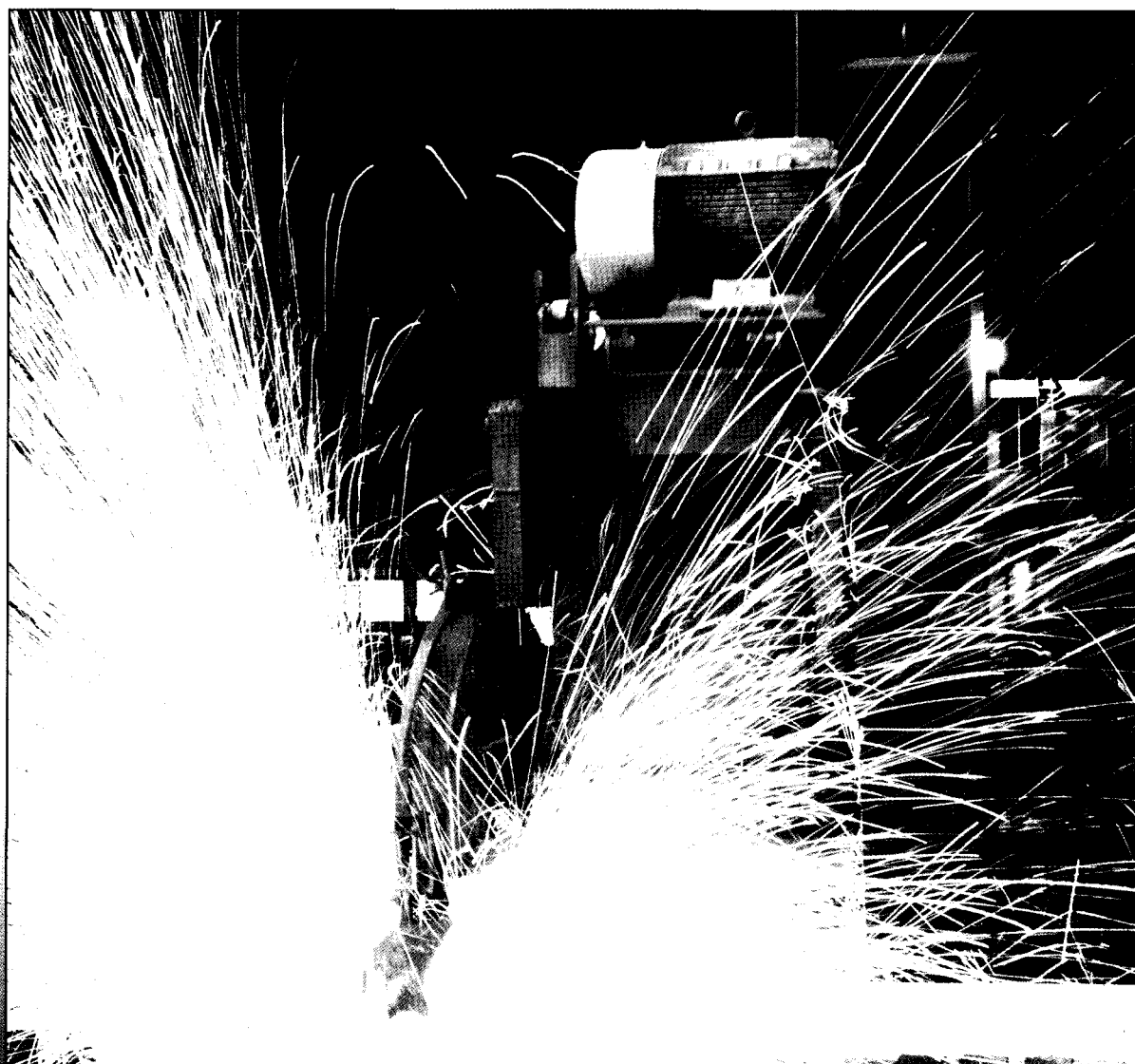




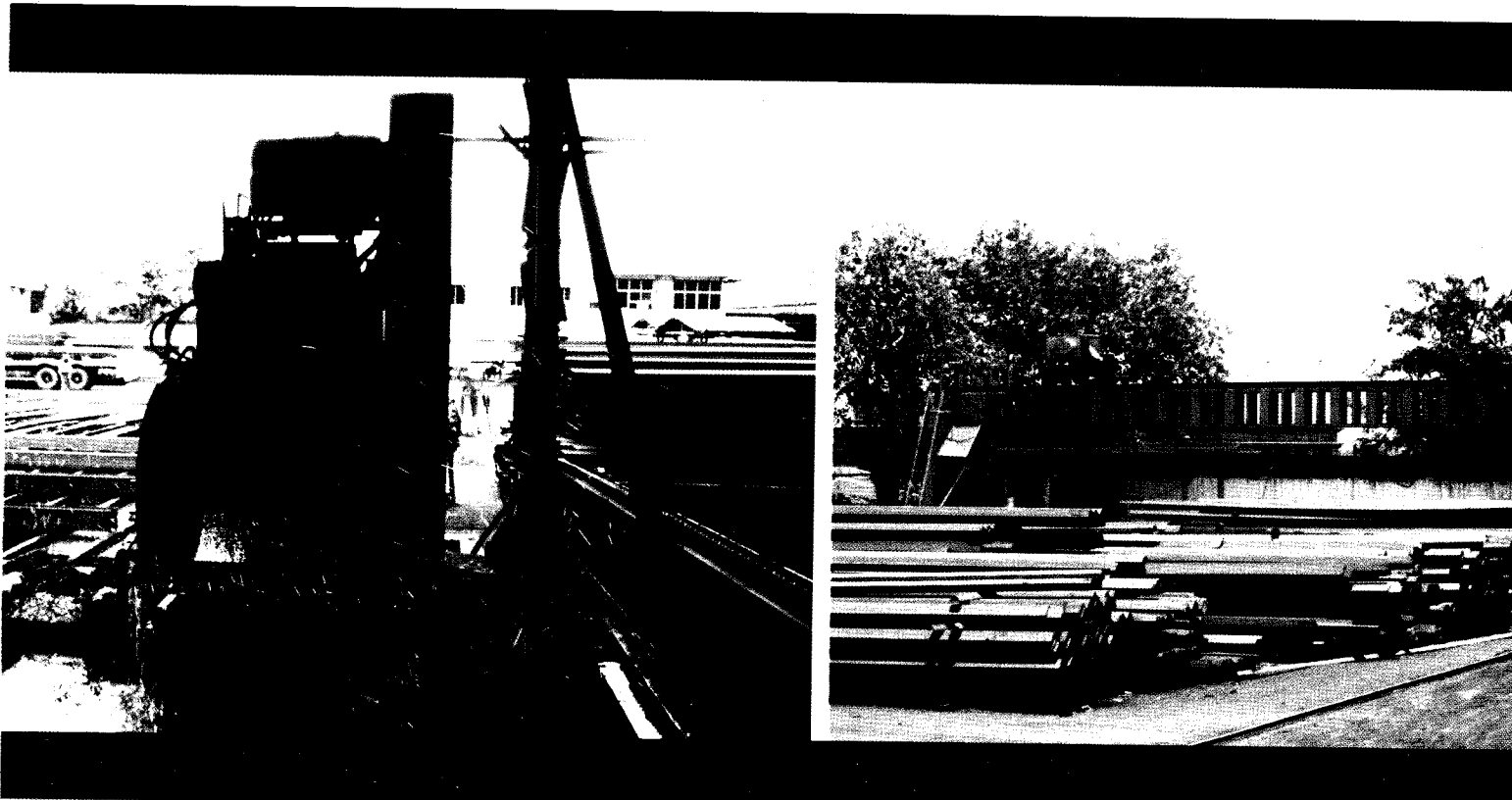
19th Annual Report 2008-09

SHRI BAJRANG ALLOYS LTD.





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BOARD OF DIRECTORS AS AT 31ST MARCH 2009

Mr. Suresh Goel	-	Chairman
Mr. Anand Goel	-	Managing Director
Mr. Narendra Goel	-	Director
Mr. Vikash Kumar Khedia	-	Independent Director
Mr. Dinesh Agrawal	-	Independent Director
Dr. Ramesh Chandra Gupta	-	Independent Director

AUDITORS

R. K. Singhanian & Associates

REGISTERED OFFICE

521/C, Urla Industrial Complex,
RAIPUR - 493 221 (C.G.)

BANKERS

Bank of Baroda, Raipur

LEGAL ADVISOR

V.K. Munshi & Associates

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-33, Pannalal Silk Mills Compound,
L. B. S. Marg,
Bhandup (W), Mumbai - 400078
Phone No. 022-2596 3838, Fax 022-2594 6969

WORK

521/C, Urla Industrial Complex,
RAIPUR - 493 221 (C.G.)

For, Shri Bajrang Alloys Limited
(Signature)
(JAYESH KUMAR KAPADI)
AGM. (i a c)

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SHRI BAJRANG ALLOYS LTD.

NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Provisions of section 171 & 172 of the Companies Act, 1956)

TO ALL THE MEMBERS OF SHRI BAJRANG ALLOYS LIMITED

Notice is hereby given that the 19th Annual General Meeting of the Company M/s. Shri Bajrang Alloys Limited will be held on Tuesday, 29th September 2009 at 11.00 A.M. at the Registered Office of the company, 521/C, Urla Industrial Complex, Raipur (CG) 493221 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account of the company for the year ended 31st March 2009 and the Balance Sheet as at that date along with the reports of the Directors and Auditors thereon;
2. To re-appoint a retiring Directors Mr Narendra Goel & Mr. Vikash Kumar Khedia who are retiring by rotation at the ensuing Annual General Meeting and are being eligible offers themselves for reappointment.
3. To re-appoint M/s. R.K. Singhania & Associates, Chartered Accountants, Raipur, the retiring Auditors as Statutory Auditors to hold the office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration

FOR AND ON BEHALF OF THE BOARD

(ANAND GOEL)
MANAGING DIRECTOR

PLACE: RAIPUR
DATE: 30.06.2009

Notes :

1. Pursuant to provision of section 176 of the Companies Act, 1956, a member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself on a poll only and the proxy need not be a member of the company. Proxy forms as enclosed herewith the notice should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
2. Pursuant to provisions of section 154 of the Companies Act, 1956, the Register of Members and share transfer books of the Company shall remain closed from September 22nd, 2009 to September 29th, 2009 (both days inclusive).
3. The members are requested to immediately notify any change of address for further communication to their depository participants (DPs) in respect of their shares held in dematerialized form in respective electronic share accounts.
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm. up to the date of Annual General Meeting.
5. The Members who are holding shares in the identical order of names in more than one folio are insisted to send to the Company the details of such folios together with the share certificates for consolidating their holdings in single folio. The share certificates will be returned to the members after making requisite changes thereon.
6. Members are requested to bring their copy of Annual Report to the Meeting and no additional copies will be provided during the meeting.

FOR AND ON BEHALF OF THE BOARD

(ANAND GOEL)
MANAGING DIRECTOR

PLACE: RAIPUR
DATE: 30.06.2009

DIRECTOR'S REPORT

For the Year ended 31st March 2009
(Pursuant to the provisions of section 217 of the Companies Act, 1956)

Dear Members,

Your Directors have immense pleasure in presenting the 19th Annual Report of the Company with the Audited Statement of Accounts and the Auditors' Report thereon on the business and operations of the Company for the financial year ended 31st March, 2009.

