



# STEEL PRODUCTS LTD.

Regd. Office : 96 Garden Reach Road, Kolkata 700 023

Ph : (033) 2459 7878 (5 Lines) • Telefax : (033) 2459 3944 • E-mail : steelpro@vsnl.com • steelpro@steelpro.co.in

Ref: Sp/akv/cse/annual-report/2013:943

September 30, 2013

To

The Secretary

Calcutta Stock Exchange Limited

7, Lyons Range, Kolkata 700 001

Dear Sir/Madam,

**Ref.: Script Code No. 10029392**  
**Sub : Submission of Annual Report**  
**For the year ended 31-03-2013**

Pursuant to Clause 31(a) of the Listing Agreement with your Stock Exchange, we enclosed herewith six copies of Annual Report for the year ended March 31, 2013, for your record and reference.

Please acknowledge.

Thanking you,

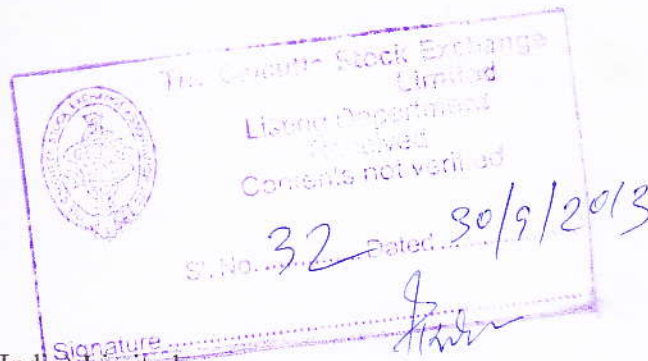
Yours faithfully

**For Steel Products Limited**

**Compliance Officer**

Encl.: as above

Cc to: Central Depository Services (India) Limited  
National Securities Depository Limited



116th  
Annual Report  
And Accounts  
2012-2013

STEEL PRODUCTS LIMITED



COMPLIANCE OFFICER



**STEEL PRODUCTS LIMITED**

AN ISO 9001-2000 COMPANY



## STEEL PRODUCTS LIMITED

BOARD OF DIRECTORS	SHRI HEMANT KHAITAN - Managing Director SHRI SHARAD KHAITAN - Jt. Managing Director SHRI ANIL PODDAR DR. GORA GHOSE SHRI MANAS RANJAN PALIT
COMPLIANCE OFFICER	SHRI AMIT VERMA
BANKERS	ALLAHABAD BANK STATE BANK OF INDIA
SOLICITORS	KHAITAN & COMPANY 1B, OLD POST OFFICE STREET KOLKATA - 700 001
AUDITORS	LODHA & COMPANY 14, GOVT. PLACE EAST KOLKATA - 700 001
COST AUDITORS	SHRI SOHAN LAL JALAN
REGISTERED OFFICE	96, GARDEN REACH ROAD KOLKATA - 700 023
WORKS :	UNIT - I C. T. I. ROAD BIRADINGI, HOWRAH UNIT - II CHAMRAIL, KONA NATIONAL HIGHWAY NO. 6 HOWRAH UNIT - III PLOT NO. 196/3, 4, 6 VILL. : BENDRI, POST - URLA HEERAPUR ROAD, RAIPUR (CHHATTISGARH)
REGISTRAR & SHARE TRANSFER AGENT	MAHESHWARI DATAMATICS PVT. LTD. 6, MANGOE LANE, 2ND FLOOR KOLKATA - 700 001



## NOTICE

NOTICE is hereby given that the 116<sup>th</sup> Annual General Meeting of the Members of Steel Products Limited will be held on Friday, the 27<sup>th</sup> day of September, 2013 at 11:00 AM at the Registered Office of the Company at 96, Garden Reach Road, Kolkata 700023 to transact the following business :-

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Anil Poddar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold Office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be determined by the Board of Directors of the Company and to be agreed by the Auditors.

### **Registered Office:**

96, Garden Reach Road.  
Kolkata 700 023  
Dated: 31-05-2013

**By Order of the Board**

**Hemant Khaitan**  
**Managing Director**

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES' IN THE FORM ANNEXED HERETO MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of Members/Register of Beneficiaries and Share Transfer Books of the Company will remain closed on 27-09-2013.
3. The Company's Equity Shares are available for dematerialisation with Central Depository Services (India) Limited and the ISIN No. is INE313E01011.
4. As per SEBI Circular No.MRD/DOP/CIR-05/2009 dated 20-05-2009 it will be mandatory for the transferee(s) to furnish copy of PAN card to the Company/RTAs for registration of transfer of shares in physical form of listed Company. In absence of above transfers will be liable to be rejected.
5. Members are hereby informed that Dividend which remain unclaimed over a period of seven years have to be transferred by the Company to Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 205A and 205C of the Companies Act, 1956, no claim shall lie for the unclaimed dividend from IEPF by the Shareholders. Unpaid equity dividend declared by the company for the year ended March 31, 2006 would be transferred to the Investor Education & Protection Fund (IEPF) in October, 2013.



## DIRECTORS' REPORT

To,  
The Shareholders,

Your Directors have pleasure in presenting the 116th Annual Report together with Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2013.

### FINANCIAL RESULTS

	Current Year (₹)	Previous Year (₹)
Revenue from Operation (Gross)	1028564038	1015634914
Less: Excise Duty	109596687	90845981
Revenue from operations (Net)	918967351	924788933
Other Income	34203388	8408036
<b>Total Revenues</b>	<b>953170739</b>	<b>933196969</b>
Total Expenses	975779439	942162379
Profit before Tax	(22608700)	(8965410)
Tax Expenses	—	—
Deferred Tax-charged/(credit)	(397511)	(774282)
Profit after tax	(22211189)	(8191128)

### Dividend

Your Directors do not recommended Dividend for the year under review.

### Company's performance

During the financial year 2012-2013, the global economic environment was on a slow growth path. Under this circumstance, your Company registered a sales turnover of Rs. 10627.67 lacs as against Rs. 10240.43 lacs in the previous year. The loss after tax is being Rs. 222.11 lacs in current year as against Loss of Rs. 81.91 lacs in the previous year.

### Directors

In accordance with Articles of Association of the Company, Mr. Anil Poddar Director of the Company will retire at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

### Deposits

The Company has not invited or accepted Deposits from the public covered under Section 58A of the Companies Act, 1956.

### Auditors

M/s Lodha & Co., Chartered Accountants, Auditors of the Company, retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Observations of the Auditors are self explanatory in the appropriate notes to the accounts.



#### **Cost Auditor**

Pursuant to the direction from the Ministry of Corporate Affairs, the Board has appointed Mr. Sohan Lal Jalan as the Cost Auditor for conducting Cost Audit for the financial year 2011-2012 & 2012-2013. The report for the previous year 2011-12 & 2012-13 was filed with MCA.

#### **Compliance Certificate**

Compliance Certificate pursuant to Section 383(A)(1) of the Companies Act, 1956 a part of our report is attached herewith.

#### **Industrial Relations**

Relations with all employees were in general cordial and congenial atmosphere prevailed. Your Directors acknowledge with gratitude the committed efforts of the employees at all levels and their satisfying contribution in management and company affairs.

#### **Remuneration paid to Managing Director & Joint Managing Director.**

Managing Director & Joint Managing Director set their personal example for moderation in managerial compensation levels to forego their remuneration from 1<sup>st</sup> April, 2013 till 30<sup>th</sup> September, 2013 for six months.

#### **Directors' Responsibility Statement**

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

- a) in the preparation of the annual accounts the applicable accounting standards have been followed;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

#### **Conservation of Energy, technology absorption, foreign exchange earnings and outgo.**

Particulars required to be furnished under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as under:-

1. Part A and B pertaining to conservation of energy and technology absorption are provided in the annexure forming part of this report.
2. Total Foreign Exchange earnings and outgo for the financial year is as follows:-
  - a) Total foreign exchange earning : Rs. 1,66,58,252/-
  - b) Total foreign exchange outgo : Rs. 6,25,628/-

**Particulars of Employees**

None of the employees of the Company were drawing emoluments more than what has been specified under Section 217(2A) of the Companies Act, 1956 read with the newly amended Companies (Particulars of Employees) Rules, 1975.

