

₹ in Lacs

	March 31, 2012 (Rs.)	March 31, 2011 (Rs.)
<b>Authorised Capital</b>		
1,90,00,000 Equity Shares of Rs.10/-each (1,90,00,000)	1,900.00	1,900.00
12,00,000 Preference shares of Rs. 145/- each * Optionally Convertible, commutative or non-cumulative (12,00,000)	1,740.00	1,740.00
<b>Issued , Subscribed and Paid Up Capital</b>		
1,48,43,170 Equity Shares of Rs.10/-each (1,48,43,170)	1,484.32	1,484.32
<b>TOTAL</b>	<b>1,484.32</b>	<b>1,484.32</b>

Nil Shares out of the issued , subscribed and paid up Share Capital were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium and Reserves

Nil

Nil Shares out of the issued , subscribed and paid up Share Capital were allotted in the last five years pursuant to the various scheme of amalgamation without payment being received in cash.

Nil

The Company has issued only one class of shares i.e equity shares. All equity shares rank pari passu and carry equal rights with respect to voting and dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The details of Shareholders holding more than 5% shares.

Name of the Share Holder	March 31, 2012		March 31, 2011	
	No. of Shares	% held	No. of Shares	% held
MR. DHEERAJ GARG	46,40,228	31.26	44,87,074	30.23
SAB INDUSTRIES LIMITED	12,93,686	8.72	12,93,686	8.72
SAB UDYOG LIMITED	11,42,582	7.70	11,42,582	7.70
KALIMATI INVESTMENTS PVT. LTD.	12,55,856	8.46	12,55,856	8.46
SUMITOMO METAL INDUSTRIES LIMITED	8,50,000	5.73	8,50,000	5.73

The reconciliation of number of shares outstanding is set out below :

Particulars	March 31, 2012 No. of Shares	March 31, 2011 No. of Shares
Equity Shares at the beginning of the year	1,48,43,170.00	1,48,43,170.00
Add: Shares issued	-	-
Less : Shares Cancelled	-	-
Equity Shares at the end of the year	<b>1,48,43,170.00</b>	<b>1,48,43,170.00</b>

## Notes on Financial Statements for the year ended 31st March, 2012

### NOTE 2

₹ in Lacs

PARTICULARS	March 31, 2012	March 31, 2011
<b>Reserves &amp; Surplus</b>		
Share Forfeiture Reserve	59.10	59.10
Assistance under PATSER Scheme	50.00	50.00
Share Premium Account	10,378.68	10,378.68
Capital Subsidy	27.45	27.45
Capital Revaluation Reserve	5,280.64	5,280.64
Capital Reserve - DG Subsidy	0.50	0.50
<b>General Reserve</b>		
As per Last Balance Sheet	4,805.23	4,805.23
Add: Transfer from Profit & Loss	2,191.73	-
Less : Appropriations	-	-
Closing Balance	6,996.96	4,805.23
<b>Profit and Loss account (Carried over from P&amp;L)</b>		
As per Last Balance Sheet	6,205.49	3,484.91
Add: Profit for the year	2,876.35	2,980.20
Less : Appropriations		
Proposed Dividend	222.65	222.65
Dividend Distribution Tax	36.12	36.98
Transfer to General Reserves	2,191.73	-
Closing Balance	6,631.34	6,205.49
<b>TOTAL</b>	<b>29,424.67</b>	<b>26,807.09</b>

### NOTE 3

₹ in Lacs

			March 31, 2012	March 31, 2011		
<b>LONG TERM BORROWINGS</b>						
<b>SECURED</b>						
<b>Loans from Banks</b>	<b>Current</b>	<b>Non Current</b>		<b>Current</b>	<b>Non Current</b>	
- Rupee Term Loans	1,031.94	419.41	419.41	1,912.57	1,465.57	1,465.57
- Foreign Currency Term Loan	3,627.05	16,510.40	16,510.40	2,776.96	12,465.69	12,465.69
<b>UNSECURED</b>						
- From NBFC						
TATA Capital Limited	1,000.00	-	-	250.00	-	-
- From Bank						
Punjab National Bank	-	-	-	345.22	2,654.78	2,654.78
<b>Payables for Capital Goods</b>						
- Long Term			10,642.41			5,968.15
<b>TOTAL</b>	<b>5,658.99</b>		<b>27,572.22</b>	<b>5,284.75</b>		<b>22,554.19</b>

Note:

Term Loans from banks, financial institutions and others are secured / to be secured by equitable mortgage created / to be created by deposit of title deeds of the Company's immovable properties for Dappar and Oragadam units in addition to the deed of hypothecation charging Company's moveable properties, both present and future and second charge created / to be created on raw materials, semi-finished goods, consumable stores, finished goods and book debts etc.