The summarized financial result for the year ended 31st March 2009 is as under:

1. FINANCIAL RESULTS :

(Rs. in lacs)

PARTICULARS	Year ended 31.03.2009	Year ended 31.03.2008
Total Turnover & other receipts	22452.87	22010.33
Profit before Interest, Depreciation and Tax	657.14	802.41
Interest	240.56	229.55
Depreciation for the year	123.09	87.02
Profit before Tax	293.49	485.84
Less: Provision for Income Tax & Fringe Benefit Tax	106.53	177.43
Add: Previous year adjustments	0.43	0.00
Add: Net Deferred Tax Asset	5.73	11.16
Net Profit after Tax	193.12	319.57
Add: Balance brought forward from previous year	418.01	188.44
Net Profit after tax and adjustments	611.13	508.01
Transferred to General Reserve	100.00	90.00
Balance transferred to Balance Sheet	511.13	418.01
Earning Per Share (Basic & Diluted)	2.15	3.55

2. DIVIDEND :

The Directors of your Company do not recommend any dividend for the financial year 2008-09 as they have decided to plough back the profit for utilizing it for the future expansion of the business.

3. REVIEW OF OPERATIONS :

The market environment during the financial year 2008-09 was felt very challenging due to stretch of recession in the world economy. Revenue for current financial year stood at Rs.22452.87 Lacs and profit after tax was Rs.193.12 Lacs as compared to revenue of Rs.22010.33 Lacs and profit after tax Rs.319.57 Lacs in the previous financial year. The total sale (manufactured & traded goods) was of 49111.530 MT of value Rs.22445.98 Lacs as compared to 64373.734 MT of value Rs.22003.73 Lacs in the previous financial year.

Your company has manufactured 49033.800 MT of structural Steels as compared to 66134.450 MT in the previous financial year. The capacity utilization was 81.72% in the current financial year as compared to 110.22% in the previous financial year. The reduction in the capacity utilization was made due to the economic withdrawal. Your Company continued to sustain its position in this rapidly growing market. The Company's ability to neutralize cost increase and improve margins together with purchasing efficiencies, improvement in manufacturing yield / usage and expenses control helped in maintaining the profitability.

4. MARKETING AND EXPORT:

The aggressive and effective marketing efforts and relentless focus on quality and prospective buyers have been impressive export and sales performance enablers with nonetheless added some new customers in the clientele list of the Company. The total amount of export in the

current financial year is of Rs.557.35 Lacs through cross border transactions. Your Directors are positive and hopeful towards the future growth.

5. DIRECTORS:

The Board consists of executive and non executive directors including the independent directors who have wide and varied experience in different disciplines of corporate functioning. The Directors of the Company are:

1. Mr. Suresh Goel
2. Mr. Anand Goel
3. Mr. Narendra Goel
4. Mr. Vikash Kumar Khedia
5. Mr. Dinesh Agrawal
6. Dr. Ramesh Chandra Gupta

In accordance with the provisions of section 255 and 256 of the Companies Act, 1956 and the Company's Articles of Association Shri Narendra Goel and Shri Vikash Kumar Khedia, Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, the Directors confirm:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- ii. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- iii. That they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for preventing and detecting fraud and other irregularities;
- iv. That they have prepared the annual accounts on a going concern basis.

7. PERSONNEL:

The Company continued to have a broad set up of professional, efficient and competent employees and cordial as well as amicable relations with them.

8. PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A):

During the period under report no employee employed throughout the period or part of the period was in receipt of remuneration in excess of the limits prescribed under sub section (2A) of Section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 as amended from time to time.

9. DEPOSITS FROM PUBLIC:

The company has not accepted any deposits from public as envisaged under Section 58A of the Companies Act, 1956.

10. CORPORATE GOVERNANCE:

Your Company is committed to good Corporate Governance Practices and following the guidelines prescribed by the SEBI and Stock Exchange from time to time. The Company has implemented all of its major stipulations as applicable to the Company. The Statutory Auditor's Certificate in accordance with the Clause 49 of Listing Agreement and report on Corporate Governance is annexed to and forming part of the Director's report.

11. MANAGEMENT DISCUSSION AND ANALYSIS:

A Management discussion and Analysis as required under Clause 49 of the Listing Agreement is annexed and forming part of the Director's Report.

12. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information 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 are as under:

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.
- (b) Information in respect of Foreign Exchange Earning and Outgo are:

Particulars	F.Y. 2008-09	F.Y. 2007-08
Earning	557.35 lacs	21.34 lacs
Outgoing	137.21 lacs	78.61 lacs
Net Amount	420.14 lacs	(57.27 lacs)

13. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION :

Information on Conservation of Energy, required to be disclosed 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, is given herein;

A. CONSERVATION OF ENERGY

Your Company recognizes the vital need to conserve energy and give due importance to the reduction of power consumption in its manufacturing processes. During the year under review the following energy conservation measures have been implemented:-

- Use of energy efficient lights.
- Monitoring of insulation resistance of motors to reduce dielectric losses.
- Use of good quality lubricants to reduce frictions.

DETAILS OF POWER AND FUEL CONSUMPTION

S.N.	PARTICULARS	F.Y. 2008-09	F.Y. 2007-08
1.	ELECTRICITY		
a	Units Consumed (in KWH)	2815766	3392280
b	Total Cost (in Rs.)	1,34,02,339	1,43,72,802
c	Rate per Unit (in Rs.)	4.76	4.24
d	Own Generation	NIL	NIL
2.	FURNACE OIL		
a	Quantity Consumed (in Ltrs)	2786631	3833543
b	Total Cost (in Rs)	7,27,06,382	7,87,01,621
c	Rate Per Ltrs. (in Rs)	26.09	20.53
3.	OXYGEN GAS		
a	Quantity Consumed (in Cu. Mtr.)	110722.50	227503.50
b	Total Cost (in Rs)	10,80,282	22,57,864
c	Rate Per Cu. Mtrs. (in Rs)	9.76	9.92
4.	CONSUMPTION PER UNIT OF PRODUCTION		
a	Production of M.S. Structural (in MT including Job Work)	49033.800	66134.450
b	Electricity (in KWH)	57.43	51.29
c	Furnace Oil (in Ltrs.)	56.83	57.97
d	Gas (in Cu. Mtrs)	2.26	3.44

B. TECHNOLOGY ABSORPTION

Efforts in brief made towards technology absorption, adaptation and innovation:

- The Company has its own testing laboratory well equipped with modern machines and equipments for ensuring the quality.
- All the ranges of products offered by the Company to its valuable clients are all ISI marked known for its best quality products.
- Constant monitoring of process and technology up gradation taking place in advance countries and to offer similar products through in-house R & D as well as through progressive manufacturing activities. The Company is in the process of further improving its quality control methods and testing facilities.



- Regular interaction with equipment designers and manufacturers and major raw material suppliers for improvements to processing and operating parameters.
- Benefits derived as a result of above efforts - Improved product quality.

14. AUDITORS:

M/s. R.K. Singhania & Associates, Chartered Accountants, Raipur, the statutory auditors of the company, retire at the forthcoming annual general meeting of the company. They being eligible for reappointment have expressed their consent to be reappointed for the financial year 2009-10. Your directors recommend their appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956. Your Directors recommend for their reappointment.

15. AUDITOR'S REPORT:

The copy of the Annual Report for the year ending 31st March 2009 along with the Auditor's Report thereon and is annexed with the Director's Report. The reply to the qualification remark as stated in point no. (vi) of Auditors Report are :-

The Provision for gratuity has been determined on the basis of simple calculation as per Gratuity Act i.e. on the basis of half month last drawn salary, as this method is generally followed by all the incidental industries. Actuarial valuation was not done as the strength of employees is not too high. Had the actuarial valuation been made the difference would not be material, looking towards the low strength of Employees. However, additional liabilities if any will be provided later on. The quantum of additional liability is at present unascertainable.

16. ACKNOWLEDGEMENTS :

Your Company satisfactorily performed in the challenging year of recession and continues to maintain its profitable position. It has also been surpassing all international quality and cost benchmarks and continues to build shareholder value. Your directors look forward for bright future.

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, for their dedication, co-operation, support and smart work, have enabled the company to achieve rapid growth and maintain its position.

FOR AND ON BEHALF OF THE BOARD

(SURESH GOEL)
CHAIRMAN

PLACE: RAIPUR
DATE: 30.06.2009



MANAGEMENT DISCUSSION AND ANALYSIS

The business operation of the Company deals with the steel products and has been reclassified on global nomenclature. Both the domestic and global markets present exciting opportunities for the Company while the domestic market is expected to grow in double digit in near future, the global generic market is also expanding rapidly. Market capabilities and distribution network being strengthened to meet out the requirement in domestic as well as cross border market. The management of your Company is pleased to present the discussions and analysis on the industry structure, developments, future outlook and operating and financial performance.

1. OVERVIEW:

The business operations of the Company has completed another years of its operation. Your Company shall continue to grow rapidly in the coming years to emerge as a leading player in the Steel industry in order to deliver sustainable growth and create value for shareholders. During the F.Y. 2008-09 your company registered a minor growth of 2% in revenue to Rs.22445.98 Lacs, although witnessed a 39.59% decrease in PBT to Rs.293.49 Lacs and 39.57% decline in PAT to Rs.193.12 Lacs due to sluggish market condition and economic recession.

2. DESCRIPTION:

Steel is an indispensable to modern civilization, both in peace and war, and is the backbone of all industrial and commercial activities. The growth of the steel industry has direct effects on the economic development of India. The pace of industrialization in our economy is also related to our steel industry.

3. GLOBAL STEEL INDUSTRY – PERSPECTIVE:

World's crude steel production has reached a level of 1329 million tones in the C.Y. 2008 but declined by 1.1%. The growth in crude steel production was mainly driven by emerging countries such as China and India which registered a compounded annual growth rate (CAGR) of 18.7% and 10.6%, respectively, during

the same period. With global economic meltdown in C.Y. 2008, global crude steel production post the month of August, has registered a negative growth in each month..

4. DOMESTIC STEEL INDUSTRY–PERSPECTIVE:

India's finished steel production has increased from 35.4 million tones in financial year 2003 to 52.8 million tones in financial year 2008-09. During the same period, finished steel consumption has grown at an incremental CAGR of 11.9%. Construction sector in the country is the largest consumer of steel and counted for about 52% of the total finished steel consumption in financial year 2008-09. India's export of finished steel has remained almost stagnant in the range of 4-5 million tones in the past six years. But import of finished steel has grown from 1.5 million tones in financial year 2003 to 6.5 million tones in the year 2008.

5. PRICES VIEW:

Globally, unprecedented demand growth of steel from China in the past few years has played a major role in the movement of international steel prices. Till the first half of C.Y. 2008, globally, steel prices showed a rising trend. Post this period, due to global economic meltdown, steel prices have softened to the range of US\$ 500-600 per MT. As a result, margins of steel players are under pressure in F.Y. 2008-09.

