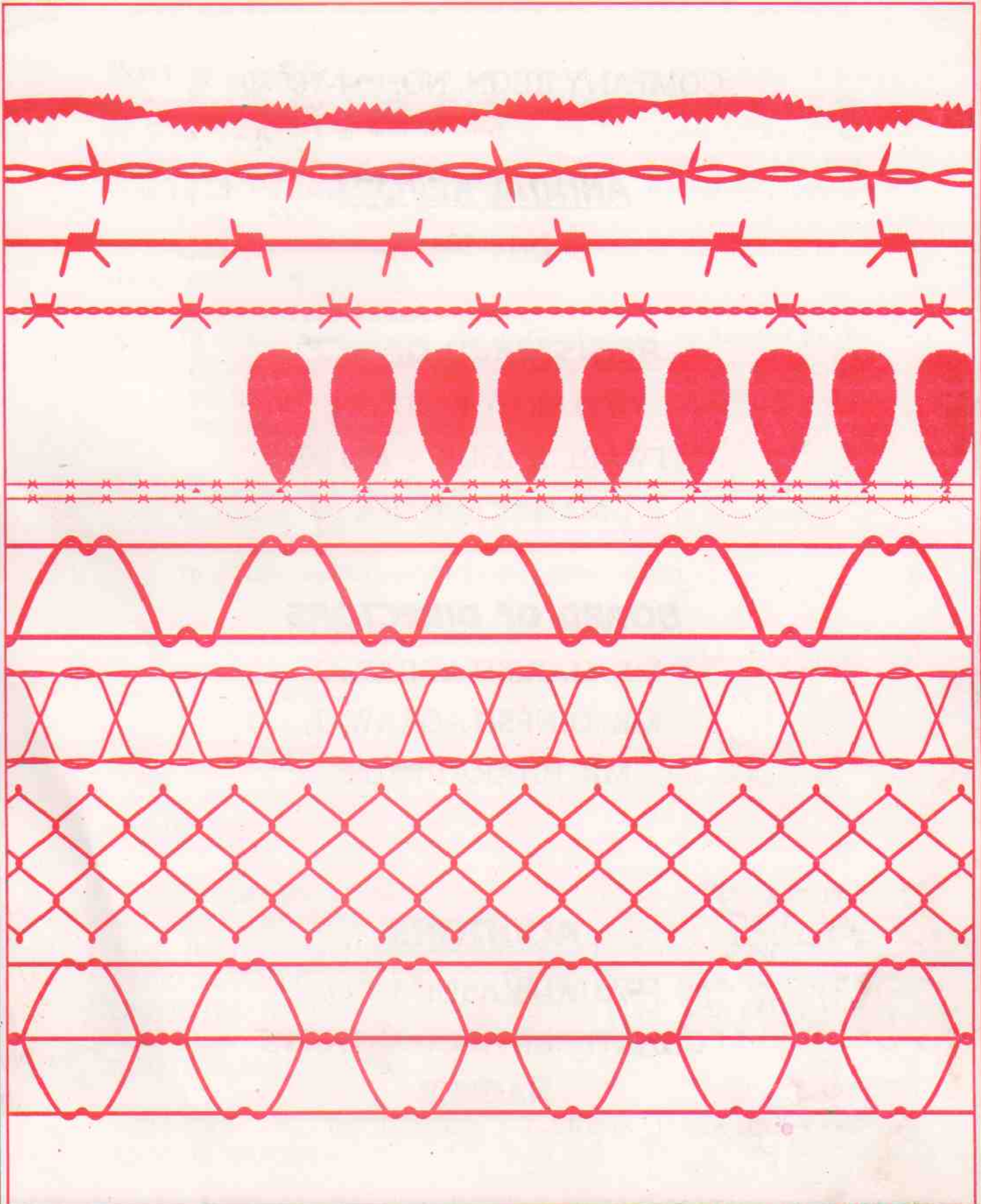




HARIYANA METALS LTD.



37th Annual Report 2010-2011



HARIYANA METALS LTD.



COMPANY REGN. NO. : 11-18080

ANNUAL REPORT

2010-2011

REGISTERED OFFICE

OLD MOTOR STAND,
ITWARI, NAGUR - 440 008
MAHARASHTRA

BOARD OF DIRECTORS

MR. HARISH AGRAWAL
MR. DINESH AGRAWAL
MR. BHARAT PATNI

AUDITORS

SAJJAD RASUL & CO.
CHARTERED ACCOUNTANTS
NAGPUR



HARIYANA METALS LTD.



NOTICE is hereby given that the Annual General Meeting of the Members of Hariyana Metals Limited will be held on Friday, the 30th day of September, 2011 at 11.00 A. M. at the Registered Office of the Company at Near Old Motor Stand, Itwari, Nagpur - 440 008, (Maharashtra) to transact the following business as an Ordinary Business:

To consider, pass following resolution with or without modification as an ordinary resolution

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date and Reports of the Auditors and Directors thereon including Secretarial Compliance Certificate.
2. To appoint a Director in place of Mr. Harish Agrawal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration

By order of the Board

Place : Nagpur

(Director)

Dated : 31st August, 2011

(Dinesh Agrawal)

NOTES

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAT 48 HOURS BEFORE THE MEETING, DULY STAMPED AND SIGNED.

