

FIFTY FIFTH
ANNUAL REPORT
2010-2011

ORIENT STEEL & INDUSTRIES LIMITED

Orient Steel & Industries Limited
FIFTY FIFTH
ANNUAL REPORT
2010-2011

BOARD OF DIRECTORS

SHRI N. K. RAJGARHIA *Chairman & Managing Director*

SHRI NILESH RAJGARHIA *Executive Director*

SHRI G. K. KHAITAN *Director*

SHRI P. K. PODDAR *Director*

SHRI SURESH KUMAR GANERIWALA *Director*

BANKERS

UCO BANK

AUDITORS

CHATURVEDI & COMPANY

REGISTERED OFFICE

2, BRABOURNE ROAD
KOLKATA - 700 001

ORIENT STEEL & INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the 55th Annual General Meeting of the members of **ORIENT STEEL & INDUSTRIES LTD.** will be held at the Registered Office of the Company at 2, Brabourne Road, Kolkata-700 001, on Friday, 30th September, 2011 at 11.00 A. M. to transact the following business :-

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2011 and Balance Sheet as on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Nilesh Rajgarhia, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri G. K. Khaitan, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

Kolkata,
Dated : 3rd September, 2011.
Registered Office :
2, Brabourne Road
Kolkata-700 001.

By Order of the Board of Directors

N. K. RAJGARHIA
Chairman & Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Proxy is order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting. A blank Proxy Form is enclosed.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September to 30th September, 2011 (both days inclusive).
4. For the convenience of members, attendance slip is annexed to the Proxy Form. Members are requested to fill in and affix their signatures at the space provided therefor and hand over the Attendance Slip at the entrance at the place of meeting. Proxy/Representative of a Member should mark on the attendance slip as "Proxy" or "Representative", as the case may be.
5. There is no pending of unpaid dividend as on 31st March, 2011.
6. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

Kolkata,
Dated : 3rd September, 2011.
Registered Office :
2, Brabourne Road
Kolkata-700 001.

By Order of the Board of Directors

N. K. RAJGARHIA
Chairman & Managing Director

AS SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310 and 311 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company, the Company hereby approves re-appointment of Shri Nawal Kishore Rajgarhia, Managing Director of the Company at revised remuneration structure for a period of Five year with effect from April 1, 2011.

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

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310 and 311 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company, the Company hereby approves revised remuneration structure of Shri Nilesh Rajgarhia, Whole Time Director of the Company for a period of Two year with effect from April 1, 2011.

EXPLANATORY STATEMENT U/S 173(2) OF THE COMPANIES ACT, 1956:

ITEM No.5

The Board of Directors of the Company in their meeting held, on the 31st March, 2011 has approved the re-appointment of Shri Nawal Kishore Rajgarhia, Managing Director of the Company at revised remuneration structure for a period of Five year with effect from April 1, 2011 subject to the approval of the Shareholders at the Annual General Meeting.

Details of remuneration are:

Salary : Upto a maximum of Rs. 1,25,000 per month.

Bonus : A per rules of the company and on the same scale as payable to other employees of the company.

Commission : One percent of net profit of the company restricted to 50% of salary or Rs. 4,50,000/- per annum, whichever is less.

Perquisites : Shall be restricted to an amount equivalent to the annual salary or Rs. 5,00,000/- whichever is less.

Salary mentioned above includes perquisites payable to Shri Nawal Kishore Rajgarhia but in any case the total managerial remuneration shall not exceed the maximum limit prescribed under the Companies Act Perquisites shall be classified as follows: -

CATEGORY-A

Housing-I : The expenditure incurred by the company on hiring unfurnished accommodation for the Managing Director subject to the ceilings of fifty percent of the salary, provided that ten percent of the salary shall be payable by the managing . Director.

Housing-II : In case the accommodation is owned by the Company, ten percent of the salary of the Managing Director shall be deducted by the Company.

Housing-III : In case no accommodation is provided by the company, the Managing Director shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing-I.

Explanation : The expenditure to be incurred by the company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962 and shall be subject to a ceiling of ten percent of the salary.

- (a) **Medical Reimbursement :** Expenses incurred for self and family subject to a ceiling maximum of Rs.40,000.00/- in a year.
- (b) **Leave Travel Concession :** for self and family maximum of Rs. 35,000.00/- incurred in accordance with the Company's Rules.
- (c) **Club Fees :** Subject to a maximum of 2 clubs. This will not include admission and life time membership fee maximum of Rs. 15,000.00/-
- (d) **Personal Accident Insurance :** Premium not to exceed Rs. 5,000.00/- per account.

CATEGORY - B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income tax Act. Gratuity payable shall not exceed half a month's salary for each completed year of service, or such amount as may be prescribed by the Government from time to time by amending the Gratuity Act. For the purpose of calculation of period of service for computation of period of service for computation of gratuity, the period during which the Managing Director served as a whole time Director shall be taken into account.

Encashment of leave at the end of the tenure will not be included in the computation of the ceiling of perquisites.

CATEGORY-C

Provision of car for use on Company's business and telephone at the residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the individuals.

Provided that :-

- (i) Leave of one month for every eleven months of completed service may be availed by the Managing Director. Leave not availed of will be accumulated up to 8 months but shall not be encashed except that at the time of retirement he shall be entitled to for encashment of accumulated leave not availed for.
- (ii) Reimbursement of entertainment expenses actually incurred in the course of Company's business will not be considered as perquisites.

Note :- For the purpose of Perquisites stated in category 'A' above, "Family" means the spouse, the dependent children and dependent parents

Sri Nawal Kishore Rajgarhia, is concerned or interested in the aforesaid resolution.

ITEM No. 6

The Board of Directors of the Company in their meeting held on the 31st March, 2011 has approved revised remuneration structure of Shri Nilesh Rajgarhia, Whole Time Director of the Company for a period of Two year with effect from April 1, 2011 subject to the approval of the Shareholders at the Annual General Meeting.

Details of remuneration are:

i) **Salary :**

Salary will be in the scale of Rs.60,000 - 2500 - 67,500

ii) **Perquisites :**

The perquisites will be allowed in addition to salary. However, such perquisites shall be restricted to an amount equal to one year's salary as per details given below :-

ORIENT STEEL & INDUSTRIES LIMITED

a. **Housing :-**

Residential accommodation or Housing Rent Allowance equal to 40% of the basic Salary. The expenditure incurred by the company on gas, electricity, water and furnishing shall be valued as per Income tax Rules, 1962.

b. **Medical Reimbursement :-**

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

c. **Leave Travel Concession :-**

Leave Travel Concession for self and family, once in a year incurred in accordance with the rules of the Company.

d. **Club Fee :-**

Fee of Clubs subject to a maximum of two Clubs, No admission and Life membership fees will be paid.

e. **Personal Accident Insurance :-**

Premium not to exceed Rs. 4,000.00/- per annum.

f. **Provident Fund :-**

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income tax Act.

g. **Gratuity :-**

Gratuity payable shall not exceed half a month's salary for each completed year of service, or such amount as may be prescribed by the Government from time to time by amending the Gratuity Act. For the purpose of calculation of period of service for computation of period of service for computation of gratuity, the period during which the Executive Director served as a Senior Executive shall be taken into account.

h. **Car :-**

Provision of car for use on Company's business and telephone at the residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the individuals.

i. **Earned Leave :-**

Leave of one month for every eleven months of completed service may be availed by the Executive Director. Encashment of leave as per rules of the Company at the end of the tenure will not be included in the computation of the ceiling of perquisites.

In event of loss or inadequacy of profits in any financial year, the Executive Director shall be paid remuneration by way of salary and perquisites as specified above.

Note: - For the purpose of Perquisites stated in category 'A' above, "Family" means the spouse, the dependent children and dependent parents.

Sri Nilesh Rajgarhia, is concerned or interested in the aforesaid resolution.

