

# **P.M. Strips Limited**

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**24<sup>th</sup>  
Annual Report 2008 - 2009**

**AUDITORS :**

G. Ram Mohan & Co.  
Chartered Accountant  
7/A, 1st Floor,  
Vengal Rao Nagar,  
Hyderabad-500038

**BANKERS :**

Indian Bank  
S.D. Road, Secunderabad.  
Kotak Mahendra Bank Ltd.  
Somajiguda, Hyderabad.

**REGISTERED &  
CORPORATE OFFICE :**

1-7-241/11/D, S.D. Road,  
Secunderabad-500003 A.P.

**G.P. SURANA**

Managing Director

**Directors :**

Ravi surana  
Dipin Surana  
Shyamsunder Dey  
Arun.Singh

**24<sup>th</sup>  
Annual Report  
2008 - 09**

# P.M. STRIPS LIMITED

REGD.OFF: 1-7-241/A/1, S.D.ROAD

Secunderabad-500003

## NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Shareholders of M/s. P.M.Strips Limited., will be held at 1-7-241/A/1, S.D. ROAD Secunderabad-500003 the Regd Office of the Company, at, on Wednesday, the 30<sup>th</sup> September 2009 at 2.30 p.m.to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit & Loss Account for the period ended on that date and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Shyam Sunderdey who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**BY ORDER OF THE BOARD**

**for P.M. STRIPS LIMITED**

**Date: 2<sup>nd</sup> SEPTEMBER, 2009**

**Place:Secunderabad**

**P.M. STRIPS LIMITED**  
  
**DIRECTOR**

**G.P. SURANA**

**DIRECTOR.**

**NOTES :**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. The Register of Members and Share Transfer Books of the Company will be closed from 28<sup>th</sup> September,2009 to 30<sup>th</sup> September, 2009 both days inclusive.

**By the order of the Board**

**for P.M.STRIPS LIMITED**

**Date: 2<sup>nd</sup> SEPTEMBER, 2009**

**G.P.SURANA**

**Place:Secunderabad**

**DIRECTOR**

**DIRECTOR'S REPORT**

To

The Members,

Your Directors have pleasure in presenting the **TWENTY FOURTH ANNUAL REPORT** of the Company together with the audited accounts for the period ended on 31.03.2009.

**FINANCIAL RESULTS:**

	<b>Current Year 31.03.2009 <u>(Rs.in lacs)</u></b>	<b>Previous Year 31.03.2008 <u>(Rs.in lacs)</u></b>
Turnover	0	20.0
Other Income	135.0	39.0
Expenditure	10.45	51.5
Profit for the year	124.56	7.5
Prior period adjustments	0	0
Profit before taxation	124.56	7.5
Less: Provision for taxation	0	0
Profit after tax	124.56	7.5
Add: Balance brought forward from previous year	-248.93	-256.46
Appropriations:		
Proposed Dividend		
Transfer to General Reserves		
Balance Carried forward to Balance Sheet	-124.37	-248.96

**PERFORMANCE :**

During the year under review the Company could not achieve any turn over due to adverse financial conditions.

**DIVIDEND :**

In the light of the existing commitments and proposals your Directors do not recommend any Dividend for the year 2008-2009.

**DEPOSITS :**

The Company has not accepted any deposits from the public during the year under review.

**PERFORMANCE IN RETROSPECT AND FUTURE OUTLOOK :**

During the year under review the Company had tried to revive the unit .It hopes to achieve in the next financial year.

**PERSONNEL :**

No employee drew remuneration of Rs.25,000/-or more per month during the year under review. As such no information as per section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 is required to be given.

**DIRECTORS :**

Sri.Dipin Surana retires by rotation at this Annual General Meeting and being eligible has offered himself for Re-appointment.

**AUDITORS :**

M/s G. Rama Mohan & Co., Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for re appointment .

