



SKIPPER
Limited

ANNUAL REPORT 2010-2011

YOUR



SKIPPER
— Limited —

COMPANY

THE COMPANY

Skipper Limited, established in 1981, is the flagship company of SK Bansal Group.

GREEN POLICY

Environment and health issues are priority areas at Skipper Limited. We are an ISO 14001 & ISO 18001 certified company. ISO 14001 & ISO 18001 are the internationally recognised standards for the environment management, and occupational health and safety respectively.

With a culture of excellence and an orientation towards growth, the company is positioned to win the future. We are an ISO 9001 certified company with a robust quality assurance plan in place.

FUTURE PLANS

The group has plans to extend its backward integration and include Sponge Iron, Steel Melting Shops and Power Plants in the near future.

Skipper Limited offers a wide range of finely crafted quality-managed products and turnkey speciality services that meet industry standards and intends to enhance its interplay in the development of infrastructure and position itself as a key infrastructure support service provider.

THE

STEEL

Steel Billets &
Blooms as input

Manufacture
Hot rolled
skelp

Manufacture
Angles, Beams
& Channels

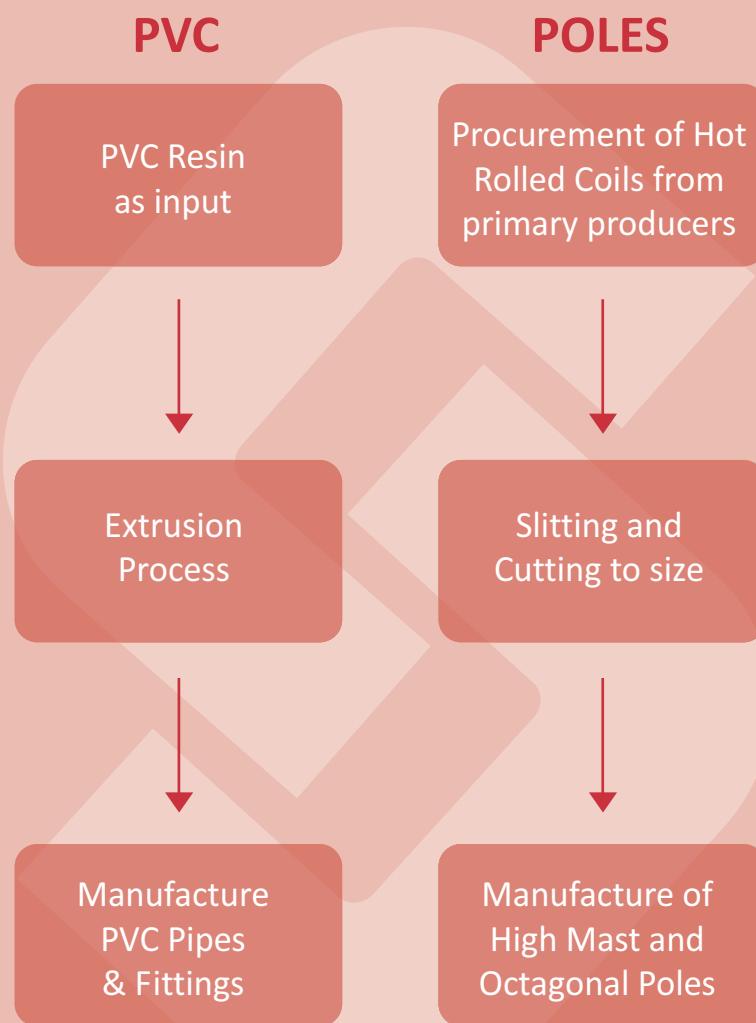
ERW Process
to manufacture
Steel Pipes & Tubes

Fabricate
Structurals
for Towers

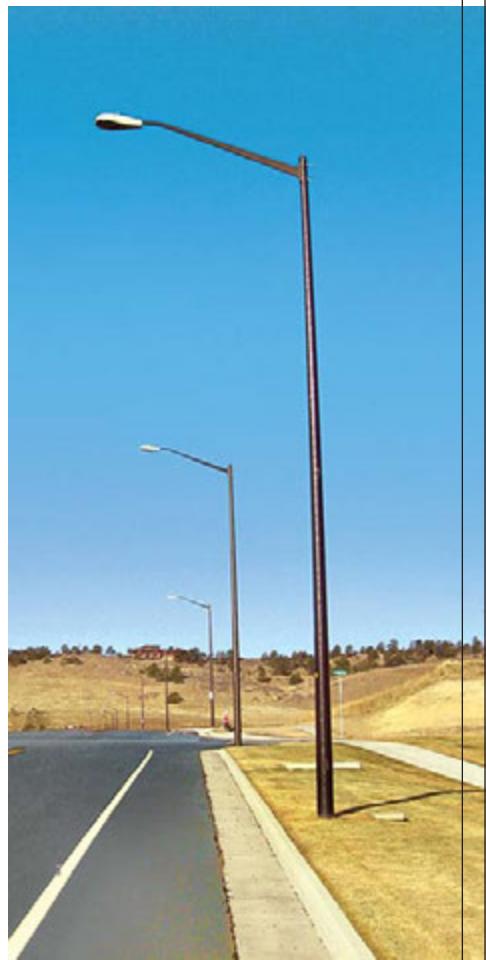
Manufacture
Scaffolding &
Tubular Products

EPC Tower
Projects

VALUE CHAIN



Our product value chain is integrated to optimize the manufacture of a wide range of inter-related, quality managed value added products.



PRODUCTS

PRODUCTS

Hot-rolled Skelp

To manufacture tubes & pipes, cold-rolled strips

ERW Steel Pipes

Galvanized & Black Pipes, Hollow Sections

Poles

Swaged, High Mast & Octagonal Poles

Scaffolding Systems

Scaffold Tubes, Props & Jacks, Cuplock Systems

Hot Rolled Sections

Angles, Channels, Joists, H-Beams

Towers

Transmission & Telecom Towers

PVC Pipes & Fittings

SERVICES

EPC Projects

Transmission and Telecom towers

Trench-less Drilling

Oil & Gas pipelines, OFC and Electric cables

Hard rock drilling, river, canal, highway crossings

THE

FACILITIES

Our manufacturing facilities are located in West Bengal at Jangalpur (40,000 sq m) and Uluberia (150,000 sq m).

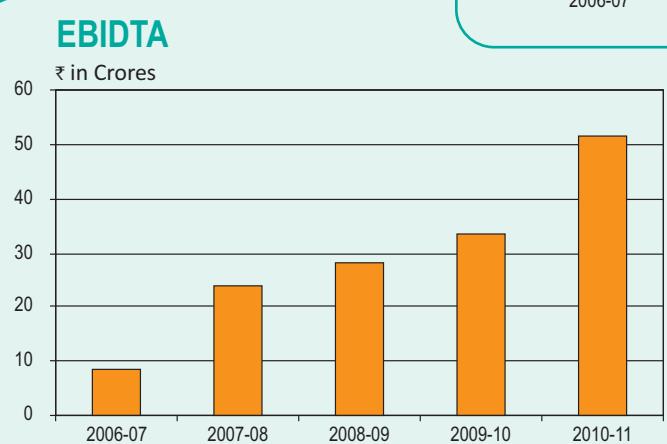
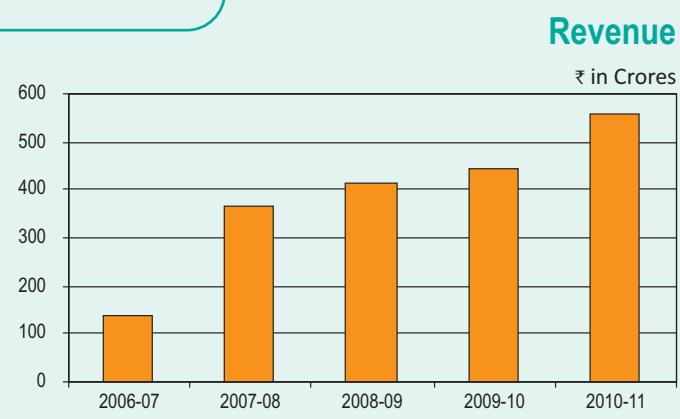
CAPACITIES

- Hot Rolled Products 215000 tpa
- Structural Fabrication 100000 tpa
- M S / G I Pipes 90000 tpa
- Pole/Highmast 30000 tpa
- PVC Products 5000 tpa

GROWTH

Skipper Limited has recorded a strong financial performance with an annual turnover exceeding ₹ 558 crore (USD 125 million).

Skipper has been steadily improving its competitive advantage through a strong institutional and retail network for all its products. Our presence in domestic and international markets is growing.



COMMUNITY SERVICE



The Heritage School

Tribal belt School
“Ekal Vidyalaya”
run by the Friends of
Tribal Society.



Eye Check up in and
around the villages of
Uluberia & Jangalpur.

Sri Sri Academy





Corporate Information

Board of Directors

1. Mr. Sadhu Ram Bansal	Emeritus Chairman
2. Mr. Amit Kiran Deb	Chairman
3. Mr. Sajan Kumar Bansal	Managing Director
4. Mr. Sharan Bansal	Wholetime Director
5. Mr. Devesh Bansal	Wholetime Director
6. Mr. Siddharth Bansal	Wholetime Director
7. Mr. Manindra Nath Banerjee	Director
8. Mr. Malay Sengupta	Director
9. Mr. Shyam Bahadur Singh	Director

Auditors

Patanjali & Co., Chartered Accountants
161/1 Mahatma Gandhi Road, Kolkata 700007

Bankers

State Bank of India
Allahabad Bank
Bank of Baroda
Oriental Bank of Commerce
Corporation Bank

Company Secretary

Arbind Kumar Jain

Registered office

3A Loudon Street, Kolkata 700017, India
Phone: 033 2289 5731 / 32 / 33, Fax: 033 2289 5733
Email: mail@skipperlimited.com, Web: www.skipperlimited.com

Works

Jangalpur (Unit 1 & Unit BCTL)
Jalan Complex, NH6 (Bombay Road), Village: Jangalpur
Post: Andul Mouri, Howrah 711302, India

Uluberia Unit
NH6, Madhabpur, Post: Uluberia, Howrah 711304, India

Registrar & Share Transfer Agent

ABS Consultants (P) Ltd Stephen House
Room No. 99, 6th Floor, 4 BBD Bag Street, Kolkata 700 001
Phone: 033 2220 1043
Fax: 033 2243 0153
Email: absconsultant@vsnl.net



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Directors' Report

To

The Members of Skipper Limited

Your Directors have pleasure in presenting the 30th Annual Report of your Company together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS

(₹ in Crores)

Particulars	Financial Year	
	2010-11	2009-10
Gross Income	563.13	444.36
Net Income	507.08	409.73
Profit before Finance Cost, Depreciation, and Taxation	51.36	33.72
Less: Finance Cost	19.51	9.92
Profit Before Depreciation and Taxation	31.85	23.80
Less: Depreciation (net of transfer from Revaluation Reserve)	6.58	3.20
Profit Before Taxation	25.27	20.60
Less: Provision for Current Tax/Tax for earlier years/Deferred Tax//Wealth Tax	7.62	7.04
Profit After Taxation	17.65	13.56
Add: Balance brought forward from previous year	33.77	22.77
Profit available for appropriation	51.42	36.33
Appropriation:		
Transfer to General Reserve	2.00	1.32
Dividend	1.06	1.06
Corporate Tax on Dividend	0.18	0.18
Balance Carried Forward	48.18	33.77

FINANCIAL PERFORMANCE REVIEW

A. SALES ACHIEVEMENTS

The total gross income of the Company increased to ₹ 563.13 Crores from ₹ 444.36 Crores in the previous year achieving a growth of over 26% on year to year basis.