6. OPPORTUNITIES & THREATS:

Today, steel production is an index of national prosperity and the basis of mass production in many other industries such as shipbuilding, automobiles, construction, machinery, tools and industrial and domestic equipments. The iron and steel industry has the characteristics of being a leading industry in India's economy as well as in the process of industrialization. The importance of this sector originates from its providing inputs to all kinds of industries of the nation. The Indian steel industry will register a strong growth in steel consumption driven by a strong growth in all steel consuming sectors. The Indian steel industry was internationally cost competitive till the end of the 1970s. The



Indian steel industry has raw materials, but these need to be turned better and in accordance with standardized international demand.

Your Company builds on its strength of locational advantages, raw material linkages, technology edge and management expertise to seize opportunities in the iron & steel industry. These will be linked directly to the growing demand from the automobile & auto components, infrastructure, construction and power sectors. The threats from your company would come from adverse fluctuations in economic prices and levies affecting the iron & steel industry and general economic slowdown.

7. PERILS & CONCERNS:

Globally the steel industry is facing the brunt of economic slowdown. Indian steel industry is closely linked with economic growth. The domestic steel industry is also hit by the impending economic slowdown and the extent of the current slowdown in the economy as well as the cooling off of the contract prices of key raw materials is still unknown. It is estimated that after registering a healthy CAGR of 11.9% in steel during F.Y. 04-08, the growth would slow down due to the impending downturn in the manufacturing sector and lower economic growth rate. Steel demand from the construction sector is expected grow at a lower CAGR of 9.5%. Poor performance of automobiles sector is expected to result in a fall in steel demand from this sector in F.Y. 2009-10 and remain more or less stable in the narrow range of 2.1 to 2.3 million tonnes till F.Y. 2011. The Industry continues to be impacted by the problem of parallel imports and increasing incidents of counterfeit, spurious and low quality steel products, which could be detrimental to the Indian society and also damaging India's image in the International market. The high cost of electricity in India may hamper the steel industry's production and profitability level.

8. FINANCIAL PERFORMANCE VIZ A VIZ OPERATIONAL PERFORMANCE:

The income from operations has slightly increased from Rs.22010.33 Lacs in the previous financial

year 2007-08 to Rs.22452.87 Lacs in the current financial year 2008-09. Although the amount of profit after tax decreased from Rs. 319.57 Lacs in 2007-08 to 193.12 Lacs in 2008-09 registering a decline due to recession in the market.

9. RISK MANAGEMENT:

Your Company has identified the major thrust areas to concentrate on, which it believes to be critical to achievement of organizational goals. A well defined structure has been laid down to assess, monitor and mitigate risks associated with these areas, briefly enumerated below:

- a. Foreign Exchange – Your Company deals in foreign exchange in exports of finished products as well as in the forward foreign exchange contracts. Necessary guidance is provided by the forex consultant on mitigating foreign exchange exposure.
- b. Systems – Your Company has planned to implement Enterprise Resource Planning (ERP) Software to integrate its operations and to use best business and commercial practice. ERP is in its initial phase and your company has appointed a support partner for smoother implementation.
- c. Statutory Compliances - Procedure is in place for monthly reporting of compliance of statutory obligations and reported to the Board of Directors.

10. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has clearly laid down proper internal control system which provide for automatic checks and also provide for the effectiveness and efficiency to ensure that all the assets are protected against and that the financial and operational information is complete and accurate and regular review of the Audit Committee of the Company's processes, systems and procedures ascertained during the course of their audit.

Audits are finalized and conducted based upon the internal risk assessment. Emphasis is placed on adequacy, reliability and accuracy of

dissemination of the financial data and information. Compliance issues are given utmost importance and reported regularly to the Board.

11. HUMAN RELATIONS:

We lay special emphasis to the human resources functions in our organizations and believe that our work opportunities and competitive compensation policies help us in attracting and retaining our personnel.

We have an elaborate performance management system in place involving goal setting and periodic reviews involving confirmation and annual reviews. The review sessions impress upon several aspects of the professionals careers such as career and competency development, financial rewards and recognition. We endeavor to link careers to competencies, individual preferences and organizational needs.

12. SAFETY:

Safety management is integrated with the Company's overall environment, health and safety (EHS) management and zero accident is taken up as the Company's goal. The following measures have been taken by the Company:

- Identification of hazard and risk present in the work environment and its rectification.
- Continuous monitoring of unsafe conditions and unsafe acts through safety inspections.
- Specific job safety awareness on continuous basis.

13. ENVIRONMENT FRIENDLY OPERATIONS:

Environmental protection is prime concern for us and we are aware of our core responsibility to the society. The Company's plant complies with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks / inspection for the maintenance of environment, health and safety. The company has adequate effluent treatment plant to avoid pollution. The Company is continuously endeavoring to improve the quality of life in the community surrounding its industrial complex.

14. CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include, among other things, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the company's operates, changes in the government regulations, tax laws and other statutes and incidental factors.

FOR AND ON BEHALF OF THE BOARD

**(SURESH GOEL)
CHAIRMAN**

**PLACE: RAIPUR
DATE: 30.06.2009**



CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the listing agreement)

1. COMPANY'S PHILOSOPHY:

Corporate Governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a Company to take sound decisions, thus maximizing long term shareholder value. Corporate Governance is beyond the realm of Law. It stems from the management's mindset and cannot be regulated from legislation alone. Corporate Governance at Shri Bajrang Alloys Limited has been a continuous journey and the business goals of the Company are aimed at the overall well being and welfare of all the constituents of the system. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the organization and putting in place best systems, process and technology. The Company combines leading edge technology and innovation with superior application and customer service skills.

At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. It is believed that the imperative for good corporate governance lies not merely in drafting a code of corporate governance but in practicing it. The Company will continue to focus its energies and resources in creating and safeguarding of shareholder's wealth, and at the same time, protect the interests of all its stakeholders. Your Company confirms the compliance of Corporate Governance as contained in clause 49 of the Listing Agreement, the details of which are given below:

2. BOARD OF DIRECTORS:

Composition:

Presently, the Board of Directors of the Company is comprised of Six Directors out of which three

are Non-Executive Directors and Independent Directors who bring in a wide range of skills and experience to the Board. The Company has Executive Chairman and the number of Independent Directors is one-half of the total number of Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement.

08 (Eight) meetings of the Board were held on the following dated during the year ended 31st March 2009:

1. 30th April 2008
2. 21st June 2008
3. 17th July 2008
4. 31st July 2008
5. 04th Sept. 2008
6. 31st Oct. 2008
7. 30th Jan. 2009
8. 24th March 2009

The attendance record, names and categories of the Directors on the Board and also the number of Directorships and Committee Memberships held by them in other Companies as on 31st March, 2009 are given as under:

Name of the Directors	Category of Directors	No. of other Directorship held*	No. of Board Meetings attended	Last AGM attended	No. of other Board committees member/ chairman**
Mr. Suresh Goel	Chairman - Executive	02	8	YES	None
Mr. Anand Goel	Managing Director / Executive	01	8	YES	None
Mr. Narendra Goel	Executive	02	8	YES	None
Mr. Vikash Kumar Khedia	Non Executive Independent	01	3	YES	None
Mr. Dinesh Agrawal	Non Executive Independent	01	4	YES	None
Dr. Ramesh Chandra Gupta	Non Executive Independent	NIL	3	YES	None
Total No. of Directors 06 (Six)					

* Excluding directorship in Private Limited Company.

** Only two committees, namely, Audit Committee, Shareholders / Investor Grievance Committee have been considered.

None of the Directors on the Board, as depicted from the above mentioned table, is a member on

more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49) across all the Companies in which he is a member.

3. AUDIT COMMITTEE:

Constitution and Composition

The Broad terms and reference of Audit Committee are to review the financial statements before submission to Board, to review reports of the Internal Audit and to review weaknesses in internal controls reported by management, to review the functioning of the Whistle Blower mechanism, in case the same is existing, discussing with the statutory auditor before the audit commences, about the nature and scope of audit as well as post audit. In addition, the powers and role of the Audit Committee are as laid down under clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956.

Meetings & Attendance during the year

The Audit Committee is constituted of Three Independent Directors. The detailed composition, meetings of the members of the Audit Committee are given below :

Name of the Chairman/ Member	Status	No. of Meetings	
		Held	Attended
Shri Dinesh Agrawal	Chairman (Non Executive Independent Director)	4	4
Shri Vikash Kumar Khedia	Member (Non Executive, Independent Director)	4	3
Dr. Ramesh Chandra Gupta	Member (Non Executive Independent Director)	4	3

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Statutory and Internal Auditors are also invited to the meetings. All the members of the Audit Committee are financial literates as required by the revised Clause 49 of the Listing Agreement.

The Audit Committee met four times during the year under review on the following dates:

1. 30th April 2008
2. 31st July 2008
3. 31st Oct. 2008
4. 30th Jan. 2009

The functioning and terms of reference of the Audit Committee, the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 292A of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges as are in force/ applicable from time to time.

4. REMUNERATION COMMITTEE:

Constitution and Meetings

The terms of reference of the said committee are as follows:

- I. To determine on behalf of the Board and on behalf of the shareholders, the company's policy on specific remuneration packages for executive directors.
- II. To approve the payment of remuneration to managerial personnel as per the policy laid down by the committee.

The Remuneration Committee met Two times during the financial year 2008-09 on 30th April 08, and 30th Jan. 2009.

The constitution of the Committee as at 31.03.2009 and the attendance of each member are as given below:

Name of the Chairman/ Member	Status	No. of Meetings	
		Held	Attended
Dr. Ramesh Chandra Gupta	Chairman (Non Executive, Independent Director)	2	2
Shri Vikash Kumar Khedia	Member (Non Executive, Independent Director)	2	2
Shri Dinesh Agrawal	Member (Non Executive Independent Director)	2	2

Details of the remuneration paid to all the Directors

NAME OF DIRECTOR	DIRECTORS CATEGORY	SALARY (Inclusive of all)
Mr. Suresh Goel	Chairman – Executive	Rs.900000/-
Mr. Anand Goel	Managing Director / Executive	Rs.900000/-

Remuneration Policy

The Remuneration Committee recommends the remuneration package for the Executive Directors of the Board. In framing the remuneration policy the Committee takes into consideration the remuneration practices of Companies of similar size, stature and the industry standards.

The Directors compensation is based on their individual goals which are linked to the organizational goals. Executive Directors (ED) are paid subject to the approval of the Board and of the Company in General Meeting, compensation as per the agreements entered into by them and Company. The Non-Executive Directors are paid sitting fees for each meeting of the Board and Committee's attended by them.

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

The Shareholders / Investors Grievance Committee met Four times during the Financial year 2008-09 on 30.04.2008, 31.07.2008, 31.10.2008, 30.01.2009. The constitution of the Committee as at 31.03.2009 and the attendance of each member are given below:

Name of the Chairman/ Member	Status	Meetings Attended
Shri Anand Goel	Chairman (Executive Director)	4
Shri Dinesh Agrawal	Member (Non Executive, Independent Director)	4
Dr. Ramesh Chandra Gupta	Member (Non Executive Independent Director)	3

The terms of reference of the said committees are as follows:

1. Review the reports submitted by the Registrars and Share Transfer Agents of the Company at half yearly intervals.

2. Periodically interaction with the Registrar and Share Transfer Agents to ascertain and look into the quality of the Company's Shareholders / Investors Grievances redressal system and to review the report on the functioning of the said investor grievances redressal system.
3. Follow-up on the implementation of suggestions for improvement.
4. Periodical review to the Board of any major concern, if any.