**Listing at Stock Exchange**

The Equity Shares of the Company are listed at Calcutta Stock Exchange. However, the trading permission in respect of the Bonus Shares issued in the year 2008 is pending. The Company has made all the compliances of Listing Agreement including payment of annual listing fees up to 31-03-2013.

**Appreciation**

Your Directors take this opportunity to express their deep gratitude to the various Government Department, Bankers and the esteemed Shareholders for their co-operation and support for the growth of the Company.

**Registered Office :**

96, Garden Reach Road

Kolkata - 700023

Dated: 31-05-2013

Hemant Khaitan - Managing Director

Sharad Khaitan - Joint Managing Director

Anil Poddar - Director

Dr. Gora Ghose - Director



ANNEXURE TO THE DIRECTORS' REPORT  
**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

Disclosure of particulars with respect to conservation of energy, technology absorption pursuant to Section 217(1)(e) of the Companies Act, 1956 :

**PART- A**

<b>A Particulars of Conservation of energy</b>		<b>Current Year</b>	<b>Previous Year</b>
		₹	₹
<b>A. Power and Fuel Consumption</b>			
<b>1. Electricity</b>			
a) Purchased			
Units		884205	944036
Total Amount (Rs.)		6520236	5898073
Rate per Unit (Rs.)		7.37	6.25
b) Own Generation			
Through Diesel Generator			
Units		20366	27603
Total Amount (Rs.)		380175	446094
Cost/Unit (Rs.)		18.67	16.16
<b>2. Furnace Oil (Galvanizing)</b>			
Quantity (K. Ltrs)		623.188	591.992
Total amount (Rs.)		25173444	22343429
Avg. Rate (Rs. per Ltr.)		40.39	37.74
<b>B. Consumption per Unit of Production</b>			
Products (Galvanized Transmission Towers and Parts)	M.T.	560.869	20444.94
Electricity	Unit	46.882	46.175
Furnace Oil	K.Ltrs	0.034	0.029



**PART -B**

**(See Rule 2)**

**Form disclosure of particulars with respect to absorption**

**Research and development (R & D)**

- |  |  |
|--|--|
| 1. Specific areas in which R & D carried out by the Company  | There is no separate R&D Department to conduct such activity. However, continuous efforts are made for process development and energy savings. |
| 2. Benefits derived as a result of the above R & D           |  |
| 3. Future Plan of action                                     |  |
| 4. Expenditure on R & D:                                     | Nil  |
| a) Capital   |  |
| b) Recurring   |  |
| c) Total   |  |
| d) Total R & D expenditure as a percentage of total turnover |  |

**Technology absorption, adaptation and innovation**

- |  |     |
|--|-----|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation  | Nil |
| 2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution etc.                 | Nil |
| 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished | Nil |
| a) Technology imported   |     |
| b) Year of import  |     |
| c) Has technology been fully absorbed?   |     |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action   |     |

**Registered Office:**

96, Garden Reach Road  
Kolkata - 700023  
Dated: 31-05-2013

Hemant Khaitan - Managing Director  
Sharad Khaitan - Joint Managing Director  
Anil Poddar - Director  
Dr. Gora Ghose - Director



**PRAMOD AGARWAL & CO.**  
Practising Company Secretaries

Bagri Market  
71, Canning Street  
4th Floor, Room No. C459  
Kolkata-700001  
Phone : 0334005-2098  
M : 098301-07160  
E-mail: pramod2677@gmail.com

### **COMPLIANCE CERTIFICATE**

To,  
The Members  
M/s Steel Products Ltd.  
96, Garden Reach Road  
Kolkata-700 023.  
C.I.N. : L27109WB1917PLC002880  
Nominal Capital : 2,00,00,000/-

We have examined the registers, records, books and papers of Messrs. Steel Products Ltd (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company, being a public limited company, comments are not required.
4. The Board of Directors duly met five (5) times respectively on 20.06.2012, 03.07.2012, 31.08.2012, 02.11.2012, and 24.01.2013, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members and share Transfer Books on 29.09.2012.



6. The annual general meeting for the financial year ended on 31.03.2012 was held on 29.09.2012 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there Were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the financial year.
13. The Company:
  - (i) has delivered all certificates on lodgment thereof for transfer/ transmission or for any other purpose in accordance with the provision of the Act
  - (ii) has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year,
  - (iii) was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
  - (iv) was not required to transfer any amount to Investor Educations and Protection Fund.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director and Joint Managing Director / whole time Director / Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board. Regional Director, Registrar of Companies and / or such other authorities as may be prescribed under the various provisions of the Act., during the Financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.



19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There was no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the company from financial institution, banks and other during the financial year ending 31<sup>st</sup> March, 2013 are within the borrowing limit of the company as per resolution passed in the duly convened Annual General Meeting on 30.09.2008.
25. The company has not provided loans or given guarantee to other bodies corporate during the financial year ended on 31.03.2013 and consequently no entries has been made in the register maintained under sec 372A of the Companies Act, 1956.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company, during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the year.
33. The company has deposited both employer's and employee's contribution towards Provident Fund during the financial year within the time stipulated under the provisions of the Act.

Place: Kolkata  
Date: 10.05.2013

For Pramod Agarwal & CO.  
Company Secretaries

Pramod Agarwal  
(Proprietor)  
C.P.No.4193



### Annexure A

#### Statutory Registers as maintained by the Company

1. The Register of Members u/s 150 & Index of member's u/s 151.
2. Register of Directors, Managing Director, Manager and Secretary u/s 303.
3. Register of Director's shareholdings u/s 307.
4. Minutes Books of Board and Shareholders meeting u/s 193.
5. Register of Investments or Loans made, Guarantee Given or Security Provided u/s 372A.
6. Books of Accounts U/S 209.
7. Register of contracts, Companies and Firm's in which Directors of the Company are Interested U/S 297, 299, 301 & 301(3)
8. Register of Transfers
9. Register of Application and Allotment

### Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2013.

SL. NO.	FORM NO. RETURN	FILED U/S	DATE OF FILING	WHETHER FILED NO. WITHIN PRESCRIBED TIME	DELAY IN FILING IF ANY/WHETHER REQUISITE ADDL. FEE PAID
1.	Balance Sheet as at 31.03.2012 in form No. 23ACXBRL	220	11.12.2012	YES	N.A.
2.	Annual Return as at 29.09.2012 in form No.20B	159	02.11.2012	YES	N.A.
3.	Compliance Certificate as 31.03.2012 In form No.66	383A(1)	02.10.2012	YES	N.A.
4.	Form No. 51NV		04.10.2012	YES	N.A.
5.	FormNo.23C	233B(2)	01.10.2012	YES	N.A.
6.	Form No.1-XBRL	233B(4)	19.02.2013	YES	N.A.



## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of STEEL PRODUCTS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of STEEL PRODUCTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### **Basis for Qualified Opinion**

- i. Attention is drawn towards Note no.- 28.16 regarding non availability of certain records pertaining to Kona factory which were seized by Excise authorities in the financial year 2010-2011 and since the records has not been released during the current financial year, the impact of the same could not be ascertained and hence could not be commented upon by us.
- ii. Note no.- 28.14 regarding Trade Receivable, Trade payable, Security Deposits, Balances with Government authorities and other Deposits, Other Liabilities, being subject to confirmations/ reconciliation and-consequential adjustment, if any, which may arise therefrom, impact presently not ascertainable.

We further report that the impact of the above and overall impact of items reported by us in paragraph above, the effect of which cannot be determined and commented upon by us.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.



2. As required by section 227(3) of the Act, we report that :

- (a) We have obtained all the information and explanations, except as mentioned in para (i) of Basis of qualified opinion above, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of;
- (d) Except for the effects of the matter described in the Basis for Qualified opinion paragraph, in opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

For Lodha & Co.