MEMBERS ARE REQUESTED TO BRING THEIR COPY OF ANNUAL REPORT



HARIYANA METALS LTD.



REPORT OF BOARD OF DIRECTORS.

Dear Shareholders,

Your Directors have pleasure in presenting their Annual Report for the year ended 31st March 2011 along with the Audited Statement of Accounts with the Report of the Auditors thereon:

FINANCIAL RESULTS:

	POSITION FOR THE YEAR ENDED ON	
	31/03/2011	31/03/2010
INCOME		
GROSS RECEIPTS	185,068,564	248,184,582
LESS: EXPENDITURES		
INCREASE / DECREASE IN STOCK	21,244,659	45,210,236
RAW MATERIAL CONSUMED	121,845,167	144,061,737
EMPLOYEES COST	2,556,065	2,401,549
OPERATING EXPENSES	39,717,134	46,955,928
INTEREST PAID	3,967,053	11,899,543
DEPRECIATION	8,546,399	9,051,979
	<u>197,876,477</u>	<u>259,580,972</u>
PROFIT BEFORE TAX	(12,807,913)	(11,396,389)
PRIOR YEAR ADJUSTMENT	-	-
PROFIT AFTER TAX	(12,807,913)	(11,396,389)
INCOME TAX:	-	-
EARLIER YEAR	644,158	(157,080)
FBT	-	-
EARLIER YEAR	-	3,150
PROFIT/LOSS AFTER TAX	<u>(13,452,071)</u>	<u>(11,242,459)</u>
PROFIT/LOSS AFTER PROVISION	-	-
ADD/LESS : LOSS BROUGHT FORWARD	20,792,641	32,035,100
	<u>7,340,570</u>	<u>20,792,641</u>

DIVIDEND:

During the year under review, your Directors do not recommend payment of any dividend.

DIRECTOR:

During the year under review, there has been no change in the composition of the Board of Directors of the Company.



HARIYANA METALS LTD.



DIRECTORS RESPONSIBILITY STATEMENT FORMING PART OF DIRECTORS REPORT:

As required under Section 217(2AA) Director's confirm that

- 1 In the preparation of the annual accounts, the applicable accounting standard has been followed.
- 2 The Directors had selected such accounting policies and applied them consistently and made judgments and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of Company as on 31st march 2011 and of the profit or loss of the company for the year ended 31st march 2011.
- 3 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.
- 4 The directors have prepared the annual accounts on a going concern basis.

AUDITORS REPORT:

The notes to the accounts are self - explanatory to the comments made by the Auditors in their Report.

AUDITORS:

M/S Sajjad Rasul & Co., Chartered Accountants, the Auditors of the company, who retire at this Annual General Meeting, being eligible are willing for reappointment. They have given information to the effect that their appointment, if made, will be within the limits prescribed under section 224(1B) of the Companies Act, 1956.

COMPLIANCE CERTIFICATE:

The Compliance Certificate, pursuant to section 383A of the Companies Act, 1956, has been obtained from practicing Company Secretary and forms part of this report.

PARTICULARS OF EMPLOYEES UNDER SECTION 217 OF COMPANIES ACT:

The particulars required under section 217 (2A) of the Companies Act 1956 read with the provisions contained in companies (Particulars of Employees) Rule 1975 as amended to date were not applicable to your Company.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

As regards disclosure of particulars relating to conservation of energy and foreign exchange and technology absorption, great emphasis has been given for reduction of energy consumption to reduce cost per unit of goods. The foreign exchange earnings and outgo are as mentioned in the reports of the auditors of the company

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their gratitude and appreciation to the Bankers of the Company and Govt. Departments for their co-operation and Valuable support. The Directors to thank all the employees of the company for their active participation and co-operation.

BY ORDER OF BOARD OF DIRECTORS

PLACE: NAGPUR

DATE: 31-08-2011

Sd/

DINESH AGARWAL
DIRECTOR

Sd/

HARISH AGARWAL
DIRECTOR



HARIYANA METALS LTD.



ANNEXURE TO THE REPORT OF THE DIRECTOR

CONSERVATION OF ENERGY :

The Company lays great emphasis on savings in the cost of energy consumption therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. Effective measures have been taken to minimize the loss of energy as far as possible.

Form 'A' : Disclosure of particulars with respect to Conservation of Energy

Particulars	31 st March 2011	31 st March 2010
Electricity Purchased	1367624	1940220
<u>Coal consumed :</u>		
Quantity	3800	4064
Total Cost	148.26	133.16
Average Rate (PMT)	3901	3277
Furnace Oil		
Other Internal Generation		
<u>Consumption per unit of Production :</u>		
Electricity	138	112

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT :

Production Department of the Company are always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its products. The technology used by the Company is updated as a continuous exercise. The Company does not have a separate Research and Development activity.