B. PROFITABILITY

Profit before taxation has increased to ₹ 25.27 Crores from ₹ 20.60 Crores in the previous year registering a growth of over 22%. Similarly the profit after taxation has also increased

to ₹ 17.65 Crores from ₹ 13.56 Crores in the previous year registering a growth of over 30%. Similarly EBIDTA for the year has increased substantially by 52.32% over the EBIDTA for previous year and EBIDTA has also increased from 8.23% of Net Sales in the year 2009-2010 to 10.13% of Net Sales in the year 2010-11.

DIVIDEND

Your directors recommend for consideration of the shareholders at the Annual General Meeting, payment of dividend for the



financial year ended 31st March, 2011 of ₹ 0.15 per equity share of ₹ 1 each and 8% dividend on Redeemable Non Cumulative Preference Share of ₹ 100 each on pro-rata basis. Hence the company continues to reward its shareholders with an unbroken record of dividend payments.

Your directors have made this recommendation after careful consideration of the Company's performance and its reserves and an assessment of fund requirement of the Company.

Business Operations

We have the pleasure to inform you that during the year 2010-11 the Company has commenced production at its Rolling Mill-Section Division and Rolling Mill-Strips division. Thus all the divisions at Uluberia Plant have started working and have performed very well during the year. The PVC product of the Company has received a very good response from the market, consequently the company has made further expansion of the PVC Division increasing the installed Capacity from 2500 MT per annum to 5000 M T per annum. The company has made expansion at its Tower Division at the Jungalpur Unit. During the year products of the company have been exported to various countries including Sri Lanka, Australia, Jordan etc.

CURRENT YEAR'S OUTLOOK

The products of the Company are used in infrastructure development. With the government's continued focus on infrastructure development, the demand for company's products is expected to increase continuously. Our products are demanded globally. Hence the focus of the company is on exploring business opportunities in other countries of the world. The company is in process of setting up a Producer Gas Plant (Coal Gasifire) at its Uluberia unit which will result in reduction of operation cost. The Company is also doing expansion of its PVC division. The Company's performance level is expected to improve in the current year as all the divisions at Uluberia Unit are in operation. The Company is in possession of plenty of orders for all its products.

FUTURE PLANS OF EXPANSION

Your Company intends to be a key player in the Infrastructure Sector. With this object in view it intends to focus on the key areas like quality, cost and infrastructure which is pivotal for India achieving the targeted rate of growth and is heading for growth. Besides the company is keeping watch on the possibility of foraying into the export market untapped yet, thus, haunting for becoming a global player.

DIRECTORS

Mr. Malay Sengupta and Mr. Shyam Bahadur Singh retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment. The Board recommended their reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under section 217 (2AA) of the Companies Act, 1956, and based on the representations received from the operating Management, The Board of Directors of the Company hereby state and confirm that :

- i. in the preparation of the Annual Accounts for the year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the directors have selected such accounting policies as mentioned in Schedule 21 to the Accounts 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 as at 31st March, 2011 and of the profit or loss of the Company for the year ended on that day;
- iii. 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;
- iv. The annual accounts for the year ended 31st March, 2011 have been prepared on a "going concern" basis.

PARTICULARS OF EMPLOYEES AND OTHER STATUTORY INFORMATION

The information on particulars of employees under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended) for the financial year ended 31st March, 2011 are given below:

Name of Employee & (Age)	:	Sajan Kumar Bansal (52 Years)
Designation/ Nature of duties	:	Managing Director
Gross Remuneration (₹)	:	60,00,000/-
Qualification	:	B. Com
Experience in years	:	27 years



Date of Commencement of Employment : 26.10.1984
 Particulars of Last Employment : First Employment
 Note: The employment is contractual for a period of three years

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

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the Financial Year Ended 31st March, 2011:

CONSERVATION OF ENERGY

- (1) The technical department of the Company keeps a watch on the energy consumption and ensures the proper utilization of energy.
- (2) The Company takes suitable steps for keeping its plant & machinery under proper maintenance so that energy consumption can be used at optimum level.

Total energy consumption and energy consumption per unit of production:

FORM - "A"

[A] POWER AND FUEL CONSUMPTION

Sl.No.	Particulars	2010-11
1	Electricity Unit	9814949
	Total Amount (in ₹)	63516255
	Rate / Unit (₹)	6.47
	b) Own generation	
	(i) Through Diesel generator	
	Unit	261480
	Total Amount (in ₹)	3505615
	Rate / Unit (₹)	13.41

2	Coal	
	Quantity	N.A.
	Total Amount	N.A.
	Rate / Unit (₹)	N.A.
3	Furnace Oil	
	Quantity (liter)	3302390
	Total Amount	91891047
	Rate / Unit (₹)	27.83
4	Others	
	Quantity	N.A.
	Total Amount	N.A.
	Rate / Unit (₹)	N.A.

[B] Consumption of Electricity per unit of production

Particulars	No. of Units.
MS Pipe / Pole (Per M.T.)	44
Structural Fabrication (Per M.T.)	77
PVC Pipes	38
Hot Rolled Products	146

TECHNOLOGY ABSORPTION

A) Research & Development (R&D)

1. Specific areas in which R&D carried out by the Company:
 - (i) Improvement in product quality and performance.
 - (ii) Increase of production capacity and capability.
 - (iii) New techniques of production
 - (iv) Market for Export
 - (iv) Technical supervision
2. Benefits derived as a result of the above R&D
 - (i) Improvement in customer Satisfaction
 - (ii) Cost Benefits
 - (iii) Improvement in product quality, productivity and performance.
 - (iv) Increase in Exports
3. Future Plan of action – continued efforts in areas of Cost reduction, Capacity Building improvement of productivity, quality and performance.
4. Expenditure on R & D – No major Expenses has been incurred on R & D

**B) Technology Absorption, Adaptation and innovation:**

Information regarding technology imported during last five years: Not Applicable

C) Foreign Exchange earning / outgo Foreign Exchange Earned:

	2010-2011	2009-2010
Foreign Exchange earned	109834930	60398447
Foreign Exchange Outgo	6993130	4862367
C.I.F. Value of Imports	614616719	23046845

DISCLOSURE OF NAMES OF PERSONS CONSTITUTING GROUP FOR INTER SE TRANSFER PURSUANT TO REGULATION 3(1) (e)**(i) OF THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997**

Pursuant to intimation from promoters the names of promoters and Companies Comprising the "Group" as defined in the Monopolies and Restrictive Trade Practices Act, 1969 are disclosed herein below for the purpose of Regulation 3(1)(e) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997:

Mr. Sadhuram Bansal, Mr. Sajan Kumar Bansal, Mr. Sharan Bansal, Mr. Devesh Bansal, Mr. Siddharth Bansal, Ms. Ram Murti Bansal, Ms. Meera Bansal, Ms. Sumedha Bansal, Ms. Rashmi Bansal, Cement Manufacturing Co. Limited, Megha Technical & Engineers (P) Limited, Bansal TMT Steels Limited, Sadhuram Jhajjarwala (HUF), Sajan Kumar Bansal & Sons (HUF), Skipper Telelink Limited and Ventex Trade Private Limited

PUBLIC DEPOSITS

Your Company has not accepted any deposits from public under section 58A of the Companies Act, 1956 during the financial year under report.

AUDITORS

M/s. Patanjali & Co., Chartered Accountants, Kolkata, the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. They have informed the Company that, if appointed their appointment will be within the limits prescribed under section 224(1B) of the Companies Act, 1956. Accordingly, the members' approval is being sought to their reappointment as the Auditors of the Company at the ensuing Annual General Meeting.

The Auditors' Report is self-explanatory and does not require any further clarifications.

Sub-Division of shares

During the year Equity shares of the Company of face value of ₹ 10 each has been sub-divided into 10 Equity Shares of ₹ 1 each.

LISTING INFORMATION

The Equity Shares of the Company are in dematerialized form and are listed at the Calcutta Stock Exchange Ltd. and the U P Stock Exchange Ltd. The new ISIN No. of the company is INE439E01022.

CORPORATE GOVERNANCE

Your directors affirm their commitment to Corporate Governance Code prescribed by the Securities Exchange Board of India (SEBI). This Annual Report contains a detailed Corporate Governance Report as per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report as required by Clause 49 of the Listing Agreement with the Stock Exchanges for the year under review is given as a separate statement.

CEO/CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement, the CEO/CFO certification has been submitted to the Board.

COMPLIANCE CERTIFICATE FOR CORPORATE GOVERNANCE

A certificate from the auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is contained elsewhere in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company lays utmost importance on the safety standards at all workplaces. At all manufacturing units necessary systems & procedures have been put in place to ensure safety of the personnel & equipments. To ensure safety and health of the work force and create awareness the company has maintained medical facilities at the Units and also provided safety cloths,



Helmets and Hand Gloves to the employees. The company has taken an aggressive move for environment conservations. The company has been provided ISO 18001 and ISO 14001 Certification for health and Safety Standards and Environment Management Standards.

The Company is concerned about the welfare of the society and from time to time undertakes various initiatives for the welfare of the community. These initiatives are focused on health care, education, cultural events for promoting harmony among masses. The company aims to help the Government of India in its endeavour to eradicate illiteracy.

The company has extended donations to various trusts engaged in running educational institutions and other charitable activities. The Company has organized Eye check up and cataract screening camp during the year. The Company has also provided assistance to the educational institutions in developing their infrastructure and also distributed books to the poor students.

HUMAN RESOURCES, SOCIAL DEVELOPMENT AND INDUSTRIAL RELATIONS

The success of business is directly linked to the people who work for that business. Skilled & motivated employees are key for the business to maintain its competitive advantage. The importance of having a highly motivated self driven work force cannot be over emphasised in today's competitive environment. The company has a team of experienced and competitive

professionals. In the ever changing scenario, we recognize the need for training and retaining the talent pool of the Company. Performance reviews of employees are conducted on regular basis and the employees are motivated and adequately rewarded. The Company maintains harmonious and cordial relation with its workforce. The Company has not faced any labour trouble since its inception.

ACKNOWLEDGEMENT

Your directors appreciate the assistance and support received from the Banks, Government Authorities, Customers, suppliers, business associates, shareholders and Central and State Government and the society as a whole. Your directors also wish to place on record their appreciation for devotions and committed services by the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Sajan Kumar Bansal
Managing Director

Devesh Bansal
Director

Place: Kolkata
Date: 30th day of May, 2011



Report on Corporate Governance

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange)

1. Company's philosophy on Code of Governance

Corporate Governance is a set of systems and practices which ensures that the affairs of the Company are being managed in a way which ensures integrity, fairness, equity, transparency, accountability and commitment to values. However, the Company's focus has always been on adopting the good governance practices. The Corporate Governance demands an improved level of competency among the executives to meet the expectations in managing the enterprises and its resources effectively in an ethical and transparent manner. The company promotes the values in its relationships with employees, shareholders, creditors, consumers and other stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and its upward moving target. The Company believes that good corporate governance is prerequisite for achieving the highest standards of ethics in the overall interest of all the stakeholders.

2. Board Composition and Particulars of Directors

a) Board Composition

The board comprises of nine Directors of which four are independent directors. The composition of the Board is in conformity with the provisions of the Corporate Governance Code of the Listing Agreement. The composition of the Board and category of Directors are as follows:

SI	Name	Designation	Whether promoter	Whether Executive	Whether Independent
1.	Mr. Sadhu Ram Bansal	Emeritus Chairman	Yes	No	No
2.	Mr. Amit Kiran Deb	Chairman	No	No	Yes
3.	Mr. Sajan Kumar Bansal	Managing Director	Yes	Yes	No
4.	Mr. Sharan Bansal	Wholetime Director	Yes	Yes	No
5.	Mr. Devesh Bansal	Wholetime Director	Yes	Yes	No
6.	Mr. Manindra Nath Banerjee	Director	No	No	Yes
7.	Mr. Malay Sengupta	Director	No	No	Yes
8.	Mr. Shyam Bahadur Singh	Director	No	No	Yes
9.	Mr. Siddharth Bansal	Wholetime Director	Yes	Yes	No

All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent as laid down under Clause 49. All such declarations are placed before the Board.