Chartered Accountants

Firm's ICAI Registration No :301051E

H. K. Verma

Partner

Kolkata

Date: 31<sup>st</sup> May, 2013

Membership No:055104



**Annexure to the Auditor's Report (Referred to in Paragraph 1 of our Report of even date)**

- i) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets;
- (b) As explained, the fixed assets of the company are physically verified according to a phased programme of verification, and no material discrepancies were noticed to the extent items verified and reconciled during the year.
- (c) The Company has not disposed off substantial part of the fixed assets during the year, which could affect the going concern status of the Company.
- ii) (a) As informed, the inventory except stock in transit and stock lying with third parties, have been physically verified during the year by the management at reasonable intervals.
- (b) According to information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory and according to the information and explanations given to us, we are of the opinion that the company is maintaining proper records of inventory.
- iii) (a) The company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore the provisions of the clause 4 (iii) (b), (c) and (d) of the order, 2004 are not applicable to the company.
- (b) The Company has taken unsecured loan, from five companies, covered in the register maintained under section 301 of the Act. The aggregate of maximum amount outstanding during the year in respect of such loans granted was Rs. 12,311,751 and the aggregate year end balance is Rs. 12,311,751.
- (c) In our opinion, and according to the information and explanation given to us the rate of interest and other terms and conditions of the aforesaid unsecured loans were prima facie not prejudicial to the interest of the Company.
- (d) The company has paid the principal amount as stipulated and was regular in the payment of interest.



- (e) As informed to us, having regard to the terms and conditions of the loans as mentioned above, there is no overdue amount outstanding in respect of such loans and interest thereon.
- iv) In our opinion the internal control procedures of the Company are commensurate with the size of the company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.  
(b) According to the information and explanation given to us there was no transaction during the year with parties covered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding rupees five lacs.
- vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A of the Companies Act, 1956.
- vii) The internal audit of the company has been carried out by a firm of Chartered Accountants which need to be enlarged in scope to be commensurate with the size of the company and nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the order made by central government for the maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 and are in opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether these are accurate or complete.
- ix) (a) According to the information and explanations given to us, the company is generally regular in depositing with the appropriate authorities 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 other material statutory dues applicable to it *excepting delay in deposit of Income tax deducted at source*. According to the information and explanation given to us, there are no material undisputed statutory dues payable in respect of aforesaid dues for a period of more than six months from the date they become payable.



- (b) According to the information and explanations given to us, except as given below, there are no disputed amount the of Service Tax, Sales Tax, Income Tax, Wealth Tax, Custom Duty, Excise Duty and Cess that has not been deposited as on 31.03.2013 on account of dispute.

Name of the Statute	Nature of the Dues	Relating to The year	Amount (₹)	Forum where dispute is Pending
West Bengal Sales Tax Act, 1994	Sales Tax	1999-2000	1,26,359	Assistant Commissioner of Commercial Taxes, Kolkata
West Bengal Value Added Tax, 2003	VAT	2007-08	6,29,94,000	Senior Joint Commissioner of Commercial Tax, Behala Circle
West Bengal Value Added Tax, 2003	VAT	2008-09	3,40,16,250	Senior Joint Commissioner of Sales Tax, Behala Circle
Central Sales Tax, 1956	CST	2007-08	3,25,00,000	Ld. Member, West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax, 1956	CST	2008-09	34,48,049	Senior Joint Commissioner of Sales Tax, Behala Circle
Income Tax Act, 1961	Income Tax	2000-2001	21,19,106	C.I.T(A) XII Calcutta High Court Income Tax appellate Tribunal
		2001-2002	47,52,101	
		2003-2004	3,68,567	
		2004-2005	3,32,931	



Name of the Statute	Nature of the Dues	Relating to The year	Amount (₹)	Forum where dispute is Pending
Central Excise Act, 1944	Excise Duty	2004-2005	32,857	Superintendent of Central Excise
		2005-2006	19,494	
		2004-2005 To 2008-09	7,56,97,420	CESTAT
Employee's State Insurance Act, 1948	ESI	1979-1980 To 1983-1984	95,292	Employees' Insurance Court West Bengal Kolkata

- x) The Company does not have any accumulated losses at the end of the financial year. The Company has incurred cash losses during the financial year covered by our audit. However the company had not incurred any cash losses for immediately preceeding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- xii) According to the information and explanations given to us, and based on the documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of the clause 4(xiii) of the Order are not applicable to the Company.
- xiv) According to the information and explanation to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- xv) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from bank or financial institution.



- xvi) In our opinion and according to the information and explanations given us, the terms loans have been applied for the purposes for which the loans were obtained.
- xvii) According to the information and explanations and on an overall examination of the Balance Sheet of the Company, we report that the Company has used funds to the extent of Rs.42,511,448 raised on short term basis mainly for meeting the losses of the company.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) According to information and explanations given to us, the Company has not issued any debentures during the year.
- xx) The Company has not raised monies by public issues during the year.
- xxi) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such case by the management.

For Lodha & Co.

Chartered Accountants

Firm's ICAI Registration No :301051E

H. K. Verma

Partner

Membership No:055104

Kolkata

Date: 31<sup>st</sup> May, 2013



**STEEL PRODUCTS LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2013**

(Amount in ₹)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
<b>1. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Fund</b>			
(a) Share capital	2	9,100,000	9,100,000
(b) Reserves and surplus	3	42,914,913	65,126,102
<b>2) Non-current liabilities</b>			
(a) Long-term borrowings	4	147,328	294,664
(b) Deferred tax liabilities (Net)	5	2,906,816	3,304,327
(c) Long-term provision	6	2,693,096	2,230,579
<b>3) Current liabilities</b>			
(a) Short-term borrowings	7	229,339,944	212,894,983
(b) Trade payables	8	232,376,827	154,467,744
(c) Other current liabilities	9	184,526,538	167,093,551
(d) Short-term provisions	10	2,143,306	2,168,283
<b>TOTAL</b>		<b>706,148,768</b>	<b>616,680,233</b>
<b>II. ASSETS</b>			
<b>1) Non-current Assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		82,277,321	91,344,718
(ii) Intangible assets		625,215	476,423
(iii) Capital work-in-progress		2,096,264	2,058,044
(b) Non-current investments	12	328,879	328,879
(c) Long-term loans and advances	13	10,617,258	11,370,401
(d) Other non-current assets	14	4,476,000	14,561,989
<b>(2) Current assets</b>			
(a) Inventories	15	289,398,036	177,823,633
(b) Trade receivables	16	177,204,174	210,606,154
(c) Cash and Bank balances	17	25,601,856	25,984,600
(d) Short-term loans and advances	18	110,804,005	80,872,815
(e) Other current assets	19	2,719,760	1,252,577
<b>TOTAL</b>		<b>706,148,768</b>	<b>616,680,233</b>

Summary of significant accounting policies

1

Notes to financial statements

2-28

Notes are an integral part of the Financial Statements

As per our report of even date

**For LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

31st May 2013

**For & on behalf of the Board**

Hemant Khaitan - Managing Director

Sharad Khaitan - Joint Managing Director

Anil Poddar - Director

Dr. Gora Ghose - Director


**STEEL PRODUCTS LIMITED**
**Statement of Profit and Loss for the year ended March 31, 2013**
**(Amount in ₹)**

Particulars	Note No.	For The Year ended 31st March, 2013	For The Year ended 31st March, 2012
<b>REVENUE</b>			
Revenue from operations (Gross)	20	<b>1,028,564,038</b>	1,015,634,914
Less : Excise Duty		<b>109,596,687</b>	90,845,981
Revenue from operations (Net)		<b>918,967,351</b>	924,788,933
Other Income	21	<b>34,203,388</b>	8,408,036
<b>Total Revenue</b>		<b>953,170,739</b>	933,196,969
<b>EXPENSES :</b>			
Cost of Materials consumed	22	<b>859,441,741</b>	745,971,791
Purchase of Stock in Trade	23	<b>5,727,465</b>	4,417,538
(Increase)/ Decrease in Inventories of Finished Goods, Work, in Progress & Stock in Trade	24	<b>(92,367,141)</b>	392,576
Employee Benefit Expense	25	<b>22,887,104</b>	20,308,173
Finance Cost	26	<b>37,391,813</b>	37,472,726
Depreciation and Amortization Expenses	11	<b>11,813,336</b>	12,553,115
Other Expenses	27	<b>129,964,652</b>	120,051,928
Prior Period Expense	28.4	<b>920,469</b>	994,532
<b>Total Expenses</b>		<b>975,779,439</b>	942,162,379
<b>Profit before tax</b>		<b>(22,608,700)</b>	(8,965,410)
Tax Expenses		-	-
Deferred Tax-Charged/(credit)		<b>(397,511)</b>	(774,282)
		<b>(397,511)</b>	(774,282)
<b>Profit after tax</b>		<b>(22,211,189)</b>	(8,191,128)
Earning per Equity Share			
-Basic		<b>(24.41)</b>	(9.00)
-Diluted		<b>(24.41)</b>	(9.00)