FOREIGN EXCHANGE EARNINGS / OUTGO :

The relevant details in respect of earnings in foreign exchanger and outgo in foreign currency are Nil

For and on behalf of the Board

Place : Nagpur

Dated 31st August, 2011

DIRECTOR
(Harish Agrawal)

DIRECTOR
(Dinesh AGrawal)



HARIYANA METALS LTD.



AUDITORS' REPORT

To

The Shareholders,
Hariyana Metals Limited,
NAGPUR.

We have audited the attached Balance Sheet of Hariyana Metals Limited, Nagpur, as at 31st March, 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto, and report that :-

1) As required by the Manufacturing and other Companies (Auditor's Report Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on matters specified in paragraph 4 and 5 of the said order.

2) As per the information and explanations given to us, none of the Directors of the company are disqualified from being appointed as director under clause (g) of sub-section(1) of section 274 of the Companies Act, 1956 (as amended).

3) Attention is invited to the following :

- a) Non provision of gratuity liability (Note No. 11 of Schedule 'P')

---: 2 :---



HARIYANA METALS LTD.



---: 2 :---

- b) Sundry debtors [Exceeding 6 months] of Rs. 82.61 lacs are unsecured and also considered good for recovery by the management. In our opinion, inter-alia considering that the recovery is overdue, the same are doubtful of recovery and should have been provided for. No provision for the same has been made during the year by the management. [Note No. 12 of Schedule 'P'].
- c) Advances and debit balances included under loans and Advances are unsecured and also considered good, for recovery by the management. In our opinion, inter-alia considering that the recovery is over due, the same are doubtful of recovery and should have been provided for. No provision for the same has been made during the year by the management. [Note No. 13 of Schedule 'P']
- e) Balances of Sundry debtors, Creditors, loans and advances and deposits are subject to confirmation. [reconciliation and consequential adjustments, if any [Note No. 15 of Schedule 'P'].
- f) Receipts of advance as share application money – [Note No.13 of Schedule 'P']

---: 3 :---



HARIYANA METALS LTD.



---: 3 :---

4) In our opinion subject to our comments to our Paragraph 3(a) above regarding non provision of gratuity liability in view of AS-15 "Accounting for Retirement Benefits", [Note No. 11 of Schedule 'P'] the Profit & Loss Account and the Balance-Sheet comply the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.

5) Subject to our comments in paras 3 & 4, above and paragraph 1,3,4,5, 15 and 20 of annexure to Auditors Report, we report that :-

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
- b) In our opinion, subject to our remarks in paragraphs 3[b], 3[c] and 4 above, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- c) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of account.

---: 4 :---



HARIYANA METALS LTD.



---: 4 :---

c) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and notes appearing in the Schedule 'P' and elsewhere in the accounts, give the information required by the Act, in the manner so required, and give true and fair view in conformity with the accounting principles generally accepted in India.

- i. In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011.
- ii. In the case of the Profit and Loss Account of the Profit for the year ended on 31st March, 2011.
- iii. In the case of the cash flow statement of cash flow for the year ended on that date.

FOR SAJJAD RASUL & CO,
Chartered Accountants,

(SAJJAD RASUL)
Proprietor.



HARIYANA METALS LTD.



ANNEXURE TO AUDITORS' REPORT

[Referred to in Paragraph 1 thereof]

- [1] [i] The Company is maintaining proper records, showing full particulars, including quantitative details and situation of fixed assets.
- [ii] We are unable to comment regarding physical verification of fixed assets by the management as the necessary documents of physical verification were not made available.
- [iii] We are informed by the management that on physical verification, no material discrepancies were noticed between physical and book records.
- [2] None of the Fixed Assets of the company have been revalued during the year.
- [3] We are unable to comment regarding physical verifications of Finished Goods, Stores & Spares as the necessary documents of physical verification were not made available.
- [4] We are unable to comment on the procedures of physical verification of stocks as the necessary documents of physical verification were not made available.
- [5] i] The comparison could not be done between book records and balances as per physical verification of stocks, as necessary documents of physical verification were not made available.
- ii] We are informed by the management that on physical verification, no discrepancies were noticed between physical stocks and book records.
- iii] The stocks are as appearing in the books of accounts, excise and other records of the company.
- [6] In our opinion and on the basis of our examination of the valuation of stocks, such valuation is fair and proper, in accordance with the normally accepted accounting principles. The closing stock of finished goods has been valued at at cost or market price whichever is lower.

---: 2 :---

ANNEXURE TO AUDITORS REPORT

---:2:---

[7] In our opinion, the terms and conditions on which the unsecured interest free loans have been obtained from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are prima facie, not prejudicial to the interest of the company. As explained to us there is no company under the same management as defined under sub-section [1-B] of Section 370 of the Companies Act, 1956.

[8] According to the information and explanations given to us, the company has not granted any loan to the companies, firms or other parties listed in the register maintained u/s. 301 of the Companies Act, 1956. As explained to us, there is no company under the same management, as defined under sub-section (1-B) of section 370 of the companies Act, 1956.

[9] With regard to advances in the nature of Loans:-

In respect of interest free loans to employees, repayment of the loan is being generally recovered as stipulated except in few cases. Reasonable steps have been taken by the company for the recovery of such interest free advances.