**STATUTORY INFORMATION :**

Information on Conservation of Energy, Technology Absorption Foreign Exchange Earnings and outgo required to be discussed under section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, are provided as an Annexure to this Report

**ACKNOWLEDGEMENTS :**

Your Directors take this opportunity to express their gratitude to our Bankers and other Central and State Government Departments and local authorities for their guidance and support. Your Directors wish to place on record their sincere appreciation of the untiring efforts and team spirit of all the staff and workmen of the Company.

**BY ORDER OF THE BOARD**

**for P.M.STRIPS LIMITED**

**Date : 2<sup>nd</sup> SEPTEMBER,2009**

**G.P.SURANA**

**Place : Secunderabad**

**DIRECTOR.**

## ANNEXURE TO THE DIRECTORS' REPORT

**INFORMATION UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**

### A. CONSERVATION OF ENERGY

- |   |     |
|---|-----|
| (a) Energy Conservation measures taken :  | NIL |
| (b) Additional Investments and proposals being implemented for reduction of consumption of energy:                                      | NIL |
| (c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: | NIL |
| (d) Total energy consumption and energy consumption per unit of production:   | NIL |

### B. TECHNOLOGY ABSORPTION

- (e) Efforts made in technology absorption:  
As per FORM - B annexed.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- (f) Activities relating to exports and initiatives taken to increase export products and services and export Plans :
- Applied for vendor registration to some Telephone Cable manufacturer in Middle Eastern Countries. Their approval is awaited.
- (g) Total foreign exchange used and earned :

Used	:	Nil.
Earned	:	Nil.

**FORM - B**

## Disclosure of particulars with respect to Technology Absorption

## a) Research and Development (R&amp;D)

1.	Specify areas in which : R&D carried out by the Company.	NIL
2.	Benefits derived as a : result of the above R&D.	NIL
3.	Future plan of action :	NIL
4.	Expenditure on R&D :	
	a) Capital :	
	b) Recurring :	
	c) Total :	

Separate Account  
is not maintained  
and the expen-  
ses are merged  
with relevant  
heads of  
expenditure.



- d) **Total R&D** :  
**expenditure as a percentage of total turnover**
- e) **Technology absorption** :  
**adaptation and innovation**
1. Efforts in brief, made towards technology absorption, adaptation, and innovation. NIL
2. Benefits derived as : NIL  
a result of the above efforts, e.g., Product improvements, cost reduction, product development, import substitution etc.
3. In case of imported technology (imported during the last 5 yrs reckoned from the beginning of the financial year), following information may be furnished.
- a) **Technology imported** : NIL
- b) **Year of import** :
- c) **Technology been** :  
**fully absorbed.**
- d) **If not fully absorbed,** :  
**areas where this has not taken place,**  
**reasons therefore and future plans of action.**

**G.GRAM MOHAN & Co.,  
CHARTERED ACCOUNTANTS**

**7/A, 1<sup>ST</sup> FLOOR,  
Vengalrao Nagar,  
HYDERABAD-500038**

**AUDITOR'S REPORT**

To

The Members

M/S. P.M.Strips Limited

1. We have audited the attached balance sheet of M/S. P.M.Strips Ltd as at 31st March, 2009 and also the profit and loss Account and the Cash Flow statement of the Company for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on the financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. These 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 ( herein after called the Act ) and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, We set out in the annexure a statement on the matters of the said order.
4. Subject to above:
  - a. 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;
  - b. In our opinion, proper books of accounts as required bylaw have been kept by the company as far as it appears from our examination of the books:
  - c. The Balance Sheet and profit and loss Account and the cash flow statement dealt with by this report are in agreement with the records and documents produced before us for the purposes of audit.