Summary of significant accounting policies

1

Notes to financial statements

2-28

Notes are an integral part of the Financial Statements

As per our report of even date

**For LODHA & CO.**

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

31st May 2013

**For & on behalf of the Board**

Hemant Khaitan - Managing Director

Sharad Khaitan - Joint Managing Director

Anil Poddar - Director

Dr. Gora Ghose - Director



# STEEL PRODUCTS LIMITED

## Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

Particulars	For The Year ended 31st March, 2013	For The Year ended 31st March, 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	(22,608,700)	(8,965,410)
Adjustment for		
Depreciation	11,813,336	12,553,115
(Profit)/Loss on sale of Fixed Assets (Net)	(5,011)	(95,904)
Finance Cost	37,391,813	37,472,726
Interest Income	(4,896,277)	(5,572,958)
Liability/PBDD Written off/back (Net)	(31,593,127)	(1,687,475)
Operating profit before working capital changes	(9,897,966)	33,704,094
Adjustment for		
Trade and other receivables	31,934,797	(35,816,199)
Inventories	(111,574,403)	(56,786,730)
Trade and other Payables	127,372,737	91,673,255
Loan & Advances	(28,704,932)	(20,261,050)
	19,028,199	(21,190,724)
Cash generated from Operation	9,130,234	12,513,370
Direct Taxes (paid)/Refund received	(473,115)	
Net Cash from/(used in) Operating Activities	8,657,118	12,513,370
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(3,054,005)	(2,327,701)
Sale of Fixed Assets	126,065	1,349,447
Interest received	4,896,277	5,572,959
Investment in Fixed Deposit	10,085,989	(6,460,000)
Net Cash from/(used in) Investing Activities	12,054,326	(1,865,295)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	16,297,625	15,287,310
Interest paid	(37,391,813)	(37,472,727)
Net cash from/(used in) Financing Activities	(21,094,188)	(22,185,417)
Net increase/(Decrease) in Cash and Cash Equivalents	(382,744)	(11,537,342)
Cash and Cash Equivalents at the beginning of the year	25,984,600	37,521,942
Cash and Cash Equivalents at the end of the year	25,601,856	25,984,600
(Refer Note No. 17)		

Note : Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.

As per our report of even date  
For **LODHA & CO.**  
Chartered Accountants

**H. K. Verma**  
Partner  
Place : Kolkata  
31st May 2013

**For & on behalf of the Board**  
Hemant Khaitan - Managing Director  
Sharad Khaitan - Joint Managing Director  
Anil Poddar - Director  
Dr. Gora Ghose - Director



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>2. SHARE CAPITAL</b>			
<b>Authorised Shares</b>			
2,000,000 Equity Share of ₹ 10/- each		<b>20,000,000</b>	20,000,000
		<b>20,000,000</b>	20,000,000
 Issued,Subscribed and Fully Paid-up Shares :			
910,000 Equity Shares of ₹ 10/- each		<b>9,100,000</b>	9,100,000
		<b>9,100,000</b>	9,100,000
2.1 Out of above issued Shares 8,40,000 shares issued as bonus shares by Capitalisation of Reserve.			
2.2 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.			
2.3 Out of the above issued shares, the company has only one class of equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their shareholding.			
2.4 Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company :			
Name of the Shareholder		No. of Shares held as at 31st March, 2013	No. of Shares held as at 31st March, 2012
Hemant Khaitan		<b>130,455</b>	130,455
Sharad Khaitan		<b>176,449</b>	176,449
S. G. Khaitan (HUF)		<b>69,433</b>	69,433
Mukund Khaitan		<b>85,540</b>	85,540
Rishabh Dev Khaitan		<b>91,000</b>	91,000



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>3. RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>			
As per last Balance Sheet		100,000	100,000
		<u>100,000</u>	<u>100,000</u>
<b>Capital Redemption Reserve</b>			
As per last Balance Sheet		300,000	300,000
		<u>300,000</u>	<u>300,000</u>
<b>General Reserve</b>			
As per last Balance Sheet		12,007,799	12,007,799
		<u>12,007,799</u>	<u>12,007,799</u>
<b>Surplus</b>			
As per last Balance Sheet		52,718,303	60,909,431
Add : Net Profit(Loss) After Tax transferred from Statement of Profit and Loss		(22,211,189)	(8,191,128)
Net Surplus		<u>30,507,114</u>	<u>52,718,303</u>
<b>Total Reserves and Surplus</b>		<u>42,914,913</u>	<u>65,126,102</u>

Particulars	Ref. Note No.	As at 31st March, 2013		As at 31st March, 2012	
		Non Current	Current	Non- Current	Current
<b>4. LONG TERM BORROWINGS</b>					
<b>SECURED LOAN</b>					
Term Loan from Bank		-	-	-	4,625,000
Loan against assets purchased					
From Body Corporate		-	-	-	288,953
From Bank	4.1	147,328	147,336	294,664	147,336
		<u>147,328</u>	<u>147,336</u>	<u>294,664</u>	<u>5,061,289</u>

4.1 The loan carries interest @ 6.51% per annum (Flat Rate) and Secured by hypothecation of Vehicles acquired there against and is repayable as follows:

Year  
2014-15

Amount in ₹  
147,328


**STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

**(Amount in ₹)**

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>5. DEFERRED TAX LIABILITIES (NET)</b>			
<b>Deferred Tax Liability :</b>			
On account of depreciation difference as per Income tax and books of account.		<b>4,720,635</b>	5,000,236
Gross Deferred Tax Liability		<b>4,720,635</b>	5,000,236
<b>Deferred Tax Assets :</b>			
Employee Benefits		<b>1,609,879</b>	1,501,239
Amount inadmissible U/S 40(a)		<b>203,940</b>	194,670
Gross Deferred Tax Asset		<b>1,813,819</b>	1,695,909
Net Deferred Tax Liability		<b>2,906,816</b>	3,304,327
<b>6. LONG TERM PROVISION</b>			
Provision for employee benefits		<b>2,593,029</b>	2,130,512
Provision for Fringe Benefit Tax (net of advance)		<b>100,067</b>	100,067
		<b>2,693,096</b>	2,230,579
<b>7. SHORT TERM BORROWINGS</b>			
<b>SECURED LOAN</b>			
Cash credit & working Capital Loan From Bank payable on demand			
Allahabad Bank	7.1	<b>131,110,368</b>	117,549,600
State bank of India	7.2	<b>54,154,576</b>	59,220,383
<b>UNSECURED LOAN</b>			
From Body Corporates (Repayable on demand)		<b>44,075,000</b>	36,125,000
		<b>229,339,944</b>	212,894,983
<b>7.1</b>	Secured against Hypothecation of all present and future product including raw materials, stores, finished and semi finished goods and all movable property of the Company. Book Debts, Receivables, Investments, movable plants and further guaranteed by Sri H.K. Khaitan and Sri S.K. Khaitan and further secured by charges over immovable properties of the Company at Mouza Chamrail and Baltikuri by way of equitable mortgage and land with building and others structure situated at 96 Garden Reach Road, Kolkata by way of collateral security.		
<b>7.2</b>	Secured against first charge on the whole of the hypothecated assets situated at Plot No. 196/3, 4, Village-Bendri. Post-Urla. Heerapur Road, P.C. No.-101, R.I. Circle Dharsiwa, Dist. - Raipur, Chattishgarh as a continuing security. All Goods, Book Debts, and other movable assets of the borrower situated at the above mentioned location including Documents of title to goods, outstanding moneys, receivables, claims, bills, invoices, contracts, investments, plant & machinery both present and future and all other current assets by way of first charge.		