[10] In our opinion and according to the information and explanations given to us, the control procedures are commensurate with the size of the company and the nature of its business [which need to be further strengthened and formalized] for the purchase of stores, raw material, including components, plant and machinery, equipments and other assets and for the sale of goods.

[11] In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangement entered in the register maintained u/s. 301 of the companies Act, 1956 and aggregating, during the year to Rs. 50,000/- or more in respect of each party have been made at prices for such goods, materials or services or the prices at which similar transactions have been made with other parties as the case may be.

---:3:---



HARIYANA METALS LTD.



---: 3 :---

- [12] As explained to us the company has determined unserviceable or damaged stores, raw materials and finished goods. The necessary provisions for the loss has been made in the accounts.
- [13] According to the information and explanations given to us, the company has not accepted deposits from public.
- [14] The company has no by-product. Arising of the end cutting and scrap which arise during the process is accounted for properly in the accounts.
- [15] The company has no internal audit system.
- [16] The maintenance of cost records have not been prescribed by the Central Government u/s. 209(1)(d) of the companies Act, 1956 for the products of the company.
- [17] As per the records of the company, the company has deposited Provident Fund and Employees' State Insurance dues with the appropriate authorities during the year.
- [18] According to the information and explanations given to us, during the year, no undisputed amount payable, in respect of Wealth Tax, Sales Tax, Customs Duty, Excise Duty, which were outstanding as at 31st March, 2011, .
- [19] According to the information and explanations given to us and the records of the company examined by us, no personal expenses have been charged to revenue account other than those payable under contractual obligations or in accordance with the generally accepted business practices.

---: 4 :---



HARIYANA METALS LTD.



---: 4 :---

- [20] In our opinion, there is a reasonable system of authorization at proper levels with necessary control on issue of stocks. But in respect of allocation of such stocks, stores and labour to jobs, there is no such system, because the same was neither necessary nor practicable.
- [21] The company deals in Iron and Steel goods and there is no question of any damage to the goods purchased for resale.
- [22] Shares and Securities held by the company as investments are in its own name.

FOR SAJJAD RASUL & CO.,
CHARTERED ACCOUNTANTS

(SAJJAD RASUL)
(Proprietor)

Nagpur Dated the :
31st August, 2011



HARIYANA METALS LTD.



BALANCE SHEET

AS AT 31ST MARCH, 2011

SCHEDULE		2011	2010
SOURCES OF FUNDS :			
I. SHARE HOLDERS' FUND :			
Share Capital	"A"	5,800,500	5,800,500
Reserves & Surplus	"B"	18,253,876	31,705,947
Advance Against Share Application Money	"C"	7,205,000	8,655,000
		<u>Rs. 31,259,376</u>	<u>46,161,447</u>
II LOAN FUNDS			
Secured Loans	"D"	9,546,574	4,416,825
Unsecured loan	"E"	7,111,733	11,824,299
		<u>Rs. 16,658,307</u>	<u>16,241,124</u>
	(I+II)	<u>Rs. 47,917,683</u>	<u>62,402,571</u>
APPLICATION OF FUNDS :			
I. FIXED ASSETS :			
Gross Block	"F"	124,378,987	117,698,165
Less : Depreciation		94,078,799	85,532,400
Net Block		<u>Rs. 30,300,188</u>	<u>32,165,765</u>
II. INVESTMENTS :			
	"G"	1,401,952	1,540,000
		<u>Rs. 1,401,952</u>	<u>1,540,000</u>
III. CURRENT ASSETS, LOANS & ADVANCES :			
	"H"	49,823,995	88,731,088
LESS : CURRENT LIABILITIES AND PROVISIONS :			
	"I"	33,608,452	60,034,282
NET CURRENT ASSETS :		<u>Rs. 16,215,542</u>	<u>28,696,806</u>
	(I TO III)	<u>Rs. 47,917,683</u>	<u>62,402,571</u>

ACCOUNTING POLICIES, CONTINGENT LIABILITIES & NOTES TO THE ACCOUNTS : "P"

Schedule "A" to "I" & "P" referred to above form an integral part of the Balance Sheet

As per our report of even date
For Sajjad Rasul & Co.
Chartered Accountants

For & On Behalf of the Board of Directors

Name (SAJJAD RASUL) (Proprietor) (M.No. 108933)	Director	Director
Address 85-A Sadiquabad, Mankapur NAGPUR- 440029		

NAGPUR dated the
31st August, 2011



HARIYANA METALS LTD.



PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED ON 31ST MARCH 2011

SCHEDULE	2011	2010
INCOME :		
Sales	169,486,752	217,190,046
Less : Excise Duty	13,262,893	11,059,497
	<u>156,223,859</u>	<u>206,130,549</u>
Other Income	28,844,705	42,054,033
Closing Stock	3,420,856	24,665,515
	<u>Rs. 188,489,420</u>	<u>272,850,098</u>
EXPENDITURE :		
Opening Stock	24,665,515	69,875,751
Raw Material Consumed	121,845,167	144,061,737
Employees' Cost	2,556,065	2,401,549
Operating Expenses	39,717,134	46,955,928
Interest Paid	3,967,053	11,899,543
Depreciation	8,546,399	9,051,979
	<u>Rs. 201,297,333</u>	<u>284,246,487</u>

ACCOUNTING POLICIES, COMMITMENT LIABILITIES & NOTES TO THE ACCOUNTS

Schedule 'A' to 'F' referred to above form an integral part of the Balance Sheet

As per our report of even date for Bafed Iron & Co. Chartered Accountants

For & On Behalf of the Board of Directors

Director

---2---

Home (BAGLAD BAHU) (Proprietor) (M. No. 10808) Address 22-A Sakinagar, Mangapur KAPUR-640029

KAPUR dated the 31st August 2011



HARIYANA METALS LTD.



---2---

PROFIT (LOSS) Before Tax :	(12,807,913)	(11,396,389)
LESS : Provision For Taxation :		
Income Tax		
Current Year		
Earlier Years	644,158	(157,080)
Fringe Benefit Tax		
Current Year	-	3,150
Earlier Years	-	-
PROFIT (LOSS) After Tax :	(13,452,071)	(11,242,459)
ADD/LESS : Balance brought forward from Last Year	20,792,641	32,035,100
Profit CARRIED OVER TO BALANCE SHEET: Rs.	7,340,570	20,792,641

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES TO THE ACCOUNTS : "P"

Schedule "F" and "J" to "P" referred to above form an integral part of the Profit & Loss Account

As per our report of even date

**For Sajjad Rasul & Co.
Chartered Accountants**

For & On Behalf of the Board of Directors

**Name (SAJJAD RASUL)
(Proprietor)
(M.No. 108933)**

Director

Director

**Address : 85-A Sadiquabad, Mankapur
NAGPUR- 440029**

**NAGPUR dated the
31st August, 2011**



HARIYANA METALS LTD.



SCHEDULE FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

AS AT 31ST MARCH, 2011
2011 2010

SCHEDULE 'A' :

SHARE CAPITAL

Authorised Share Capital :

30,00,000 Equity Shares of Rs.10/- each

30,000,000

30,000,000

Issued, Subscribed and Paid Up :

5,80,500 Equity Shares of Rs.10/- each
fully Paid Up in Cash

5,805,000

5,805,000

Less : Allotment Money Due from others

4,500

4,500

Rs.

5,800,500

5,800,500

SCHEDULE 'B' :

a) RESERVES & SURPLUS :

Special Capital Incentive :
As per last Balance Sheet

2,070,500

2,070,500

b) Capital Reserve:

Remission on settlement With Banker
Principal of Loan

8,842,806

8,842,806

c) Surplus:

As per Profit & Loss Account

7,340,570

20,792,641

(a+b+c) Rs.

18,253,876

31,705,947

SCHEDULE 'C' :

ADVANCE AGAINST SHARE APPLICATION MONEY :

Pending Allotment

7,205,000

8,655,000

7,205,000

8,655,000

SCHEDULE 'D' :

SECURED LOANS :

Over Draft Against FDRSs

From Corporation Bank

4,332,211

4,416,825

From State Bank of Mysore

5,214,363

Rs.

9,546,574

4,416,825

SCHEDULE 'E' :

UNSECURED LOANS AND ADVANCES :

Interest Free Loans :

From Director

132,523

3,162,808

132,523

3,162,808

Sales Tax Defferal

(Under Package Scheme of Incentives of 1988
of Government of Maharashtra Refer
Note 17 of Schedule 'P')

6,979,210

8,661,491

6,979,210

8,661,491

Rs.

7,111,733

11,824,299

--- 2 : ---



HARIYANA METALS LTD.



SCHEDULE 'I'

STATEMENT OF FIXED ASSETS AS AT 31ST MARCH 2011

Assets	Gross Block on Opening Day	Additions during the year	Sales Or Adjustment	Gross Block On Closing Date	DEPRECIATION				Net Block as on Closing Date	Previous Year
					Upto last Year	Adjustment	For the Year	Total Upto Closing Date		
1. LAND (LEASE HOLD)	359,840	-	-	359,840	-	-	-	-	359,840	359,840
2. BUILDING & SHED	12,372,760	-	-	12,372,760	6,743,741	-	26,228	6,769,969	5,602,791	5,629,019
3. PLANT & MACHINERY (INCLUDING ROLLS)	103,345,608	6,614,081	-	109,959,689	77,490,644	-	8,472,118	85,962,762	23,996,927	25,854,964
4. VEHICLES	285,598	-	-	285,598	271,319	-	-	271,319	14,279	14,279
5. FURNITURE, FIXTURES & OFFICE EQUIPMENTS	1,334,360	66,740	-	1,401,100	1,026,696	-	48,053	1,074,749	326,351	307,664
Total	Rs. 117,698,166	6,680,821	-	124,378,987	85,532,400	-	8,546,399	94,078,799	30,300,188	32,165,766
Previous Year	117,520,750	177,416	-	117,698,166	76,480,421	-	9,051,979	85,532,400	32,165,766	35,142,487

--:3:--



HARIYANA METALS LTD.