All secured loans are further secured by personal guarantee of Chairman & Director and/ or Managing Director of the Company.

Maturity Profile of Secured Term Loans are as below :

₹ in Lacs

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Term Loans from Bank - Current Year	5,658.99	4,111.54	3,112.68	2,039.89	1,692.29
Previous Year	5,284.75	5,658.99	4,111.54	3,112.68	2,039.89

During the Current Year Secured loan of Tata Capital Limited has been fully re-paid and unsecured loan for Rs. 1000 lacs has been taken as unsecured loan, the respective lien has been withdrawn accordingly by the Company.

**Notes on Financial Statements for the year ended 31st March, 2012**

**NOTE - 4**

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Deferred Tax Liability ( Net)</b>		
<b>Deferred Tax Liabilities</b>		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	2,309.99	2,132.62
<b>Gross Deferred Tax Liabilities</b>	2,309.99	2,132.62
<b>Deferred Tax Assets</b>		
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	-	-
<b>Gross Deferred Tax Assets</b>	-	-
<b>Net Deferred Tax Liability</b>	<b>2,309.99</b>	<b>2,132.62</b>

In compliance with AS 22 issued by ICAI on Accounting for the Taxes on Income, a Sum of Rs. 177.37 lacs (previous Year Rs. 541 Lac) has been considered as deferred tax liability in respect of timing difference for the year under consideration and the same has been charged to Profit & Loss Account.

**NOTE - 5**

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Long Term Provisions</b>		
Provision for Gratuity	246.17	218.87
Provision for Leave Encashment	77.37	64.63
<b>Total</b>	<b>323.55</b>	<b>283.50</b>

During the Year Company has made a provision for accrued liability on account of Gratuity and leave encashment on the basis of actuarial valuation based on projected unit method as required by AS 15 (Revised 2005).

**NOTE - 6**

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Short Term Borrowings</b>		
<b>(Secured)</b>		
<b>-Working Capital Loans :</b>		
-Current Maturities of Long Term Debts (Refer Note No. 3)	5,658.99	5,284.75
- From Banks	13,329.18	8,390.01
<b>- Foreign Currency Loan</b>		
Buyers Credit for Raw Material	3,933.27	3,645.50
<b>- From Others</b>		
TATA CAPITAL Limited	-	2,494.07
	<b>22,921.43</b>	<b>19,814.34</b>

**Note :**

Working Capital Limits from Banks are secured / to be secured by First charge on stocks of Raw materials, Semi-finished goods, Finished goods, Consumable stores, hypothecation of book debts. The Limits are further secured/ to be secured by 1<sup>st</sup> pari-passu charge over fixed assets of the company.

Buyer credit loans are secured by way of lien on non-funds based working capital limits and counter indemnity of the Company. All secured loans are further secured by personal guarantee of Chairman & Director and/ or Managing Director of the Company.

## Notes on Financial Statements for the year ended 31st March, 2012

### NOTE 7

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Trades Payable</b>		
Micro, Small & Medium Enterprises	311.91	367.45
Others	10,288.82	8,029.54
<b>Total</b>	<b>10,600.73</b>	<b>8,397.00</b>

Debit and Credit Balances in the accounts of suppliers and other are subject to confirmation and reconciliations.

**Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company**

₹ in Lacs

	March 31, 2012	March 31, 2011
Principal amount due and remaining unpaid	311.91	367.45
Interest due on above and the unpaid Interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

### NOTE 8

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Other Current Liabilities</b>		
Interest Accrued But Note Due	139.16	205.51
Advances from Customers	196.63	263.46
Taxes and duties payable	88.29	117.24
Dues to Directors	139.67	108.12
Unclaimed Dividend	24.43	28.17
Excise Duty on Finished Goods	65.54	41.76
Other Payables (Incl. Salary, Bonus, PF, ESI Payable)	256.38	924.38
<b>Total</b>	<b>910.10</b>	<b>1,688.65</b>

### NOTE 9

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Short Term Provisions</b>		
Provision for Taxation (net of payments)	104.77	273.85
Proposed Dividend	222.65	222.65
Dividend Distribution Tax	36.12	36.98
<b>Total</b>	<b>363.54</b>	<b>533.47</b>