- d. In our opinion the Balance sheet, Profit and Loss Account and the Cash Flow statement dealt with by this report comply Accounting Standards referred in (3C) of Section 211 of the "Act".
- e. On the basis of written representations received from the Directors, as on 31<sup>st</sup> March 2009, and taken on record by the Board of Directors, We report that none of the Directors are disqualified as on 31<sup>st</sup> March 2009 from being appointed as a Directors in terms of Clause (g) of Subsection 91 of Section 274 of the "Act".
- f. In our opinion, the said accounts 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:
- i) In the Case of Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2009 and
- ii) In the case of the profit and loss Account, of the Profit of the Company for the Year ended on that date.
- iii) In case of Cash Flow statement , of the cash flows for the year ended on that date.

For G. Ramamohan & Co  
Chartered Accountants

Place : Hyderabad  
Date : 30.08.2009

(G.RAMA MOHANA RAO)

**ANNEXURE TO AUDITOR'S REPORT****Annexure referred to in paragraph 3 of the report of the Auditors to the Members of M/s. P.M.Strips Ltd For the year ended March 31, 2009.**

- (i) The nature of the Company's business activities during the year are such that clauses clause (xiii) with respect to provisions of any special statue, (xiv) with respect to Companies dealing in securities (xix) with respect to creation of securities in case the company has raised money by way of issue of debentures (xx) company raising money by way of public issue are not applicable to the company.
- (ii) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets .
- (b) The Fixed Assets of the Company have been physically verified by the management during the by the Management and no material discrepancies between the records and physical inventory have been noticed.
- (iii) (a) The Inventory of the company has been physically verified by the management during the year and the company has obtained confirmations from third parties the stock held by them.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory is satisfactory.
- (c) On the basis of our examination of records, in our opinion, the company has maintained adequate records of inventories and no material discrepancies were noticed on physical verification, which was done by the management.
- (iv) In opinion and according to the information and explanations given to us, the internal control procedures are commensurate with the operations.
- (v) On the basis of information and explanation given to us, the company has not given or taken interest free loans to Companies, firms and other parties covered in the maintained under section 301 of the Act.
- (vi) on the basis of information and explanations given to us , we are of the opinion that the procedure of entering transactions that need to be entered i n t o the Register maintained under Section 301 of the 'Act have been soentered.

- (vii) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits as defined under the provisions of section 58A and 58AA or any other relevant provisions of the Act and rules framed there under from the public.
- (viii) The company does have a formal internal audit systems commensurate to the size and nature of its business
- (ix) The maintenance of cost records under sec.209 (1)(d) has not been prescribed by the Central Govt,for this company.
- (x) (a) According to the information and explanations to us and according to the Books and Records as produced and examined by us, in our opinion the undisputed statutory dues including provident funds, investor Education and protection fund,employees state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess and other as applicable been regularly deposited by the company during the year.
- (xi) The company has not granted any loans and advance on the basis of security by way pledge of shares ,debentures and other securities.
- (xii) In our opinion and according to the information and explanation given to us the company is not a dealer or trader in securities.
- (xiii) We are informed by the management of the company that the Company has not given any guarantees for loans taken by other from banks or financial institutions, the terms and condtions,whereof,in our opinion ,are prime facie,prejudicial to the interest of the company.
- (xiv) The Company ~~has not raised~~ money by way of Terms loans during the year expect for reschedulement of facilities as stated above during the year and hence we are not required to comment on its end use of loans availed.