STEEL PRODUCTS LIMITED  
Notes forming part of the financial statements as at March 31, 2013  
Note 11  
FIXED ASSETS :

(Amount in ₹)

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK	
	As on 01.04.2012	Additions	Adjustments/ Deduction	As on 31.03.2013	Upto 31.03.2012	For the Year Deduction	Adjustments/ Deduction	Up to 31.03.2013	As on 31.03.2013 As on 31.04.2013
<b>TANGIBLE ASSETS</b>									
(a) Land	3,373,347	-	-	3,373,347	-	-	-	-	3,373,347
(b) Buildings	10,132,248	-	-	10,132,248	3,232,700	344,980	-	3,577,680	6,554,568
(c) Factory Building	38,826,142	1,711,446	-	40,537,588	14,735,569	3,051,357	-	17,786,926	22,750,662
(d) Plant & Equipment	95,778,422	806,925	-	96,585,347	46,048,792	6,994,963	-	53,043,755	43,541,592
(e) Electrical Installation	7,122,177	-	-	7,122,177	3,271,429	535,641	-	3,807,070	3,315,107
(f) Office Equipment	2,430,651	67,530	212,638	2,685,543	1,590,350	117,890	152,158	1,556,082	729,461
(g) Furniture & Fixtures	4,145,122	-	103,425	4,041,697	3,122,385	156,061	47,758	3,230,688	811,009
(h) Vehicles	3,430,922	57,000	-	3,487,922	2,269,643	311,153	-	2,580,796	907,126
(i) Computer	3,149,601	90245	19,606	3,220,240	2,773,046	167,444	14,699	2,925,791	294,449
<b>TOTAL TANGIBLE ASSETS</b>	<b>168,388,632</b>	<b>2,733,146</b>	<b>335,669</b>	<b>170,786,109</b>	<b>77,043,914</b>	<b>11,679,489</b>	<b>214,615</b>	<b>88,508,788</b>	<b>82,277,321</b>
Previous Year tangible assets	167,421,425	2,235,391	1,268,184	168,888,632	64,636,229	12,422,327	14,642	77,043,914	91,344,718
<b>INTANGIBLE ASSETS</b>									
COMPUTER SOFTWARE	621,668	282,639	-	904,307	145,245	133,847	-	279,092	625,215
<b>TOTAL INTANGIBLE ASSETS</b>	<b>621,668</b>	<b>282,639</b>	<b>-</b>	<b>904,307</b>	<b>145,245</b>	<b>133,847</b>	<b>-</b>	<b>279,092</b>	<b>476,423</b>
Previous Year Intangible assets	613,600	8,068	-	621,668	14,457	130,788	-	145,245	476,423
<b>TOTAL</b>	<b>169,010,300</b>	<b>3,015,785</b>	<b>335,669</b>	<b>171,690,416</b>	<b>77,189,159</b>	<b>11,813,336</b>	<b>214,615</b>	<b>88,787,880</b>	<b>82,902,536</b>
Previous Year	168,035,025	2,243,459	1,268,184	169,010,300	64,650,686	12,553,115	14,642	77,189,159	91,821,141

Capital Work in Progress of ₹ 2,096,264 (Previous Year ₹ 2,058,044/-)



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>8. TRADE PAYABLES</b>			
Payables For Goods and Services	28.14	<b>232,376,827</b>	154,467,744
		<b>232,376,827</b>	154,467,744

8.1	Payable for Goods and Services includes Acceptances	<b>15,860,000</b>	81,916,417
8.2	Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force on October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. The Company has not received any intimation from suppliers regarding their status under the said Act and hence disclosures, if any, regarding to amount unpaid as at year-end together with Intiirest paid/payable has not been given.		
8.3	Include Liabilities of ₹ 6,719,585/- for which Bank guarantee has been issued under order of Calcutta High Court towards purchase consideration of Steel Authority of India Limited under dispute since earlier years & may prolong further.		

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>9. OTHER CURRENT LIABILITIES</b>			
Current Maturities of Long-term borrowings		-	4,625,000
Current Maturities of Asset Finance Loan	4.1	<b>147,336</b>	436,289
Interest accrued but not due on borrowing		-	122,564
Interest accrued and due on borrowing		-	854,765
Interest Payable		<b>5,544,266</b>	2,854,897
Advance from Customers		<b>152,722,027</b>	146,865,152
Other Payables			
Unpaid Dividends	9.1	<b>57,803</b>	57,803
Statutory Payables		<b>25,578,442</b>	10,775,235
Other Payables		<b>400,564</b>	425,746
Unclaimed Preference Share Redemption Money		<b>76,100</b>	76,100
		<b>184,526,538</b>	167,093,551

9.1 This does not include any amount due for payment to Investor Education and Protection Fund.



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>10. SHORT TERM PROVISIONS</b>			
Provision for employee benefits		2,143,306	2,168,283
		<u>2,143,306</u>	<u>2,168,283</u>

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>12. NON CURRENT INVESTMENTS</b> (Valued at cost unless stated otherwise)			
OTHER THAN TRADE INVESTMENTS QUOTED AND FULLY PAID UP :			
32,700 Olympic Commercial Enterprises Ltd. (Face value ₹ 10/- Each)	12.1	85,641	85,641
79,750 Rishab Exports Ltd. (Face value ₹ 10/- Each)	12.1	243,238	243,238
		<u>328,879</u>	<u>328,879</u>

## **12.1 Aggregate Market Value of Quoted Investments**

(As the quotations are not available the market value could not be worked out)



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>13. LONG TERM LOANS AND ADVANCES</b> (Unsecured Considered Good)			
Security Deposits	28.14	677,715	627,780
Advance Income Tax(net of provision)		7,847,465	7,374,350
Mat Credit Entitlement	13.1	1,741,927	1,741,927
Prepaid Bank Guarantee Charges		350,151	1,626,344
		<b>10,617,258</b>	<b>11,370,401</b>

13.1 The Company recognises entitlement for Minimum Alternate Tax (MAT) Credit based on the convincing evidence that the company is entitled to pay normal Tax within the credit entitlement period.

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>14. OTHER NON CURRENT ASSETS</b>			
Balance With Bank - In Fixed Deposits (having maturity- more than 12 months)	14.1	4,476,000	14,561,989
		<b>4,476,000</b>	<b>14,561,989</b>

14.1 Kept as lien against Letter of Credit and Bank Guarantee.

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>15. INVENTORIES</b> (Valued at lower of cost and net realisable value) (Value taken and certified by the management)			
Raw Materials	7.1	125,921,284	109,315,693
Work-in-process		83,367,426	25,775,188
Finished Goods		72,641,175	28,844,702
Finished Goods in Transit		-	3,981,825
Stores and Spares		1,634,556	2,012,848
Loose Tools		5,833,595	7,893,377
		<b>289,398,036</b>	<b>177,823,633</b>



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>16. TRADE RECEIVABLES</b>			
(Unsecured)			
Trade receivable outstanding for a period exceeding six months from the date they are due for payment :			
Considered Good		<b>146,323,608</b>	60,321,585
Others			
Considered Good		<b>30,880,566</b>	150,284,569
		<b>177,204,174</b>	210,606,154

16.1 Refer note 28.14

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>17. CASH AND BANK BALANCES</b>			
<b>Cash and Cash Equivalents</b>			
(i) Balances With Banks			
In Current Accounts		<b>3,214,842</b>	2,313,412
In Unpaid Dividend Accounts	9.1	<b>62,903</b>	62,903
Unpaid Preference Share Redemption Account		<b>76,100</b>	76,100
Fixed Deposit With Bank	14.1	<b>819,000</b>	1,615,617
(With original maturity of less than 3 Months)			
(ii) <b>Cash in Hand</b>		<b>354,577</b>	339,468
		<b>4,527,422</b>	4,407,500
(iii) <b>Other Bank Balances</b>			
<b>Fixed Deposit With Bank</b>	14.1	<b>21,074,434</b>	21,577,100
(With original maturity of more than 3 Months but less than 12 months)			
		<b>21,074,434</b>	21,577,100
		<b>25,601,856</b>	25,984,600



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>18. SHORT TERM LOAN AND ADVANCES</b>			
(Unsecured Considered Good)			
Security Deposits		116,629	295,539
Balance with Government authorities		92,493,716	64,789,180
Advances for supply of goods and services		16,557,723	14,073,546
Pre-paid expenses		1,635,937	1,714,550
(Unsecured Considered doubtful)			
Advances for supply of goods and services		38,800	38,800
Less : Provision for Doubtful debt		(38,800)	(38,800)
		<u>110,804,005</u>	<u>80,872,815</u>

18.1 Refer note 28.14

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>19. OTHER CURRENT ASSETS</b>			
Interest Receivable		2,719,760	1,252,577
		<u>2,719,760</u>	<u>1,252,577</u>