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2011

2010

SCHEDULE 'G' :

INVESTMENTS (AT COST)

TRADE INVESTMENTS :

I. UNQUOTED (Fully Paid) :

1500	Equity Shares of Rs.100/- each of Shree Gopal Finance (P) Ltd.	38,597	38,597
20002	Equity Shares of Rs. 50/- each of N.N.S.B.Ltd	1,000,100	1,000,100
45000	Equity Shares of Rs. 10/- each of Upkar Investment Ltd.	-	138,048
47350	Equity Shares of Rs. 10 each of Ranken Bonds & Holding Ltd.	133,445	133,445
70000	Equity Shares of Rs. 10/- each of Prabhu Steel Industries Limited.	218410	218410

Rs.	<u>1,390,552</u>	<u>1,528,600</u>
-----	------------------	------------------

II. QUOTED :

500	Sharda Ispat Limited Equity Shares of Rs. 10/- each (Fully Paid)	10000	10000
200	Gammon India Limited Equity Shares of Rs. 2/- each (Fully Paid)	1,400	1,400

Rs.	<u>11,400</u>	<u>11,400</u>
-----	---------------	---------------

Total(I+II)	<u>Rs. 1,401,952</u>	<u>1,540,000</u>
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NOTES :

1) Aggregate of Quoted Investment :

At Cost	11,400	11,400
At Market Value	53,000	53,000

2) Aggregate of Unquoted Investment :

At Cost	1,390,552	1,528,600
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HARIYANA METALS LTD.



--- 4 :---

2011

2010

SCHEDULE 'H' :

CURRENT ASSETS, LOANS AND ADVANCES :

(A) CURRENT ASSETS :

I. Inventory :

(As taken, valued & Certified by the Directors)

Stores & Spares

161,357

7,317,842

Finished Goods (Mfg.)

3,420,856

24,665,515

Raw Material

-

1,539,958

(I)

Rs.

3,582,213

33,523,315

II. Sundry Debtors :

(Unsecured but Considered Goods)

Exceeding six months

8,260,983

7,469,233

Others

11,081,623

12,327,066

(II)

Rs.

19,342,606

19,796,299

III. Cash and Bank Balances :

Cash In Hand

660,025

1,598,384

With Scheduled Bank in Current Accounts

141,218

1,691,126

With Scheduled Bank in FDRs

12,039,150

6,882,305

(III)

Rs.

12,840,393

10,171,815

A(I+II+III)

Rs.

35,765,212

63,491,428

(B) LOANS AND ADVANCES (Unsecured) :

I. Advances (Unsecured) :

Recoverable in Cash or in kind for value to be received or pending adjustment.

13,028,214

23,470,600

(I)

Rs.

13,028,214

23,470,600

II. Deposits :

E.M.D., S.D. etc.

1,030,569

1,769,060

(II)

Rs.

1,030,569

1,769,060

B(I+II)

Rs.

14,058,783

25,239,660

(A+B)

Rs.

49,823,995

88,731,088

SCHEDULE 'I' :

CURRENT LIABILITIES & PROVISIONS :

(A) CURRENT LIABILITIES :

Sundry Creditors

Goods Supplied

6,714,761

51,993,727

Others

26,838,919

7,899,056

Deposits Received

42,487

141,499

Nagpur Nagrik Sahakari Bank Ltd.

12,285

-

(Due to Reconciliation)

Rs.

33,608,452

60,034,282

(B) PROVISIONS :

Income Tax

Rs.

-

-

(A+B)

Rs.

33,608,452

60,034,282

--- 5 :---



HARIYANA METALS LTD.



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2011

2010

SCHEDULE 'J' :

SALES :

Iron and Steel	161,713,580	206,864,677
End Cutting	4,903,724	9,961,120
Raw Material	2,869,448	364,250
Rs.	<u>169,486,752</u>	<u>217,190,045</u>

SCHEDULE 'K' :

OTHER INCOME :

Conversion Charges Received (TDSRs. 419429/- Previous Year Rs.652869/-)	14,052,827	32,990,441
Interest Received (TDS Rs.105692/- Previous Year Rs.87245/-)	8,634,270	1,077,820
Jobwork Charges Received(TDS Rs.115782/- Previous Year Rs.159466)	5,783,745	7,456,794
Dividend Received	69,126	120
Accounts Written Off (Net)	304,737	128,858
Profit on Sale of Shares	-	400,000
Rs.	<u>28,844,705</u>	<u>42,054,033</u>

SCHEDULE 'L' :

RAW MATERIAL CONSUMED :

Opening Stock	1,539,958	3,816,609
Add : Purchases & Expenses	120,305,209	141,785,086
	121,845,167	145,601,695
Less : Closing Stock	-	1,539,958
Rs.	<u>121,845,167</u>	<u>144,061,737</u>

SCHEDULE 'M' :

EMPLOYEES' COST :

Salary, Wages, Bonus & Allowances	2,406,314	2,190,685
Contribution to P.F. & Other Funds	103,602	149,692
Welfare Expenses	46,149	61,172
Rs.	<u>2,556,065</u>	<u>2,401,549</u>

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HARIYANA METALS LTD.