For G. Ramamohan & Co  
Chartered Accountants

Place ;Hyderabad  
Date : 30.08.2009

G. RAMA MOHANA RAO

**P.M.STRIPS LIMITED**  
**AUDITED BALANCE SHEET AS ON 31.03.2009**

	SCH.	31.03.2009 Rs.	31.03.2008 Rs.
<b>I. SOURCES OF FUNDS</b>			
<b>1. Share Holders' Funds</b>			
a) Share Capital	1	15,600,000	15,600,000
b) Reserves & Surplus	2	61,179,827	61,179,827
<b>2. Loan Funds</b>			
a) Secuted Loan	3	13,131,703	33,598,116
<b>3) Defeered Tax Liability</b>		777,241	777,241
<b>TOTAL</b>		<b>90,688,771</b>	<b>111,155,184</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>			
a) Gross Block	4	1,075,050	12,417,034
b) Less Depreciation		0	4,683,597
c) Net Block		<b>1,075,050</b>	<b>7,733,437</b>
<b>2. Investments</b>			
	5	<b>7,116,083</b>	<b>7,116,083</b>
<b>3. Current Assets Loans &amp; Advances</b>			
b) Sundry debtors	6	27,589,966	29,568,084
c) Cash & Bank balances	7	44,057	179,167
d) Loans & Advances	8	42,426,243	42,664,485
Total (a)		<b>70,060,266</b>	<b>72,411,736</b>
<b>Less: Current Liabilities</b>			
a) Current liabilities	9	0	1,000,000
b) Provisions for Taxes	10	800,000	0
Total (b)		<b>800,000</b>	<b>1,000,000</b>
<b>Net Current Assets (a - b)</b>		<b>69,260,266</b>	<b>71,411,736</b>
<b>To Extent not written of amount or adjusted Dr balance</b>	12	<b>13,237,372</b>	<b>24,893,928</b>
<b>Notes to Accounts</b>			
<b>TOTAL</b>		<b>90,688,771</b>	<b>111,155,184</b>
For and on behalf of the Board, For G.Ramamohan & Co			
Sd/-		Sd/-	Sd/-
<b>G.Rama Mohana Rao</b>		<b>G.P.SURANA</b>	<b>RAVI SURANA</b>
Proprietor		Director	Director
Place:- Hyderabad.			
Date : 30.08.2009			



**P.M.STRIPS LIMITED**  
**SCHEDULES TO THE BALANCE SHEET AS AT 31st MARCH'2009**

<b>SCHEDULE</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
2,000,000 Equity Shares of Rs. 10/- each.	20,000,000	20,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>		
15,60,000 (Prev. Year 15,60,000) Equity shares of Rs. 10/- each.	15,600,000	15,600,000
<b>TOTAL</b>	<b>15,600,000</b>	<b>15,600,000</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>2. RESERVES AND SURPLUS</b>		
<b>A. General Reserve</b>	59,756,717	59,756,717
<b>B. Subsidy from Government</b>	1,423,110	1,423,110
<b>TOTAL ( A + B )</b>	<b>61,179,827</b>	<b>61,179,827</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>3. SECURED LOANS</b>		
With State Bank of Hyderabad, Commercial Branch, S.P.Road, Secunderabad.	13,131,703	33,598,116
Assigned to Kotak Mahendra Bank		
<b>TOTAL</b>	<b>13,131,703</b>	<b>33,598,116</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
<b>5. INVESTMENTS</b>		
1. NSC Certificates (Pledged with Govt. Authorities)	18,000	18,000
2. Quoted: In Companies under same management		
<u>Name of the Company</u>	<u>No. of Shares</u>	
P.M.Telelinnks Ltd.	677400	11,568,970
Kaveri (India) Ltd.	150750	318,083
Surana Securities Ltd.	600	18,689
Less : Provision for diminution in value of Long-term Investments in P.M. Telelinnks & Surana Securities	4,807,659	4,807,659
<b>TOTAL</b>	<b>7,116,083</b>	<b>7,116,083</b>