By Order of the Board

Dated:

Place: Kolkata

Director

DIRECTORS' REPORT

Your Directors present herewith their 55th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS

	2010-2011 (Rs. in lakhs)	2009-2010 (Rs. in lakhs)
Total Income	12001.80	11390.55
Gross Profit/(Loss)	275.36	312.58
Depreciation	<u>127.78</u>	<u>180.73</u>
Profit/(Loss) before Tax	275.36	312.57
Provision for Taxation – Current	(58.10)	(78.58)
Provision for Tax - Deferred	(39.92)	(0.38)
Provision for Wealth Tax	(0.07)	(24.56)
Income Tax relating to earlier year	<u>(3.35)</u>	<u>–</u>
Profit/(Loss) after Tax	173.92	209.42
Profit/(Loss) brought forward	1067.85	858.99
Amount available for appropriation	<u>1241.78</u>	<u>1067.85</u>
APPROPRIATIONS :		
Proposed Dividend	–	–
Provision for Corporate Dividend Tax	–	–
Transfer From General Reserve	–	–
Balance Carried Forward	<u>1067.85</u>	<u>858.42</u>
	<u>1067.85</u>	<u>858.42</u>

DIVIDEND

In view of Inadequate Profit earned by the Company during the year under review, your Directors do not recommend any Dividend.

OPERATION

The Directors are pleased to inform that the Company has registered lower marginal turnover with compare to last year of Rs. 120.32 Crores as against Rs. 120.90 Crores last year.

However, on account of cost cutting and other measures, the Company has been able to make nominal pre-tax Profit of Rs. 275.36 Lakhs as against Rs. 312.57 Lakhs in the previous year.

The Company Expects better working results in the Financial Year in view of expected better offtake from Railways and steady demand for Steel Products.

The Company has taken up a project to manufacture Cold Rolled Formed Sections of Steel at Faridabad, mainly to cater to the demand of Railways, Automobile & Construction Industry at an estimated cost of Rs. 7 Crores initially. This would get commissioned in the current year.

SCHEME OF AMALGAMATION

The Board of Directors of the Company had, in their meeting held on 12.05.2010 approved the scheme of amalgamation of Elite Dealcomm Pvt. Ltd. (the transferor Company) with the company with effect from 01.04.2009.

ORIENT STEEL & INDUSTRIES LIMITED

During the current year 2010-11, Elite Dealcomm Pvt. Ltd. Having its registered office at 9, Lal Bazar Street, 1st Floor, Kolkata-700 001. In the State of West Bengal and engaged in business of investment in shares & securities merged with Orient Steel & Industries Ltd. Having its registered office at 2, Brabourne Road, Kolkata-700 001 and engaged in the business of Hot Rolled Product of Iron or Non-Alloy Steel Parts of Railway or Tramway Locomotive, Rolling Stock Bogies. On condition that shareholders of Elite Dealcomm Pvt. Ltd. As on 01.04.2009 will get in to ratio of 6.5 shares, i.e. 6 of Equity Shares of Rs. 10 each of Orient Steel & Industries Ltd. Against 5 Equity Shares of Rs.10/- each of Elite Dealcomm Pvt. Ltd. Fully paid up as per scheme of amalgamation submitted to Hon'ble High Court, Kolkata which has been granted by the order dated 09.03.11 by the Hon'ble High Court, Kolkata. Reserve & Surplus as at 1st April, 2010 in the books of the transferor companies continue to appear in the same manner and under the same classification in the books of the Company. Further, rights and obligations arising from corporate loans and balances between the Companies have been set off for the purchase of accounting for the amalgamation.

DIRECTORS

Shri Nilesh Rajgarhia and Shri G. K. Khaitan retire from the Board by rotation and being eligible offer themselves for re-appointment.

ENLISTMENT OF SECURITIES

The Equity Shares of the Company are enlisted with Kolkata Stock Exchange and their listing fees have been paid in time.

AUDITORS

M/s. Chaturvedi & Company, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and are recommended for re-appointment pursuant to Sec. 224(1) of the Companies Act, 1956. Certificate regarding their eligibility for re-appointment has been received from them.

The notes to the Accounts referred to in the Auditors Report are self explanatory and therefore do not call for any further comments.

DIRECTORS RESPONSIBILITY STATEMENT :

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

- i) that in preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the directors have selected prudent accounting policies.
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) that the directors have prepared the annual accounts for the financial Year ended 31st March, 2011 on a going concern basis.

PERSONNEL

The Company had no employees covered under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required information pursuant to Sec 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of the particulars in the report of Board of Directors) Report, 1988 have been given in Annexure 'A' to this Report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the continued support and assistance provided to your Company by the Government agencies and departments, Ministry of Railways, Company's Bankers, the Customers and Suppliers, agents and Shareholders whose continued patronage has been source of strength of the Company.

Your Directors also wish to place on record their sincere appreciation of the loyalty and devotion of Employees at all levels in the discharge of their duties.

Kolkata,
Dated : 3rd September, 2011.

For and on behalf of the Board
N. K. RAJGARHIA
Chairman & Managing Director

ORIENT STEEL & INDUSTRIES LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE
(In Terms of Section 383A(1) of the Companies Act, 1956)

To,
The Members,
M/S. ORIENT STEEL & INDUSTRIES LIMITED
2, Brabourne Road, 5th Floor,
Kolkata-700001

Registration No. : 21-023119
Authorised Capital : Rs. 3,20,00,000/-

We have examined the registers, records, books and papers of M/s. Orient Steel & Industries Limited, (the company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. 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 and rules made there under 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 Register of Companies (ROC) as prescribed under the Act and the rules made there under.
3. The Company being a public limited company, has minimum prescribed share capital and its minimum number of members during the said financial year was not less than seven excluding its present and past employees.
4. The Board of Directors duly met 8 (eight) times on 09/04/2010, 12/05/2010, 03/07/2010, 03/09/2010, 04/12/2010, 17/12/2010, 03/01/2011 & 31/03/2011 on in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Register of Members was closed during the financial year ended on 31st March, 2011.
6. The Annual General meeting for the financial year ended on 31/03/2010 was held on 29/09/2010 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. An extra-ordinary general meeting was held during the year ended on 31st day of March, 2011.
8. The Company has not advanced any loan to its directors and / or persons or firms or companies referred to in 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.

12. No duplicate share certificate was issued during the year under report.
13. The Company has :
 - (a) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purposes in accordance with the provisions of the act.
 - (b) Not deposited any amount in a separate bank account as no dividend was declared during the financial year ended on 31st March, 2011.
 - (c) Not posted warrants to any member of the Company as no dividend was declared during the financial year ended on 31st March, 2011.
 - (d) Duly complied with the requirements of section 217 of the Act.
 - (e) Not required to transfer any amount to the Investor Education and Protection fund,
14. The Board of Directors of the Company is duly constituted. There was change in directors during the year and the Company has duly complied with the provisions of the Act. There was no appointment of alternate director during the financial year ended on 31st March, 2011.
15. The Company has not appointed any Managing Director/Whole Time Director/Manager during the financial year.
16. No sole-selling agent was appointed during the year.
17. The Company has obtained necessary approval, whenever required, of the Central Government, Company Law Board, Regional Director, Register or such other authorities, as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
19. The Company has issued 1,87,200 equity shares of Rs. 10/- on 31st day of March, 2011 and duly complied with the provisions of the Act.
20. The Company has not bought back any share during the year.
21. The Company has not redeemed any preference share/debentures.
22. The Company has not issued any right share, bonus share etc. during the year.
23. The Company has not accepted any deposit under Section 58A of the Act,
24. The Company has not made any borrowings, which attracts the provisions of Section 293(l)(d) of the Act during the financial year ended 31st March, 2011.
25. The company has not made loans and advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the Register kept for the purpose.
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 in regard to share capital of the company during the Financial Year under the scrutiny.
30. The Company has not altered its Article of Association during the financial Year ended on 31/03/2011.

ORIENT STEEL & INDUSTRIES LIMITED

31. We are informed that the Company has not received any show cause notice for any alleged offence under the Act.
32. We are informed that the company has not received any security from its employees during the year under certification.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act as informed to me by the management.

Place : Kolkata
Date: 30/04/2011

DINESH AGARWAL
Company Secretary
C.P. NO-5881

Annexure 'A'

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Contacts in which directors are interested u/s 301
3. Register of Directors, Manager, etc. u/s 303
4. Register of Directors' shareholding u/s 307
5. Minutes of Board Meeting
6. Minutes of General Meeting
7. Books of Accounts u/s 209
8. Register of transfer u/s 108.