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>20. REVENUE FROM OPERATIONS (GROSS)</b>			
(i) <b>Sale of Goods</b>			
Tower Parts & structures		949,818,615	945,455,476
Trading Material		6,497,228	4,678,408
		<u>956,315,843</u>	<u>950,133,884</u>
(ii) <b>Sale of Service</b>			
Project works Bills		13,577,392	8,951,826
Galvanisation, Fabrication charges realised		7,775,325	15,653,164
		<u>21,352,717</u>	<u>24,604,990</u>
(iii) <b>Other Operating Income</b>			
Scrap sales		47,707,945	37,450,463
Export Incentive income		407,937	2,796,075
Sundry Balance Written Back		2,760,635	630,513
Miscellaneous Receipt		18,961	18,989
		<u>50,895,478</u>	<u>40,896,040</u>
		<u>1,028,564,038</u>	<u>1,015,634,914</u>



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>21. OTHER INCOME</b>			
Interest on deposits, etc.		4,896,277	5,572,958
Profit on Sale of Fixed Assets (Net)			95,904
Foreign Exchange Gain (Net)		474,619	1,682,212
Sundry Balance Written Back Other than Operation	21.1	28,832,492	1,056,962
		<b>34,203,388</b>	<b>8,408,036</b>

21.1 Include a sum of Rs.2,80,81,253 (P.Y. NIL) towards mobilisation advance received by the Company and no longer payable has been written back in these accounts due to premature termination of the contract by one of the customers.

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>22. COST OF MATERIALS CONSUMED</b>			
Cost Of Materials Consumed	22.1	859,441,741	745,971,791
		<b>859,441,741</b>	<b>745,971,791</b>
<b>22.1 Details of Materials Consumed</b>			
Iron & Steel		782,902,297	675,829,012
Zinc		76,539,444	70,142,779
		<b>859,441,741</b>	<b>745,971,791</b>

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>23. PURCHASE OF STOCK IN TRADE</b>			
Purchase Of Stock In Trade	21.1	5,727,465	4,417,538
		<b>5,727,465</b>	<b>4,417,538</b>
<b>23, 1 Details of Purchase Of Stock In Trade</b>			
(a) Zinc		5,727,465	4,417,538
		<b>5,727,465</b>	<b>4,417,538</b>



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>			
<b>Opening 'Stock</b>			
Finished Goods (Including in transit Rs. 3,981,825/-)		32,826,527	40,458,526
Less : Excise Duty		(2,730,173)	(3,397,227)
		<u>30,096,354</u>	<u>37,061,299</u>
Work-in-process		25,775,188	19,202,819
		<u>55,871,542</u>	<u>56,264,118</u>
<b>Less : Closing Stock</b>			
Finished Goods (Including in transit Rs. NIL)		72,641,175	32,826,527
Less : Excise Duty		(7,769,918)	(2,730,173)
		<u>64,871,257</u>	<u>30,096,354</u>
Work-in-process		83,367,426	25,775,188
		<u>148,238,683</u>	<u>55,871,542</u>
		<u>(92,367,141)</u>	<u>392,576</u>

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>25. EMPLOYEE BENEFIT EXPENSE</b>			
Salaries and Wages		20,149,433	18,077,930
Contribution to Provident, Gratuity and other Funds		767,517	949,136
Staff Welfare Expenses		1,970,154	1,281,107
		<u>22,887,104</u>	<u>20,308,173</u>

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>26. FINANCE COST</b>			
Interest Expenses		37,391,813	37,472,726
		<u>37,391,813</u>	<u>37,472,726</u>



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

Particulars	Ref. Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>27. OTHER EXPENSES</b>			
Project expense	28.3	16,654,214	11,425,561
Fabrication & Galvanisation Expenses		30,525,577	29,041,029
Material Handling Expenses		5,942,567	3,983,356
Consumption of Stores and Spares Part		12,867,040	15,977,869
Power and Fuel		33,709,777	30,020,018
Repairs			
Buildings		130,764	487,612
Machinery		1,279,445	1,983,704
Others		1,701,059	1,782,848
Insurance Charges		203,392	159,183
Rates and Taxes		231,485	203,419
Travelling and Conveyance		3,723,205	3,159,267
Directors Fees		18,500	16,000
Auditors Remuneration :			
Audit Fees	27.1	75,000	75,000
Tax Audit Fees	27.1	20,000	20,000
Other Services	27.1	30,000	60,000
Transport, Packing and Forwarding (Net of recovery of ₹ 83,81,263 (P.Y. ₹ 2,67,03,462)		494,125	6,477,216
Electricity Charges (net of ₹ 96,000, P.Y ₹ 96,000)		590,017	521,660
Legal and Professional Fees		456,969	384,615
Rent (net of ₹ 66,000, P.Y. ₹ 78,000 )		27,593	15,058
Subscription		151,838	158,394
Loss on sale/ discard of Fixed Assets		1,191,638	-
Bad debts		598,099	309,352
Security & Service Charges		1,594,826	1,789,209
Advertisement & Sales promotion		155,798	181,362
Printing & Stationary Expenses		872,858	980,135
Bank Charges & Commission		4,261,109	5,724,077
Postage, Telephone & Fax Charges		975,134	1,058,455
Hire Charges		839,139	884,551
Miscellaneous Expenses		10,643,484	4,167,510
		<b>129,964,652</b>	<b>121,046,460</b>
<b>27.1 The Following amounts are excluding Service Tax:</b>			
Audit Fees		75,000	75,000
Tax Audit Fees		20,000	20,000
Other Services		30,000	60,000
		<b>125,000</b>	<b>155,000</b>



# **STEEL PRODUCTS LIMITED**

Notes forming part of the financial statements as at March 31, 2013

(Amount in ₹)

## **NOTE 28**

### **28.1 Contingent Liabilities not provided for In respect of :**

	2012-13	2011-12
Demands raised , which in the opinion of the management are not tenable and are pending with respective authority		
a) Sales Tax	133,084,658	133,084,658
b) Employees State Insurance fund	105,292	105,292
c) Excise Department	75,749,771	75,749,771
d) Income Tax	12,953,955	23,151,511
e) Other claim not acknowledged as Debt	84,117,664	92,856.804

### **28.2 Estimated amount of contracts remaining to be excuted on account and not provided for :**

a) On Capital account	-	-
b) Others	-	-

### **28.3 Project expenses included In Statement of Profit and Loss represent cost incurred on contract jobs during the year and include the following**

	2012-13	2011-12
a) Consumption of stores and spare parts	383,102	1,341,688
b) Power and fuel	697,689	309,531
c) Rent, Rates and Taxes	596,733	212,200
d) Repair to machinery	69,851	36,699
e) <b>Employee benefit expenses</b>		
Salaries, wages and bonus	2,960,022	1,202,744
Contribution to provident and other funds	98,865	20,072
Workmen and staff welfare expenses	125,184	177,164
f) Insurance	63,394	19,673
g) Miscellaneous expenses	11,659,374	8,105,790
	<b>16,654,214</b>	<b>11,425,561</b>

	2012-13	2011-12
<b>28.4 Prior Period Expenses comprises of</b>		
a) Employee Benefit Expenses	2,100	143,883
b) Power and fuel	-	167,360
c) Carraige & Freight	319,584	-
d) Legal and Professional Fees	25,000	-
e) Interest Expense	208,867	-
f) Miscellaneous Expenses	364,918	683,289
	<b>920,469</b>	<b>994,532</b>



## 28.5 Employee Benefits

a) Contributions to Defined Contribution plan recognised as expenses for the year are as under

	2012-13	2011-12
Employer's Contribution to Provident Fund	299,524	75,576
Employer's Contribution to Pension Fund	467,993	584,975
Employer's Contribution to Employees State Insurance Scheme	738,474	450,940

b) The disclosure as per the Accounting Standard 15 (AS 15) "Employee Benefits" are given below :  
The Company operates post retirement benefits plans as following :