**Notes on Financial Statements for the year ended 31st March, 2012**

**NOTE 10 FIXED ASSETS**

₹ in Lacs

Description	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	As at 01.04.2011	Additions	Deletions/ Adjustments	As at 31.03.2012	As at 01.04.2011	For the Year	Deletions/ Adjustments	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
<b>Tangible Assets :</b>										
Land	8,397.13	-	-	8,397.13	54.87	12.19	-	67.06	8,330.06	8,342.26
Building	9,741.91	1,028.76	-	10,770.67	1,099.63	326.90	-	1,426.53	9,344.14	8,642.28
Plant & Machinery	38,719.42	9,120.95	363.32	47,477.04	10,717.78	3,113.24	81.86	13,749.16	33,727.88	28,001.63
Plant & Machinery - R&D	370.70	-	-	370.70	185.05	37.53	-	222.58	148.12	185.65
Furniture & Fixture	346.07	226.73	-	572.80	102.42	21.76	-	124.19	448.62	243.65
Data Processing Equipments	405.50	42.60	-	448.10	277.13	36.68	-	313.81	134.28	128.36
Data Processing Equipments - R&D	18.89	-	-	18.89	14.77	0.96	-	15.73	3.17	4.13
Motor Vehicle	608.04	84.71	42.17	650.58	230.16	57.61	32.32	255.46	395.12	377.87
Die Toolings - New Products R&D	434.09	146.06	22.76	557.39	46.84	49.82	0.52	96.15	461.24	387.25
Die Toolings	6,124.76	709.41	43.34	6,790.84	2,799.28	603.98	18.14	3,385.11	3,405.72	3,325.48
<b>Intangible Assets :</b>										
Packages & Software	-	-	-	-	-	-	-	-	-	-
Drawing & Copyrights	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>65,166.51</b>	<b>11,359.23</b>	<b>471.59</b>	<b>76,054.14</b>	<b>15,527.95</b>	<b>4,260.67</b>	<b>132.84</b>	<b>19,655.78</b>	<b>56,398.36</b>	<b>49,638.56</b>
Previous Year	45,873.64	19,564.96	272.09	65,166.51	12,086.36	3,567.09	125.50	15,527.95	49,638.56	33,787.29
Capital work in Progress	-	-	-	-	-	-	-	-	4,842.68	3,560.17
Intangible Assets under development	-	-	-	-	-	-	-	-	198.72	123.75

**Note 10(1)**

- Land for Oragadam plant is obtained on 99 years of lease basis from State Industrial Promotion corporation of Tamilnadu Limited(SIPCOT), a Government of Tamilnadu enterprises. The total cost of Lease hold land is amortised over a period of 99 years. Accordingly a sum of Rs. 12.19 Lacs ( Previous year Rs. 12.19 Lacs) is amortised during the period.

**Note 10 (2)**

Preoperative Expenses/ Interest pending capitalization consist of expenses incurred /being incurred during implementation of project under installation of new fixed Assets. These will be capitalized with other fixed assets when project /fixed assets shall commence commercial production. Interest on term Loan of Rs. 295.97 Lacs (Previous year 439.79 Lacs) has been capitalised during the year.

**Note 10 (3)**

No Assets of the Company is given on lease hold basis to outsiders.

**Note 10 (4)**

Addition in assets during the year also includes the reinstatement of Foreign currency term Loans.

**Note 10 (5)**

Intangible Assets under Development represents installation of SAP software in the Company.

**Note 10 (6)**

Straight Line Method of Depreciation on Plant and Machineries is provided as under:

- In case of Oragadam ( Tamil Nadu) unit on double shift basis except machineries of Phase IIInd, which is on single shift basis.
- In case of Dappar ( Punjab) unit on tripple shift basis.
- In case of Jamshedpur ( Jharkhand) unit on Double Shift basis except utility plant and paint plant which is on single shift basis.

**Note 10(7)**

Unit Wise Depreciation /Amortisation during the Year as follows:

₹ in Lacs

Particulars	Current Year				Previous Year			
	Dappar	Jamshedpur	Chennai	Total	Dappar	Jamshedpur	Chennai	Total
Depreciation	2,560.92	892.50	795.06	4,248.48	2,490.16	339.46	725.28	3,554.89
Amortization	-	-	12.19	12.19	-	-	12.19	12.19
Total	2,560.92	892.50	807.26	4,260.67	2,490.16	339.46	737.47	3,567.09

## Notes on Financial Statements for the year ended 31st March, 2012

	₹ in Lacs	
	March 31, 2012	March 31, 2011
<b>NOTE 11</b>		
<b>Non Current Investments</b>		
<b>Long Term (At cost)</b>		
<b>Equity Shares</b>		
Investment in Shares (Unquoted and valued at cost) 112,500 (Previous year 150,000) Equity Shares of Rs. 10/- each of Nimbua Greenfield (Punjab) Limited.	11.25	15.00
<b>In Others</b>		
Investment in Bonds & Mutual Funds Dividend option of Axis Mutual fund 158,303.10 ( PY 158303.10 ) units of Axis Triple Advantage Fund -Growth of Axis Mutual Fund.)	17.75	15.83
<b>TOTAL</b>	<b>29.00</b>	<b>30.83</b>