Annexure 'B'

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ending on 31st March, 2011 :

Sl. No.	Form No. / Return	Relevant Section	Description	Filed on	Whether filed within prescribed time Yes/No
01	Form No.-32	303(2)	Doc. dt. - 17/12/2010	22/12/2010	YES
02	Form No.-21	391(2) & 394	Doc. dt. - 08/03/2011	31/03/2011	YES
03	Form No.-20B (Annual Return)	159	For AGM held on 29/12/2009	17/04/2010	NO
04	Form No.-66 (Compliance Certificate)	383(1)	For the year ended 31/03/2009	20/04/2010	YES
05	Form No.-23AC & 23ACA (Balance Sheet)-Revised	220	For the year ended 31/03/2009	11/10/2010	NO
06	Form No.-66 (Compliance Certificate)	383(1)	For the year ended 31/03/2010	09/10/2010	YES
07	Form No.-23AC & 23ACA (Balance Sheet)	220	For the year ended 31/03/2010	09/10/2010	YES
08	Form No.-20B (Annual Return)	159	For AGM held on 29/09/2010	13/10/2010	YES

AUDITORS' REPORT

TO THE MEMBERS OF
ORIENT STEEL & INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of **ORIENT STEEL & INDUSTRIES LIMITED** as at 31st March, 2011 and Profit & Loss Account of the Company for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. 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.
2. 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 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.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditors' Report) Order, 2004 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure hereto a Statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
4. Further to our comments in the Annexure referred to in Para 3 above, we report that :
 - i) We have obtained all the information and explanations which to be best of our knowledge and belief were necessary for the purpose of our audit **except confirmations of balances with Sundry Debtors, Creditors, Advances and deposits and amounts unascertained as referred in Para (iv) below.**
 - ii) 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.
 - iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting standards referred to in Sub-Section 3C of Section 211 of the Companies Act, 1956, **except A. S.-15 "Accounting Standard for employees benefits", in respect of non provision of leave encashment liability of employees (amount unascertained).**
 - v) In our opinion and to the best of our information and according to explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and Note No. 6 regarding non-provision of Rs. 37.30 lacs against doubtful debts and claim

ORIENT STEEL & INDUSTRIES LIMITED

receivable, Note No. 1(vi) regarding non-provision of leave encashment liabilities towards employees (amount unascertained) of the Company and relevant items of the Balance Sheet and read together with other notes appearing in the Schedule-20 of Notes on Accounts give a true and fair view in conformity with the accounting principals generally accepted in India :-

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 ;
 - b) In the case of Profit & Loss Account of the Profit of the Company for the year ended on that date;
 - c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date. ²
- vi) On the basis of the written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.

24, Park Street
Kolkata
Dated : 3rd September, 2011.

For CHATURVEDI & COMPANY
Chartered Accountants
Firm Regn. No. 302137E

S. KUMAR
Partner
Membership No. 067061

ANNEXURE TO AUDITORS' REPORT**Annexure referred to in our report of even date**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Management has physically verified certain fixed assets during the year. Discrepancies noticed on such verification as compared to book records, which were not material, have been properly adjusted in the books of account.
- (c) Fixed assets disposed off during the year were not substantial and, therefore, do not affect the going concern assumption.
2. (a) The inventory, except material lying with third parties and in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedure for the physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
3. (a) The Company has not granted any loan, secured or unsecured, to Companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and such clause 3 (b) to 3 (d) of the Companies (Auditors' Report) Order, 2004 are not applicable to the Company.
- (b) The Company has taken loan from 2 Directors and 4 other Companies listed in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 489.59 Lacs.
- (c) Rate of interest and other terms & conditions of loans taken by the Company are prima facie not prejudicial to the interest of the Company.
- (d) As informed to us no stipulation has been made regarding payment of principal amount and interest and the same are payable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. We have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. (a) According to the information and explanations given to us by management, there are no transactions which are required to be entered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements required to be entered in the register maintained under section 301 of the Companies Act, 1956 and Rupees five lakhs or more in respect of any party during the year.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Other Tribunal.
7. In our opinion, the Company has an internal audit system commensurate with the size & nature of its business.

ORIENT STEEL & INDUSTRIES LIMITED

8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of Sub Section (1) of Section 209 of the Companies Act, 1956 in respect of items manufactured by the Company.
9. (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Wealth Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues applicable to it **except for income tax, sales tax and provident fund where there have been delay in some cases.**
- (b) According to the information and explanations given to us, no undisputed dues payable in respect of the above were outstanding as at March 31, 2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues outstanding over six month in respect of income tax, service tax, wealth tax, custom duty and cess which have not been deposited on account of any dispute, **except the following in respect of disputed sales tax, excise duty and entry tax alongwith the forum where dispute is pending :-**

Name of Statute	Nature of Dues	Amount (Rs.)	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	39,28,505.00	CEGAT
-do-	-do-	55,730.00	CERA
-do-	-do-	4,47,037.00	Central Excise, Howrah (N) Divn.-II Clive Row
-do-	-do-	36,11,832.00	Cal-II Commissionerate, Central Excise, Strand Road
-do-	-do-	2,75,853.00	Asst. Commissioner, Central Excise, Howrah (N) Divn.-II, Clive Row
-do-	-do-	8,57,840.00	Dy. Commissioner, Howrah (N) Divn.-II, Kolkata
-do-	-do-	70,76,707.00	Dy. Commissioner, Howrah (N) Divn.-II
Central Excise Act, 1944	-do-	32,519.00	Dy. Commissioner, Howrah (N) Divn.-II
-do-	-do-	16,07,708.00	Dy. Commissioner, Howrah (N) Divn.-II
WBST Act, 1944	Sales Tax	72,21,014.00	Dy. Comm. Corporate Divn., Beliaghata
CST Act, 1956	-do-	7,70,877.00	Dy. Comm. Corporate Divn., Beliaghata
CST Act, 1956	-do-	89,669.00	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Other Statute	Purchase Tax	58,76,418.00	High Court, Punjab & Haryana

10. The Company does not have any accumulated loss as at the end of the year. The Company has not incurred cash loss during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion, according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debenture.

12. According to the information and explanations given 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
13. In our opinion, the Company is not a Chit fund/Nidhi/Mutual Benefit fund/Society and hence the provisions of clause 4 (xiii) of the Companies (Auditors' Report) Order, 2004 are not applicable to the Company.
14. According to the information and explanations given to us, Company is not dealing or trading in share, securities, debentures and other investments and hence the provisions of Clause 4 (xiv) of the Companies (Auditors' Report) Order, 2004 are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees against loans taken by others from banks & financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans raised during the year by the Company have been applied for the purpose for which the said loans were obtained, where such end use has been stipulated by the lenders.
17. According to the information and explanations given to us and on an overall examinations of the Balance Sheet of the Company, in our opinion there are no funds raised on short term basis have been used for long term investment.
18. According to the information and explanations given to us, 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 during the year. Accordingly, clause 4 (xix) is not applicable to the Company.
20. The Company has not raised any fund by way of public issues during the year. Accordingly, Clause 4 (xx) of the Order is not applicable to the Company.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For CHATURVEDI & COMPANY
Chartered Accountants
Firm Regn. No. 302137E

24, Park Street
Kolkata
Dated : 3rd September, 2011.