Mr. Sadhu Ram Bansal is the father of Mr. Sajan Kumar Bansal and Mr. Sajan Kumar Bansal is the father of Mr. Sharan Bansal, Mr. Devesh Bansal and Mr. Siddharth Bansal. Apart from this, no Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956.



b) Details of positions held by the Directors as directors of other Companies, Committee Membership and Committee Chairmanship is as under:

Sl No.	Name of the Director	No. of other directorships and other committee memberships/chairmanships held		
		Directorships	Committee Memberships	Committee Chairmanships
1.	Mr. Sadhu Ram Bansal	2	Nil	Nil
2.	Mr. Amit Kiran Deb	3	Nil	Nil
3.	Mr. Sajan Kumar Bansal	6	Nil	Nil
4.	Mr. Sharan Bansal	4	Nil	Nil
5.	Mr. Devesh Bansal	4	Nil	Nil
6.	Mr. Manindra Nath Banerjee	1	3	Nil
7.	Mr. Malay Sengupta	3	1	Nil
8.	Mr. Shyam Bahadur Singh	1	Nil	Nil
9.	Mr. Siddharth Bansal	Nil	Nil	Nil

c) Number and dates of Board Meeting held during the year

During the year, thirteen Board Meetings were held. The dates on which the meetings were held are: 25th May, 2010, 15th June 2010, 30th June, 2010, 22nd July, 2010, 3rd August, 2010, 11th September, 2010, 23rd October, 2010, 11th November, 2010, 27th November, 2010, 11th December, 2010, 27th December, 2010, 9th February, 2011 and 31st March, 2011

Attendance at the above Board Meetings and at the last Annual General Meeting (AGM) is as under:

Sl No.	Name of the Director	Number of Board Meetings held	Attendance Particulars	
			Board Meetings	AGM
1.	Mr. Sadhu Ram Bansal	13	9	No
2.	Mr. Amit Kiran Deb	13	4	Yes
3.	Mr. Sajan Kumar Bansal	13	13	Yes
4.	Mr. Sharan Bansal	13	12	Yes
5.	Mr. Devesh Bansal	13	13	Yes
6.	Mr. Manindra Nath Banerjee	13	4	Yes
7.	Mr. Malay Sengupta	13	4	Yes
8.	Mr. Shyam Bahadur Singh	13	2	Yes
9.	Mr. Siddharth Bansal	13	4	Yes

**d) Brief details of Directors seeking appointment/re-appointment**

The brief details of directors retiring by rotation and seeking re-appointment are appended to the Notice convening the ensuing Annual General Meeting.

e) Changes in the composition

There has been no change in the Board of Directors since the last annual General meeting.

3. Audit Committee

The Company has formed the audit committee .The constitution of the Committee and attendance of each member of the Committee is given below:

Name of the director	Designation	Committee Meetings held	Committee Meetings Attended
Mr. Malay Sengupta	Chairman	Four	Four
Mr. Manindra Nath Banerjee	Member	Four	Four
Mr. Sharan Bansal	Member	Four	Three

All the members of the committee are financially literate and the composition of the Audit Committee meets the requirement of Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement.

The Company Secretary acts as secretary to the committee

4. Remuneration Committee**a) Remuneration Policy**

Remuneration Committee is a non-mandatory requirement and has not been formed. The Board of Directors fixed the remuneration of the Executive Directors which is approved by the shareholders.

b) Details of remuneration paid to Directors

The details of remuneration paid to executive directors for the year is as under:

SI	Name of the Director	Designation	Remuneration (₹)
1.	Mr. Sajan Kumar Bansal	Managing Director	60,00,000
2.	Mr. Sharan Bansal	Wholetime Director	36,00,000
3.	Mr. Devesh Bansal	Wholetime Director	36,00,000
4.	Mr. Siddharth Bansal	Wholetime Director	10,50,000

The appointment of the executive directors is governed by the Articles of Association of the Company and the resolutions passed by the Board of Directors and the members of the Company.



The salient features of terms of appointment are:

Particulars	Name of the Director	Terms
Period of appointment	Mr. Sajan Kumar Bansal Mr. Sharan Bansal Mr. Devesh Bansal Mr. Siddharth Bansal	Upto 30 September, 2013 Upto 30 June, 2011 Upto 31 March, 2013 Upto 10 March, 2013
Salary Scale	Mr. Sajan Kumar Bansal Mr. Sharan Bansal Mr. Devesh Bansal Mr. Siddharth Bansal	₹ 5 lacs per month subject to 10% increase in every year ₹ 3 lacs per month subject to 10% increase in every year ₹ 3 lacs per month subject to 10% increase in every year ₹ 1.5 Lacs per month subject to 10% increase in every year
Minimum remuneration in case of inadequacy of profit in any financial year	The remuneration shall not exceed the limits prescribed from time to time under sections 198, 309, 310 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII of the said Act.	
Notice period on either side	Three months' prior notice in writing to the other	
Severance fees for termination of employment	Nil	
Stock Options	Nil	

Non Executive Director

The Company has paid remuneration amounting to ₹ 6,00,000/- to Mr. Amit Kiran Deb non-executive independent Chairman for which necessary approvals have been obtained from the Ministry of Corporate Affairs in terms of Section 309(4) of the Companies Act, 1956. The details of sitting fees paid to non executive directors and their shareholding as per details given below:

Name of Director	Amount of Sitting Fees	No. of Shares held
Mr. Manindra Nath Banerjee	₹ 40,000	Nil
Mr. Malay Sengupta	₹ 40,000	Nil
Mr. Shyam Bahadur Singh	₹ 10,000	Nil
Mr. Amit Kiran Deb	Nil	Nil

5. Shareholders/Investors Grievance Committee

The Board has constituted Shareholders/Investors Grievance Committee under the Chairmanship of a non-executive director to specifically look into the redressal of shareholders complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The Board has delegated the process of share transfers to Mr. Arbind Kumar Jain. During the year Mr. Jain attended the share transfer formalities on a fortnightly basis and same was ratified at the immediately succeeding meeting of the Committee.



The constitution of the Committee and attendance of each member of the Committee is given below:

Name of the director	Designation	Committee Meetings held	Committee Meetings Attended
Mr. Sadhu Ram Bansal	Chairman	One	One
Mr. Sharan Bansal	Member	One	One

Mr. Arbind Kumar Jain, Company Secretary is Compliance Officer of the Company for this committee.

During the year under review, no complaints were received from the shareholders. The complaints pending at the beginning and at the closing of the year were nil.

6. Management Discussion and Analysis

The information is given in a separate section and is included in the Annual Report.

7. General Body Meetings

Particulars of last three Annual General Meetings along with number of special resolutions passed are as under:

Year Ended	Location	Date	Time	No. of special resolutions passed
31.03.2008	3A, Loudon Street, Kolkata-700017	05.09.2008	4.00 PM	2
31.03.2009	3A, Loudon Street, Kolkata-700017	29.06.2009	11.00AM	3
31.03.2010	3A, Loudon Street, Kolkata-700017	22.07.2010	11.00AM	2

During the year under review, no resolution was passed through ballot paper exercise.

8. Disclosure on materially significant related party transaction

The Company does not have any related party transaction, which may have potential conflict with the interest of the Company. Other related party transactions have been reported in Notes on Accounts in the financial statements for the year. The Register of Contracts containing transactions, in which the Directors are interested, is placed before the Board regularly.

9. Code of conduct

The Code of Business Conduct and Ethics for Directors and management personnel ('the Code'), as adopted by the Board, is a comprehensive Code applicable to all Directors and management personnel. The copy of the Code has been put on the Company's website www.Skipperlimited.com. The Code has been circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually. A declaration to this effect signed by the CEO of the company is given hereunder:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management Executives in respect of financial year 2010-11.

Sajan Kumar Bansal
Managing Director and CEO



10. Disclosure of Accounting Treatment

The Company has followed the prescribed Accounting Standards in preparation of financial statements. The accounting treatment has been disclosed in the Notes to accounts to these financial statements.

11. Risk Management

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of properly defined framework.

12. Proceeds from public issues, right issues, preferential issues etc.

The Company had issued 29,00,000 Redeemable Non cumulative Preference shares of ₹ 100 each aggregating to ₹ 29,00,00,000 during the year. The proceeds from the issue had been utilized towards acquisition of capital assets for the new projects and towards repayment of liabilities incurred for the said projects.

13. CEO/CFO certification

CEO/CFO certificate is separately enclosed to the Report

14. Details of non-compliances

There has been no instance of non-compliance by the Company on any matter relating to capital market.

15. Means of communication

Quarterly results of the Company are communicated to the Stock Exchanges immediately after having been considered by the Board. The results for the year under review were published in English in the 'Business Standard' and in Bengali in 'Dainik Lipi/Arthik Lipi'.

16. General Shareholder Information

Annual General Meeting

Date	28th June, 2011
Time	11.00 AM
Venue	3A, Loudon Street, Kolkata-700 017
Financial year	01 April, 2010 to 31 March, 2011
Book closure date	25th June, 2011 to 28th June 2011 (both days inclusive)
Dividend payment date	Your directors have recommended payment of dividend at the rate of ₹ 0.15 per Equity Share for the financial year 2010-2011. Such dividend, if declared, at the ensuing Annual General Meeting will be paid within thirty days from the date of declaration.

**Listing on stock exchanges**

Name of stock exchange	Address	Stock code
The Calcutta Stock Exchange Limited	7, Lyons Range Kolkata-700 001	10029348
U P Stock Exchange Limited	Padam Towers, 14/113, Civil Lines, Kanpur-208 001	S00010

The Company has paid listing fees to the respective stock exchanges upto financial year 2011-2012

The International Security Identification Number (ISIN) of the Company is INE439E01022.

Market Price Data

The shares of the Company has not been traded at any of the stock exchanges during the year. Hence, no market price data and its performance in comparison to any index are being given.

Registrar and Share Transfer Agents

ABS Consultants Private Limited are acting as the Registrars of the Company for both physical and dematerialized form of shares. Their address is given as under:

ABS Consultants Private Limited

Stephen House, Room No. 99, 6th floor, 4, B B D Bag (East), Kolkata-700 001

Telephone No.: +91 33 2220 1043, Fax No. +91 33 2243 0153

Email: absconsultant@vsnl.net

Share Transfer System

The Shareholders/Investors Grievance Committee approves transfer of shares in physical mode.

The Company's Registrar transfers the shares within 15 days of receipt of request. Dematerialization is done within 15 days of receipt of request along with the shares through the Depository Participant of the shareholder.

Distribution of shareholding as at 31st March, 2011

Category	No. of shareholders		No. of shares	
	Total	%	Total	%
1-500	Nil	Nil	Nil	Nil
501-1000	Nil	Nil	Nil	Nil
1001-2000	Nil	Nil	Nil	Nil
2001-3000	Nil	Nil	Nil	Nil
3001-4000	Nil	Nil	Nil	Nil
4001-5000	Nil	Nil	Nil	Nil
5001-10000	Nil	Nil	Nil	Nil
10001 and above	37	100.00	7,04,44,250	100.00
Total		100.00		100.00

**Shareholding pattern**

Category	As at 31st March, 2011	
	No. of shares	% of share capital
Promoters	4,62,07,750	65.59
Private Corporate Bodies	1,86,02,500	26.41
Indian Public	56,34,000	8.00
Total	7,04,44,250	100.00

Shareholdings of directors as at 31st March, 2011

Name of director	No. of shares held	% of share capital
Mr. Sadhu Ram Bansal	34,86,180	4.95
Mr. Amit Kiran Deb	Nil	Nil
Mr. Sajan Kumar Bansal	78,87,520	11.20
Mr. Sharan Bansal	39,97,100	5.67
Mr. Devesh Bansal	29,73,500	4.22
Mr. Manindra Nath Banerjee	Nil	Nil
Mr. Malay Sengupta	Nil	Nil
Mr. Shyam Bahadur Singh	Nil	Nil
Mr. Siddharth Bansal	76,84,500	10.91

Dematerialization of shares and liquidity

As at 31st March, 2011, all shares of the Company were held in dematerialized form.