	₹ in Lacs	
	March 31, 2012	March 31, 2011
<b>NOTE 12</b>		
<b>Long Term Loans and Advances</b> <i>(Unsecured - considered good except to the extent provided for)</i>		
Advances Recoverable in Cash or in Kind or for the value to be received (Incl. Doubtful Rs. 35 Lakh, Previous Year Rs.35 Lakh )	122.45	35.00
Security Deposits	466.64	373.37
Capital Advances	-	-
Advance Tax (Previous Year)	61.22	-
	<b>650.30</b>	<b>408.37</b>
<b>Less :- Provisions for Doubtful Advances</b>	35.00	35.00
<b>Total</b>	<b>615.30</b>	<b>373.37</b>

The Income Tax Assessment of the Company has been completed upto the Assessment year 2009-10. The Income tax Demand of Rs. 72.43 Lacs for the Assessment year 2006-2007, out of which Rs. 36.21 lacs has been deposited and Rs. 36.21 lacs is pending. The Demand has been stayed by Asst. Commissioner of Income Tax. the appeal of the Company is pending before Commissioner of Income Tax( Appeals), Chandigarh. In the opinion of the Company the demand is likely to be deleted in view of the decision of various appellate authorities and interpretation of other relevant provisions of the Income Tax Act, 1961. Accordingly no provision has been made.

The Company has entered into an agreement for purchase of land admeasuring 304 kanals approx at village Bir Farozari, Distt. Panchkula, at cost of Rs. 133.00 Lacs for setting up and auto component unit. The land has not yet been registered in the name of Company . Pending the same , the advance of Rs. 35.00 Lacs paid by the Company has been shown as advances recoverable and being under legal suit, a provision for the same has been made. The lower court has given decree in favour of company and now the appeal have been filed in High Court.

As per the provision of Section 115JAA, MAT Credit receivable has been recognized as an asset to the extent there is convincing evidence that the Company will pay normal Income tax during the specified period. MAT credit is recognised as an assets in accordance with the recommendation contained in guidance note issued by Institute of Chartered Accountants of India. The said assets is created by the way of credit to the Profit and Loss account and shown as MAT credit Entitlement. The Company will review the same at each balance sheet date and write down the carrying amount of MAT credit Entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal Income Tax during the specified period.

# STEEL STRIPS WHEELS LIMITED

## Notes on Financial Statements for the year ended 31st March, 2012

### NOTE 13

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Inventories</b>		
(As taken, valued and certified by management)		
(Cost or market price, whichever is lessor, otherwise stated)		
Raw Material & Components	5,134.09	8,485.70
Stores and Spares	2,981.39	2,402.26
Goods in Transit		
- Raw Material & Components	1,490.57	1,789.16
Scrap ( At estimated marked Price)	128.20	38.42
Work in Progress	2,851.68	1,885.10
Finished Goods	905.05	447.19
<b>Total</b>	<b>13,490.98</b>	<b>15,047.83</b>

### NOTE 14

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Trade receivables</b>		
(Unsecured , Considered Goods unless Otherwise Stated)		
Debts outstanding for a period exceeding six months	148.98	100.23
(Considered doubtful Rs. 36.62 lac., Previous year. Rs. 36.62 Lac.)		
Other Debts	13,635.84	9,047.18
	<b>13,784.82</b>	<b>9,147.41</b>
<b>Less : Provisions for Doubtful Debts</b>	<b>36.62</b>	<b>36.62</b>
<b>Total</b>	<b>13,748.20</b>	<b>9,110.79</b>

### NOTE 15

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Cash and Bank Balances</b>		
Cash in Hand	10.21	11.00
Cheques in Hand (Current Account)	692.04	1,364.91
Balances with Scheduled Banks on :		
- In current accounts	69.71	772.13
- in dividend accounts	29.05	28.17
- Fixed Deposit / Margin Money account (Held under lien with bank)	1,475.28	505.29
<b>Total</b>	<b>2,276.29</b>	<b>2,681.51</b>