S. KUMAR
Partner
Membership No. 067061

ORIENT STEEL & INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
SOURCES OF FUNDS			
A. Shareholder's Fund :			
Share Capital	1	2,94,28,000	2,75,56,000
Reserves & Surplus	2	22,89,28,268	18,39,78,371
		<u>25,83,56,268</u>	<u>21,15,34,371</u>
B. Loan Funds :			
Secured Loans	3	10,58,58,233	17,65,76,995
Unsecured Loans	4	16,93,50,500	19,65,87,845
		<u>27,52,08,733</u>	<u>37,31,64,840</u>
	TOTAL	<u>53,35,65,001</u>	<u>58,46,99,211</u>
APPLICATION OF FUNDS :			
A. Fixed Assets :			
Gross Block	5	37,63,15,299	33,30,69,643
Less : Depreciation		<u>20,94,95,729</u>	<u>19,74,17,961</u>
Net Block		16,68,19,570	13,56,51,682
Capital work in Progress		<u>6,32,48,698</u>	<u>2,10,75,275</u>
		<u>23,00,68,268</u>	<u>15,67,26,957</u>
B. Investments	6	500	500
C. Current Assets, Loans & Advances :			
Inventories	7	31,19,93,798	42,52,96,434
Sundry Debtors	8	14,40,96,692	8,11,52,620
Cash & Bank Balances	9	21,78,002	56,04,918
Other Current Assets	10	10,67,842	11,71,766
Loans & Advances	11	<u>5,01,90,275</u>	<u>5,53,38,248</u>
		<u>50,95,26,609</u>	<u>56,85,63,986</u>
Less : Current Liabilities & Provisions			
Current Liabilities	12	19,48,87,385	13,31,55,518
Provisions		<u>3,18,88,334</u>	<u>3,20,17,326</u>
		<u>22,67,75,719</u>	<u>16,51,72,844</u>
Net Current Assets		28,27,50,890	40,33,91,141
Net Deferred Tax Assets/(Liability)		<u>2,07,45,343</u>	<u>2,45,80,613</u>
	TOTAL	<u>53,35,65,001</u>	<u>58,46,99,211</u>
NOTES ON ACCOUNT	20		

As per our Report of even date annexed
CHATURVEDI & COMPANY
Chartered Accountants
S. KUMAR
Partner
 Membership No. 067061
 24 Park Street, Kolkata
 3rd September, 2011.

For and on behalf of the Board

N. K. RAJGARHIA
Chairman & Managing Director

NILESH RAJGARHIA
Executive Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
INCOME			
Sales	13	1,20,32,48,431	1,20,90,23,725
Increase / (Decrease) in Stock of Finished Goods & Work in Process	14	(69,70,601)	(7,81,29,867)
Other Income	15	39,01,804	81,61,200
		<u>1,20,01,79,634</u>	<u>11,39,055,058</u>
EXPENDITURE			
Consumption of Raw Materials	16	89,03,18,198	81,23,01,674
Purchases of Finished Goods		-	-
Consumption of Stores & Spares		6,50,97,095	5,62,58,973
Power & Fuel		9,11,03,656	9,54,16,580
Payment to & Provision for Employees	17	3,26,71,562	2,90,51,311
Excise Duty		2,01,04,886	80,53,040
Other Expenses	18	3,14,27,822	5,65,37,511
Interest	19	2,86,96,908	3,08,69,292
Depreciation		1,27,78,711	1,80,73,598
Service Tax Paid		4,53,069	12,35,296
Preliminary Expenses		8,340	-
		<u>1,17,26,60,247</u>	<u>1,10,77,97,276</u>
Profit/(Loss) before Taxation		2,75,19,387	3,12,57,782
Less : Provision for Taxation – Current		(58,10,000)	(78,58,973)
– Deferred		(38,35,270)	(24,56,454)
Income Tax relating to earlier years		(3,34,990)	-
Less : Wealth Tax		(7,200)	-
Profit/(Loss) after Taxation		<u>1,75,31,927</u>	<u>2,09,42,355</u>
Profit brought forward from previous year		10,67,85,345	8,58,42,990
Profit available for appropriation		<u>12,43,17,272</u>	<u>10,67,85,345</u>
APPROPRIATIONS			
Balance Carried to Balance Sheet		12,43,17,272	10,67,85,345
		<u>12,43,17,272</u>	<u>10,67,85,345</u>
NOTES ON ACCOUNT			
Earning Per Share - Basic & Diluted (Rs.)	20	5.95	7.61

As per our Report of even date annexed

CHATURVEDI & COMPANY
Chartered AccountantsS. KUMAR
Partner

Membership No. 067061

24 Park Street, Kolkata
3rd September, 2011.

For and on behalf of the Board

N. K. RAJGARHIA
Chairman & Managing DirectorNILESH RAJGARHIA
Executive Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

		As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
SCHEDULE - 1 : SHARE CAPITAL			
Authorised :			
32,70,000	Equity Shares of Rs. 10/- each	3,27,00,000	3,10,00,000
10,000	Preference Share of Rs. 100/- each	10,00,000	10,00,000
		<u>3,37,00,000</u>	<u>3,20,00,000</u>
Issued & Subscribed and Paid-up :			
26,53,200 (20,66,400)	Equity Shares of Rs. 10/- each fully paid-up in cash	2,65,32,000	2,06,64,000
2,89,600	Equity Shares of Rs. 10/- each issued as fully paid-up Bonus Shares by Capitalisation of General Reserve	28,96,000	28,96,000
Equity Shares (Pending for Allotment) 3,99,600 Equity Shares of Rs. 10/- each in terms of the Scheme of Amalgamation		-	39,96,000
		<u>2,94,28,000</u>	<u>2,75,56,000</u>

SCHEDULE - 2 : RESERVES & SURPLUS

	Balance as at 31st March 2010 (Rupees)	Addition on Amalgation (Rupees)	Addition during the year (Rupees)	Deduction/ Adjustment (Rupees)	Balance as at 31st March 2011 (Rupees)
General Reserve	-	-	-	-	-
Security Premium Account	7,59,06,000	2,77,40,000	-	3,11,839	10,33,34,161
Capital Reserve	12,85,000	-	-	-	12,85,000
Profit & Loss Account	10,67,87,371	(10,191)	1,75,31,927	-	12,43,09,107
	<u>18,39,78,371</u>	<u>2,77,29,809</u>	<u>1,75,31,927</u>	<u>3,11,839</u>	<u>22,89,28,268</u>

SCHEDULE - 3 : SECURED LOANS

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
From Banks :		
Cash Credit	10,31,54,938	17,43,72,276
(Secured against hypothecation of Stock of Finished Goods, Work-in-Process, Raw Materials, Stores, Tools, Book Debts etc. and first charge on entire Fixed Assets of Serampore Unit, West Bengal except assets acquired under Equipment Refinance Scheme (ERS) and Ballabgarh Unit, Haryana and guaranteed by Managing Director of the Company.)		
Term Loan	27,03,295	22,30,914
Secured against hypothecation of Cars financed under Hire Purchase Scheme.		
Less : Unmatured Interest	-	(26,195)
	<u>10,58,58,233</u>	<u>17,65,76,995</u>

SCHEDULE - 4 : UNSECURED LOANS

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
Short Term Loans :		
From Directors	2,41,95,626	39,93,978
From Others	12,66,04,559	17,06,77,123
Interest Accrued & Due on Above loan	1,85,50,315	2,19,16,744
	<u>16,93,50,500</u>	<u>19,65,87,845</u>