Plant Locations

- a) SL Unit
Jalan Industrial Complex
N H- VI, Village: Jangalpur, Post: Andul Mouri
Howrah-711 302 (West Bengal)
- b) BCTL Unit
Jalan Industrial Complex
N H- VI, Village: Jangalpur, Post: Andul Mouri
Howrah-711 302 (West Bengal)



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S K I P P E R L I M I T E D

c) Uluberia Unit

N H- VI, Village: Madhabpur, Post: Mahishrekha
Howrah-711 304 (West Bengal)

Address for correspondence

The Company Secretary
Skipper Limited
3A, Loudon Street, Kolkata- 700 017
Telephone: +91 33 2289 2327/5731
Fax: +91 33 2289 5733
Email: arbind.jain@skipperlimited.com
Website: www.skipperlimited.com

For and on behalf of the Board of Directors

Sajan Kumar Bansal
Managing Director

Devesh Bansal
Director

Place: Kolkata

Date: 30th day of May, 2011



Management Discussion and Analysis Report

(forming part of the Report of the Directors for the year ended 31st March, 2011)

Industry Structure and developments

Indian economy has registered a growth of 8.5% in GDP during the financial year 2010-11. The Core infrastructure sector has registered a growth of 5.9% in financial year 2010-2011. This has the positive effect on the demand for the products of the company as the products of Company are mainly used in the infrastructure sector. The demand for transmission tower is rapidly increasing due to ambitious approach of the Government to provide power to all. The rural electrification initiative by the Government to allow access to electricity in remote regions in India is going to generate substantial demand for transmission towers.

Opportunities and threats

In view of the growing demand for its products a bright future lies before the Company. Considering the increasing demand for the transmission towers the Company has also made an expansion at its tower division. The backward integration done by the company will enable the Company to produce quality products at more competitive cost and will bring a competitive advantage.

The inflation resulting in increase in prices of raw materials and other operating cost is posing a threat in maintaining the cost of products. The Company is taking steps for adopting suitable measures in the direction of cost reduction.

Segment-wise or product-wise performance

Iron and Steel Segment

The segment consists of:

1. Black pipes and GI pipes
2. Tubular poles & Scaffoldings
3. Transmission Towers
4. Hot rolled Products

The turnover of this segment increased from ₹ 400.43 Crores in 2009-2010 to ₹ 476.32 crores in 2010-2011 showing a growth of more than 18%. The profit of this segment also increased from ₹ 30.05 crores in 2009-2010 to ₹ 47.22 crores in 2010-11 showing a remarkable growth of more than 57%.

Infrastructure Projects Segment

This segment consists of Tower erection services and trenchless drilling services. The turnover of the segment has increased from ₹ 4.42 Crores in 2009-10 to ₹ 6.22 Crores in 2010-11 registering a growth of more than 40%. Profit from this segment also increased from ₹ 0.43 Crores in 2009-10 to ₹ 2.53 crores in 2010-11

PVC Products

The company has reported another segment namely PVC Products which was launched in the year 2009-10. The revenue from this segment has increased from ₹ 4.11 Crores in 2009-10 to ₹ 19.93 Crores in 2010-11. At the same time profit has also increased from ₹ 0.48 Crores in 2009-10 to ₹ 3.04 Crores in 2010-11.

Outlook

The company has commenced production at its Rolling Mill Section and Rolling Mills Strips divisions at its Uluberia unit during the year 2010-11. All the divisions have started working and as a result of which the Company has started getting benefits of backward integration. The Hot rolled products of the Company are being used in house for producing the ultimate products as well these are sold in the market. Considering the demand for the PVC products the Company has also considered expansion for the PVC division. The company has also initiated plan for Producer Gas Plant (Coal Gasifire) in its move to make the products more cost effective, which is expected to start working in the current year.

Risk and Concerns

Your Company is having a comprehensive risk management policy. The policy comprises the procedure for identification of risk, nature of risk internal or external, assessment of risk and the timing of action to minimize the risk. The risk policy provides for identification of risk, its assessment and procedures to minimize risk.. Although internal risks are always controllable but external risk are not within the control of the company. The company initiates precautionary measures to tackle the external risk after making a detailed review of the risks.



Business Risk

The Company is facing competition in the market from entities producing the similar kind of products. This poses a business risk to the company. However since the Company is a multi-products company catering to the needs of various users, the effect of business risk is negated to a greater extent..

Perception Risk

With its presence in the PVC products and transmission towers section the company has been able to come out of the risk of being perceived as purely Iron & Steels Company. The products of the Company are being used in Infrastructure Sector and the company is Largely contributing to the development of infrastructure.

Financial Risk

Inflation directly and indirectly has the effect of increasing input cost, operational cost, procurement cost, selling & distribution cost. All these put the Company in a tough situation. The Company regularly keeps on finding ways to reduce the costs incurred by the Company.

Interest rate risk

The interest rates keeps on changing every now and then. This may have at times an unfavourable effect on the Company . Since the company is having debts taken from Banks and others, interest rate fluctuations in upward directions poses a great risk. The management always strives to make proper negotiation to take advantage of competitive rates of interest.

Liquidity risk

The company is in regular process of making expansion of its capacity for which cooperation from Bankers have been received from time to time. Better relation with the Banks , timely compliance of the conditions of sanctioned facilities has made the Company a premium customer of the Banks. The Banks are always having a favourable attitude towards extending financial supports to the Company.

Market risk

The market risk is faced by the Company from the new entrants in the industry having similar products. However the Company has overcome this risk to a greater extent being in superior position in terms of quality and cost effectiveness. The company is also exploring business opportunity by exporting its product to various countries. This again will enhance the market area thus mitigating this risk largely.

Event Risk

The Government is having an ambitious approach in infrastructure sector . Our products being contributing to the infrastructure sector, it is expected that the Government will not make any move in the adverse direction .

Internal Control systems and their adequacy

The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. These systems are designed to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized recorded and reported. The Company has an internal audit function, which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. The management duly considers and takes appropriate action on the recommendations of the statutory auditors, internal auditors and the independent audit committee of the Board of Directors.

Discussion on financial performance with respect to operation performance

During the financial year, the turnover of the Company increased from ₹ 408.97 crores in 2009-10 to ₹ 502.47 crores in 2010-11 showing an increase of more than 22 percent. The profit before tax increased from ₹ 20.60 crores in 2009-10 to ₹ 25.27 crores in 2010-11 registering an increase of more than 45%. EBIDTA for the Company in the financial year 2010-11 was ₹ 51.36 Crores as compared to ₹ 33.72 Crores in the financial year 2009-10 registering a growth of more than 52% over the previous year. This shows that the Company is on its way to prosper continuously.



Material developments in Human Resources/ Industrial Relations front including number of people employed

Presently the Company has approximately 700 employees with a combination of professional from various fields and others. The management always endeavours towards maintaining a harmonious relationship with the employees. The company regularly makes assessment of employees and identifies talented people. The company has the system of awarding the efficient employees contributing to the growth of the Company. The Company keeps on motivating the employees to make their best contribution.

AWARDS & RECOGNITIONS

Confederation of Indian Industry has awarded the first prize to the company for significant level of high overall productivity.

Forward Looking Statements

Certain statements in this report concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that would cause actual results to differ materially from those in such forward looking statements. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. The company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the company

For and on behalf of Board of Directors

Sajan Kumar Bansal
Managing Director

Devesh Bansal
Director

Place: Kolkata
Date: 30th day of May, 2011



Certificate by Chief Executive Officer and Director in Charge of Finance

The Board of Directors
Skipper Limited
3A, Loudon Street
Kolkata – 700 017

1. We hereby certify that for the financial year ended 31st March, 2011 on the basis of the review of the financial statements and the Cash flow statement and to the best of our knowledge and belief that:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of knowledge and belief, no transactions entered into by the company during the year 2010-11, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors those deficiencies, of which we are aware, in the design and operation of the internal control systems and that we have taken the required steps to rectify those deficiencies.

We further certify that:

- a) There have been no significant changes in internal control during the year.
- b) There have been no significant changes in accounting policies during the year.
- c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Sajan Kumar Bansal
Managing Director

Devesh Bansal
Director

Kolkata
Date :30th May, 2011



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Skipper Limited

We have examined the compliance of the conditions of Corporate Governance by Skipper Limited for the year 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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

For PATANJALI & Co.
Chartered Accountants
Firm Regn No. 308163E

(Patanjali Sharma)
Partner
Membership no.14993

Kolkata

Date: 30th day of May, 2011



Auditor's Report

The Members of SKIPPER LIMITED

1. We have audited the attached Balance Sheet of SKIPPER LIMITED, as at 31st March, 2011, the Profit and Loss Account and Cash Flow Statement for the year ended 31st March, 2011. 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 the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above in Paragraph 3, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of 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 and the Profit and Loss account dealt with by this report are in agreement with the books of account submitted to us;
- (iv) In our opinion, the Balance Sheet, Profit and 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;
- (v) On the basis of 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;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with other notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the 'State of Affairs' of the Company as at 31st March 2011;
 - (b) in the case of the Profit and Loss Account, of the 'Profit' for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For PATANJALI & CO.
Firm Regn. No. 308163E
Chartered Accountants

(PATANJALI SHARMA)
Partner

Kolkata
Dated: the 30th day of May, 2011 Membership no. 14993



Annexure to Auditors' Report

(Referred to in paragraph 3 of our report of even date)

- (i) (a) According to information and explanations given to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As informed to us, some of the fixed assets were physically verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. As explained to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanation given to us, the company has not disposed off a substantial part of its fixed assets and the going concern status of the Company is not affected.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. However, the procedures for verification in certain areas needs to be further streamlined.
- (c) The company is maintaining proper records of inventory, except for certain items of consumable stores, which as explained to us is not material. According to information and explanation given to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of accounts.
- (iii) (a) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii)(a) to 4(iii)(d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (b) The company had taken loan, unsecured, from one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹10,00,00,000 and the year-end balance of loans taken from company was Nil. The Company had taken loan from four directors. The maximum amount involved during the year was ₹31,87,50,000 and the year-end balance of loans taken from directors was ₹21,06,50,000. The Company had not taken any loan from any other party covered in the register maintained under section 301 of the Companies Act, 1956.
- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the company.
- (d) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (iv)
- (v) (a) In our opinion and according to the information and explanations given to us, there is adequate internal system 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. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (b) According to the information and explanations given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into the register maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions



made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 58A and 58AA or any relevant provisions of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public. 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.
- (vii) The Company has an internal audit system, which in our opinion is commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for maintenance

of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of Steel Tubes & Pipes and Hot Rolled Products of the company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education 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, except for delay in some cases. There is no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount in ₹	Year	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	31,15,941	2007-08	Joint Commissioner of Commercial Taxes
West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	1,37,23,982	2005-06	West Bengal Com. Taxes Appellate & Revisional Board
Central Sales Tax Act, 1956	Central Sales Tax	1,21,66,947	2005-06	West Bengal Com. Taxes Appellate & Revisional Board
West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	1,06,41,206	2006-07	West Bengal Com. Taxes Appellate & Revisional Board
Central Sales Tax Act, 1956	Central Sales Tax	23,35,020	2006-07	West Bengal Com. Taxes Appellate & Revisional Board
Central Sales Tax Act, 1956	Central Sales Tax	9,77,761	2006-07	Joint Commissioner of Commercial Taxes
Income Tax Act, 1961	Income Tax	12,22,718	2005-06	Commissioner of Income Tax (Appeals)
The Central Excise Act, 1944	Central Excise	1,88,936	2005-06	Commissioner Appeals (Central Excise), Kolkata
The Central Excise Act, 1944	Central Excise	7,43,086	2007-08	Commissioner Appeals (Central Excise), Kolkata