### NOTE 16

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Short Term Loans and Advances</b>		
(Unsecured - considered good except to the extent provided for)		
Advances Recoverable in Cash or in Kind (Short Term)	127.08	814.61
Prepaid Expenses	170.39	128.70
MAT Credit Entitlement	1,148.06	709.00
Balance with Excise Authorities	1,248.48	1,476.06
Vat Recoverable	1,586.03	-
	<b>4,280.03</b>	<b>3,128.37</b>
<b>Less : Provisions for Doubtful Advances</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4,280.03</b>	<b>3,128.37</b>

### NOTE 17

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Other Current Assets</b>		
Interest Accrued but not Received	31.47	-
<b>Total</b>	<b>31.47</b>	<b>-</b>

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

The Company has been granted exemption from sales tax under Punjab Industrial Policies, 1989 and 1966 for its Dappar Unit. The said exemption is available upto March 2012 or such period when amount of exemption is fully utilized, whichever is earlier. From 01.06.2010 part of VAT liability is being setoff under exemption and part is being paid as per applicable rules and regulations of the Punjab VAT Act 2005. In respect of Chennai and Jamshedpur Unit all sales tax liabilities are being paid as per applicable rules and provisions. Any liability on account of sales tax, if arises shall be accounted for at the time of assessment

## Notes on Financial Statements for the year ended 31st March, 2012

### NOTE 18

₹ in Lacs

S. No	PARTICULARS	March 31, 2012		March 31, 2011	
<b>SALES</b>					
<b>DOMESTIC SALES :</b>					
	Manufactured Products	82,502.35		59,362.91	
	Scrap	9,812.11		5,180.26	
	Trading Sales	35.94		34.42	
			92,350.40		64,577.59
	Less : Excise Duty		8,859.16		6,096.95
	<b>NET DOMESTIC SALES</b>		<b>83,491.24</b>		<b>58,480.64</b>
	Other Sales		385.39		105.85
<b>EXPORT SALES:</b>					
	Manufactured Products		11,847.36		7,030.00
<b>Total</b>			<b>95,723.99</b>		<b>65,616.49</b>

The Company is in business of manufacture and sale of wheel rims and there is no other segment as per Accounting Standard (AS-17) dealing with the segment reporting

### NOTE 19

₹ in Lacs

S. No	PARTICULARS	March 31, 2012		March 31, 2011	
<b>Other Income</b>					
<b>Interest Income</b>					
			91.70		81.44
<b>Miscellaneous Income :</b>					
	Insurance claim recd	30.09		-	
	VAT Subsidy	889.51		0.13	
	Misc. Income	1.78		5.59	
			<b>921.38</b>		<b>5.73</b>
	Profit on Sale of Shares / Mutual Funds		3.79		3.33
	Profit on Sale of Asset		-		7.28
	Foreign Exchange Fluctuation (Gains)		-		65.28
<b>Total</b>			<b>1,016.87</b>		<b>163.06</b>

### NOTE 20

₹ in Lacs

PARTICULARS	%age of Consumption	March 31, 2012	%age of Consumption	March 31, 2011
<b>Cost of Material Consumed</b>				
Imported	15.71	10,607.71	13.80	5,907.41
Indigenous	84.29	56,901.16	86.20	36,891.29
<b>Total</b>	<b>100</b>	<b>67,508.87</b>	<b>100</b>	<b>42,798.70</b>

Value of Imports on CIF Basis in respect of :	March 31, 2012	March 31, 2011
Raw material	7,606.39	4,051.33
Components & Spare Parts	1,138.69	749.34
Capital goods	1,759.59	3,508.65
<b>Total</b>	<b>10,504.67</b>	<b>8,309.32</b>

### NOTE 21

₹ in Lacs

PARTICULARS	March 31, 2012	March 31, 2011
<b>Change In Inventories Of Finished Goods, Stock-In-Process And Stock-In-Trade</b>		
<b>Opening Stocks :</b>		
F.G.	447.19	875.68
Scrap	38.42	35.29
Stock-in-process	1,885.10	820.91
		-
<b>Closing Stocks :</b>		
F.G.	905.05	447.19
Scrap	128.20	38.42
Stock-in-process	2,851.68	1,885.10
<b>Net Change in Stock</b>	<b>(1,514.22)</b>	<b>(638.83)</b>

**Notes on Financial Statements for the year ended 31st March, 2012**

**NOTE 22**

₹ in Lacs

Particulars	March 31, 2012	March 31, 2011
<b>Employees' Benefits Expenses</b>		
Salaries, Wages, Bonus & Incentives etc.(Net)	4,594.67	2,969.23
Contribution to Provident and Other Funds	154.39	99.87
Workmen and Staff Welfare Expenses	494.65	381.70
Gratuity	29.49	119.89
<b>Total</b>	<b>5,273.20</b>	<b>3,570.69</b>

The Company has a defined benefit gratuity and Earned Leave plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. And accumulation of EL for Staff is upto 60days and for Workers is 90 Days

The following tables summarize the components of net benefit expense recognised in the Profit and Loss Account and the amounts recognised in the balance sheet.