ORIENT STEEL & INDUSTRIES LIMITED

SCHEDULE - 5 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31.03.2010	Addition during the year	Sales & Adjust- ment	Total as at 31.03.2011	Upto 31.03.2010	For the year	Sales & Adjust- ment	Upto 31.03.2011	Net Value as at 31.03.2011	Net Value as at 31.03.2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land & Development	81,82,903	-	-	81,82,903	-	-	-	-	81,82,903	81,82,903
Leasehold Land	-	3,24,39,680	-	3,24,39,680	-	3,27,674	-	3,27,674	3,21,12,006	-
Office Table & Space Building	6,01,363	-	-	6,01,363	-	-	-	-	6,01,363	6,01,363
Factory Shed & Building	11,91,893	-	-	11,91,893	7,72,888	16,128	-	7,89,016	4,02,877	4,19,005
Plant & Machinery	3,65,39,570	-	-	3,65,39,570	1,82,42,605	10,15,954	-	1,92,58,559	1,72,81,011	1,82,96,965
Air Conditioner	23,91,30,392	91,31,897	-	24,82,62,239	16,88,98,148	80,84,706	-	17,69,82,854	7,12,79,435	7,02,32,244
Furniture & Office Equipment	9,11,222	25,590	-	9,36,812	6,74,450	22,339	-	6,96,789	2,40,023	2,36,772
Vehicles	56,44,847	1,42,990	-	57,87,837	31,52,896	4,27,058	-	35,79,955	22,07,883	24,91,951
Computer	87,93,987	26,53,223	11,47,724	1,02,99,486	35,99,082	12,20,037	7,00,942	41,18,177	61,81,309	51,94,905
Generator Set	12,20,172	-	-	12,20,172	10,05,361	64,367	-	10,69,728	1,50,444	2,14,811
Mobile	3,08,48,558	-	-	3,08,48,558	10,68,196	16,00,286	-	26,68,482	2,81,80,077	2,97,80,363
TOTAL	4,736	-	-	4,736	4,332	162	-	4,494	242	404
Figures for the Previous Year (09-10)	33,30,69,643	4,43,93,380	11,47,724	37,63,15,299	19,74,17,958	1,27,78,711	7,00,942	20,94,95,730	16,68,19,570	13,56,51,686
Capital Work in Progress	28,87,11,261	6,00,72,810	1,57,14,428	33,30,69,643	19,28,04,940	1,80,73,599	1,34,60,581	19,74,17,961	13,56,51,682	9,59,06,321
TOTAL	6,32,48,698	2,10,75,275	23,00,68,268	15,67,26,957	6,32,48,698	2,10,75,275	23,00,68,268	15,67,26,957	6,32,48,698	2,10,75,275

SCHEDULE - 6 : INVESTMENTS (AT COST) : LONG TERM

		As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
Post Office National Saving Certificate		500	500
2250 Bonds (Rural Electrification Ltd.)		—	—
		<u>500</u>	<u>500</u>
Aggregate Book Value	Quoted :	—	—
	Unquoted :	500	500
Aggregate Market Value	Quoted :	—	—
	Unquoted :	500	500

SCHEDULE - 7 : INVENTORIES

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
(As taken, valued and certified by the Management)		
Finished Goods	2,26,66,127	1,58,08,639
Work in Process	11,65,16,904	13,02,95,832
Raw Material & Components	12,16,87,409	22,92,51,685
Stores & Spares	5,04,95,600	4,92,63,359
Waste Products, Scraps & Others	6,27,758	6,76,919
	<u>31,19,93,798</u>	<u>42,52,96,434</u>

ORIENT STEEL & INDUSTRIES LIMITED

SCHEDULE - 8 : SUNDRY DEBTORS (UNSECURED)

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
Debts exceeding six months :		
Considered Good	1,97,43,701	2,55,81,468
Considered Doubtful	28,54,945	27,80,495
Less : Provisions for Doubtful Debts	-	-
Others :		
Considered Good	12,14,98,046	5,27,90,657
	<u>14,40,96,692</u>	<u>8,11,52,620</u>

SCHEDULE - 9 : CASH & BANK BALANCES

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
Cash in hand (As certified by the Management)	18,07,674	11,73,356
With Scheduled Banks :		
In Current Account	(48,50,575)	(9,39,334)
In Fixed Deposit (Receipts under lien with Bank)	52,07,653	53,57,646
With Post Office Savings Bank Account	13,250	13,250
(Pass Book pledged with collector of Central Excise)		
Cheques in hand	-	-
	<u>21,78,002</u>	<u>56,04,918</u>

SCHEDULE - 10 : OTHER CURRENT ASSETS

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
Prepaid Expenses	1,36,423	1,29,558
Claim Receivable (Doubtful)	8,74,626	8,74,626
Interest Receivable	56,793	1,67,582
	<u>10,67,842</u>	<u>11,71,766</u>

SCHEDULE - 11 : LOANS & ADVANCES (UNSECURED)

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
Advances (Recoverable in cash or in kind or for value to be received)		
Considered Good	1,20,35,793	2,60,60,047
Balance with Excise & Customs Department	1,63,94,361	1,20,86,261
Deposit with Government Department	56,80,399	37,61,066
Deposit with Others	3,15,440	3,15,440
Advance Tax & T.D.S.	1,02,34,360	82,34,360
I.T.D.S. Refundable	55,29,922	48,81,075
	<u>5,01,90,275</u>	<u>5,53,38,249</u>

SCHEDULE - 12 : CURRENT LIABILITIES & PROVISIONS

	As At 31st March, 2011 (Rupees)	As At 31st March, 2010 (Rupees)
Current Liabilities :		
Sundry Creditors :		
Due to Others	15,79,23,428	10,19,58,455
Advances from Customers	1,57,86,775	1,12,44,034
Other Liabilities	2,11,77,183	1,99,53,029
	<u>19,48,87,385</u>	<u>13,31,55,518</u>
Provisions :		
For Purchase Tax	31,29,942	31,29,942
For Gratuity	1,11,69,588	1,27,72,195
For Excise	5,95,915	-
For Taxation	1,69,85,689	1,61,15,189
For Wealth Tax	7,200	-
	<u>3,18,88,334</u>	<u>3,20,17,326</u>

Notes : Sundry Creditors includes Rs. 8,00,00,000 (Previous year Rs. 1,36,00,000) being the amount paid by the bankers against non fund based limit secured against hypothecation of Inventories, bills receivable, book debts and other movable and fixed assets pari passue inter se and guaranteed by two directors of the company.

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT**SCHEDULE - 13 : SALES**

	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
Finished Goods (Including Excise Duty) (Including Rs. 2,75,055/- for Captive consumption, Previous Year 9,62,500)	1,12,86,10,680	1,14,08,76,655
Processing/Conversion charges	2,80,72,955	3,19,80,149
Waste Products (Including Rs. 2,80,000/- for Captive Consumption (Previous Year Rs. 4,50,000/-))	4,65,64,796	3,61,66,921
	<u>1,20,32,48,431</u>	<u>1,20,90,23,725</u>

SCHEDULE - 14 : INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS & WORK IN PROCESS

	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
Closing Stock :		
Finished Goods	2,26,66,127	1,58,08,639
Work in Process	11,65,16,904	13,02,95,832
Scrap/Waste Products & Others By Products	2,86,691 3,41,067	3,92,858 2,84,061
	<u>13,98,10,789</u>	<u>14,67,81,390</u>
Opening Stock :		
Finished Goods	1,58,08,639	3,63,98,651
Work in Process	13,02,95,832	18,78,56,826
Scrap/Waste Products & Others By Products	3,92,858 2,84,061	3,45,493 3,10,287
	<u>14,67,81,390</u>	<u>22,49,11,257</u>
INCREASE/(DECREASE) IN STOCK	(69,70,601)	(7,81,29,867)

SCHEDULE - 15 : OTHER INCOME

	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
Interest (Gross)-Tax Deducted at Sources Rs. 41,087/- (Previous year Rs. 1,60,938/-)	8,00,861	9,25,804
Profit on Sale of Fixed Assets	-	2,04,460
Miscellaneous Receipts & Adjustment (Net)	30,79,603	68,96,987
Testing Charges	21,340	1,33,949
	<u>39,01,804</u>	<u>81,61,200</u>

SCHEDULE - 16 : CONSUMPTION OF RAW MATERIALS

	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
Opening Stock of Raw Materials	22,92,51,685	14,60,67,791
Add : Purchase of Raw Materials	80,33,34,980	92,33,62,524
	<u>1,03,25,86,665</u>	<u>1,06,94,30,315</u>
Less : Sales	2,05,81,058	2,78,76,956
Closing Stock of Raw Materials	12,16,87,409	22,92,51,685
	<u>89,03,18,198</u>	<u>81,23,01,674</u>

SCHEDULE - 17 : PAYMENT TO AND PROVISIONS FOR EMPLOYEES

	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
Salary, Wages and Bonus	2,59,65,725	2,28,20,679
Contribution to Provident & Other Funds	32,24,702	30,38,642
Workmen & Staff Welfare Expenses	16,18,877	15,25,941
Gratuity	18,62,258	16,66,049
	<u>3,26,71,562</u>	<u>2,90,51,311</u>