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2011

2010

SCHEDULE 'N' :**OPERATING EXPENSES :**

Goods Expenses		5,101,680	5,015,263
Stores & Spares Consumed		5,094,831	6,209,972
Finished Goods Transport (Net)		144,784	4,743,774
Rates & Taxes			
Excise Duty Others		21,733	139,279
Excise Duty Provision		319,445	2,303,308
Service Tax		27,852	121,557
Sales Tax Paid Earlier years		-	6,584
Others		34,888	17,979
Loan of Directors w/off earlier paid during the year		-	700,000
Provision For Sales Tax Deferral		753,073	978,150
Rent & Ground Rent		214,323	146,359
Administrative & Others Misc. Expenses		2,893,520	3,113,047
Investment Written off		138,048	-
Repair & Maintences to Crane/Tractor		4,680	8,507
Repair & Maintances			
Building & Shed	51,381		270,960
Plant & Machinery	279,097		14,247
Others	2,500	332,978	36,859
Power & Fuel		23,246,085	21,864,321
Remuneration to Directors		540,000	540,000
Perks to Directors		540,000	427,950
Bank Charges		86,089	135,413
Meeting Fees		1,200	900
Travelling Expenses		179,116	129,000
Brokerage on sales		13,809	-
Payment to Auditors :			
Other Services	9,000		12,500
Audit Fees	20,000	29,000	20,000
		Rs. 39,717,134	46,955,928

SCHEDULE 'O' :**INTEREST PAID**

Other Than Term Loan		3,967,053	11,899,543
		Rs. 3,967,053	11,899,543



HARIYANA METALS LTD.



2011

2010

SCHEDULE : P :

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES FORMING PART OF THE ACCOUNTS :

I. SIGNIFICANT ACCOUNTING POLICIES :

1) General :

(a) These accounts are prepared on historical cost basis and on the accounting principles of the going concern.

(b) Accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles.

2) The Method of Accounting :

The company maintains its accounts generally on accrual basis except other than those stated specifically.

3) Fixed Assets

i) Fixed Assets other than lease hold land are valued at cost less depreciation. Cost includes purchase price, freight cost, installation cost and finance cost.

ii) Lease-hold land is valued at Cost. The premium has not been written off, since the lease is for a long period.

11,89,543

11,89,543

11,89,543

11,89,543



HARIYANA METALS LTD.



--2--

2011

2010

4) Depreciation :

- a) The company provides depreciation on Building & Shed and Plant & Machinery including Rolls on straight line method in accordance with the provision of Section 205 (2) (b) of the Companies Act, 1956. The rates of depreciation on straight line method are followed as under :-
- i) Depreciation on assets installed upto 30.06.87 is provided at the rates of depreciation prevalent at the time of installation of assets as per clarification by the Ministry of Industry, Department of Company Affairs, vide its circular No. 1/86 dt. 21st May, 1986.
 - ii) Depreciation on assets installed after 30.06-1987 is provided as per the rates specified in Schedule XIV of the Companies Act, 1956.
 - iii) Depreciation on assets installed after 31.03-93 has been provided at the new rates as amended by the Notification No.GSR 756(E) dated 16.12.93 read with Circular No. 14 dated 20.10.93 issued by the Department of company Affairs.
- (b) Depreciation on assets except Building & Shed and Plant & Machinery including Rolls is provided on "written down value method" as per the provision of Section 205 (2) (a) read with Section 350 and Schedule XIV of the Companies Act, 1956.

5) Retirement Benefits :

i) Provident Fund :

The company has made the provision and payment of provident fund and also charged the same to Profit & Loss Account.

ii) Unavailed Leave :

Accounted for on cash basis.

iii) Gratuity :

The Liability of gratuity has not been provided as it is being accounted for on cash basis.

--3--



HARIYANA METALS LTD.



--3--

2011 : 2010

6) Investments :

Investments are long term and stated at cost.

7) Inventory Valuation :

Inventory valued at cost or net realisable value which is lower.

8) Modvat :

Modvat credit on Raw Material, Stores and capital goods has been accounted for on accrual basis.

II. CONTINGENT LIABILITIES :

9) Contingent Liabilities not provided for are in respect of :

a) Claims not acknowledged as debts

10) Liabilities of the Sales Tax have been taken as per returns submitted but is subject to final assessment and contingent liabilities on the above account, if any, can not be quantified except the taxes, interest and penalties under B.S.T. Act 1959 for the year ending 1993& 2001 for which necessary appeals have been filed.

821,379

66,850

III. NOTES :

11) Non-Provision of Liabilities :

Gratuity :

Liability in respect of Gratuity has not been provided for, as it is being accounted for on cash basis.

12) Sundry Debtors (Exceeding Six Months) are unsecured and also considered good for recovery. These amounts are overdue for recovery.

8,260,983

7,469,232

13) Advances Against Share Application Money :-

The company has received Advance against Share Application Money in terms of Board of Directors Resolution dated 22.2.1993 as shown in Schedule 'C'.

--4--



HARIYANA METALS LTD.