Gratuity : Non Funded

Leave Encashment: Non funded

Disclosures of defined benefit plans based on actuarial as on March 31, 2013

	2012-13	2011-12
For Gratuity		
<b>A. Change in Defined Benefit Obligation :</b>		
Present Value of Defined Benefit Obligations as at the beginning of the year	3,777,320	3,043,352
Current Service Cost	345,005	298,033
Interest Cost	295,583	250,084
Benefit Paid	(165,069)	(202,378)
Actuarial (Gain) / Losses	(129,035)	388,229
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>4,123,804</b>	<b>3,777,320</b>
<b>B. Change in Fair Value of Assets :</b>		
Fair value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan assets	-	-
Contributions by the Employers	-	-
Benefit paid	-	-
Actuarial Gains/(Losses)	-	-
<b>Fair value of plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:</b>		
Present Value of Defined Benefit Obligations as at the end of the year	4,123,804	3,777,320
Fair value of Plan Assets at the end of the year	-	-
<b>Liability /(Assets) recognized in the Balance Sheet</b>	<b>4,123,804</b>	<b>3,777,320</b>
<b>D. Expenses recognized in the Statement of Profit and Loss</b>		
Current Service Cost	345,005	298,033
Interest Cost	295,583	250,084
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss	(129,035)	388,229
<b>Total Expenses recognized in the Statement of Profit and Loss*</b>	<b>511,553</b>	<b>936,346</b>
<b>E. Principal Actuarial Assumptions used</b>		
Discounted Rate (per annum) Compound	8%	8.5%
Expected Rate of return on Plan Assets	-	-
Rate of Salary increase (per annum)/Inflation Rate	5%	5%



Experience History	2012-13	2011-12	2010-11	2009-10	2008-09
<b>F. Net Assets/(Liability) recognized in Balance Sheet</b>					
(including experience adjustment impact)					
Present Value of Defined Benefit Obligations	4,123,804	37,77,320	3,043,352	2,587,171	2,050,091
Fair value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	-	-	-	-	-
Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
Experience Adjustment of Obligation [Gain/(Loss)]	(423,840)	(178,418)	(154,243)	(108,278)	16,163

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2013

For Leave Encashment	2012-13	2011-12
<b>A. Change In Defined Benefit Obligations :</b>		
Present Value of Defined Benefit Obligations		
as at the beginning of the year	521,475	438,110
Current Service Cost	92,657	38,848
Interest Cost	40,565	35,106
Benefits Paid	(28,817)	(50,198)
Actuarial (Gains)/ Losses	(13,349)	59,609
<b>Present Value of Defined Benefit Obligations as at the end of the year</b>	<b>612,531</b>	<b>521,475</b>
<b>B. Change in the Fair Value of Assets :</b>		
Fair value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions by the Employer	-	-
Benefits paid	-	-
Actuarial Gains/ (Losses)	-	-
Fair value of Plan Assets at the end of the year	-	-
<b>C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:</b>		
Present Value of Defined Benefit Obligations		
as at the end of the year	612,531	521,475
Fair value of Plan Assets at the end of the year	-	-
Liability /(Assets) recognized in the Balance Sheet	612,531	521,475



For Leave Encashment	2012-13	2011-12
<b>D. Expenses recognized in the Statement of Profit and Loss</b>		
Current Service Cost	92,657	38,848
Interest Cost	40,565	35,106
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss	(13,349)	59,609
Total Expenses recognized in the Statement of Profit and Loss*	119,873	133,563
<b>E. Principal Actuarial Assumptions used</b>		
Discounted Rate (per annum) Compound	8%	8.50%
Expected Rate of return on Plan Assets	-	-
Rate of Salary increase (per annum)	5%	5%

Experience History	2012-13	2011-12	2010-11	2009-10	2008-09
<b>F. Net Assets/(Liability) recognized in Balance Sheet</b>					
(including experience adjustment impact)					
Present Value of Defined Benefit Obligations	612,531	521,475	438,110	407,978	409,895
Fair value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	-	-	-	-	-
Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
Experience Adjustment of Obligation [Gain/(Loss)](70,017)		(7,511)	118,687	(43,510)	56,091

\* Included in "Salaries, Wages and Bonus " and "Contribution to Provident Fund, Gratuity and Other Funds" under

"EMPLOYEES BENEFIT EXPENSES" on Note 25.

NOTE : As the Scheme is unfunded charges to statement of Profit and Loss has been based on following assumptions,

- Previous obligation was provided for at last accounting date.
- Benefit to exits has been paid to debit of above provision.
- Current obligation will be provided for at current accounting date.
- The contributions expected to be made by the Company for the year 2013-14 is not ascertained.



28.6 Unhedged Foreign Currency exposures as on March 31, 2013 are as follows :

Nature	2012-13	2011-12
a) Trade payable	-	-
b) Trade receivable	2,874,368	3,580,284

#### 28.7 Earning Per Share (EPS)

Nature	2012-13	2011-12
a) Profit / (Loss) attributable to Shareholders (₹)	(22,211,189)	(8,191,128)
b) Weighted average number of Equity Shares	910,000	910,000
c) Nominal Value of Equity Share (₹)	10/-	10/-
d) Basic and Diluted EPS (₹)	(24.41)	(9.00)

#### 28.8 Segment Reporting

The Company Operates mainly in one business segment viz. Tower Parts/Structural and Galvanising and all other activities revolve around the main activity. The secondary segment is geographical information related to which is given as under :

	2012-13	2011-12
a) <b>Sale of products</b>		
Domestic	959,409,272	923,248,004
Export	18,259,288	51,490,870
Total	977,668,560	974,738,874
b) <b>Assets*</b>		
Trade Receivable		
Within India	174,329,806	207,027,020
Outside India	2,874,368	3,579,134
Total	177,204,174	210,606,154

\* All Assets other than Trade Receivable are located within India.

28.9 Related Party Disclosure

i) Related Party Disclosure as required by Accounting Standard 18 "Related Party Disclosure" as specified in the Companies (Accounting standard). Rules, 2006 prescribed by Central Govt. are as follows :-

- a) Key Management Personnel :  
 Mr. Hemant Khaitan  
 Mr. Sharad Khaitan  
 Mr. Mukund Khaitan  
 Mr. Rishabh Dev Khaitan
- b) Relative of Key Management Personnel :  
 Calcutta Hire Purchase Ltd.  
 Hastings Court Services Pvt. Ltd.  
 Hind Petrofilament Pvt. Ltd.  
 Olympic Commercial Enterprises Ltd.  
 Parichay Management Pvt. Ltd.  
 Khaitan Enterprises  
 Gulmohar Enterprises Pvt. Ltd.  
 Keshar Business Pvt. Ltd.
- c) Enterprises where relatives of Key Management Personnel exercise significant influence

ii) Details of transactions made with Related Parties during the year:

Nature of Transaction	Key Management		Relatives of Key Management Personnel				Enterprise Referred in (c)		Total
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	
<b>Income</b>									
<b>a) Rent</b>									
Calcutta Hire Purchase Ltd.	-	-	-	-	6,000	6,000	6,000	6,000	6,000
Hind Petrofilament Pvt. Ltd.	-	-	-	-	-	12,000	-	12,000	12,000
Olympic Commercial Enterprises Ltd.	-	-	-	-	12,000	12,000	12,000	12,000	12,000
Khaitan Enterprises	-	-	-	-	3,000	3,000	3,000	3,000	3,000
Parichay Management Pvt. Ltd.	-	-	-	-	3,000	3,000	3,000	3,000	3,000
Gulmohar Enterprises Pvt. Ltd.	-	-	-	-	12,000	12,000	12,000	12,000	12,000
Keshar Business Pvt. Ltd.	-	-	-	-	12,000	12,000	12,000	12,000	12,000
<b>Total</b>	-	-	-	-	<b>48,000</b>	<b>60,000</b>	<b>48,000</b>	<b>60,000</b>	<b>60,000</b>
<b>b) Electricity</b>									
Calcutta Hire Purchase Ltd.	-	-	-	-	6,000	6,000	6,000	6,000	6,000
Hind Petrofilament Pvt. Ltd.	-	-	-	-	12,000	12,000	12,000	12,000	12,000
Olympic Commercial Enterprises Ltd.	-	-	-	-	18,000	18,000	18,000	18,000	18,000
Khaitan Enterprises	-	-	-	-	6,000	6,000	6,000	6,000	6,000
Gulmohar Enterprises Pvt. Ltd.	-	-	-	-	18,000	18,000	18,000	18,000	18,000
Keshar Business Pvt. Ltd.	-	-	-	-	18,000	18,000	18,000	18,000	18,000
<b>Total</b>	-	-	-	-	<b>78,000</b>	<b>78,000</b>	<b>78,000</b>	<b>78,000</b>	<b>78,000</b>