Although, there were no outstanding complaints as on 31st March'2009.

6. CORPORATE ETHICS:

The Company adheres to the highest standards of business ethics, compliance with the statutory and legal requirements and commitment to transparency in business dealings. A code of conduct for Board Members and senior management and a code of conduct for prevention of Insider Trading as detailed below have been adopted pursuant to clause 49 of the Listing agreement & the Securities Exchange Board of India (Insider Trading) Regulation. The code is applicable to all directors and specified senior management executives. The code impresses upon directors and senior management executives to uphold the interest of the Company and its stakeholders and to endeavor to fulfill all fiduciary obligations towards them. Another important principle on which the code is based is that the Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duty.

A Declaration by the Managing Director affirming compliance of Board members and senior management personnel to the code is also annexed herewith.

The Company has adopted a Code of Conduct for prevention of Insider Trading for its management, staff and directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by directors, top level executives and staff whilst dealing in shares.

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under clause 49 (1) (d) of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2009.

For, Shri Bajrang Alloys Limited

Sd/-

**(Anand Goel)
Managing Director**

7. DISCLOSURES:

- a. A statement, in summary form, of all the transactions entered into with the related parties in the ordinary course of business, details of material individual transactions with related parties that are in the normal course of business are placed before the audit committee. There are no material transactions with related parties, which require separate disclosure or have potential conflicts with interests of the Company. A comprehensive list of transactions entered into with the related parties as required by the Accounting Standards (AS) 18 issued by the Institute of Chartered Accountants of India is given as a separate Schedule to the accounts as point no. 11 in the Annual Report.
- b. The Company has followed all relevant accounting standards while preparing the financial statements.
- c. The risk management issues are discussed in or have potential conflict with interests of the Company detail in the report of Management Discussion and Analysis. Since the risk control framework is new to Indian corporate culture, it is being strengthened on a continuous basis.

The Board has yet to lay down procedures to inform the company's risk assessment and *minimization procedures*. The company is in process of devising the risk assessment and

minimization procedures which shall be laid before the Board of Directors of the company for approval.

- d. There were no public issues, right issues, preferential issues etc. during the Financial Year 2008-09 under review.
- e. Management Discussion and Analysis report has been given as a separate chapter in the Annual Report.
- f. The amount of Rs.18,00,000/- (inclusive of all) per annum was paid as managerial remuneration to the Executive Directors of the Company.
- g. Comprehensive insider trading disclosure guidelines in line with the SEBI Regulations have been adopted by the Board in which the procedure to be followed by all the key managerial persons, staff and other relevant business associates for disclosure of all security transactions of the shares of the Company on the basis of any unpublished price sensitive information relating to the Company.
- h. The NIL number of equity shares were held by Non Executive Directors in the company.

8. WHISTLE BLOWER POLICY:

The Whistle Blower Policy (WBP) adopted by the Company in line with clause 49 of the Listing Agreement, encourages all employees, officers and directors to report any suspected violations promptly and intends to investigate any good faith reports of violations. The Whistle Blower policy specifies the procedure and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the code or any other unethical or improper activity misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements.

WBP also provides against victimization or unfair treatment of the employees who avail of the mechanism and no personnel has been denied access to the Audit Committee.

9 ANNUAL GENERAL MEETING:

The details of date, time and location of Annual General Meeting (AGM) held in last three years are as under:-

Meeting of the year	Date & Time	Location	Whether any special Resolution Passed	Special Resolution through Postal Ballot
2005-06	26 th Sept. 2006 11.00 AM	521/C, Urla Industrial Complex, Raipur (CG)	-yes-	-yes-
2006-07	28 th Sept. 2007 11.00 AM	521/C, Urla Industrial Complex, Raipur (CG)	-yes-	-no-
2007-08	30 th Sept. 2008 11.00 AM	521/C, Urla Industrial Complex, Raipur (CG)	-no-	-no-

10. MEANS OF COMMUNICATION:

The quarterly, half yearly and yearly financial results and reports are sent to the stock exchanges immediately after they are approved by the Board. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular newspaper of the state where the registered office of the Company is located.

The Company has designated the following e-mail ID exclusively for investor servicing that is investors.sbal@sify.com.

11. GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting for the year ended 31st March 2009

Venue of AGM	521/C, Urla Industrial Complex, Raipur (CG) 493221
Dates of Book Closure	22nd Sept 2009 to 29th Sept 2009 (Both day inclusive)
Dividend payment date	No, dividend has been recommended for the year 2008-09.

<i>Financial Calender (Tentative)</i>	
Unaudited Financial Results of the Financial Year 2009-10	
First quarterly results	July 2009
Second quarterly results	October 2009
Third quarterly results	January 2010
Annual results for the year ending 31st March 2010.	April 2010
Annual General Meeting for the year ended 31st March 2010.	On or Before 30th September 2010
Listed on	Bombay Stock Exchange (BSE)
Stock Code	Scrip Code - 526981 ISIN No. - INE 402H01015
Registrar and Share Transfer Agent for Physical and Electronic connectivity	LINK INTIME INDIA PVT. LTD. (formerly Intime Spectrum Registry Ltd.) C-33, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (W) Mumbai - 78 Ph. No. (022) 25963838 Fax: (022) 25946969

Share transfer system:

Share Certificates received in Physical mode for transfer purposes, processed and if certificate is valid and complete in all respect, have been registered and New Certificates have been sent within ten days of receiving the same.

The Company has obtained from a Company Secretary in Practice Half yearly Certificate of Compliance regarding share transfer as per the requirement of Clause 47(c) of the Listing Agreement and filed a copy of this certificate to the Stock Exchange.

Market Price Data

Market Price Data: High, Low and Close during each month from April, 2008 to March, 2009 (In Rs.) of the Company's Equity Shares in Bombay Stock Exchange Ltd., Mumbai (as available from the website) are as under :



SHRI BAJRANG ALLOYS LTD.

Month	High	Low	Closing
Apr.-08	39.60	29.15	36.85
May-08	38.50	32.90	34.15
Jun.-08	35.00	25.40	27.25
July-08	28.95	23.90	26.00
Aug.-08	28.70	23.05	24.40
Sep.-08	36.00	23.00	27.20
Oct.-08	28.00	16.20	16.95
Nov.-08	18.65	11.25	11.25
Dec.-08	15.84	11.00	15.84
Jan.-09	18.90	13.60	13.80
Feb.-09	19.90	12.50	18.91
Mar.-09	19.35	13.75	14.00

Distribution of Share holding as on 31st March 2009.

S.No.	Category	No. of held Shares	Percentage
1	Promoters (including person acting in concert)	5104200	56.71
2	Corporate Bodies	1551059	17.23
3	NRIs/ OCBs	1470	0.02
4	General Public	2343271	26.04
	TOTAL	9000000	100.00

Distribution of Share holding (Size Wise) as on 31st March 2009.

Shareholding of No. of Shares.	No. of Shareholders	Percentage of Total	No. of Shares held	Percentage of Total
1-500	1212	66.09	289517	3.22
501-1000	289	15.76	207977	2.31
1001-2000	132	7.20	196841	2.19
2001-3000	47	2.56	124522	1.38
3001-4000	21	1.14	77632	0.86
4001-5000	22	1.20	106106	1.18
5001-10000	48	2.62	333192	3.70
10001-*****	63	3.43	7664213	85.16
Total	1834	100.00	9000000	100.00

Dematerialization of Shares & Liquidity

The Company's shares are available for Dematerialization with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2009 the status of Dematerialization is as under:

Held in Dematerialized Form in CDSL	1228221
Held in Dematerialized Form in NSDL	7449864
Held in Physical Form	321915

Outstanding ADRs / GDRs / Warrants or any Convertible Instrument, Conversion dates and likely to impact equity.

There are no GDRs / ADRs pending for conversion into equity shares.

Share Transfer Agents

Link Intime India Pvt Ltd.
C-33, Pannatal Silk Mills Compound,
L.B.S. Marg, Bhandup (W)
Mumbai - 400 078
Phone No. (022) 25963838, Fax: (022) 25946969

Plant Locations

521/C, Urla Industrial Complex,
Raipur - 493 221

Address for Correspondence

Shri Bajrang Alloys Limited,
521/C, Urla Industrial Complex,
Raipur - 493 221
Ph. No. 0771-4288000, Fax. +91 771 4288001

Compliance Certificate of the Auditors

Certificate from the Auditors of the Company M/s. R.K. Singhania & Associates, containing compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed to the Directors' Report forming part of the Annual Report.

For and on behalf of the Board of Directors

(SURESH GOEL)
Chairman

Date : 30th June 2009

Place : Raipur



CERTIFICATE OF CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

To

**The Board of Directors
SHRI BAJRANG ALLOYS LIMITED
Raipur (CG)**

We have reviewed the financial statements and the cash flow statement for the financial year 2008-09 and hereby certify that to the best of my/our knowledge and belief:-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2008-09 which are fraudulent, illegal or violate the Company's code of conduct.
4. I/We accept responsibility for establishing and maintaining internal controls. For financial reporting and that I/we have evaluated the effectiveness of the internal control system for the purpose of financial reporting of the Company and I/we have disclosed to the auditors and the Audit Committee those deficiencies, of which I/we am/are aware, in the design or operation of the internal control systems for the purpose of financial reporting and that I/we have taken the required steps to rectify these deficiencies.
5. I/We further certify that:-
 - a) There have been no significant changes in internal control during this year.
 - b) There have been no significant changes in accounting policies during this year.
 - c) There have been no instances of significant fraud of which I/we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

FOR, SHRI BAJRANG ALLOYS LIMITED

(ANAND GOEL)

Managing Director



Auditor's Certificate on Corporate Governance

To The Members of
SHRI BAJRANG ALLOYS LIMITED

We have examined the compliance of conditions of Corporate Governance by Shri Bajrang Alloys Limited, for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders / Investor's Grievance Committee.

We further 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, **R.K. Singhania & Associates**
Chartered Accountants

(Ramesh Kumar Singhania)

Partner

Membership No. - 41880

PLACE : RAIPUR (C.G.)
Date : 30.06.2009



SHRI BAJRANG ALLOYS LTD.