ORIENT STEEL & INDUSTRIES LIMITED

SCHEDULE - 18 : OTHER EXPENSES

	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
Processing & Machining Charges	8,14,541	9,86,515
Advertisement	59,100	84,350
Bank Charges	47,07,225	55,61,519
Filling Fees	3,830	1,300
Security Service Charges	10,63,378	7,44,564
Testing Charges	-	-
Telephone Expenses	2,72,362	3,21,197
Motor Car Maintenance	9,63,084	7,17,231
Fee & Subscription	8,34,410	9,99,899
Repairs & Maintenance of :-		
Building	4,49,034	13,36,606
Plant & Machinery	43,48,894	45,09,685
Other Assets	5,88,456	6,06,974
Rent	3,97,189	3,77,466
Rates & Taxes	4,11,584	5,41,361
Insurance Charges	2,34,469	3,63,460
Travelling & Conveyances	26,56,580	26,44,794
Legal & Professional Charges	23,08,620	27,69,045
Donation	1,16,350	75,752
Miscellaneous Expenses	32,14,592	43,01,084
Auditors' Remuneration :		
Audit Fees	1,73,860	1,60,060
Tax Audit Fees	52,824	52,824
In Other Capacity	-	20,000
Freight, Transport & Handling Charges	32,38,613	21,11,322
Brokerage & Commission	12,34,420	19,82,578
Director's Fees	47,500	12,000
Director's Remuneration	16,63,000	16,21,000
R & D Expenditure	12,70,666	14,55,987
Bad Debts written off	3,02,703	2,21,57,409
Loss on Sale of Plant & Machinery	538	21,529
	<u>3,14,27,822</u>	<u>5,65,37,511</u>

SCHEDULE - 19 : INTEREST

	For the year ended 31st March, 2011 (Rupees)	For the year ended 31st March, 2010 (Rupees)
To Bank	1,09,47,286	31,68,468
To Others	1,77,49,622	2,77,00,824
	<u>2,86,96,908</u>	<u>3,08,69,292</u>

SCHEDULE FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT**SCHEDULE - 20 : NOTES TO THE ACCOUNTS****1. ACCOUNTING POLICIES**

- i) **System of Accounting :-**
The Accounts of the Company are prepared under the historical cost convention and in accordance with applicable accounting standards except where otherwise stated. For recognition of Profit & Losses, Mercantile System of Accounting is followed :
- ii) **Fixed Assets :-**
(a) Fixed Assets are stated at cost less depreciation.
(b) Depreciation on Fixed Assets are provided at rates prescribed in Schedule XIV (as amended) of the Companies Act, 1956 on Straight line method on the assets of Shots & Grits Plant at Serampore and Rolling Mill Division at Faridabad and leasehold (Land), W.B. on written down value method in respect of other assets.
(c) Expenditure on development of land, including leasehold land, is capitalised as part of cost of land. Cost of lease hold land is amortised over the period of lease.
- iii) **Excise Duty :-**
(a) Excise Duty is charged to Accounts net of Modvat at W. B. Units and MODVAT on inputs has been adjusted in respective Consumption Account and that on Fixed Assets in respective fixed assets account at C.R.M., (Faridabad).
(b) Excise Duty payable on Closing Stock of Finished Goods is provided for in the Accounts and consequently considered for valuation of Closing Stock of Finished Goods.
- iv) **Investments :-**
Investments are stated at cost, unless there is a permanent decline in value thereof, in which case adequate provision is made against the diminution in the valued of investments.
- v) **Inventories :-**
Inventories have been valued at Lower of Cost or net realisable value. Cost has been arrived at in case of
(a) Raw Materials on first-in-first-out basis.
(b) Stores & Spares on average basis.
(c) Work-in-Process and Finished Goods on full absorption cost.
(d) Waste Products and Scraps at estimated realisable value.
- vi) **Retirement Benefits :-**
Liabilities in respect of gratuity to employees is provided on the basis of actuarial valuation. Leave Encashment is accounted on cash basis.
- vii) **Contingent Liabilities :-**
Contingent liabilities are generally not provided for in the Accounts and are shown separately in "Notes to the Accounts".
- viii) **Sales/ Revenue Recognition :-**
a) Sales are inclusive of Excise Duty where applicable, but excluding Sales Tax.
b) Interest Income is recognized on time and proportion basis taking into account the amount outstanding and the rate applicable.
c) Job work income is recognized when goods are despatched from the factory.
- ix) **Foreign Currency Transaction :-**
These are recorded at the rates prevailing on the date of transaction. There were no foreign currency assets and liabilities.

x) **Borrowing Cost :**

The borrowing costs attributable to the acquisition and construction of qualifying assets are capitalised on the basis of actual cost incurred. Other borrowing costs are recognised as an expenses in the period in which such expenses are incurred.

xi) **Taxes on Income :**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax is recognised subject to the consideration of prudence in respect of deferred tax assets on timing differences, between taxable income and accounting income.

2. Contingent liabilities not provided for :-

- (i) Counter guarantees given to Bankers against guarantees given by them on behalf of the Company and remaining outstanding as on 31.03.2011 amounts to Rs. 1,78,68,932 (Rs. 1,78,68,932) and Letter of Credit remaining outstanding as on 31.03.11 amounts to Rs. 38,91,833 (Rs. 42,15,000).
- (ii) Demand of Electricity Board contested in appeal Rs. 8,89,830 (Rs. 8,89,830).
- (iii) Excise Demand contested with appropriate authority Rs. 1,78,38,001 (Rs. 2,05,59,443).
- (iv) Demand of Sales Tax/Purchase Tax Rs. 1,38,68,309 (Rs. 1,52,53,690), against which a provision has been made of Rs. 31,29,942 (Rs. 31,29,392).

No provision has been made for demand covered under item no. 2(iii), 2(iv), 2(v), as company has been legally advised that there appears to be reasonable certainty for cancellation of the demands. In respect of Purchase Tax of Rs. 58,76,418 Stay Order has been granted by Hon'ble Punjab & Haryana High Court.

- 3. Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. Nil.
- 4. Appeals by the Department and Petitions etc. by the Company in respect of certain Income Tax and Sales Tax Assessments are pending and tax liability/refund consequent on the decision of the same is not determinable. The same will be accounted for in the year of its settlement.
- 5. The provisions towards Gratuity the current year has been made based on the actuarial valuation as at the end of the year.
- 6. No provision has been made against Sundry Debtors of Rs. 28,54,945 (Rs. 27,80,495), Advances of Rs. NIL (Rs. NIL) and claim receivable of Rs. 8,74,626 (Rs. 8,74,626) considered doubtful of recovery by the Management. The necessary actions are being taken for realisation.
- 7. Sundry Debtors include overdue debts of Rs. 23,40,416.00 (Rs. 27,80,495.00) against which legal action for recovery has been initiated by the Company but no provision has been made for doubtful debts, as the management is pursuing she the matter with the parties for recovering the amount.
- 8. Balance of Sundry Debtors, Sundry Creditors, Advances and Deposits as appearing in the Balance Sheet are subject to confirmations.
- 9. **Managerial Remuneration Paid to Directors :-**

	Year ended 31st March, 2011 (Rupees)	Year ended 31st March, 2010 (Rupees)
Salary	16,63,000	16,21,000
Contribution to Provident Fund	1,73,400	1,69,800
Perquisite (Actual and/or as evaluated under Income Tax Act)	21,600	21,600
	<u>18,58,000</u>	<u>18,12,400</u>

10. Excise Department has got lien on a Generator Set having written down value of Rs. 1,28,509 (Rs. 1,28,509).
11. Rebate & Short recoveries include write off, short recoveries, transit losses, liquidated damages and rebate allowed on sale of earlier years.
12. Profit/Loss on Sale of Raw Materials, Stores and Spares remains adjusted in their respective consumption accounts.