- (x) The Company has no accumulated losses. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding 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 a financial institution, bank or debenture holders.
- (xii) According to information and explanation given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) 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 Act.
- (xix) According to the information and explanations given to us, the Company has not issued any debentures.
- (xx) According to the information and explanations given to us, the Company has not raised any money by public issues.
- (xxi) 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 PATANJALI & Co.
Firm Regn. No. 308163E
Chartered Accountants

(Patanjali Sharma)
Partner

Kolkata

Dated: the 30th day of May, 2011

Membership No. 14993



BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE	As at 31-03-2011 ₹	As at 31-03-2010 ₹
A. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	360444250	70444250
Reserves & Surplus	2	1211368021	<u>1039598359</u>
LOAN FUNDS			1110042609
Secured Loan	3	2672086082	1373395435
Unsecured Loan	4	799117104	<u>619605935</u>
DEFERRED TAX LIABILITY		94094482	1993001370
TOTAL:		5137109939	<u>62190359</u>
			<u>3165234338</u>
B. APPLICATION OF FUNDS			
FIXED ASSETS	5		
Gross Block		2254459304	1437830117
Less : Depreciation		173464372	<u>107870511</u>
Net Block		2080994932	1329959606
Capital Work in Progress		334862126	<u>471737245</u>
INVESTMENTS	6	2415857058	1801696851
Current Assets, Loans And Advances		7000	1902850
Inventories	7	1760459675	828994076
Sundry Debtors	8	920760939	606693316
Cash and Bank Balances	9	68648640	80937226
Loans and Advances	10	294720187	<u>231520893</u>
		3044589441	<u>1748145511</u>
Less: Current Liabilities And Provisions	11		
Current Liabilities		310836817	367736679
Provisions		12506743	<u>18774195</u>
		323343560	<u>386510874</u>
NET CURRENT ASSETS		2721245881	1361634637
TOTAL:		5137109939	<u>3165234338</u>
NOTES TO THE ACCOUNTS	21		

The schedules referred to above form an integral part of Balance Sheet

In terms of our report of even date annexed herewith

For PATANJALI & CO.

Firm Regn No.-308163E
Chartered Accountants

PATANJALI SHARMA

Partner
Membership No. 14993
Kolkata, Dated, the 30th day of May, 2011

For and on behalf of Board

SAJAN KUMAR BANSAL
Managing Director

DEVESH BANSAL
Director

ARBIND KUMAR JAIN
Company Secretary



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

	SCHEDULE	Year ended 31-03-2011 ₹	Year ended 31-03-2010 ₹
A. INCOME			
Sales (Net) & Operations			
Gross Sales	12	6281688017	5003683717
Less: Excise Duty		402488291	211380794
Sales Tax/Value Added Tax		157991159	134974437
Net Sales		5721208567	346355231
Less: Inter unit sales		696508566	4657328486
		5024700001	567670834
Other Income	13	46143103	4089657652
Increase/(Decrease) in Stock	14	478493522	7623437
		5549336626	133679742
			4230960831
B. EXPENDITURE			
Materials Consumed	15	4411623523	3480571542
Manufacturing and Project Expenses	16	335089340	170497169
Personnel Expenses	17	120740489	72378279
Administrative, Selling and Other Expenses	18	168299179	170356988
Finance Charges	19	195127196	99134832
Depreciation	20	65727168	31977027
		5296606895	4024915837
C. PROFIT			
Profit Before Tax		252729731	206044994
Less: Provision for Taxation			
Income Tax-current year		50400000	42500000
Income Tax-earlier years		(6182035)	3597215
Wealth Tax-current year		111000	85000
Deferred Tax		31904124	24224419
		76233089	70406634
Profit After Tax		176496642	135638360
Add: Profit brought forward from previous year		337732592	227671339
Profit Available for Appropriation		514229234	363309699
APPROPRIATION			
Transfer to General Reserve		20000000	13214669
Proposed Dividend		10630200	10566638
Corporate Tax on Dividend		1765543	1795800
Balance Carried Forward		481833491	337732592
		514229234	363309699
Weighted Average number of Equity Shares		70444250	6755778
Face Value		1.00	10.00
Basic and Diluted Earning Per Share		2.51	20.08
NOTES TO THE ACCOUNTS	21		

The schedules referred to above form an integral part of Profit & Loss Account
In terms of our report of even date annexed herewith

For PATANJALI & CO.

Firm Regn No.-308163E
Chartered Accountants

(PATANJALI SHARMA)

Partner
Membership No. 14993
Kolkata, Dated, the 30th day of May, 2011

For and on behalf of Board

SAJAN KUMAR BANSAL
Managing Director

DEVESH BANSAL
Director

ARBIND KUMAR JAIN
Company Secretary



SCHEDULES forming part of the accounts

	As at 31-03-2011 ₹	As at 31-03-2010 ₹		
SCHEDULE - 1				
SHARE CAPITAL				
Authorized				
10,00,00,000 Equity Shares of ₹ 1 each	100000000	100000000		
30,00,000 Redeemable Non-cumulative Preference Shares of ₹ 100 each	300000000 400000000	100000000		
Issued, Subscribed and Paid Up Capital				
7,04,44,250 Equity Shares of ₹ 1 each fully paid up (Previous Year - 7044425 Equity Shares of ₹ 10 each fully paid up)(includes 3,34,42,500 Equity Shares of ₹ 1 each (Previous year 33,44,250 Equity Shares of ₹ 10 each) allotted for consideration other than cash)	70444250	70444250		
29,00,000 (Previous year NIL) Redeemable Non-Cumulative Preference Shares of ₹ 100 each fully paid up)	290000000 360444250	70444250		
SCHEDULE - 2				
RESERVES AND SURPLUS				
Revaluation Reserve				
As per Last Account	39563155	39804392		
Less: Depreciation on Revaluation of Fixed Assets (Refer Note No. 5 on Schedule 21)	241237	39321918	241237	39563155
Securities Premium Account				
As per last Account	602302612	459802612		
Add: Received during the year	-	602302612	142500000	602302612
Capital Reserve				
As per last Account	-	-		
Add. Received during the year	7910000	7910000	-	-
General Reserve				
As per last Account	60000000	46785331		
Add. Transfer from Profit & Loss Account	20000000	80000000	13214669	60000000
Profit & Loss Account				
	481833491 1211368021	337732592 1039598359		



SCHEDULES forming part of the accounts

	As at 31-03-2011 ₹	As at 31-03-2010 ₹
SCHEDULE - 3		
SECURED LOANS		
Term Loan from Banks		
Rupee Term Loan	<u>814172718</u>	676402829
FCNRB Term loan	<u>252431962</u>	<u>1066604680</u>
Due within one year: ₹ 20,10,99,480 (Previous year: ₹ 15,20,19,509)		
Buyers Credit from Banks		
For Capital Expenditure	<u>18467193</u>	-
For Operational Use	<u>538388597</u>	<u>556855790</u>
Working Capital Facilities from Banks		
Cash Credit	<u>608517689</u>	192847619
Packing Credit	<u>420437860</u>	<u>1028955549</u>
Hire Purchase Loan		
From Banks	<u>19670063</u>	11553068
	<u>2672086082</u>	<u>1373395435</u>

1. Term Loan /FCNRB Term Loan of ₹ 22,04,63,229 (Previous Year ₹ 19,94,70,740) and Buyers Credit of ₹ 1,84,67,193 (Previous year ₹ Nil) is secured by first charge on fixed assets of Jangalpur, Howrah Unit of the company.
2. Term Loan/FCNRB Term Loan of ₹ 84,61,41,451 (Previous Year ₹ 85,26,77,008) is secured by first charge on fixed assets of Uluberia, Howrah Unit of the Company.
3. Working Capital Facilities and Buyers Credit of ₹ 53,83,88,597 (Previous year ₹ Nil)are secured by first charge on current assets and second charge on fixed assets of Jangalpur and Uluberia Units of the company.
4. Term Loan and Working Capital Facilities are also secured by personal guarantees of some of the directors of the Company.
5. Hire Purchase Loan is secured against hypothecation of respective fixed assets financed.

SCHEDULE - 4

UNSECURED LOANS		
Short Term Loans from Banks	<u>303094875</u>	501176986
From Bodies Corporate	<u>284551579</u>	87150000
From Directors	<u>210650000</u>	30750000
Interest Accrued and Due	<u>820650</u>	528949
	<u>799117104</u>	<u>619605935</u>



SCHEDULE - 5

FIXED ASSETS

Figures in ₹

Description	GROSS BLOCK				Depreciation			Net Block	
	As at 01-04-2010	Additions	Deductions	As at 31-03-2011	As at 01-04-2010	For the year	Deductions	As at 31-03-2011	As at 31-03-2010
Land and Land Development	237803017	78288969	-	316091986	-	-	-	316091986	237803017
Buildings	350302140	241753744	-	592055884	20733194	13771997	-	34505191	557550693
Plant and Machinery	806621562	483851328	752570	1289720320	75882360	47698488	156405	1166295877	730739202
Furniture and Fixtures	9670718	4164652	-	13835370	3058603	803438	-	3862041	9973329
Vehicles	32918148	8293074	506824	40704398	8156468	3420664	218139	11358993	29345405
Intangibles being computer software	514532	1536814	-	2051346	39886	273818	-	313704	1737642
Total	143783017	817888581	1259394	2254459304	107870511	65968405	374544	173464372	2080994932
Previous year	605296371	853985531	21451785	1437830117	8054416	32218264	4889169	107870511	1329959606
Capital Work in Progress									334862126
									471737245

Notes:

- 1) Land and Building were revalued in 1996-1997 on the basis of valuation report by approved valuers on the basis of replacement value and the resultant surplus thereon amounting to ₹ 4,35,20,129 was transferred to revaluation reserve. [Refer Note No. 5 on Schedule 21]
- 2) Land includes certain properties in respect of which conveyance deeds are pending execution.
- 3) The proceeds from issue of Preference Shares issue have been utilized towards expenditure for acquisition of capital assets.
- 4) Fixed assets include assets taken on finance lease amounting to ₹ 3,57,49,002 (Previous year ₹ 2,05,91,980), written down value ₹ 3,04,70,825 (Previous Year ₹ 1,95,09,114) [Refer Note No. 17 on Schedule 21]



SCHEDULES forming part of the accounts

	As at 31-03-2011 ₹			As at 31-03-2010 ₹			
SCHEDULE - 6	INVESTMENTS	FACE VALUE ₹	NUMBERS	AMOUNT ₹	FACE VALUE ₹	NUMBERS	AMOUNT ₹
LONG TERM TRADE INVESTMENTS QUOTED SHARES (FULLY PAID UP)							
Unimetals Alloy Limited	10	500	5000	10	500	5000	
JSW Steel Limited	-	-	-	10	2187	557500	
JSW Steel Limited	-	-	-	10	446	71360	
Total			5000				633860
LONG TERM NON TRADE INVESTMENTS QUOTED SHARES (FULLY PAID UP)							
Century Plyboards (India) Limited	-	-	-	1	306240	1224990	
ICICI Bank Limited	-	-	-	10	150	42000	
							1266990
LONG TERM TRADE UNQUOTED INVESTMENTS (FULLY PAID UP)							
Investment in Government Securities				2000			2000
National Savings Certificate				2000			2000
Aggregate of Book Value							
Quoted Investments				5000			1900850
Unquoted Investments				2000			2000
Total				7000			1902850
Aggregate Market Value of Quoted Investments				5000			20421047

Note: Government Securities of Face Value Rs. 2,000 lodged with Government Department as Security Deposit

SCHEDULE - 7

INVENTORIES			
(As taken, valued and certified by the management)			
Raw Materials		696108798	271865143
(Including goods in transit ₹ 1,13,09,628			
(Previous year - ₹ 1,10,576)			
Stores and Spare Parts		36009998	15080623
(Including goods in transit- ₹ 97,207			
Previous year ₹ 45,541)			
Work In Process		735917049	421090172
Finished Goods		287707742	114249007
Scrap and Waste		4716088	6709131
		1760459675	828994076