R.K. Singhania & Associates

CHARTERED ACCOUNTANTS

205, 1st FLOOR, SAMTA COLONY, RAIPUR – 492 001 (C.G.) INDIA

Phones : 91-771-2255744-45, 4036066, Fax : 91-771-2254188

E-mail: info@rksca.com, rkscaryp@yahoo.co.in , Website: rksca.com

AUDITORS REPORT

To the members of SHRI BAJRANG ALLOYS LIMITED

1. We have audited the attached Balance Sheet of Shri Bajrang Alloys Limited as at 31st March' 2009 and the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the 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 (Auditors' Report) Order, 2003 and the Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matter specified in paragraphs 4 and 5 of the said order.
4. Further to our comment in the Annexure referred to above, 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 purpose 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 such books.
 - (iii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) 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) Based on written representations received from all directors as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 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 annexed accounts read together with notes and the significant accounting policies give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view *except point no 5 of the notes to accounts whereof provisions of gratuity are not as per accounting standard 15 and its effect on profit and loss account can not be ascertained with reasonable accuracy* :-
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009,
 - b) In the case of the Profit and Loss Account, of the PROFIT of the Company 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, R.K. Singhania & Associates
Chartered Accountants

(Ramesh Kumar Singhania)
Partner

Membership No. - 41880
RAIPUR, 30th June 2009

Annexure to the Auditors' Report

Re: Shri Bajrang Alloys Limited

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

- i) (a) The Company has generally maintained the proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, in phased verification programme, which, in our opinion is reasonable, looking to the size of the company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company has not disposed of substantial part of fixed assets during the year, which has any effect on going concern of the Company.
- ii) (a) As explained to us, physical verification of inventory have been conducted at reasonable intervals during the year by the management.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records of the company, we are of the opinion that, the company is maintaining proper records of inventory. No discrepancies have been noticed on verification between physical stocks and the book records.
- iii) (a) Company has not granted any loan secured or unsecured to company, firm or other person covered in the registered maintained u/s 301 of Companies Act and therefore sub clause (b), (c), (d) of clause (iii) are not applicable.
- (e) Company has taken unsecured loan from two parties and maximum amount outstanding during the year Rs.6,79,79,366/- (Previous Year Rs. 1,38,97,465/-.) The Year end balance Rs.1,79,79,366/- (Previous Year Rs. 1,38,97,465/-.)
- (f) According to the information and explanations given to us, rate of interest and other terms and conditions on which loan was taken is not prima facie prejudicial to the interest of the company.
- (g) Payment of interest and principal are generally regular.
- iv) In our opinion and according to the information and explanations given to us the internal control procedures regarding purchase of inventory and fixed assets for the sale of goods are adequate and the same are commensurate with the size of the company and nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v) (a) In our opinion and according to the information and explanations given to us, contracts and arrangements that need to be entered into the Registers in pursuance of section 301 of the Act, have been so entered.
- (b) In our opinion and according to the information and explanations given to

us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of five lakhs rupees in respect of any party during the year have been reasonable having regard to the prevailing market prices at the relevant time.

- vi) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year; therefore, there is no question of any contravention or passing of any order from Company Law Board, RBI or any other Court or Tribunal.
- vii) The company is a listed company and in our opinion the Company has adequate internal audit system commensurate with its size and nature of its business.
- viii) As explained to us, no order has been made by the Central Government for the Audit of the cost records Under Section 209 (1) (d) of the Companies Act, 1956, for any of the products of the company.
- ix) (a) As explained to us there was no amount outstanding as on 31.03.2009 in respect of statutory dues including Provident Fund, Employees State Insurance, undisputed Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess outstanding as on 31.03.2009 which has not been deposited on account of any dispute except following :

Statute	Nature	Amount involved (Rs '000)	Period	Forum where dispute is pending
Commercial Tax	CGST	563.41	2001-02	Commissioner (A)
Commercial Tax	CST	306.83	2001-02	Commissioner (A)
Commercial Tax	CGST	115.05	2002-03	D.C.C.T. (Appeal)
Commercial Tax	CST	379.35	2002-03	D.C.C.T. (Appeal)
Commercial Tax	CST	198.39	2003-04	D.C.C.T. (Appeal)
Commercial Tax	CST	2619.97	2004-05	D.C.C.T. (Appeal)

- x) The Company does not have any accumulated losses and has not incurred cash losses during the end of the financial year covered by our audit. Therefore, the provisions of clause 4(x) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xi) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment due to financial institution or Banks. Therefore, the provisions of clause 4(xi) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xii) In our opinion and according to information and explanations given to us, the company has not granted loan and advances on the basis of security by way of pledge of share, debenture and other security.
- xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of sub clause (a), (b), (c), (d) of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
- xiv) In our opinion and according to information and explanations given to us, the company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debenture and

- other investments have been held by the company in its own name.
- xv) The Company has given corporate guarantees for loans availed by the others group companies. The terms and conditions whereof, in accordance with information and explanations furnished to us, are not, prima facie, prejudicial to the interest of the Company.
- xvi) The Company has not obtained any term loan during the year. Therefore, the provisions of clause 4(xvi) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the company, we are of the opinion that the Company has not utilized any amount from short term sources towards long term investments visa-versa.
- xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Therefore, the provisions of clause 4(xviii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xix) The Company has not issued any debenture; therefore, the provisions of clause 4(xix) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xx) The Company has not raised any fund by public issue during the year. Therefore, the provisions of clause 4(xx) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xxi) To our best of knowledge and according to information and explanations given to us, the Company has not been noticed or reported any fraud during the year. Therefore, the provisions of clause 4(xxi) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.

For, R.K. Singhania & Associates
Chartered Accountants

(Ramesh Kumar Singhania)
Partner
Membership No. – 41880

RAIPUR, 30th June, 2009

BALANCE SHEET AS AT 31ST MARCH 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 (RUPEES)	AS AT 31.03.2008 (RUPEES)
I. SOURCE OF FUNDS :			
(1) Shareholders' Funds :			
(a) Share Capital	A	90000000	90000000
(b) Reserves & Surplus	B	84672086	54830590
(2) Loan Funds :			
(a) Secured Loans	C	181717652	165940971
(b) Unsecured Loans	D	29611313	42660184
(c) Deferred Tax Liability		4556061	5129398
	TOTAL	<u>390557112</u>	<u>358561143</u>
II. APPLICATION OF FUNDS:			
(1) Fixed Assets			
(a) Gross Block	E	143545757	130153366
(b) Depreciation	E	104451999	92228434
(c) Net Block		<u>39093758</u>	<u>37924932</u>
(d) Capital Work in Progress		18682793	-
(2) Investments	F	11651500	11707880
(3) Current Assets, Loans and Advances :			
(a) Inventories	G	233687639	247085207
(b) Sundry Debtors	H	66154399	118374816
(c) Cash & Bank Balances	I	906084	1834281
(d) Loans, Advances & Deposits	J	86695029	119145370
		<u>387443151</u>	<u>486439674</u>
Less : Current Liabilities and Provisions			
(a) Liabilities	K	54172790	148176854
(b) Provisions		12141300	29334490
Net Current Assets		<u>321129061</u>	<u>308928330</u>
	TOTAL	<u>390557112</u>	<u>358561143</u>

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

T

As per our attached report of even date
For, **R.K.Singhania & Associates**
Chartered Accountants

For and on behalf of the Board

(Ramesh Kumar Singhania)
Partner

ANAND GOEL, Managing Director

Membership No. - 41880
RAIPUR, 30th June, 2009

NARENDRA GOEL, Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (RUPEES)	FOR THE YEAR ENDED 31.03.2008 (RUPEES)
I. I N C O M E:			
Gross Turnover		2244598318	2200373287
Less: Excise Duty recovered on sales		<u>244345142</u>	<u>269126032</u>
Net Turnover		2000253176	1931247255
Other Income	L	689099	659533
Increase/(Decrease) In stock	M	<u>(32429001)</u>	<u>86590835</u>
	TOTAL	<u>1968513274</u>	<u>2018497623</u>
II. E X P E N D I T U R E:			
Raw Materials Consumed	N	1702269438	1696064785
Trading Material Purchases		20978485	59311484
Manufacturing Expenses	O	99388659	107424484
Payment to & Provision for Employees	P	5719661	4857134
Administrative Expenses	Q	5915026	12464408
Interest & Financial Charges	R	24621180	24420754
Selling, Distribution & Other Expenses	S	67962478	56667874
Depreciation		<u>12309065</u>	<u>8702483</u>
	TOTAL	<u>1939163992</u>	<u>1969913405</u>
Profit Before Tax & Dividend		29349282	48584218
Less : Provision for Tax		10515330	17603141
Less : Net Deferred Tax Liability/ (Assets)		<u>(573337)</u>	<u>(1116076)</u>
Less : Provision for Fringe Benefit Tax		138062	140203
Add: Excess Provision written back		43974	-
Less: Income, FBT & Dividend tax of Earlier Years		<u>1255</u>	<u>108</u>
Profit / (Loss) after Tax		19311946	31956842
Profit Brought Forward from Previous Year		31271090	18843798
Add : Last year Proposed Dividend including CDT Written Back		<u>10529550</u>	<u>-</u>
Profit Available for Appropriation		<u>61112586</u>	<u>50800640</u>
Appropriations			
Equity Dividend		-	9000000
Dividend Tax		-	1529550
Transferred to General Reserves		10000000	9000000
Balance Transferred to Balance Sheet		<u>51112586</u>	<u>31271090</u>
		<u>61112586</u>	<u>50800640</u>

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

T

As per our attached report of even date

For, **R.K.Singhania & Associates**
Chartered Accountants

(Ramesh Kumar Singhania)

Partner
Membership No. - 41880
RAIPUR, 30th June, 2009

For and on behalf of the Board

ANAND GOEL, Managing Director

NARENDRA GOEL, Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

PARTICULARS	YEAR ENDED 31.03.2009 (RUPEES)	YEAR ENDED 31.03.2008 (RUPEES)
(A) CASH FLOW FROM OPERATING ACTIVITIES :-		
(1) Net Profit before Taxation	29349282	48584218
Add: Adjustment for :		
(i) Depreciation	12309065	8702483
(ii) Interest	24621180	24420754
(iii) Proposed Dividend with Tax	-	(10529550)
(iv) Profit on Sale of Investment	(183253)	(634719)
(v) Loss on sale of fixed assets	19500	3328534
(vi) Depreciation written off on sale of asset	(85500)	(3965525)
(vii) Dividend Received	(15568)	(24814)
(viii) Frienge Benefit Tax	(138062)	(140203)
(ix) Provision for Taxation	(10515330)	(17603141)
(2) Operating Profit before working Capital Change	55361314	52138036
Add/(Less) : Decrease / Increase in Current Assets		
(i) Inventory	13397569	(49329531)
(ii) Sundry Debtors	52220417	74481321
(iii) Other Current Assets	32450341	(19818413)
	98068327	5333377
Add/(Less) : Increase/Decrease in Current Liabilities	(111197254)	(55761547)
(3) Net Cash Flow from Operating Activities	42232387	1709866
Less Income Tax paid	(42719)	108
Add: Proposed Dividend with Tax written back	10529550	-
Subtotal (A)	52804656	1709758
(B) CASH FLOW FROM INVESTING ACTIVITIES:-		
(i) Purchase of Fixed Assets	(32255184)	(14097302)
(ii) Purchase of Investments	(320366)	(2079137)
(iii) Dividend Received	15568	24814
(iv) Sale of Fixed Assets	160500	6564179
(v) Sale of Investment	559999	2296436
Subtotal (B)	(31839483)	(7291010)
(C) CASH FLOW FROM FINANCING ACTIVITIES:-		
(i) Increase of Unsecured Loan	(13048871)	38343707
(ii) Increase of Working capital loan	15776681	(7122445)
(iii) Interest paid	(24621180)	(24420754)
(iv) Issue of Shares	-	-
Subtotal (C)	(21893370)	6800508
Net Increase In Cash & Cash Equivalent Total [A+B+C]:-	(928197)	1219256
Cash & Cash Equivalent At The Beginning of The Period:-	1834281	615024
Cash & Cash Equivalent At The End of The Year:-	906084	1834281

Notes : (1) Cash & Cash equivalent includes Cash & Bank Balances
(2) Figures of the previous year have been regrouped/rearranged found necessary.
(3) The 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.