13. **Segment Reporting :**

The Company is engaged in manufacturing of Iron and Steel products and the operations are mainly in India. As such, there are no other reportable segments as defined by Accounting standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

14. **Taxes on Income :**

Deferred Tax Assets/Liability (Net)	Deferrex Tax Assets/(Liabilities) As on 31.3.2010	Current Year (Charge)/Credit	Deferred Tax Assets/(Liabilities) As on 31.3.2011
Difference in Depreciation between Accounting and Tax	1,31,48,542	—	1,31,48,542
Carry forward of Unabsorbed Business Loss	16,48,435	—	16,76,234
Carry forward of Unabsorbed Depreciation	87,12,890	—	87,12,890
Provision for Gratuity	5,32,346	—	5,32,346
	<u>2,07,45,343</u>	<u>—</u>	<u>2,45,80,613</u>

15. **Related party Disclosure :**

A. **List of Related Parties :**

i) **Key Management Person**

Shri N. K. Rajgarhia
Shri Nilesh Rajgarhia

Chairman & Managing Director
Executive Director

ii) **Other Related Parties :**

(Company/Enterprises over which Key Management Personel and/or their relatives exercise significant influence)

- N. K. Rajgarhia & Sons
- Vyaparik Pratisthan Ltd.
- Maroon Projects (P) Ltd.
- Sujata Investments Ltd.
- Nawal Investment (P) Ltd.

B. Details of transactions/outstanding balances :

	As on 31.03.2011 Amount (in Rs.)	As on 31.03.2010 Amount (in Rs.)
Remuneration Paid	16,63,000	18,12,400
Directors Fees	47,500	10,000
Payment for Services	3,00,000	3,00,000
Loan Taken	-	-
Interest Paid	11,21,747	5,55,421

16. Computation of Basic and Diluted Earnings per Share :

Profit after Tax	1,75,31,927	2,09,82,382
Weighted average number of equity share outstanding during the year	29,42,800	27,55,600
Face Value Rs. 10/-		
Basic and Diluted Earnings per share (including Shares pending for allotment)	Rs. 5.95	Rs. 7.61

17. Names of Small Scale unit to whom amounts in excess of Rs. 1 lac due for more than 30 days as on the Balance Sheet date : NIL**18) (i) Scheme of Amalgamation**

The Board of Directors of the Company had, in their meeting held on 12.05.2010 approved the scheme of amalgamation of Elite Dealcomm Pvt. Ltd. (the transferor Company) with the company with effect from 01.04.2009.

During the current year 2010-11, Elite Dealcomm Pvt. Ltd. having its registered office at 9, Lal Bazar Street, 1st Floor, Kolkata-700 001. In the State of West Bengal and engaged in business of investment in shares & securities merged with Orient Steel & Industries Ltd. having its registered office at 2, Brabourne Road, Kolkata-700 001 and engaged in the business of Hot Rolled Product of Iron or Non-Alloy Steel Parts of Railway or Tramway Locomotive. Rolling Stock Bogies. On condition that shareholders of Elite Dealcom Pvt. Ltd. as on 01.04.2009 will get in to ratio of 6:5 shares, i.e. 6 of Equity Shares of Rs. 10 each of Orient Steel & Industries Ltd. Against 5 Equity Shares of Rs. 10/- each of Elite Dealcomm Pvt. Ltd. fully paid up as per scheme of amalgamation submitted to Hon'ble High Court, Kolkata which has been granted by the order dated 09.03.11 by the Hon'ble High Court, Kolkata. Reserve & Surplus as at 1st April, 2010 in the books of the transferor companies continue to appear in the same manner and under the same classification in the books of the Company. Further, rights and obligations arising from corporate loans and balances between the Companies have been set off for the purchase of accounting for the amalgamation.

(ii) Method adopted for Amalgamation

The pooling of interest has been adopted for the purpose of amalgamation.

(iii) Method of accounting used to reflect the amalgamation

The Book Value of Assets and Liabilities as on 01.04.2010 of Transferor Company has been considered for the purpose of amalgamation. The net value of Assets of Transferor Company on the date of amalgamation was Rs. 29264789/- and Equity Shares of 156000 of Rs. 10/- each amounting to Rs. 1560000/- against which 187200 Equity Shares of Orient Steel & Industries Ltd. amounting to Rs. 1872000/- issued to the Shareholders of Elite Dealcomm Pvt. Ltd. An amount of Rs. 27740000/- has been transferred to the Reserve & Surplus of Orient Steel & Industries Ltd. in the Balance Sheet of Transferee.

In view of the aforesaid amalgamation with effect from 01.04.2010 the figures of the Current Year are not comparable to those of the previous year.

ORIENT STEEL & INDUSTRIES LIMITED

19. Additional information pursuant to provision of Paragraph 3, 4C & 4D of Part II of Schedule VI of the Companies Act, 1956.

i. Particulars in respect of Production, Stock, etc. :

Class of Goods	Unit of Qty.	Licenced Capacity	Installed capacity as certified by the management	Actual Production		Closing Stock 31.3.2010		Closing Stock 31.3.2011	
				2010-11 Qty.	2009-10 Qty.	Opening Stock 1.4.2010 Qty.	Value Rs.	Qty.	Value Rs.
Steel Casting	MT	24,000	24,000	20,75,695	32,52,000	NIL	NIL	27,400	57,47,720.00
Steel Shots & Grits	MT	4,200	4,200	NIL	NIL	15,090	6,30,000.00	15,090	6,30,805.00
C. I. Shots & Grits	MT	6,600	3,000	NIL	NIL	NIL	NIL	NIL	NIL
M. S. Ingot	MT	20,000	20,000	NIL	NIL	NIL	NIL	NIL	NIL
Hot Rolled Products	MT	42,100	42,100	NIL	NIL	0.035	805.00	NIL	NIL
Cold Rolled Steel Strips	MT	10,000	13,000	NIL	NIL	NIL	NIL	NIL	NIL
Cold Rolled Mild Steel Strips	MT	10,000	13,000	2,118.00	1,631	86	31,72,055.00	48,000	22,48,334.00
Cold Rolled Stainless Steel Strips	MT	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Hot Rolled Steel Strips	MT	40,000	75,000	NIL	NIL	NIL	NIL	NIL	NIL
Hot Rolled Mild Steel Strips	MT	NIL	NIL	22,189.00	24,829	370	1,19,84,623.00	371,000	1,31,39,768.00
Hot Rolled Stainless Steel Strips	MT	NIL	NIL	6,462.00	7,034	7	21,156.00	257,000	8,99,500.00
							1,58,08,639.00		2,26,66,127.00

NOTES :

1. Production of Hot Rolled Stainless Steel Strips 6442 MT (7034 MT) processed on behalf of other parties on conversion job basis.
2. Closing Stock of Hot Rolled Mild Steel Strips includes 13 MT (13 MT) lying with job worker.
3. After de-control, licence is not required for any of the products of the Company. Licenced Capacity given is as per licence originally granted.
4. Plant has run partly on single shift and partly on double shift basis.

II. Analysis of Raw Materials & Components consumed :-

Class of Goods	31st March, 2011		31st March, 2010	
	Qty.	Value	Qty.	Value
	MT	Rs.	MT	Rs.
M. S. Scrap, C. I. Scrap, Sponge Iron etc.	2570.510	79,24,257	3297.468	8,20,37,083
Ferro Silicon	27.468	10,86,993	6.240	-
Ferro Manganese	327.440	2,20,035,448	96.140	3,30,095
Sundry Raw Materials	-	13,67,71,523	-	72,18,525
Hot Rolled Mild Steel Strips	2432.000	3,72,67,107	1953	92,12,016
Mild Steel Flats/Ingots/Slabs/Blooms	24440.000	68,52,32,870	27032	49,20,533
Components, Finished/Unfinished, Assembled & Sub-Assembled	-	-	-	63,18,24,696
M. S. Ingot	-	-	-	7,67,58,726
Stainless Steel Flats/Ingots/Slabs/Blooms	-	-	-	-
		<u>89,03,18,198</u>		<u>81,23,01,674</u>

Notes : Consumption of Hot Rolled Mild Steel Strips includes 1595 MT (1637 MT), material manufactured departmentally, the cost of which appears under relevant heads of the cost.