**SCHEDULES forming part of the accounts**

	As at 31-03-2011 ₹	As at 31-03-2010 ₹
SCHEDULE - 8		
SUNDRY DEBTORS (Unsecured, considered good)		
Debts outstanding for a period exceeding six months	70132457	95101799
Other Debts	850628482	511591517
	920760939	606693316
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash in hand (As Certified)	1192297	1317117
Balances with Scheduled Banks		
In Current Accounts	6231660	8119341
In Fixed Deposit Accounts	61224683	71500768
(Pledged against guarantees and Letters of Credit issued by Banks)	67456343	79620109
	68648640	80937226
SCHEDULE - 10		
LOANS, ADVANCES AND DEPOSITS		
(Unsecured, considered Good)		
Advances recoverable in cash or kind or for value to be received	129580780	114002952
Balances with Central Excise Department	136666934	82180390
Advance Income Tax and TDS (net of provision)	2810809	-
Deposits	25661665	35337551
	294720187	231520893



SCHEDULES forming part of the accounts

	As at 31-03-2011 ₹	As at 31-03-2010 ₹
SCHEDULE - 11		
CURRENT LIABILITIES and PROVISIONS		
CURRENT LIABILITIES		
Bills payable	117214241	31908276
Sundry Creditors*	987081	1369849
For Capital Goods	40538644	119095175
For Goods	92714411	65242877
For Expenses	12613823	146853960
For Others	417848	9808122
Forward Contracts (net)	46350769	195516023
Advances and Deposits Received	310836817	14305261
	367736679	126007119
PROVISIONS		
Provision for Income Tax (net of payments)	-	6326757
Provision for Wealth Tax	111000	85000
Proposed Dividend	10630200	10566638
Corporate Tax on Dividend	1765543	12506743
	323343560	1795800
	386510874	18774195

* includes ₹ 12,32,276 (Previous year ₹ 4,03,088)
due to Micro and Small Enterprises

	Year ended 31-03-2011	Year ended 31-03-2010
SCHEDULE - 12		
SALES (NET) AND OPERATIONS		
Finished Goods and Others	6219469032	4959510912
(Gross, TDS. ₹ 8,52,411, Previous Year ₹ 10,62,338)		
Income from infrastructure projects	62218985	44172805
(Gross, TDS ₹ 12,42,518, Previous Year ₹ 26,52,059)		
	6281688017	5003683717

**SCHEDULES forming part of the accounts**

	Year ended 31-03-2011	Year ended 31-03-2010
SCHEDULE - 13		
OTHER INCOME		
Interest	16085534	6439848
(Gross, TDS ₹ 4,89,641, Previous year ₹ 6,37,045)		
Dividend	26814	310523
Discount received	-	65064
Incentive Received	6177000	251215
Profit on Sale of Shares	19214800	-
Miscellaneous Income	4638955	556787
	46143103	<u>7623437</u>
SCHEDULE - 14		
INCREASE/(DECREASE) IN STOCK		
Opening Stock		
Work In Process	421090172	280707168
Finished Goods	114249007	125416148
Scrap and Waste	6709131	542048310
Less: Closing Stock		<u>3211663</u>
Work In Process	735917049	421090172
Finished Goods	287707742	114249007
Scrap & Waste	4716088	1028340879
Increase/(Decrease) in Stock	486292569	<u>6709131</u>
(Increase)/Decrease in Excise Duty on Finished Goods	(7799047)	<u>542048310</u>
	478493522	<u>132713331</u>
		<u>966411</u>
		<u>133679742</u>
SCHEDULE - 15		
MATERIAL CONSUMED		
Cost of materials (Including Conversion Charges and procurement expenses)		
Opening Stock	271865142	125037090
Add: Purchases	4835867179	3627399595
Less: Closing Stock	5107732321	3752436685
Consumption of materials	696108798	<u>271865143</u>
	4411623523	<u>3480571542</u>



SCHEDULES forming part of the accounts

	Year ended 31-03-2010	Year ended 31-03-2009
SCHEDULE - 16		
MANUFACTURING AND PROJECT EXPENSES		
Consumption of Stores and Spare Parts	60547054	51882825
Power and Fuels	157352837	34090830
Labour Charges	112762462	77391275
Repairs to Machinery	1863673	2161427
Building	489046	2352719
Miscellaneous Expenses	2074268	3416204
	<u>335089340</u>	<u>15577631</u>
		1554608
		<u>170497169</u>
SCHEDULE - 17		
PERSONNEL EXPENSES		
Salaries, Wages, Bonus and Allowances	96297427	56687431
Directors' Remuneration	14250000	8672018
Contribution to Provident and other Funds	3038528	2422637
Workmen and Staff Welfare Expenses	7154534	4596193
	<u>120740489</u>	<u>72378279</u>
SCHEDULE - 18		
ADMINISTRATIVE, SELLING AND OTHER EXPENSES		
Rent	1883911	2504426
Rates and Taxes	1438720	1027937
Insurance Charges	5103337	3535393
Electricity Charges	767345	720963
Travelling and Conveyance Expenses	15555882	16526230
Communication Expenses	3105724	3165460
Bank Charges and Commission	23222119	15992061
Freight, Packing and Handling Expenses (net)	12441066	26385308
Remuneration to Non-Executive Chairman	600000	106451
Legal and Professional Expenses	23281320	25582665
Other Maintenance Expenses	4099539	7040116
Security Service Charges	8199660	7193191
Premium on Foreign Exchange Contracts	9783843	4596926
Advertisement and Sales Promotion Expenses	9008484	6265373

**SCHEDULES forming part of the accounts**

	Year ended 31-03-2011	Year ended 31-03-2010
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SCHEDULE - 18 (contd.)

Commission	5649811	4607008
Discount	9483699	2159812
Local Taxes	-	46686
Loss on Hedging	1082976	-
Loss on Sale of Fixed Assets	542788	6979313
Foreign Exchange Fluctuation (net)	(4238767)	3255367
Irrecoverable Debts/Advances Written Off (net)	2872785	7369294
Charity and Donations	8354362	6736628
Item Pertaining to Previous Year	902736	1811645
Miscellaneous Expenses	24939839	16585735
Auditors' Remuneration		
As Audit Fees	110000	100000
As Tax Audit Fees	20000	10000
In other capacity, in respect of		
Company Law Matters	11000	7000
Other matters	77000	46000
	<u>168299179</u>	<u>163000</u>
		<u>170356988</u>

SCHEDULE - 19

FINANCE CHARGES		
On Fixed Loans	77712450	28932031
Other Interest (net)	117414746	70202801
	<u>195127196</u>	<u>99134832</u>

SCHEDULE - 20

DEPRECIATION		
On Fixed Assets	65968405	32218264
Less Transferred from Revaluation reserve	241237	241237
(Refer Note No. 5 on Schedule 21)	<u>65727168</u>	<u>31977027</u>

**Schedule 21**

Notes to Accounts

1. Significant Accounting Policies:

A) ACCOUNTING POLICIES

The accounts are prepared in accordance with accounting principles generally accepted in India and as per provisions of the Companies Act, 1956.

B) REVENUErecognition

- (i) All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise are accounted for on mercantile basis.
- (ii) Revenue from project-related activity is recognised as follows:
 - (a) Cost-plus contracts: Contract revenue is determined by adding the aggregate cost plus proportionate margin as agreed with the customer;
 - (b) Fixed price contracts: Contract revenue is recognised by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost-incurred-to-date to the total estimated contract cost.
 - (c) Cost and earnings in excess of billings are classified as unbilled revenue while billing in excess of cost and earnings is classified as unearned revenue.
 - (d) Full provision is made for any loss in the year in which it is foreseen.
- (iii) Revenue in respect of claims of insurance is recognized only when it is reasonably ascertained that the ultimate collection will be made.

C) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the result of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates

D) FIXED ASSET

Fixed assets are stated at original cost or revalued amount, as the case may be, less accumulated depreciation, accumulated amortization and cumulative impairment, if any.

Cost comprises of cost of acquisition or construction inclusive of duties (net of tax/cenvat/duties credits availed), incidental expenses and erection/commissioning expenses incurred up to the date asset is put to use. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of fixed assets or bringing the fixed assets to working condition are allocated and capitalized as a part of cost of fixed assets.

Own manufactured assets are capitalized at cost including an appropriate share of overheads.

**E) DEPRECIATION/AMORTIZATION**

- (i) Depreciation on Fixed Assets is provided for on straight line method in the manner and at the rates specified in schedule XIV of the Companies Act, 1956.
- (ii) Intangible assets, comprising of computer software, are amortized over a period of five years.

F) IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The impairment loss recognized in the prior accounting periods is reversed if there has been change in the estimate of recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

G) INVESTMENTS

Investments are stated at cost. A provision for diminution in the value of Long Term Investments is made only if such decline is other than temporary in the opinion of the management.

H) INVENTORIES

- (i) Raw Material, store and spare parts are valued at lower of cost or net realizable value; Cost is ascertained as per First in First out method and includes incidental expenses. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will consumed are expected to be sold at above cost.
- (ii) Work in process is valued at lower of cost or net realizable value.
- (iii) Finished goods are valued at lower of cost or net realizable value.
- (iv) Scrap and wastage valued at net realizable value.

I) BORROWING COSTS

Borrowing costs incurred in relation to the acquisition of assets are capitalised as part of the cost of such assets up to the date of such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which such are incurred.

J) GOVERNMENT GRANTS

- (i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.
- (ii) Grants directly related to fixed assets are shown as deduction from the gross value of the fixed assets and those of capital nature are credited to Capital Reserve.
- (iii) Other Government grants are credited to the Profit and Loss Account or deducted from the related expenses.

K) TAXATION

Current tax is determined on the basis of the amount of income tax payable under the Income Tax Act, 1961. Deferred tax is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

**L) FOREIGN CURRENCIES**

Foreign currency transactions are recorded on initial recognition in Indian Rupees, using the exchange rate at the date of transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Company's monetary items at the closing rate are:

- (i) adjusted in the cost of fixed assets specifically financed by the borrowings to which the exchange differences relate.
- (ii) recognized as income or expense in the period in which they arise in other cases.

M) FIXED ASSETS ACQUIRED UNDER LEASE**(i) Finance Lease**

Assets required under lease agreements which effectively transfer to the Company substantially all the risk and benefits incidental to ownership of leased items, are capitalized at the lower of fair value and present value of minimum lease payment at the inception of lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of their liability. Finance charges are charged directly to the expenses account.

(ii) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the lease assets are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account.

N) RETIREMENT AND OTHER EMPLOYMENT BENEFITS

- (i) Short term employee benefits which are wholly due within 12 months of rendering the service are recognized in the period in which the employee rendered the related services.
- (ii) The Company has defined contribution plans for employees comprising of Government administered Employees State Insurance and Pension Plans. The contributions are charged to the Profit and Loss Account as they fall due.
- (iii) Gratuity liability is a defined benefit obligation. The Company makes contribution to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on actuarial valuation conducted annually using the projected unit credit method, as adjusted for unrecognized past service cost, if any, and as reduced by the fair value of plan assets, is recognized in the accounts. Actuarial gains or losses are recognized in full in the Profit and Loss Account for the period in which they occur.
- (iv) Short term compensated advances are provided for on estimates. The Company has no Scheme for long term compensated advances.

O) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and there will be outflow of resources. Contingent Liabilities are not provided for in accounts and amounts of material nature are disclosed by way of notes. Contingent assets are neither recognised nor disclosed in the financial statements.

2. The name of the Company has been changed from Skipper Steels Limited to Skipper Limited with effect from 7th September, 2009.