The Employee's gratuity fund scheme managed by a Trust (Life insurance corporation of India) is defined benefit plan. The Present Value of obligation is determined based on actuarial valuation using the projected unit credit method which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

Net employee benefit expenses (recognised in Employee Cost)

₹ in Lacs

**Profit & Loss Account**

Particulars	Earned Leave	Gratuity	Earned Leave	Gratuity
	2011-12	2011-12	2010-11	2010-11
Current service cost	37,75,735	36,61,246	34,41,519	30,63,302
Interest cost on benefit obligation	5,33,188	18,05,712	30,21,365	1,04,950
Net actuarial (gain)/ loss recognised in the period	(30,37,391)	(27,48,971)	6,10,227	1,75,54,347
Net benefit expenses recognised in Profit & Loss a/c	11,15,543	22,57,176	70,73,111	2,05,92,533

**Balance Sheet**

**Details of Provision for Gratuity**

₹ in Lacs

Particulars	Earned Leave	Gratuity	Earned Leave	Gratuity
	2011-12	2011-12	2010-11	2010-11
Defined benefit obligation	(51,23,610)	(1,20,71,033)	(64,62,884)	(1,98,28,288)
Less: Unrecognised past service cost	0.00	0.00	0.00	0.00
Net asset/ (liability) recognised in the balance sheet	(51,23,610)	(1,20,71,033)	(64,62,884)	(1,98,28,288)

Note: The above plans are funded.

Changes in present value of the defined benefit obligation are as follows:

₹ in Lacs

Particulars	Earned Leave	Gratuity	Earned Leave	Gratuity
	2011-12	2011-12	2010-11	2010-11
Opening defined benefit obligation	64,62,884	2,18,87,421	0.00	12,72,123
Interest cost	5,33,188	18,05,712	0.00	1,04,950
Past service cost	0.00	0.00	30,21,365	0.00
Current service cost	37,75,735	36,61,246	30,63,302	34,41,519
Benefit paid	(52,159)	(2,29,607)	(6,10,227)	(1,43,062)
Actuarial (gains)/ losses on obligation	(29,82,196)	(23,19,053)	6,10,227	1,75,90,108
Closing defined benefit obligation	77,37,452	2,48,05,719	64,62,884	2,18,87,421

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:(Amount in Rs.)

Particulars	2011-12	2011-12	2010-11	2010-11
	%	%	%	%
Discount rate	8.25	8.25	8.25	8.25
Expected Increase in Compensation cost	7	7	7	7
Attrition	10	10	10	10
Mortality basis	Indian Assured Lives Mortality (1994-96)			

Note : The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority promotion and other relevant factors such as supply and demand in the employment market.

## Notes on Financial Statements for the year ended 31st March, 2012

### NOTE 23

₹ in Lacs

PARTICULARS	March 31, 2012	March 31, 2011
<b>Finance Charges</b>		
Interest to Bank		
- on Term Loan	319.04	533.37
- on Working Capital Loan	1,010.88	988.80
- on Foreign Currency Loan	792.70	200.31
Interest Others	10.52	4.07
Finance Charges	306.99	288.80
Loss/(Gain) on Foreign Exchange Fluctuation	318.79	16.75
<b>Total</b>	<b>2,758.91</b>	<b>2,032.10</b>

### NOTE 24

₹ in Lacs

PARTICULARS	% age of Consumption	March 31, 2012	% age of Consumption	March 31, 2011
<b>OTHER EXPENSES</b>				
<b>Manufacturing Expenses</b>				
Store Spares Consumed :				
Imported	23.00	1,045.98	22.38	749.34
Indigenous	77.00	3,502.43	77.62	2,598.98
Other Misc. Manufacturing Exp		156.80		171.06
Power, Electricity & Water Charges (Net)		2,655.88		1,750.98
-Repair and Maintenance -Plant & Machinery		1,027.57		1,196.17
		<b>8,388.65</b>		<b>6,466.53</b>
<b>Administrative &amp; Selling Expenses</b>				
Rent (Including Lease Rent)		252.80		120.49
Rates and Taxes		41.04		32.27
Service tax Paid		4.72		-
Insurance		137.34		90.72
Auditors' Remuneration		8.00		6.00
Advertisement, Publicity and Sales Promotion		2.31		3.59
Repairs & Renewals		70.43		75.92
Travel & Conveyance		574.09		266.34
Travel & Conveyance - Directors		15.32		52.63
Legal & Professional Charges		131.26		81.03
Provision for Bad & Doubtful Debts and Advances		-		0.94
Bad debts Written Off		-		0.38
Electricity and Water Charges		7.81		7.14
Balances Written Back/ Off (Net)		0.79		-
Director's Sitting Fees		0.85		3.40
Loss on Sale of Assets		4.01		2.31
Managerial Commission		165.95		156.47
Telephone & Communication Expenses		65.47		49.04
Vehicle Running, Repair & Maintenance		89.31		60.47
Miscellaneous Expenses		380.02		293.60
		<b>1,951.53</b>		<b>1,302.75</b>
<b>Selling and Distribution Expenses</b>				
Business Promotion		48.92		6.71
Forwarding Expenses		4,099.22		2,757.16
Other Selling and Distribution Expenses		5.85		105.57
Rebates and Discounts		459.15		408.91
Royalty on Sales		31.43		6.10
		<b>4,644.56</b>		<b>3,284.46</b>