III. Particulars of Turnover of products manufactured/trading items :-

Class of Goods	31st March, 2011		31st March, 2010	
	Qty.	Value	Qty.	Value
	MT	Rs.	MT	Rs.
Steel Casting	2705.695	32,86,37,140	3782.049	36,50,77,696
Steel Shots & Grits	-	-	163.125	79,06,856
C. I. Shots & Grits	-	-	-	-
Hot Rolled Products	-	-	-	-
Cold Rolled Mild Steel Strips	2156.000	9,20,80,782	1663.000	6,13,27,931
Hot Rolled Mild Steel Strips	22188.000	70,78,92,758	25195.000	70,65,64,172
Misc. Sales	-	-	-	-
Hot Rolled Stainless Steel Strips	6192.000	-	7357.000	-
		<u>1,12,86,10,680</u>		<u>1,14,08,76,655</u>

1. Turnover of Hot Rolled Products includes Nil (Nil) valuing Rs. Nil (Nil) for Trading Goods.
2. Turnover of Hot Rolled Mild Steel Strips includes 1622 MT (1780 MT) used for internal consumption (Value has not been included in the above turnover).
3. Turnover of Hot Rolled Stainless Steel Strips includes 6192 MT (7357 MT) on conversion job basis.
4. For job work done on conversion basis, quantity alone has been considered in the aforesaid figures of turnover, but value has been shown separately under the head "Processing Charges" in Profit & Loss Account and not included here in the value column.

Notes : (1) Following goods were used for internal consumption. (Value has not been included in the above turnover).

	Qty.	Qty.
Steel Shots & Grits	Nil	Nil
Hot Rolled Product	Nil	Nil
Hot Rolled Mild Steel Strips	Nil	Nil

IV. Purchase of Finished Goods & Return Inward for earlier years :-

Class of Goods	31st March, 2011		31st March, 2010	
	Qty.	Value	Qty.	Value
	MT	Rs.	MT	Rs.
C. I. Shots	NIL	NIL	NIL	NIL
Hot Rolled Products	NIL	NIL	NIL	NIL
M. S. Products	NIL	NIL	NIL	NIL
		<u>NIL</u>		<u>NIL</u>
Return Inward for earlier years :				
Steel Castings		NIL		NIL
Steel Shots & Grits		NIL		NIL
		<u>NIL</u>		<u>NIL</u>

V. Value of Raw Materials, Components & Stores/Spares parts consumed and percentage thereof :-

Class of Goods	31st March, 2011		31st March, 2010	
	Rupees	Percentage	Rupees	Percentage
Raw Materials :				
Indigenous	73,30,31,559	82.34	69,38,10,382	85.41
Imported	15,72,86,639	17.66	11,84,91,292	14.59
	<u>89,03,18,198</u>	<u>100.00</u>	<u>81,23,01,674</u>	<u>100.00</u>
Stores/Spares :				
Indigenous	6,49,72,595	99.81	9,54,16,580	100.00
Imported	1,24,500	0.19	-	-
	<u>6,50,97,095</u>	<u>100.00</u>	<u>9,54,16,580</u>	<u>100.00</u>

VI. Expenditure in Foreign currency

	31st March, 2011	31st March, 2010
Travelling Expenses	2,13,050	2,70,050

VII. Earning in Foreign Exchange

FOB Value of Goods Exported	-	-
-----------------------------	---	---

VIII. Class of Goods

Raw Material	28,26,94,584	28,26,94,584
--------------	--------------	--------------

20. Operation of the Serampore Unit remained suspended during the year.

21. Figures in brackets are for previous year. Previous year's figures have been regrouped or re-arranged wherever found necessary.

ORIENT STEEL & INDUSTRIES LIMITED

22. Cash Flow Statement annexed to the Balance Sheet for the year ended 31st March, 2011.

A. CASH FLOW FROM OPERATING ACTIVITIES	2010-2011	(Rs. in '000) 2009-2010
Net profit before tax and extraordinary items	27,519	31,258
Adjustment for :-		
* Loss on Sale of Fixed Assets	1	22
* Profit on Sale of Fixed Assets	-	(204)
* Interest Income	(800)	(926)
* Interest Expense	28,697	30,869
* Depreciation	12,779	18,074
* Preliminary Expenses	8	-
* Bad Debts written off	303	22,157
Operating profit before Working Capital Changes	<u>68,507</u>	<u>1,01,249</u>
Adjustment for :-		
* Increase/(Decrease) in Sundry Debtors	(62,944)	67,987
* Increase/(Decrease) in other Current Assets	104	101
* Increase/(Decrease) in Current Liabilities	61,732	(1,16,144)
* Increase/(Decrease) in Inventories	1,13,303	(2,441)
* Increase/(Decrease) in Loans & Advances	7,797	(5,363)
* Provision	(1,007)	(2,128)
Cash Generated from Operations	<u>1,87,492</u>	<u>43,262</u>
Income Tax Paid/Received (Net)	(1,778)	(2,920)
	-	40,342
Net cash from Operating Activities	<u>1,85,714</u>	<u>40,342</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Fixed Assets (Net)	(22,987)	(37,420)
Increase/Decrease in Capital Work-in-Progress	(42,173)	(21,075)
Interest Received	800	926
Net Cash used in Investing Activities	<u>(64,360)</u>	<u>(57,569)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(28,697)	(30,869)
Issue of Shares	1,872	-
Received / (Repaid) of Secured Loan	(70,719)	22,689
Received / (Repaid) of Unsecured Loan	(27,237)	24,689
Net Cash used in Financing Activities	<u>(1,24,781)</u>	<u>16,509</u>
Net Increase (Decrease) in Cash and Cash Equivalents (A+B+C)	(3,427)	(718)
Opening Balance of Cash and Cash Equivalents	5,605	6,323
Closing Balance of Cash and Cash Equivalents	2,178	5,605

Signature to Schedules 1 to 20
As per our Report of even date annexed
CHATURVEDI & COMPANY
Chartered Accountants
S. KUMAR
Partner
Membership No. 067061
24 Park Street, Kolkata
3rd September, 2011

For and on behalf of the Board of Directors

N. K. RAJGARHIA
Chairman & Managing Director

NILESH RAJGARHIA
Executive Director

Statement pursuant to Part IV of Schedule VI to the Companies Act, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details		
Registration No.	:	23119
State Code	:	21 (West Bengal)
Balance Sheet Date	:	31st March, 2011
II. Capital Raised during the year		(Amount in Thousands)
a) Public Issue	:	NIL
b) Right Issue	:	NIL
c) Bonus Shares	:	NIL
d) Private Placement	:	NIL
III. Position of Mobilization and Deployment of funds		
a) Total Liabilities	:	533565
b) Total Assets	:	533565
Source of Funds		
a) Paid up Capital	:	29428
b) Reserves & Surplus	:	228928
c) Secured Loans	:	105858
d) Unsecured Loans	:	169350
		<u>533565</u>
Application of Funds		
a) Net Fixed Assets	:	230068
b) Investments	:	-
c) Net Current Assets	:	282750
d) Deferred Tax Assets / (Liabilities)	:	20745
e) Misc. Expenditure	:	-
		<u>533565</u>
IV. Performance of Company		
a) Turnover (Incl. other income)	:	1200179
b) Total Expenditure	:	1172660
c) Profit/Loss Before Tax	:	27519
d) Profit/Loss After Tax	:	17531
e) Earning per share in Rs.	:	
d) Dividend rate %	:	NIL
V. Generic Name of Three Principal Products/Services of Company		
Item Code No. (ITC Code) :		<input type="text" value="721159"/>
Product Description :		<input type="text" value="FLAT ROLLED PRODUCT OF"/> <input type="text" value="IRON OR NON ALLOY STEEL"/> <input type="text" value="OF A WIDTH OF LESS THAN"/> <input type="text" value="600MM HOT ROLLED NOT CLAD"/> <input type="text" value="PLATED OR COATED"/>

ORIENT STEEL & INDUSTRIES LIMITED

Item Code No. (ITC Code) : 7 2 1 1 5 1

Product Description : FLAT ROLLED PRODUCT OF
IRON OR NON ALLOY STEEL
OF A WIDTH OF LESS THAN
600MM NOT CLAD PLATED OR
COATED COLD ROLLED (COLD
REDUCED)

Item Code No. (ITC Code) : 8 6 0 7

Product Description : PARTS OF RAILWAY OR
TRAMWAY LOCOMOTIVES OR
ROLLING STOCK-BOGIES,
BISSEL-BOGIES, AXLES AND
WHEELS AND PARTS THEREOF