3. Contingent liabilities not provided in respect of:

Amount in ₹

	Particulars	31.03.2011	31.03.2010
a)	Claims against the Company not acknowledged as debt Disputed tax/duties	4,51,15,597	5,73,25,830
b)	Bills Discounted	31,67,88,201	13,16,54,634
c)	Bank Guarantee issued by Banks	1,31,75,23,098	1,08,08,47,568
d)	Unexpired Letters of Credit	77,52,36,044	5,17,727

Notes:

- (i) The Company does not expect any reimbursements in respect of the above contingent liabilities.
- (ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) pending resolution of the appellate proceedings.
- (iii) In respect of matters at (b), the cash outflows, if any, could occur on default by the parties whose bills have been discounted by the bank.
- (iv) In respect of matters at (c) and (d), the cash outflows, if any, could generally occur at any time during the subsistence of the liability to which the guarantees or letters of credit relate.
- 4. Estimated amount of contracts pending execution on capital account (net of advances) and not provided for is ₹ 2,33,17,766 (Previous year ₹ 1,78,99,852).
- 5. The Gross Block of Fixed Assets includes ₹ 4,35,20,129 (Previous year ₹ 4,35,20,129) on account of revaluation of Fixed Assets carried out in the past. Consequent to the said revaluation there is an additional charge of depreciation of ₹ 2,41,237 (Previous Year ₹ 2,41,237) and an equivalent amount, has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account.
- 6. Expenditure on account of premium on forward exchange contracts to be recognized in the profit and loss account of subsequent accounting period aggregates to ₹ 25,36,478 (Previous Year ₹ 66,99,598).
- 7. The Company is accounting for transactions in foreign currency as per Accounting Standard-11- Effects of changes in foreign exchange rates and shall not exercise the option of deferment of exchange fluctuation on long term liabilities granted by Companies (Accounting Standard) Amendment Rules, 2009 issued by the Ministry of Corporate Affairs on 31st March, 2009.
- 8. In the opinion of the management, no impairment loss is required to be charged to Profit and Loss Account at the end of the financial year.
- 9. Balances of certain debtors and creditors are subject to confirmation and reconciliation. In the opinion of the management, current assets, loan and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- 10. The Company had issued 25,00,000 (Previous year Nil) Redeemable Non-cumulative Preference Shares of ₹ 100 each aggregating to ₹ 25,00,00,000 (Previous Year ₹ Nil) during the year, which are redeemable after twelve years from the date of allotment and 4,00,000(Previous year nil) Redeemable Non-cumulative Preference Shares of ₹ 100 each aggregating to ₹ 4,00,00,000(Previous year ₹ Nil) redeemable after thirteen years from the date of allotment. 8% dividend will be paid to all the Preference shareholders subject to availability of distributable profits. The proceeds from the issue had been utilized towards acquisition of capital assets for the new projects and towards repayment of liabilities incurred for the said projects.
- 11. The information regarding amounts due to creditors registered under the Micro, Small and Medium Enterprises Development Act, 2006, has been given to the extent available with the Company. The required disclosures of outstanding dues of micro enterprises and small enterprises are as under:



Amount in ₹

Particulars	2010-2011	2009-2010
Principal amount remaining unpaid as at 31st March	12,32,276	4,03,088
Interest amount remaining unpaid as at 31st March	Nil	Nil
Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
Interest accrued and remaining unpaid as at 31st March	Nil	Nil
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

12. Fixed monthly remuneration has been paid to directors in terms of provisions under Schedule XIII of the Companies Act, 1956. Fixed monthly remuneration has also been paid to Non-Executive Chairman of the Company under section 309(4) of the Companies Act, 1956. Computation of net profits in accordance with Section 198 read with Section 309(5) of the Companies Act, 1956:

Amount in ₹

Particulars	2010-2011	2009-2010
Profit Before Taxation	25,27,29,731	20,60,44,994
Add: Depreciation as per accounts	6,57,27,168	3,19,77,027
Managerial Remuneration	1,42,50,000	86,72,018
Remuneration to Non-Executive Chairman	6,00,000	1,06,451
Loss on sale of Fixed Assets	5,42,788	69,79,313
	33,38,49,687	25,37,79,803
Less: Depreciation as per Section 350 of the Companies Act, 1956	6,57,27,168	3,19,77,027
Profit on Sale of Investment	1,92,14,800	-
Net Profit for the year	24,89,07,719	22,18,02,776
Managerial remuneration as a percentage of Net Profit	5.73	3.91
Remuneration to Non-Executive Chairman as a percentage of Net Profit	0.24	0.05
Sitting Fees to Directors	90,000	1,60,000



13. Disclosures pursuant to Accounting Standard-7 "Construction Contracts" notified in the Companies (Accounting Standards) Rules 2006, are given below:

Particulars	Amount in ₹	
	31.03.2011	31.03.2010
a) Contract revenue recognized for the year	6,22,18,985	4,41,72,805
b) Aggregate amount of contract costs incurred and recognized profits (less recognized losses)	3,98,50,590	3,98,50,590
c) Amount of customer advances outstanding for contracts in progress as at March 31	Nil	Nil
d) Retention amounts due from customers for contracts in progress as at March 31	Nil	Nil
e) Unbilled revenues included under advances	2,76,05,749	1,28,61,836
f) Unearned revenue included under sundry creditors	Nil	Nil

14. The disclosures required under Accounting Standard 15 "Employees Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under:

Contribution to Provident and other funds	Amount in ₹	
	2010-2011	2009-2010
Employer's Contribution to Provident Fund	4,48,364	3,83,029
Employer's Contribution to Pension Scheme	10,17,034	8,69,125
Employees Deposit Linked Insurance	61,064	52,174
Workmen and Staff Welfare Fund		
Employees State Insurance Corporation	7,69,816	5,29,204
Labour Welfare Fund	4,314	34,029
Total	23,00,592	18,67,561

Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



Amount in ₹

Particulars	Gratuity (Funded)	
	2010-2011	2009-2010
a. Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined Benefit obligation at beginning of the year	22,21,703	18,47,153
Current Service Cost	2,83,641	2,97,511
Interest Cost	1,77,736	1,47,772
Actuarial (gain)/loss	3,48,636	(70,433)
Benefits paid	Nil	Nil
Defined Benefit obligation at year end	30,31,716	22,22,003
b. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year -	27,82,811	17,17,105
Expected return on plan assets	2,50,453	1,79,961
Actuarial gain/(loss)	Nil	Nil
Employer contribution	6,20,072	8,85,745
Benefits Paid	Nil	Nil
Fair value of plan assets at year end	36,53,336	27,82,811
Actual return on plan assets	2,50,453	1,79,961
c. Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at 31st March	36,53,336	27,82,811
Present value of obligation as at 31st March	30,31,716	22,22,003
Net Asset/(liability) recognized in Balance Sheet	(6,21,620)	(5,60,808)
d. Expenses recognized during the year		
Current Service Cost	2,83,641	2,97,511
Interest Cost	1,77,736	1,47,772
Expected return on plan assets	(2,50,453)	(1,79,961)
Actuarial (gain) / loss	3,48,636	(70,433)
Net Cost	5,59,560	1,94,889

Investment details

L.I.C. Group Gratuity (Cash Accumulation Policy)-% of invested funds	100	100
Actuarial assumptions		
Mortality Table (L.I.C.)	1994-96 (ultimate)	1994-96 (ultimate)
Discount rate (per annum)	8.00%	8.00%
Expected rate of return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	6.00%	6.00%



The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as given by the Life Insurance Corporation of India (LIC) and as per certain estimates made by the management, which has been accepted by the auditors.

15. The Company is setting up a PVC Pipe (Expansion), Producer Gas Plant (Coal Gasifire) and other Expansion Projects at Uluberia, West Bengal during the year. The expenditure incurred during the construction period has been debited to Capital Work-In-Progress and are being apportioned to the assets on the completion of the project. The necessary details such expenditure has been disclosed below:

Particulars	Amount in ₹	
	2010-2011	2009-2010
Opening Balance of expenditure pending allocation to fixed assets	4,57,37,235	3,05,69,974
Salary, Wages and Allowances	1,00,50,858	1,62,50,807
Carriage Inwards	6,050	Nil
Legal & Professional Expenses	1,75,530	Nil
Power and Fuel	Nil	71,10,233
Crane Expenses	Nil	2,03,822
Insurance Charges	Nil	2,33,321
Legal & Consultancy Charges	Nil	41,71,354
Vehicle maintenance expenses	Nil	1,80,000
Rates and Taxes	Nil	2,31,750
Recruitment Expenses	97,541	13,10,223
Miscellaneous expenses	1,56,913	Nil
Fees for increase of Share Capital	12,50,000	Nil
Loan processing fees	Nil	25,26,492
Hire Purchase Charges	Nil	99,466
Interest On Loan	6,73,88,137	4,84,36,898
Total	12,48,62,264	11,13,24,340
Less : Capitalized/Allocated to fixed assets during the year	10,64,11,565	6,55,87,105
Closing Balance of expenditure pending allocation to fixed assets	1,84,50,699	4,57,37,235



16. The Company has recognized Deferred Tax Liability as per Accounting Standard-22 regarding 'Accounting for Taxes on Income'. The movement of major components of deferred tax provision/adjustment is:

Particulars	Balance as at 01.04.2010	Charge during the year	Balance as at 31.03.2011
Deferred tax liability			
Difference between book and tax depreciation	6,21,90,359	3,19,04,123	9,40,94,482

17. Leases

(a) Operating Lease

The Company has taken various residential/commercial premises under cancelable operating leases. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease agreements. These lease agreements are normally renewed on expiry.

Particulars	2010-2011	2009-2010
Lease payments for the year	18,83,911	25,04,426
Contingent rent recognized in Profit and Loss Account	Nil	Nil

(b) Finance Leases:

- (i) Assets acquired on finance lease mainly comprise vehicles. The leases have a primary period, which is fixed and non cancelable. There are no exceptional/restrictive covenants in the lease agreement:
- (ii) The minimum lease rentals as at 31st March, 2011 of minimum lease payments in respect of assets acquired under finance lease are as follows:

Particulars	Minimum Lease Payments	Present Value of minimum lease
Payable not later than 1 year	1,02,84,377	87,68,603
Payable later than 1 year and not later than 5 years	1,17,70,053	1,09,12,114
Payable later than 5 years	Nil	Nil
Total	2,20,54,430	1,96,80,717
Less: Future Finance Charges	23,73,713	
Present Value of minimum lease payments	1,96,80,717	

18. Earning per share

Particulars	2010-2011	2009-2010
Profit After Taxation as per Profit & Loss Account	17,64,96,641	13,56,38,360
Weighted Average number of Equity Shares	7,04,44,250	67,55,778
Face Value	1.00	10.00
Basic and Diluted Earning Per Share	2.51	20.08



SCHEDULES forming part of the accounts

19. List of related parties with whom the Company has entered into transactions during the year in the ordinary course of business

A Relationship

1) Key Management Personnel

Mr. Sajan Kumar Bansal
Mr. Sharan Bansal
Mr. Devesh Bansal
Mr. Siddharth Bansal

2) Parties where key management personnel along with their relatives have significant influence

Cement Manufacturing Company Limited
Megha Technical Engineers (P) Limited
Bansal TMT Steels Limited
Skipper Telelink Limited
Star Cement Meghalaya Limited
Ventex Trade Private Limited

3) Relatives of key management personnel

Sadhu Ram Bansal (father of Mr. Sajan Kumar Bansal)
Sumedha Bansal (wife of Mr. Sharan Bansal)
Rashmi Bansal (wife of Mr. Devesh Bansal)

B The following transactions were carried out with the related parties in the ordinary course of business

	Particulars	Amount in ₹					
		2010-2011 In relation to item			2009-2010 In relation to item		
		A(1)	A(2)	A(3)	A(1)	A(2)	A(3)
a)	Rendering or receiving of service (including remuneration)	14250000	-	1116420	7990968	-	945806
b)	Loan taken	440201000	150000000	-	27900000	50000000	-
c)	Loan taken refunded	318351000	150000000	-	24800000	50000000	-
d)	Advance taken	-	37343029	-	-	50000000	4650000
e)	Advance given	-	-	-	-	36243	-
f)	Advance given received back	-	-	-	-	2413446	-
g)	Advance taken refunded	-	41711450	-	-	42950000	400000
(h)	Rent given	60000	720000	120000	60000	755000	-
(i)	Sales and operations	-	27685964	-	-	4703777	-
(j)	Payable	202695000	5681579	7886420	22300000	7150000	8450000
(k)	Receivable	-	5581095	-	-	640834	-
(l)	Interest paid	-	3928779	-	-	1699726	-