# STEEL STRIPS WHEELS LIMITED

## Notes on Financial Statements for the year ended 31st March, 2012

### NOTE 24 (Continued)

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Research and Development Expenses</b>		
Research and Development Expenses	3.76	6.50
Salaries , Wages and other allowances	142.33	97.82
Travelling and Conveyance	11.48	13.81
	<u>157.57</u>	<u>118.13</u>
<b>Grand Total</b>	<b>15,142.31</b>	<b>11,171.87</b>

### NOTE 24 (1)

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Expenditure in Foreign Currency</b>		
Raw Material	7,606.39	4,051.33
Machinery stores	1,138.69	749.34
Capital goods	1,759.59	3,508.65
Technical Know-how fee	29.20	25.20
Foreign Travel-Directors	46.21	17.35
-Staff	27.41	17.63
Other Expenditure	2,443.70	2,352.00
F.O.B. Value of Exports	11,318.99	6,350.92
Earnings in Foreign Exchange	10,448.97	5,963.21

### NOTE 24 (2)

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Payment to Auditor</b>		
Statutory Audit Fee	5.00	4.00
Tax Audit Fee	1.50	1.00
Certificate Charges	1.50	1.00
Out of Pocket Exp.	-	-
<b>Total</b>	<b>8.00</b>	<b>6.00</b>

\* Service Tax has not been included in above being Cenvatable.

### NOTE 24 (3) Prior Period adjustment comprises of the following.

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Expenses</b>		
Repair bills	-	0.10
Sales credit notes	-	0.49
Freight, Stores and other expenses	4.85	7.48
<b>Total</b>	<b>4.85</b>	<b>8.07</b>
<b>Income</b>		
Stores and other Expenses	8.41	(7.28)
<b>Total</b>	<b>8.41</b>	<b>(7.28)</b>

### NOTE 24 (4)

Details of Provisions as per the requirements of AS 29 (Provision, Contingent Liabilities and Contingent Assets)

₹ in Lacs

Particulars	Opening	Provisions Made	Amount Used	Amount Reversed	Closing
Gratuity	218.88	29.49	2.20	-	246.17
Leave enchament	64.63	11.16	(1.59)	-	77.38
Doubt Full debts	71.62	-	-	-	71.62
Others	864.06	233.19	743.68	-	353.57
Dividend & Dividend Tax	259.63	258.77	259.63	-	258.77
Income tax	709.00	663.18	709.00	-	663.18
MAT Credit Entitlement	709.00	439.06	-	-	1,148.06

## Notes on Financial Statements for the year ended 31st March, 2012

### NOTE 25

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>Earnings per share (EPS)</b>		
Basic		
Net Profit as per profit and loss account	2,876.35	2,980.20
weighted average no. of equity shares outstanding during the year	1,48,43,170	1,40,07,719
<b>Earning per Share- Basic</b>	<b>19.38</b>	<b>21.28</b>
Diluted		
Net Profit as per profit and loss account	2,876.35	2,980.20
weighted average no. of equity shares outstanding during the year	1,48,43,170	1,40,07,719
<b>Earning per Share- Diluted</b>	<b>19.38</b>	<b>21.28</b>
<b>Nominal Value of Equity Share</b>	<b>10</b>	<b>10</b>

### NOTE 26

#### Related Party Disclosure

Detail of transactions entered into with related parties during the year as required by accounting standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.