As per our attached report of even date
For, **R.K.Singhania & Associates**
Chartered Accountants

(Ramesh Kumar Singhania)
Partner
Membership No. - 41880
RAIPUR, 30th June, 2009

For and on behalf of the Board

ANAND GOEL, Managing Director

NARENDRA GOEL, Director



SHRI BAJRANG ALLOYS LTD.

SCHEDULE ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31.03.2009

PARTICULARS	YEAR ENDED 31.03.2009 (RUPEES)	YEAR ENDED 31.03.2008 (RUPEES)
SCHEDULE - A : SHARE CAPITAL		
AUTHORISED		
20000000 Equity Shares of Rs. 10/- Each (Previous year 20000000 Equity Shares of Rs. 10/- each)	200000000	200000000
1000000 Preference Shares of Rs. 10/- Each (Previous year 1000000 Preference Shares of Rs. 10/- each)	10000000	10000000
ISSUED, SUBSCRIBED & PAID-UP		
9000000 Equity Shares of Rs. 10/- Each Fully Paid up (Previous year 9000000 Equity Shares of Rs. 10/- each fully paid up)	90000000	90000000
(Of the above shares, 6000000 Shares are allotted as fully paid -up by way of bonus shares by capitalisation of Security Premium and General Reserve)		
	90000000	90000000
SCHEDULE - B : RESERVES & SURPLUS		
Capital Reserve	13500	13500
General Reserve	33546000	23546000
Balance in Profit & Loss Account	51112586	31271090
	84672086	54830590
SCHEDULE - C : SECURED LOANS		
Cash Credit from Bank of Baroda, Raipur	181717652	165940971
	181717652	165940971

NOTE:

Cash Credit facility is secured by hypothecation of stocks of Raw Materials, Stock-in-Transit, Finished goods, Book debts and additionally secured by :-

- (1) Equitable mortgage of Land, Building and other superstructures at Plot No. 519,520,521 & 522 located at Sector- C, Urla Industrial Complex, Raipur (C.G.)
- (2) Extension of Hypothecation of Plant & Machinery and other fixed assets.
- (3) Personal guarantee of Shri Rajendra Goel, Shri Dinesh Goel, Shri Sandeep Goel, Smt. Sarla Goel and Directors of the company, Shri Suresh Goel, Shri Narendra Goel and Shri Anand Goel.
- (4) Corporate guarantee of M/s Swastik Mercantile Ltd. of Kanpur and Equitable mortgage of a flat at Visakhapatnam belonging to M/s Swastik Mercantile Ltd.

SCHEDULE - D : UNSECURED LOANS		
From		
Directors / Promoters	17979366	13897465
Body Corporates	9229568	24446242
From Others (Sales Tax Deferment)	2402379	4316477
	29611313	42660184

SCHEDULE ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31.03.2009

SCHEDULE - E : FIXED ASSETS

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As At 31.03.2008 Rupees	Addition During The Year Rupees	Deletion During The Year Rupees	Cost As At 31.03.2009 Rupees	Upto 31.03.2008 Rupees	For the Year Rupees	Deletion During The Year Rupees	Total upto 31.03.2009 Rupees	As At 31.03.2009 Rupees	As At 31.03.2008 Rupees
Leasehold Land	845958	-	-	845958	127166	5456	-	132622	713336	718792
Freehold Land	1244104	-	-	1244104	-	-	-	-	1244104	1244104
Factory Building	2418645	-	-	2418645	1102830	80783	-	1183613	1235032	1315815
Other Building	3219690	4769828	-	7989518	721248	107650	-	828898	7160620	2498442
Plant & Machinery	39826284	1906000	-	41732284	20527484	1937388	-	22464872	19267412	19298800
Rolls	74941836	6259281	-	81201117	66699507	9394989	-	76094496	5106621	8242329
Vehicles	5549500	538382	180000	5907882	2151763	545203	85500	2611466	3296416	3397737
Computer	945014	62400	-	1007414	499319	161944	-	661263	346151	445695
Furniture & Fixtures	1162335	36500	-	1198835	399117	75652	-	474769	724066	763218
TOTAL	130153366	13572391	180000	143545757	92228434	12309065	85500	104451999	39093758	37924932
Previous Year	125948777	14097302	9892713	130153366	87491476	8702483	3965525	92228434	37924932	38457301



SHRI BAJRANG ALLOYS LTD.

SCHEDULE ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31.03.2009

PARTICULARS	AS AT 31.03.2009 (RUPEES)	AS AT 31.03.2008 (RUPEES)
SCHEDULE - F : INVESTMENTS		
Long Term Investment		
Unquoted Equity Shares of :		
Fully Paid up		
250100 Shares in Shri Bajrang Ispat & Plywood Ltd. of Rs. 10/- each (Previous year 250100 Shares of Rs. 10/- each)	2501000	2501000
577000 Shares in Shri Bajrang Power & Ispat Ltd. of Rs. 10/- each (Previous year 577000 Shares of Rs. 10/- each)	5770000	5770000
4900 Shares in Shri Bajrang Hydro Energy Pvt. Ltd. of Rs. 10/- each (Previous year 4900 Shares of Rs. 10/- each)	49000	49000
Quoted Equity Shares of :		
Fully Paid up		
500 Shares in Jyoti Structures Ltd. of Rs. 2/- each (Previous year 500 Shares of Rs. 2/- each)	3500	3500
871 Shares in Bank of Baroda of Rs. 10/- each (Previous year 871 Shares of Rs. 10/- each)	200330	200330
700 Shares in Godawari Power & Ispat Ltd of Rs. 10/- each (Previous year 700 Shares of Rs. 10/- each)	74285	74285
NIL Shares in Koffee Break Picture (I) Ltd of Rs. 10/- each (Previous year 25000 Shares of Rs. 10/- each)	-	376746
8000 Shares in Reliance Power Limited of Rs. 10/- each (Previous year 5000 Shares of Rs. 10/- each)	1733019	1733019
71300 Shares in OCL Iron & Steel Ltd. of Rs. 1/- each (Previous year NIL)	320366	-
 (Aggregate Market Value Rs.1511212/- (Prev. Year Rs. 2386807/-))		
Other Investments		
50000 units of SBI Comma Fund - Growth (Previous year 50000 units)	500000	500000
50000 units of SBI Blue Chip Fund - Dividend (Previous year 50000 units) (Aggregate Market Value Rs.971500/- (Prev. Year Rs. 1569500/-))	500000	500000
	11651500	11707880
SCHEDULE - G : INVENTORIES		
(As taken, valued and certified by the Management)		
Finished Goods	170231845	217094102
Furnace Oil	437988	1124326
Raw Materials (Incl. In Transit)	54741809	22505118
Rolls (Scrap)	2397700	2179700
Stores & Spares	2529120	647600
Trading Material	3349177	3534361
	233687639	247085207

SCHEDULE ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31.03.2009

PARTICULARS	AS AT 31.03.2009 (RUPEES)	AS AT 31.03.2008 (RUPEES)
SCHEDULE - H : SUNDRY DEBTORS		
(Unsecured, Considered Good)		
Outstanding for more than Six Months	1160735	3770648
Other Debts	<u>64993664</u>	<u>114604168</u>
	<u>66154399</u>	<u>118374816</u>
 SCHEDULE - I : CASH & BANK BALANCES		
Cash in Hand		
(As verified and certified by the management)	375644	909581
Bank Balance with Scheduled Banks		
In Current Account	402931	796566
In Dividend Account	1304	1304
In Margin Deposit Account	122063	122063
Bank Balance with Other Bank	<u>4142</u>	<u>4767</u>
	<u>906084</u>	<u>1834281</u>
 SCHEDULE - J : LOANS, ADVANCES & DEPOSITS		
(Unsecured, Considered Good)		
Advances (recoverable in cash or in kind or for value to be received)	53573885	42098027
Advance Tax & Deduction at Source	10940596	19596423
Balance with Excise Department and others	17644274	52351985
Deposit with Government Authorities and others	2609499	2675361
Other Receivables	<u>1926775</u>	<u>2423574</u>
	<u>86695029</u>	<u>119145370</u>
 SCHEDULE - K : CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Advance from Customers	20937037	41350335
Other Liabilities and Provisions	14788511	30181461
Sundry Creditors (Including Bills payable)	17663941	76249109
T. D. S. Payable	<u>783301</u>	<u>395949</u>
	<u>54172790</u>	<u>148176854</u>
Provision		
For Taxation	10515330	17603141
For Fringe Benefit Tax	138062	140203
For Gratuity	1487908	1061596
For Proposed Dividends	-	9000000
For Dividend Tax	-	<u>1529550</u>
	<u>12141300</u>	<u>29334490</u>
	<u>66314090</u>	<u>177511344</u>



SHRI BAJRANG ALLOYS LTD.

SCHEDULE ANNEXED TO & FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (RUPEES)	FOR THE YEAR ENDED 31.03.2008 (RUPEES)
SCHEDULE - L : OTHER INCOME		
Income from Sale of Investments	183253	634719
Foreign Exchange Difference (Net)	380278	-
Miscellaneous Income	125568	24814
	<u>689099</u>	<u>659533</u>
SCHEDULE - M : INCREASE / (DECREASE) IN STOCK		
Closing Stock		
Finished Goods	170231845	217094102
Trading Goods	3349177	3534361
Rolls (Scrap)	2397700	2179700
	<u>175978722</u>	<u>222808163</u>
Less: Opening Stock		
Finished Goods	217094102	123038098
Trading Goods	3534361	1151492
Rolls (Scrap)	2179700	2075900
	<u>222808163</u>	<u>126265490</u>
Net Increase/ (Decrease) In Stock In Trade	<u>(46829441)</u>	<u>96542673</u>
Excise Duty on (Increase) / Decrease of Stock	<u>14400440</u>	<u>(9951838)</u>
	<u>(32429001)</u>	<u>86590835</u>
SCHEDULE - N : RAW MATERIAL CONSUMED		
Opening Stock	22505118	60671205
Purchases	1734506129	1657898698
	<u>1757011247</u>	<u>1718569903</u>
Less: Closing Stock	54741809	22505118
	<u>1702269438</u>	<u>1696064785</u>
SCHEDULE - O : MANUFACTURING EXPENSES		
Entry Tax	1022144	172001
Furnace Oil Consumed	72706382	78701621
Gas Consumed	1987822	3413645
Power Charges	13402339	14372802
Repairs to Building	283464	52500
Repairs to Plant & Machinery	4611880	6071406
Stores & Spares Consumed	5374628	4640509
	<u>99388659</u>	<u>107424484</u>