Nature of Transaction	Key Management		Relatives of Key Management Personnel				Enterprise Referred in (c)		Total
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	
<b>Expenses</b>									
<b>c) Interest</b>									
Calcutta Hire Purchase Ltd.	-	-	-	-	72,140	63,043	72,140	63,043	
Hind Petrofilament Pvt. Ltd.	-	-	-	-	195,000	195,267	195,000	195,267	
Gulmohar Enterprises Pvt. Ltd.	-	-	-	-	142,849	120,082	142,849	120,082	
Keshar Business Pvt. Ltd.	-	-	-	-	272,795	261,178	272,795	261,178	
Olympic Commercial Ent. Ltd.	-	-	-	-	353,041	-	353,041	-	
<b>Total</b>	-	-	-	-	<b>1,035,825</b>	<b>639,570</b>	<b>1,035,825</b>	<b>639,570</b>	
<b>d) Remuneration paid</b>									
Mr. Hemant Khaitan	1,278,214	1,200,993	-	-	-	-	1,278,214	1,200,993	
Mr. Sharad Khaitan	1,267,791	1,207,113	-	-	-	-	1,267,791	1,207,113	
Mr. Rishabh Dev Khaitan	-	-	-	-	326,724	-	326,724	-	
Mr. Mukund Khaitan	-	-	-	-	338,445	-	338,445	-	
<b>Total</b>	<b>2,546,005</b>	<b>2,408,106</b>	-	-	<b>665,169</b>	-	<b>3,229,081</b>	<b>3,073,275</b>	
<b>e) Unsecured Loan Taken</b>									
Calcutta Hire Purchase Limited	-	-	-	-	100,000	-	100,000	-	
Olympic Commercial Ent. Limited	-	-	-	-	5,250,000	-	5,250,000	-	
Gulmohar Enterprises (P) Limited	-	-	-	-	250,000	-	250,000	-	
Keshar Business (P) Limited	-	-	-	-	125,000	-	125,000	-	
<b>Total</b>	-	-	-	-	<b>5,725,000</b>	-	<b>5,725,000</b>	-	
<b>f) Balance outstanding as on 31.03.2013 (Dr.)</b>									
Calcutta Hire Purchase Ltd.	-	-	-	-	6,372	3,309	6,372	3,309	
Hind Petrofilament Pvt. Ltd.	-	-	-	-	6,000	6,618	6,000	6,618	
Olympic Commercial Enterprises Ltd.	-	-	-	-	7,871	8,118	7,871	8,118	
Khaitan Enterprises	-	-	-	-	21,173	18,892	21,173	18,892	
Parichay Management Pvt. Ltd.	-	-	-	-	2,420	1,577	2,420	1,577	
Gulmohar Enterprises Pvt. Ltd.	-	-	-	-	7,871	8,118	7,871	8,118	
Keshar Business Pvt. Ltd.	-	-	-	-	7,871	8,118	7,871	8,118	
<b>Total</b>	-	-	-	-	<b>59,578</b>	<b>54,750</b>	<b>59,578</b>	<b>54,750</b>	
<b>g) Balance Outstanding as on 31.03.2013 (Cr.)</b>									
Calcutta Hire Purchase Ltd.	-	-	-	-	718,276	581,738	718,276	581,738	
Hind Petrofilament Pvt. Ltd.	-	-	-	-	1,844,014	1,712,750	1,844,014	1,712,750	
Gulmohar Enterprises Pvt. Ltd.	-	-	-	-	1,459,712	1,108,074	1,459,712	1,108,074	
Keshar Business Pvt. Ltd.	-	-	-	-	2,722,012	2,410,060	2,722,012	2,410,060	
Olympic Commercial Ent. Limited	-	-	-	-	5,567,737	-	5,567,737	-	
<b>Total</b>	-	-	-	-	<b>12,311,751</b>	<b>5,812,622</b>	<b>12,311,751</b>	<b>5,812,622</b>	

iii) The above related party information have been disclosed to the extent such parties have been identified by the management on the basis of information available. This has been relied upon by the Auditors.



# **STEEL PRODUCTS LIMITED**

28.10 Value and Percentage of Imported and Indigenous Raw Material, Stores and Loose Tools Consumed

	2012-13		2011-12	
	Value	%	Value	%
a) <b>Raw Materials :</b>				
Imported [Include ₹ 88,90,817 ( P.Y. ₹ 10,87,73,331/-)				
high sea purchase paid in INR]	8,80,90,817	1.03%	108,773,331	15%
Indigenous	850,550,924	98.97%	634,794,871	85%
b) <b>Stores, Spares and Components :</b>				
Imported	-	-	-	-
Indigenous	12,867,040	100%	15,868,020	100%

## **28.11 C. I. F value of Imports :**

	2012-13	2011-12
Raw Material [Include ₹ 88,90,817 ( P.Y. ₹ 10,87,73,331 ) high sea purchase paid		
a) in INR]	8,890,817	108,773,331
b) Stores and Spares	-	-

## **28.12 Expenditure in Foreign Currency :**

	2012-13	2011-12
Foreign tour expenses	625,628	263,570

## **28.13 Earning in Foreign Currency :**

	2012-13	2011-12
Export of F.O.B. Value	16,658,252	51,390,801

28.14 Balances of Trade Receivable(note 16), Trade payable(note 8), Security Deposits, Balances with Government authorities and Other Deposits(note 13 & 18), Other Liabilities, are subject to Confirmations/ reconciliations and consequential adjustments, if any. arising therefrom. Accordingly, the year end shortfall or otherwise, if any, as may pertain to these balances, are presently not ascertainable.

28.15 The Board is of the opinion that the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

28.16 During the previous year, certain books and records pertaining to Kona factory of the company were seized by the Central Excise authority consequent to search and seizure proceedings. For the purpose of audit copies of original records, wherever necessary were obtained from the said authorities. However, no demand so far been recieved by the comapany from excise authority.

28.17 Previous year figures are rergroruped/ reclassified wherever necessary to confirm to this years classification

Note 1 to 28,17 forms an integral part of the Financial Statements.

As per our report of even date.

For LODHA & CO.

Chartered Accountants

**H. K. Verma**

Partner

Place : Kolkata

31st May 2013

**For & on behalf of the Board**

Hemant Khaitan - Managing Director

Sharad Khaitan - Joint Managing Director

Anil Poddar - Director

Dr. Gora Ghose - Director



## STEEL PRODUCTS LIMITED

96, Garden Reach Road, Kolkata - 700 023

### PROXY FORM

No. of shares held  
Client ID / Folio No. :

I / We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ being a member / members of  
the above named Company hereby appoint Mr. \_\_\_\_\_ or failing  
him \_\_\_\_\_ of \_\_\_\_\_ in  
\_\_\_\_\_ as my / our proxy to attend and vote for  
me/us on my/our behalf at the 116th Annual General Meeting of the Company to be  
held at Registered Office of the Company at 96, Garden Reach Road, Kolkata - 700 023  
on Friday, the 27th day of September, 2013 and at any adjournment thereof.



Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013  
Notes : 1. The Form should be signed across the stamp as per specimen signature  
registered with the company.  
2. The proxy form duly completed must reach the Registered office of the  
company not less than 48 hours before the holding of the Meeting.

## STEEL PRODUCTS LIMITED

### ATTENDANCE SLIP

Client ID/Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Name of Shareholder / Proxy \_\_\_\_\_

Address \_\_\_\_\_

Date :

Signature

**BOOK-POST**

**STEEL PRODUCTS LIMITED**

96, GARDEN REACH ROAD, KOLKATA - 700 023

**PROXY FORM**

For the purpose of the  
Annual General Meeting

I, \_\_\_\_\_  
being a member of the company, hereby  
authorize \_\_\_\_\_  
to act as my proxy and to vote for me  
at the Annual General Meeting of the company  
to be held on \_\_\_\_\_ at \_\_\_\_\_  
and to exercise all such powers and  
privileges as I may be entitled to exercise  
as a member of the company at the said  
meeting.



This proxy is valid for the purpose of the  
Annual General Meeting of the company  
to be held on \_\_\_\_\_ at \_\_\_\_\_  
and for the purpose of the election of  
directors of the company.

**STEEL PRODUCTS LIMITED**

**ATTENDANCE SLIP**

If undelivered please return to :  
**STEEL PRODUCTS LIMITED**  
96, GARDEN REACH ROAD  
KOLKATA - 700 023