-4-

2011

2010

14) Sales Tax Deferral Payable :

The company is entitled to Defer its liability to pay sales tax for a period of ten years and liable to pay the same in five annual equal installments thereafter. The liability under the scheme as on 31-03-2011 is Rs. 77,76,563/- (Previous year 1,02,11,917/-) which is provided for on the basis of the Net Present value of such liability.

15) Letters of confirmation of balances have not been received from sundry creditors / debtors and persons to whom advances and deposits are given and from whom advances and deposits are received.

16) In the opinion of Board, Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business and provisions of all known liabilities are adequate and not in excess of amount reasonable, necessary.

17) The Name of Small Scale Industrial Undertakings to whom Rs. 1,00,000/- which is outstanding for more than 30 days are :

The above information and disclosure in schedule 'I' "Current Liabilities and Provisions" regarding Small Scale Industrial undertakings has been complied by the companies on the basis of details regarding the status of the party obtained from its suppliers. This has been relied upon by the auditors.

18) The figures of the previous year have been recast wherever necessary.

19) Plant Capacity : (M.T.)

a) Licensed Capacity :

Cob License

(Licence no longer required as per new industrial policy)

b) Installed Capacity :

As certified by the Management and accepted by the auditors being a technical matter.

54,200

54,200

-5-



HARIYANA METALS LTD.



--5--

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2010

20) Quantitative Details (M.T.):

The Quantitative details are as under :-

a) Raw Material Consumed :

In Production (Excluding Mis-Rolls consumed)	3,924	5,531
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In Sales

b) Finished Goods :

I) IRON AND STEEL :

Opening Stock	802	2,294
Closing Stock	83	802
Purchases	-	-
Production (Including out of Mis-Rolls Consumed)	3,522	4,698
Sales	4,241	6,159
Shortage	-	31

II) END CUTTINGS :

Opening Stock	10	4
Closing Stock	1	10
Arising / Production	203	543
Sales	212	537

III) NOTES :

1) Material converted on account of others	4,762	12,603
2) Total production in company's Plant	9,879	17,301

--6--



HARIYANA METALS LTD.



--6--

2011

2010

IV) Additional information as required under Part IV of Schedule VI of the companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

21) REGISTRATION DETAILS

State Code : 11

Registration No. : 11-18080
 Balance Sheet Date : 03/31/2011

22) CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

23) POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (Amount in Rs. Thousand)

Total Liabilities	47,918	Total Assets	47,918
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SOURCE OF FUNDS :

Paid-up Capital	5,800	Reserves & Surplus	18,254
Secured Loans	9,547	Unsecured Loans	7,112
		Share Application Money	7,205

APPLICATION OF FUNDS :

Net Fixed Assets	30,300	Investments	1,402
Net Current Assets	16,216	Misc. Expenditure	Nil
24) Turnover	198,331	Total Expenditure	211,139
Loss Before Tax	12,808	Loss After Tax	13,452
Earning Per Share in Rs.	0	Dividend	Nil

--7--



HARIYANA METALS LTD.



--7--

2011

2010

25) GENERIC NAMES OF PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY

(As Per Monetary Terms)

Item Code No. : (ITC Code)	Product Description
721600	Rolled Products - Section-Angle
721400	Rolled Products - Flats

Signature to Schedule "A" to "P"

For Sajjad Rasul & Co.
Chartered Accountants

For & On Behalf of the Board of Directors
For HARIYANA METALS LIMITED

Name (Sajjad Rasul)
(Proprietor)
(M.No. 108933)
Address 85-A Sadiquabad, Mankapur
NAGPUR- 440029

DIRECTOR

DIRECTOR

NAGPUR dated the
31st August, 2011



HARIYANA METALS LTD.



Registered Office : Old Motor Stand, Itwari, Nagpur – 8

PROXY FORM

I/We _____
of _____ in the district of _____
being a Member/Members of Hariyana Metals Ltd. Hereby appoint
_____ of _____
in the district of _____

As my/our Proxy to attend and vote for me/us are on my/our behalf at the
37th ANNUAL GENERAL MEETING of the company to be held at
11.a.m on Friday the 30 September, 2011 and at any adjournment thereof

Signature(s) of
The Member(s)

Folio No. _____

DP.ID* _____

Client ID* _____

Note :

1. This Proxy Form must be deposited at the Registered office of the company, not later than 48 hours before the time of meeting.

2. A proxy need not be a member,

*Applicable for Investors holding shares in Electronic Mode.



HARIYANA METALS LTD.



Registered Office : Old Motor Stand, Itwari, Nagpur - 2

PROXY FORM

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

I hereby record my presence at the 37TH ANNUAL GENERAL MEETING at Old Motor Stand, Itwari, Nagpur - 2 on Friday the 30th September 2011.

Name of the Member _____

No. of Shares held _____

Folio No. _____

DP ID* _____ Client ID* _____

Name of the Proxy/Representative (in Block Letter)
(To be filled in if the Proxy attends instead of the Member)

Signature of the Members of Proxy/Representative.

*Applicable for investors holding shares in Electronic Mode.