	31.03.2009	31.03.2008
	Rs.	Rs.
<b>6. SUNDRY DEBTORS</b>		
<b>Unsecured:-</b>		
<b>(A) Debts outstanding for more than six months:</b>		
(a) Considered good	27,589,966	29,568,084
<b>TOTAL</b>	<b>27,589,966</b>	<b>29,568,084</b>
<b>P.M.STRIPS LIMITED</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>7. CASH AND BANK BALANCES</b>		
a) Cash in Hand	39,428	175,628
kotak mahindra bank	2,629	357
INDIAN BANK	2,000	3,182
<b>TOTAL</b>	<b>44,057</b>	<b>179,167</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>8. LOANS AND ADVANCES</b>		
<b>[ Unsecured Considered good unless otherwise stated ]</b>		
a) Advances recoverable in cash or kind or for Value to be received	42,859,983	42,281,784
b) Deposits	134,091	134,091
c) TDS on Rent	232,169	248,610
<b>TOTAL</b>	<b>43,226,243</b>	<b>42,664,485</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>9.CURRENT LIABILITIES</b>		
A) Advance from Wipro infotech	0	1,000,000
<b>TOTAL</b>	<b>-</b>	<b>1,000,000</b>
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>10. PROVISIONS</b>		
Provision	800,000	-
<b>TOTAL</b>	<b>800,000</b>	<b>-</b>
<b>P.M.STRIPS LIMITED</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>12. MISCELLANEOUS EXPENDITURE</b>		
Profit & Loss Account	12,437,372	24,893,928
<b>TOTAL</b>	<b>12,437,372</b>	<b>24,893,928</b>
	<b>YEAR ENDED</b>	
	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>13. OTHER INCOME</b>		
b) Rent received	914,312	1,098,198
b) Sundry Creditors Written Off	0	2,522,446
<b>TOTAL</b>	<b>914,312</b>	<b>3,620,644</b>
	<b>YEAR ENDED</b>	

<b>14. MFG,ADMN. &amp; SELLING EXPENSES</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	<b>Rs.</b>	<b>Rs.</b>
	0	
Bank int and commission charges	645	16,990
Auditor's Remuneration		
I. Audit Fees	10000	10000
ii. Tax Audit Fees	10000	10000
iii. Taxation Matters	10000	10000
Bombay Stock Exchange	94,270	0
Salary	157,650	169,602
Electrical Expenses	125,460	169,601
Staff Wel fare	92,540	96,160
Office maintance	151,450	236,504
Post Expense	540	696
Other Expenses	154,650	232,137
	<b>1,045,960</b>	<b>712,935</b>

**P.M. STRIPS LIMITED**  
**SCHEDULES TO THE BALANCESHEET AS AT 31ST MARCH 2009**  
**5. FIXED ASSETS**

Particulars	as on	Gross Block				Depreciation				Net Block	
		Cost during the 01.04.2008	Additions during the Year	Deletions as on Year	Cost 01.04.2008 31.3.2009	Up to Year	For the 31.3.2009	Del/Adj 31.3.2009	Up to 31.3.2008	As on	As on
<b>Free hold land</b> 0.00%	1,075,050	0	0	<b>1,075,050</b>	0	0	0	0	1,075,050	1,075,050	
<b>Factory Buildings</b> 10.00%	4,113,775	0	4,113,775	0	1,758,336	0	1,758,336	0	0	0	1,194,439
<b>Office Buildings</b> 5.00%	3,055,328	0	3,055,328	0	1,221,723	0	1,221,723	0	0	1,833,605	
<b>Tube Mill</b> 13.91%	6,176,942	0	6,176,942	0	3,553,989	0	3,553,989	0	0	0	1,901,953
<b>C.R.Slitting Machine</b> 13.91%	504,540	0	504,540	0	234,858	0	234,858	0	0	0	269,682
<b>Vehicles</b> 25.89%	3,668,339	0	3,668,339	0	2,209,631	0	2,209,631	0	0	0	1,458,708
	<b>18,593,974</b>	<b>0</b>	<b>17,518,924</b>	<b>1,075,050</b>	<b>8,978,537</b>	<b>0</b>	<b>8,978,537</b>	<b>0</b>	<b>0</b>	<b>1,075,050</b>	<b>7,733,437</b>

**BOOK - POST  
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**P.M. Srips Limited**

**1-7-241/11/D, S.D. Road,  
Secunderabad-500003 A.P.**