SCHEDULES forming part of the accounts

20. Segment Information for the year ended 31st March, 2011

Primary segments (business segment)

Reportable Segments	31.03. 2011				31.03. 2010			
	Iron and steel products	Infrastructure Projects	PVC Products	Total	Iron and steel products	Infrastructure Projects	PVC Products	Total
Revenue								
External Sales/receipts	4763211347	62218985	199269669	5024700001	4004382320	44172805	41102527	4089657652
Total	472177942	25346716	30369390	5024700001				4089657652
Segment results								
Unallocated Corporate income/(expenses) (net of expense/income)				(96122655)				(11008103)
Operating Profit				431771393				298739978
Interest Expenses				195127196				103116042
Interest Income				16085534				10421058
Profit Before Tax				252729731				206044994
Less: Taxes				76233089				70406634
Profit After Tax				176496642				135638360
Segment Assets	4733648845	202991084	116408989	5053048918	3201022289	102022519	83923000	3386967808
Unallocated Assets				407404581				164777404
Total Assets				5460453499				3551745212
Segment Liabilities	323879074	47548882	803915	372231871	585149093	6834694	597257	592581044
Unallocated Liabilities				3610503840				1849121559
Total Liabilities				3982735711				2441702603
Capital Expenditure	741217104	91078	180794	741488976	796476728	91078	83275724	879843530
Unallocated Capital Expenditure				76399605				51068932
Total Capital Expenditure				817888581				930912462
Depreciation	49266131	794077	3124600	53184808	23094872	959077	1768326	25822275
Unallocated Depreciation				12542360				6154752
Total Depreciation				65727168				31977027

The business segment has been considered as primary segment.

- 1 The Company has identified the following business segments taking into account products or group of related products that is subject to risks and returns that are different from those of other business segments, the organisation structure and the financial reporting system
 - I) Iron & Steel products
 - II) Infrastructure Projects
 - III) PVC Products
- 2 There are no items to be reported under geographical segments, considered as secondary segment, as overseas customers do not constitute a Reportable Segment as per Accounting Standard (AS) 17 "Segment Reporting".
- 3 There are no inter-segment revenues.



SCHEDULES forming part of the accounts

21. Additional information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule VI of the Companies Act,1956
- a. Licensed Capacity, Installed Capacity and Production

	Unit	Year ended 31-03-2011	Year ended 31-03-2010
Installed Capacity			
M S/G I Pipes	M.T.	90000	78000
Structural Fabrication	M.T.	100000	60000
Pole/Highmast	M.T.	30000	30000
PVC Products	M.T.	5000	2500
Hot Rolled Products	M.T.	215000	-
Production			
M S/G I Pipes	M.T.	49838	43788
Structural Fabrication*	M.T.	38607	23331
Pole/Highmast	M.T.	357	5754
PVC Pipes	M.T.	3559	800
Hot Rolled Products	M.T.	36904	-

*includes 348.940 M.T. (Previous year 3192.320 M.T.) inter unit transfer of semi-finished fabrication items and 6344.430 M.T. (Previous year Nil) Fabricated M S Angle

Notes:

- Licensed Capacity is not applicable in view of the Company's products having been delicensed as per licensing policy of Government of India.
- Installed capacity is as certified by the management and accepted by auditors, being a technical matter.

b. Particulars of Sales, Purchases and Stock

	Year ended 31-03-2011			Year ended 31-03-2010	
	Unit	Quantity	Amount	Quantity	Amount
Opening Stock					
M S/G I Pipes	M.T.	1302	42036512	1274	43037253
Structural Fabrication	M.T.	1044	51149300	1618	80599885
Pole/Highmast	M.T.	222	10979491	42	1779010
PVC Pipes	M.T.	162	10083704	-	-
Total			114249007		125416148



SCHEDULES forming part of the accounts

	Year ended 31.03.2011			Year ended 31.03.2010	
	Unit	Quantity	Amount ₹	Quantity	Amount ₹
Sales & Operations*					
M S/G I Pipes	M.T.	37600	1746632027	33433	1280612469
Structural Fabrication	M.T.	38747	2175966853	23843	1417222041
Pole/Highmast	M.T.	357	12058207	5574	222666990
PVC Pipes	M.T.	3019	225606671	638	46454109
Hot Rolled Products	M.T.	16992	622787374	-	-
Billets/H R Strips/Angles/Bars	M.T.	35254	1247426945	51753	1889211434
Zinc	M.T.	44	5861734	92	10575715
Others			183129221		92768154
Total			<u>6219469032</u>		<u>4959510912</u>
*Sales includes the following inter unit sales (net of excise duty)					
M S/G I Pipes	M.T.	6306	227438108	9993	334128937
Structural Fabrication	M.T.	349	17447000	3201	153954912
PVC Pipes	M.T.		33829	-	-
Hot Rolled Products	M.T.	9733	326032494	-	-
Billets/H R Strips/Angles/bars	M.T.	3543	120190900	2470	69793151
Zinc	M.T.	44	5331662	92	9793834
Others			34573	-	-
Total			<u>696508566</u>		<u>567670834</u>
Captive consumption of finished goods					
M S/G I Pipes	M.T.	10344		10327	
Hot Rolled Products	M.T.	16158		-	
Structural Fabrication	M.T.	697		20	
Closing Stock					
M S/G I Pipes	M.T.	3196	114169400	1302	42036512
Structural Fabrication	M.T.	207	10571167	1044	51149300
Pole/Highmast	M.T.	222	9989626	222	10979491
PVC Pipes	M.T.	702	42831668	162	10083704
Hot Rolled Products	M.T.	3754	110145881	-	-
Total			<u>287707742</u>		<u>114249007</u>
c. Particulars of raw material consumed					
Iron and Steel Products*	M.T.	144703	3912837150	149162	3227537635
Zinc	M.T.	2404	270424142	1629	163013005
PVC Resin#	M.T.	3364	186152327	798	42341197
Others			42209904		47679705
Total			<u>4411623523</u>		<u>3480571542</u>

* includes material sold - 35230 M.T. valued at ₹ 1,11,15,28,795 (Previous year 51904 M.T. valued at ₹ 1,69,68,94,004)

includes material sold -24 M T. valued at ₹ 13,34,698(Previous year Nil)

Note: Shortage/excess (if any) on physical verification have been adjusted in the consumption shown above



SCHEDULES forming part of the accounts

- d. Consumption of Imported and Indigenous Raw Materials and Stores and Spare parts and the percentage of each to the value of consumption

	Year ended 31.03.2011		Year ended 31.03.2010	
	Amount Rs	% of total %	Amount ₹	% of total %
Raw Materials				
Indigenous	4245672584	96.24	3468859311	99.66
Imported	165950939	3.76	11712231	0.34
Total	4411623523	100.00	3480571542	100.00
Stores & Spare Parts				
Indigenous	60547054	100.00	51882825	100.00
Imported	-	-	-	-
Total	60547054	100.00	51882825	100.00
e. C.I.F. value of Imports (on payment basis)				
Raw Materials	585330181		8005579	
Capital Goods	29286538		15041266	
f. Expenditure in Foreign Currency				
Sales Promotion Expenses	473909		460046	
Travelling	2665839		2628321	
Subscription	198634		Nil	
Sponsorship Expenses	2557833		Nil	
Miscellaneous Expenses	303131		Nil	
Legal & Professional Expenses	55650		Nil	
Brokerage & Commission	738134		Nil	
g. Earnings in Foreign Currency				
FOB Value of exports	109834930		60398447	

22. Figures relating to previous year have been re-grouped and re-arranged, wherever necessary.

In terms of our report of even date annexed herewith

For PATANJALI & CO.
Firm Regn No.-308163E
Chartered Accountants

(PATANJALI SHARMA)
Partner
Membership No. 14993

Kolkata
Dated, the 30th day of May, 2011

For and on behalf of Board

SAJAN KUMAR BANSAL
Managing Director

DEVESH BANSAL
Director

ARBIND KUMAR JAIN
Company Secretary



Cash Flow Statement For The Year Ended 31st March, 2011

	31.03.2011 ₹	31.03.2010 ₹
A CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit before Tax and Extraordinary Items	252729731	206044994
Adjustment for:		
Depreciation	65727168	31977027
(Profit)/loss on Sale of Fixed Assets	542788	6979313
Profit on sale of investments	(19214800)	-
Interest Expenses	195127196	99134832
Interest Received	(16085534)	(6439848)
Dividend Received	(26814)	(310523)
Operating profit before Working Capital Changes	478799735	337385795
Adjustment for:		
Trade and other receivables	(377025027)	125183608
Inventories	(931465599)	(277078111)
Trade and other payables	(56899866)	(37708534)
Cash Generated from Operations	(886590757)	147782758
Adjustment for:		
Interest paid	(194835495)	(99351971)
Direct taxes paid	(42760532)	(42390555)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	A (1124186784)	6040232
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(681013462)	(1016384634)
Sale of Fixed Assets	342062	9583303
Sale of investment	21110650	-
Loan given	(315000000)	(87500000)
Loan given refunded	315000000	87,500,000
Interest Received	15843644	5675201
Dividend Received	26814	310523
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	B (643690292)	(1000815607)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of capital	290000000	150000000
Dividend paid including dividend distribution tax	(12321625)	(7364163)
Changes in Bank Borrowings (net)	1100608536	926807994
Proceeds from Borrowings	997506779	209950000
Repayment of Borrowings	(620205200)	(230020420)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	C 1755588490	1049373411
NET INCREASE/(DECREASE) IN CASH	A+B+C (12288586)	54598036
OPENING CASH & CASH EQUIVALENTS*	80937226	26339190
CLOSING CASH & CASH EQUIVALENTS*	68648640	80937226
	68648640	80937226

1. Cash and Cash Equivalents represent cash and bank balances as indicated in Schedule 9 to the Annual Accounts and include fixed deposit pledged as margin money.
2. The above Cash Flow Statement has been prepared under the Indirect method as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

For PATANJALI & CO.
Firm Regn No.-308163E
Chartered Accountants

(PATANJALI SHARMA)
Partner
Membership No. 14993

Kolkata
Dated, the 30th day of May, 2011

For and on behalf of Board

SAJAN KUMAR BANSAL
Managing Director

DEVESH BANSAL
Director

ARBIND KUMAR JAIN
Company Secretary



Balance Sheet Abstract and Company General Business Profile

I. Registration details			
CIN	L40104WB1981PLC033408		
State Code (Refer code list)		21	
Balance Sheet Date	31	March	2011
II. Capital raised during the year			
	Amount in Thousand		
Public Issue			₹
Rights Issue			Nil
Bonus Issue			Nil
Private Placement			Nil
			290000
III. Position of Mobilization and deployment of funds			
Total Liabilities			5137110
Total Assets			5137110
Sources of funds			
Paid up Capital			360444
Reserves & Surplus			1211368
Secured Loans			2672086
Unsecured Loans			799117
Deferred Tax Liability			94095
Application of funds			
Net Fixed Assets			2415857
Investments			7
Net Current Assets			2721246
Miscellaneous Expenditure			-
Accumulated Losses			-
IV. Performance of the Company			
Turnover (including other income)			5070843
Total Expenditure			4818113
Profit/loss Before Tax			252730
Profit/Loss After Tax			176497
Earning per Share in ₹			2.51
Dividend rate (%)			15
V. Generic name of three principal products/services of Company (as per monetary terms)			
Item Code No. (ITC Code)			7308.20
Product Description			Structural Fabrication
Item Code No. (ITC Code)			7306.20
Product Description			Black and Galvanised Pipes
Item Code No. (ITC Code)			7216.21
Product Description			M S Angle

For and on behalf of Board

SAJAN KUMAR BANSAL
Managing Director

DEVESH BANSAL
Director

ARBIND KUMAR JAIN
Company Secretary

Gypper



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