SCHEDULE ANNEXED TO & FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (RUPEES)	FOR THE YEAR ENDED 31.03.2008 (RUPEES)
SCHEDULE - P: PAYMENTS TO & PROVISION FOR EMPLOYEES		
Salaries, Wages & Benefits	5250569	4748758
Medical & Welfare Expenses	469092	108376
	<u>5719661</u>	<u>4857134</u>
SCHEDULE - Q : ADMINISTRATIVE EXPENSES		
Audit Fees	100000	70000
Charity & Donations	484001	536100
Director's Remuneration	1800000	1650000
Electricity Charges	38793	56369
Insurance Charges	198828	173351
Legal & Professional Charges	696778	2732765
Listing & Filing Fee	53284	704087
Loss on Sale of Assets	19500	3328534
Registration & Renewal Charges	149448	171406
Miscellaneous Expenses	229677	200445
Office & General Expenses	34192	247505
Postage & Telephone	730517	521673
Printing & Stationery	144179	254799
Rent, Rates & Taxes	383127	415030
Runing & Maintenance - Others	315607	389961
Sundry Balances Written Off	6981	40263
Travelling & Conveyance	530114	972120
	<u>5915026</u>	<u>12464408</u>
SCHEDULE - R : INTEREST & FINANCIAL CHARGES		
Bank Charges	565228	1466247
Foreign Exchange Difference (Net)	-	1834250
Interest		
On Cash Credit	19513216	19005313
Other Interest	4542736	2114944
	<u>24621180</u>	<u>24420754</u>
SCHEDULE-S : SELLING, DISTRIBUTION & OTHER EXPENSES		
Advertisement & Sales Promotion	115866	433095
Bad Debts written off	1413535	-
Carriage Outward	7026557	3069506
Finished Goods Handling Charges	3618910	4925903
Export Duty	944630	-
Rebate & Rate difference	-	2792
Sales Commission	1131070	512442
Sales Tax	53663851	47396428
Tender Fees	7000	4000
Testing & Inspection Charges	41059	323708
	<u>67962478</u>	<u>56667874</u>

SCHEDULE "T"

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

(A) COMPANY OVERVIEW :

Shri Bajrang Alloys Limited is a leading manufacturing company of Raipur. Company is engaged in manufacturing of Structural Steels like Angle, Channal, Joist/Beam, Round etc.

(B) SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF PREPARATION:

- (i) The financial statements have been prepared on Historical Cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 and the applicable Accounting Standards in India.
- (ii) The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- (iii) The accounting policies have been consistently applied by the company.

2. USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues & expenses during the reported period. Although these statements are based upon management's best knowledge of current events and actions, actual results could differ from these statements. Difference between the actual results and the estimates are recognised in the period in which the results are known / materialised.

3. FIXED ASSETS:

Fixed Assets are stated at acquisition cost less depreciation. Cost includes related taxes, duties, freight, insurance etc attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable subsequently from the tax authorities.

4. DEPRECIATION:

- (i) Depreciation on Fixed Assets has been provided on "Straight Line Basis" at the rates and in the manner prescribed in Schedule - XIV of the Companies Act, 1956.
- (ii) Leasehold land is amortised over the period of lease.
- (iii) Depreciation on Fixed Assets added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
- (iv) Expenditure of amount below Rs. 5000 /- had been written off in full.

5. INVESTMENTS

- (i) Long Term Investments are stated at cost. A provision for diminution in the value of long term investments is made only if such is other than temporary, in the opinion of management.
- (ii) Current Investments are stated at lower of cost and fair value.

6. INVENTORIES: Inventories are valued in following manner:

Raw Materials, Furnace Oil	: At Cost
Finished Goods	: At Lower of Cost or Market Price
Traded Goods	: At Cost
Materials in transit	: At Invoice Value.
Stores & Consumables	: At Cost
Waste and Scrap	: At Net Realisable Value

Cost of finished goods includes direct materials, labour and conversion and other manufacturing expenses incurred to bring the inventories in the present condition and location.

The cost formulae used for determination of cost are on FIFO basis.

7. CONTINGENT LIABILITIES:

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.

8. REVENUE RECOGNITION

- (i) Mercantile method of accounting has been employed unless otherwise specifically stated elsewhere in this schedule. However where the amount is immaterial / negligible and / or establishment of accrual / determination of amount is not possible, no entry is made for accruals.
- (ii) Sale of Products - Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty and Value Added Tax deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.
- (iii) Bonus and Leave Encashment are recognised as per Cash Basis.

9. FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the *time of the transaction*.
- (ii) Any income or expense on account of exchange difference on settlement of Monetary items is recognised in the Profit & Loss Account.
- (iii) In respect of transactions covered by Forward Foreign Exchange Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognized as income or expenses over the life of the contract except for contracts relating to liabilities incurred for purchase of Fixed Assets, the difference thereof is adjusted in the carrying amount of respective Fixed Assets.

10. BORROWING COST

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use.

11. EMPLOYEES RETIREMENT BENEFITS:

(i) Defined Contribution plan

Company's contribution to Provident Fund and Employee state Insurance are charged to Profit and Loss Account. Value of encashable leave are encashed during the year and charged to Profit & Loss Account. There is no other obligation other than the contribution Payable to respective authorities.

(ii) Defined Benefit plan

Company's Liabilities towards gratuity are determined on the basis of simple calculation as per Gratuity Act and Labour Act only.

12. PROVISIONS

Provisions are recognized, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

13. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to profit & loss account. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

14. TURNOVER

Turnover includes sales inclusive of excise duty, sales tax, services and are adjusted for discounts.

15. EXCISE DUTY

Excise duty expenses are accounted for at the time of removal of goods from the factory. Total excise expenses includes the amount of reversal of cenvat amount and penalty, if any, on order passed during the year.

The Excise duty in respect of closing inventory of finished goods is provided in the books of accounts and included as part of inventory.

CENVAT Credit relating to raw materials/components are debited under current assets for availing credit against CENVAT and credited to respective materials/component account.

16. UNSECURED LOAN FORM OTHERS

Unsecured Loan from others consists of amount payable to State Sales Tax Department on account of deferred sales tax liability.

17. SEGMENT REPORING

The company has only one primary segment, i.e. Structural Rolling Mill. As such there is no other reportable segment as defined by Accounting Standard - 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India. There is no reportable Geographical Segment either.

18. PROVISION FOR CURRENT AND DEFERRED TAX:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet Date. The Deferred Tax Asset is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future.

19. PROVISION FOR FRINGE BENEFIT TAX:

Fringe Benefit Tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefit" as defined under the Income Tax Act, 1961.

20. EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

(C) NOTES ON ACCOUNTS: -

1. Contingent Liabilities not provided for in the accounts in respect of:

- a) Bank Guarantees outstanding at Rs. 3.32 Lacs (previous year Rs. 8.33 Lacs) against which margin money of Rs. 1.22 Lacs (previous year Rs. 1.22 Lacs) has been deposited with bank.
- b) Claims against the company / disputed tax liabilities not acknowledged as debt amounting to Rs. 41.83 Lacs (Previous year Rs. 120.92 Lacs).
- c) Guarantees given on behalf of the other companies Rs. 33711 Lacs (previous year Rs.27909 Lacs).
- d) Customers' bills discounted Rs. 1837.15 Lacs (previous year 1340.00 Lacs).

2. Auditor's remuneration include the following: - *

	F.Y. 2008-09	F.Y. 2007-08
PARTICULARS	AMOUNT (Rs.)	AMOUNT (Rs.)
a. Audit Fees	70000	50000
b. Tax Audit	30000	20000
c. Company Law Matters	-	-
d. Certification Works	30000	-
TOTAL	130000	70000

* Excluding applicable Service Tax.

3 EARNING PER SHARE

	Current Year	Previous Year
	2008-09	2007-08
Profit / (Loss) after Taxation as per Profit & Loss Account	19311946	31956842
Weighted Avg. No. of Equity Share Outstanding	9000000	9000000
Basic/Diluted Earning/(Loss) per Share	2.15	3.55

4 TAXES ON INCOME

- a) Provision for Income Tax has been made in terms of the normal provisions of the Income Tax Act, 1961.
b) Deferred Taxation

	Accumulated as at 31.03.2008 Amount in Rs.	Charge / Credit during the year Amount in Rs.	As at 31.03.2009 Amount in Rs.
Deferred Tax Liability on account of Depreciation / Loss on sale of fixed asset	5490235	(428434)	5061801
Less: Deferred Tax Asset on provision for Gratuity	(360837)	(144903)	(505740)
	5129398	(573337)	4556061

- c) In accordance with "Accounting Standard – 22" issued by the "Institute of Chartered Accountants of India", the Company has recognised net of deferred tax assets and deferred tax liability amounting to Rs. 4556061 as on 31/03/2009 under a separate head "Deferred Tax Liability". Net of deferred tax liability and asset for the year amounting to Rs. 573337 has been recognised in the Profit & Loss Account.

5. GRATUITY

- (i) Provision for gratuity has been determined on the basis of simple calculation as per Gratuity Act i.e. on the basis of half month last drawn salary, as this method is generally followed by all the incidental industries. Actuarial valuation was not done as the strength of employees are not too high. Had the actuarial valuation been made the difference would not be material, looking towards the low strength of Employees. This is not as per compliance of the accounting standard 15 issued by ICAI as the company has not determined the liability as required as per revised AS-15, which was mandatory w.e.f. 01.04.2007 However, additional liabilities if any will be provided later on. The quantum of additional liability is at present unascertainable.
- (ii) As the company has not separately invested any of its liability of Gratuity in any specific Govt. Bonds / Securities, hence the changes in assets is not there.
6. Amounts have been rounded off to the nearest rupees and previous year's figures have been regrouped, rearranged and reclassified wherever considered necessary.
7. Balances of the sundry debtors, sundry creditors, loans and advances etc. are subject to confirmation and reconciliation.
8. The company has not received any information from any of the suppliers of their being a Small Scale Industrial Unit. Hence the amounts due to Small Scale Industrial Unit as on 31st March 2009 are not ascertainable.
9. The Company has acquired certain fixed assets on hire purchase basis which have been treated as assets acquired on finance lease as per Accounting Standard on Leases (AS-19). Minimum lease rentals outstanding as at the year end, are as under :

	Amount in Rs. As at 31st March, 2009			Amount in Rs. As at 31st March, 2008		
	Total minimum Lease Payments outstanding	Interest not due	Present value of the minimum lease payments	Total minimum Lease Payments outstanding	Interest not due	Present value of the minimum lease payments
Not later than one year	80750.00	1734.00	79016.00	635630.00	32264.00	603366.00
Later than one year and not later than five years	-	-	-	80750.00	1734.00	79016.00

10. In Previous year (FY. 2007-08) Board of director recommend dividend but in Annual General Meeting it is not approved by Share holder therefore it is written back through Profit and Loss Account.
11. Related Party disclosures, as required by Accounting Standard-18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below :

i) Related Party

a) Associate Companies / Firms

Shri Bajrang Metallics & Power Limited
 Shri Bajrang Power & Ispat Limited
 Shri Bajrang Ispat & Plywood Limited
 Shri Bajrang Hydro Energy Pvt. Ltd.
 S.B. Multimedia Private Limited
 J.J. Rerollers

b) Key Management Personnel

Shri Suresh Goel
 Shri Anand Goel

ii) Transaction with Related Parties in the ordinary course of business (In Lacs)

	Associates		Key management	
	2008-09	2007-08	2008-09	2007-08
Purchase of materials	16592.64	14537.78	-	-
Sale of materials	1416.30	952.88	-	-
Interest Paid	18.14	-	13.72	6.67
Remuneration paid	-	-	18.00	16.50
Rent	0.60	0.60	-	-
Investment	-	0.49	-	-
Outstandings as on 31.03.2009				
Receivables	6.08	6.08	-	-
Payables	150.87	727.40	180.99	138.97
Investment	83.20	83.20	-	-

Note: Related party relationship is as identified by the Company on the basis of available information and relied upon by the auditors.