₹ in Lacs

Related Party Disclosures	Key Management Personnel (KMP)	Relatives of KMP	Enterprises over which KMP are able to exercise significant influence	Total for the Current Year 2011-2012	Previous Year 2010-2011
Purchase of Goods	-	-	0.28	0.28	1.43
Lease Line Charges	-	-	11.78	11.78	6.17
Rent Paid	-	-	-	-	-
Sitting Fee	0.40	-	-	0.40	0.60
Hire Charges	-	-	-	-	-
Remuneration incl. commission	196.91	36.29	-	233.20	219.59
Dividend Paid	73.40	0.62	42.73	116.75	74.49
<b>Total</b>	<b>270.71</b>	<b>36.91</b>	<b>54.79</b>	<b>362.41</b>	<b>302.28</b>

#### Note :

- Key Managerial Personnel : **Sh. R.K. Garg, Chairman & Sh. Dheeraj Garg, Managing Director**
- Enterprises over which key management personnel (KMP) are able to exercise significant control with which transactions have taken place during the year.

**SAB Industries Limited, SAB Udyog Ltd., Malwa Chemtex Udyog Ltd., Steel Strips Financial Pvt. Ltd., Munak International Pvt. Ltd., S. S. Credits Pvt. Ltd., S. J. Mercantile Pvt. Ltd., Malwa Holdings Pvt. Ltd., Steel Strips Ltd., Munak Investment Pvt. Ltd., Steel Strips Industries Ltd., Munak Financiers Pvt. Ltd. & Steel Strips Holdings Pvt. Ltd.**

- Relatives of the KMP with whom transactions have taken place : Mrs. Ute Mayr ( Whole Time Director), Smt. Sunena Garg and Ms. Priya Garg.

**Notes on Financial Statements for the year ended 31st March, 2012**

₹ in Lacs

**NOTE 27**

	March 31, 2012	March 31, 2011
<b>Managing Director Remuneration</b>		
Salary and Allowances	28.80	28.80
Contribution to Provident Fund	2.16	2.16
Commission on Profit	165.95	156.47
<b>Total</b>	<b>196.91</b>	<b>187.43</b>
<b>b) Whole Time Director Remuneration</b>		
Salary and Allowances	56.48	46.15
Contribution to Provident Fund	4.36	3.51
<b>Total</b>	<b>60.84</b>	<b>49.66</b>

**NOTE 28**

**CONTINGENT LIABILITIES NOT PROVIDED FOR ON ACCOUNT OF :**

₹ in Lacs

	March 31, 2012	March 31, 2011
<b>A.</b> Letter of Credit Outstanding for Import / Purchase of Raw Materials, Spares and Plant and Machinery	2,532.61	1,444.78
<b>B.</b> Estimated amount of Contracts remaining to be executed on account of Capital account and not provided for (net of advances)	1,708.16	4,582.68

As per our report of even date.

For and on behalf of Board

**For S.C. Dewan & Co.**  
Chartered Accountants  
S.C. Dewan  
Partner

**Dheeraj Garg**  
Managing Director

S.K. Bansal  
S.S. Jha  
M.M. Chopra  
H.K. Singhal  
**Directors**

Place : CHANDIGARH  
Dated : 29th May, 2012

Shaman Jindal  
Company Secretary



# STEEL STRIPS WHEELS LIMITED

Regd. Office & Works : 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 Wheels Limited hereby appoint Mr./Mrs./Miss.....  
of.....as my/our proxy to attend and to vote for me/us  
and on my/our behalf at the **TWENTY SIXTH ANNUAL GENERAL MEETING** of the Company to be held on Saturday  
the 29th day of September 2012 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) and at any adjournment thereof.

Signed this.....day of.....2012.

Regd. Folio No.....Signature.....



### NOTE :

1. The proxy must be deposited at the Regd. 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.

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# STEEL STRIPS WHEELS LIMITED

Regd. Office & Works : 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.....

---

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 **TWENTY SIXTH ANNUAL GENERAL MEETING** held on Saturday the 29th day of  
September, 2012 at 11.00 A.M. at Company's Registered Office & Works Village Somalheri/Lehli, P.O. Dappar, Tehsil  
Derabassi, Distt. S.A.S. Nagar (Mohali) Punjab.

Member's/Proxy Signature  
(To be Signed at the time of handing over this slip)

# BOOK POST

(Printed Material)



**Steel Strips Wheels Limited**  
*Wheeling Towards Excellence*

If undelivered, please return to :

## **STEEL STRIPS GROUP**

SCO 49-50, Sector-26, Madhya Marg,  
Chandigarh -160 019 (INDIA)

Tel: +91(172) 2793112, 2792385,

Fax: +91(172) 2794834, 2790887

Website: [www.sswlindia.com](http://www.sswlindia.com)

[www.sswlindia.com](http://www.sswlindia.com)