12. In accordance with the Accounting Standard (AS-28) on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. The company has not identified any Fixed Assets to be materially impaired mainly on account of economic performance and alternative viability of such assets and accordingly no amount has been charged as impairment loss to the Profit & Loss Account at the year end.

13. FOREIGN CURRENCY TRANSACTION

The company entered into Forward contracts and outstanding as on 31st March,2009 is Rs. Nil (Previous Year Rs. 1600 Lacs).

Forighen Exchange diffrence shown in Profit and loss Account as Net of Income Rs. 380278/- of Sales Transaction (Rs. 2301352/- Gain) and Forward Transaction (Rs. 1921074/- Loss).

14. In accordance with ASI-14 "Discloser of Revenue from Sales Transaction' issued by Institute of Chartered accountants of India, Differential Excise duty on Opening and Closing Stock of Finished goods amounting to Rs. 14400440 (PY Rs. 9951838) has been adjusted from (increase) / decrease in Stock in schedule - M.

15. Additional information pursuant to provisions of Part -II of Schedule VI to the Companies Act, 1956.

A) Turnover	Unit	(Rs. in Lacs)			
		Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
Manufactured Goods *	M.T	48367.885	22227.19	61374.409	21427.42
Traded Goods	M.T	743.645	218.79	2999.325	576.31

* Sales amount includes conversion charges of Rs. Nil (Previous year Rs. 11934960/-).

B) Opening Stock					
Manufactured Goods	M.T	4951.471	2170.94	4110.970	1056.30
Traded Goods	M.T	125.910	35.34	51.860	11.51

C) Closing Stock					
Manufactured Goods	M.T	5623.696	1702.32	4951.471	2170.94
Traded Goods	M.T	129.170	33.49	125.910	35.34

D) Raw Material Consumed					
Blooms, Billets, Slabs etc.	M.T	53609.790	17022.69	68039.230	16960.65

E) Breakup of Raw Material Consumed					
		%	Amount	%	Amount
Imported		0.00%	0.00	0.00%	0.00
Indigeneous		100.00%	17022.69	100.00%	16960.65

F) Stores Consumed					
		%	Amount	%	Amount
Imported		0.00%	0.00	0.00%	0.00
Indigeneous		100.00%	53.75	100.00%	46.41

G) Value of Imports on C.I.F. Basis		NIL	NIL
H) Earnings in Foreign Exchange			
(i) FOB Value of Goods Exported	Rs. (in Lacs)	557.35	21.34
	USD	\$ 1305611.77	\$ 52619.00
I) Expenditure in Foreign Currency			
(i) Interest and Financial Charges	Rs. (in Lacs)	130.19	77.76
	USD	\$ 277506.45	\$ 194708.51
(ii) Commission on Exports	Rs. (in Lacs)	7.02	0.85
	USD	\$ 13537.46	\$ 2136.00

J) Installed Capacity and Production (Per Annum) (Qty. in M.T.)					
	Unit	Installed Capacity		Actual Production *	
		Current Year	Previous Year	Current Year	Previous Year
		Structural Steels	M.T.	60,000.000	60,000.000

(As certified by the management and accepted by the auditors being a technical matter)

* Actual production includes quantity of conversion job work of Nil. (Previous year 3919.540 M.T.)

16. Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

I. REGISTRATION DETAILS

Registration No.	5964
State Code	10
Balance Sheet Date	31/03/2009

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue	Nil
Preferential Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
Rights Issue	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities	456871.20
Total Assets	456871.20

Sources of Funds

Paid up Share Capital	90000.00
Reserves & Surplus	84672.09
Secured Loans	181717.65
Unsecured Loans	29611.31
Deferred Tax Liability	4556.06

Application of Funds

Net Fixed Assets	39093.76
Capital Work in Progress	18682.79
Investments	11651.50
Net Current Assets	321129.06
Miscellaneous Expenses	-
Accumulated Losses	-

IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Turnover (including other income)	2000942.28
Total Expenditures	1971592.99
Profit / (Loss) before tax	29349.28
Profit / (Loss) after tax	19311.95
Earning / (Loss) Per Share (In Rs.)	2.15
Dividend rate %	0%

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY (As per Monetary terms)

ITEM CODE NO. (ITC CODE)	Product Description
7211/7214/7216	Structural Steel

17. Schedules "A" to "T" form part of Balance Sheet as at 31st March 2009 and Profit & Loss Account for the year ended on that date.

Signature to Schedule "A" to "T"

As per our attached report of even date

For, R.K.Singhania & Associates

Chartered Accountants

(Ramesh Kumar Singhania)

Partner

Membership No. - 41880

Raipur, 30th June, 2009

For and on behalf of the Board

ANAND GOEL, Managing Director

NARENDRA GOEL, Director



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SHRI BAJRANG ALLOYS LTD.

SHRI BAJRANG ALLOYS LIMITED

Regd. Office : 521/C, Urla Industrial Complex, Raipur (C.G.) 493 221

Proxy Form

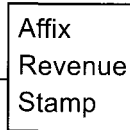
Folio No. / DPID No.* Client ID No.*

I/We of
 in the district of being a member /members
 of the above named Company, hereby appoint Shri/Smt. of
 or failing him / her, Shri/Smt. of
 in the district of as
 my/our proxy to vote for me/us on my/our behalf at the 19th ANNUAL GENERAL MEETING of the
 Company to be held on Tuesday, 29th, September 2009 at 11.00 A.M. at the registered office of the
 Company at Raipur and at any adjournment thereof.

Signed this day of 2009.

No. of Shares held

Signature



* Applicable for investors holding shares in electronic form.

Note : This Instrument of proxy shall be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting. The proxy need not be a member of the Company.

TEAR HERE

SHRI BAJRANG ALLOYS LIMITED

Regd. Office : 521/C, Urla Industrial Complex, Raipur (C.G.) 493 221

Attendance Slip

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Folio No. / DPID No.* Client ID No.*

NAME AND ADDRESS OF THE SHARE HOLDER / PROXY /

No. of Shares(S) held :

I here by record my presence at the 19th ANNUAL GENERAL MEETING of the Company being held on Tuesday, 29th September, 2009, at 11.00 P.M. at the registered office of the Company at Raipur.

Dated :

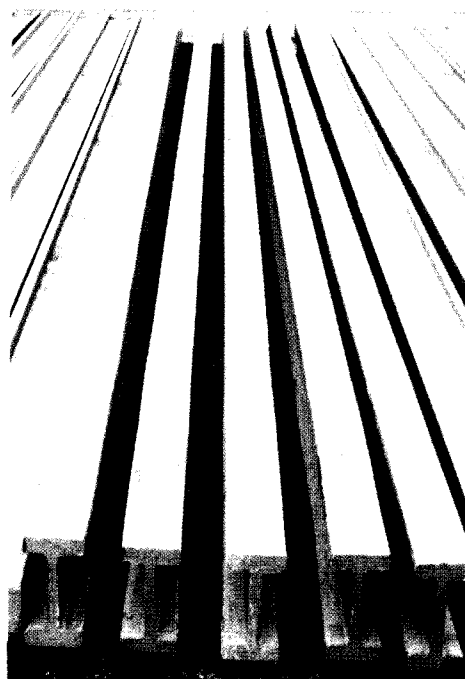
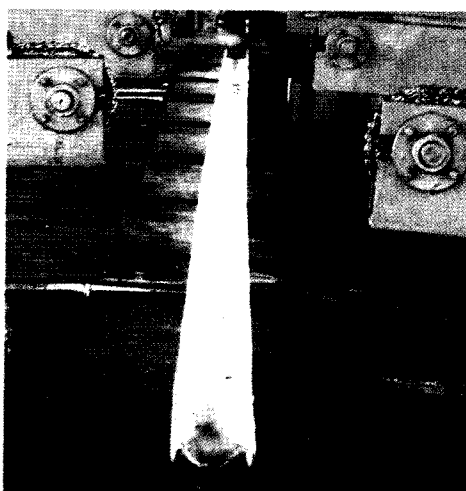
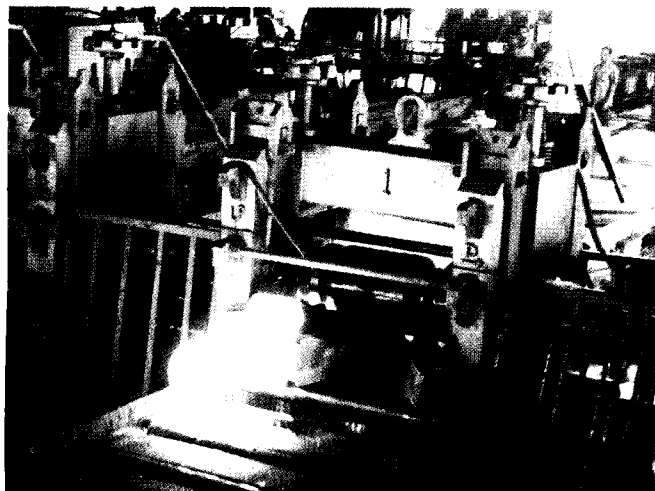
Note :

Signature of the Member/Proxy

- (1) Shareholders/Proxy holder are requested to bring the attendance slip with them.
- (2) Persons attending the Meeting are requested to bring their copies of Annual Report with them as further copies will not be provided at the Meeting Hall.

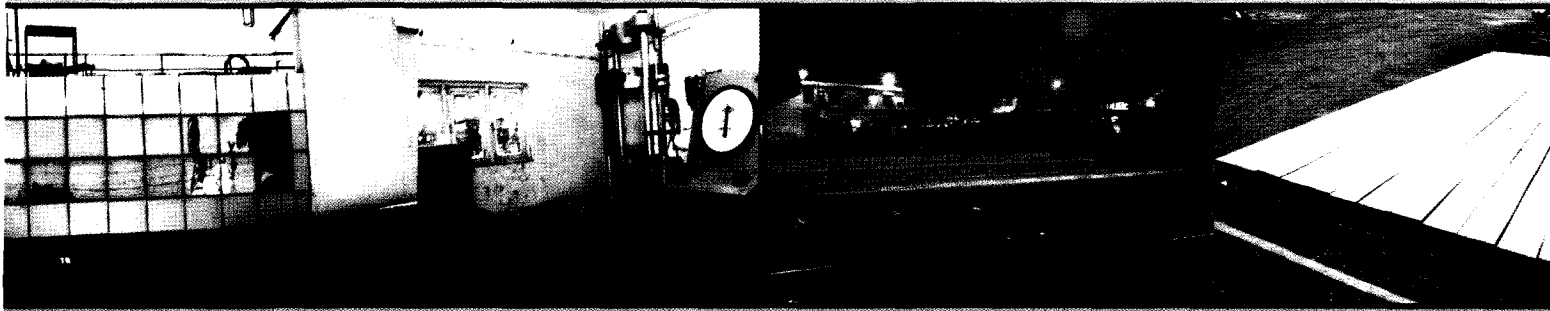


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E-mail : sbali123@sify.com • Website : www.shribajrangalloys.com