



## STEEL STRIPS WHEELS LTD.

CIN: L27107PB1985PLC006159

**Head Office :** ISO/TS16949 Certified  
SCO 49-50, Sector-26,  
Madhya Marg, Chandigarh-160 019 (INDIA)  
Tel. : +91-172-2793112, 2790979, 2792385  
Fax : +91-172-2794834 / 2790887  
Website : www.sswlindia.com

Ref. SSWL/2019  
Dated 05.09.2019

Bombay Stock Exchange Limited  
Department of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

The National Stock Exchange of India  
Limited  
Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051

**Subject: Notice of 33<sup>rd</sup> Annual General Meeting including remote E-voting instructions and Annual Report for the Financial Year 2018-19.**

Dear Sir,


Pursuant to the Provisions of Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 enclosed please find a copy of Annual Report for the Financial Year 2018-19, comprising, Notice of the 33<sup>rd</sup> Annual General Meeting including remote E-voting instructions, Director's Report, Corporate Governance Report, Management Discussion and Analysis Report and Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2019.

Kindly take the same on your record.

Thanking You.

Yours Faithfully,

For Steel Strips Wheels Limited

  
Shaman Jindal  
(CGM-Cum-Company Secretary)



**Regd. Office :** Village Somalheri/Lehi, P.O. Dappar, Tehsil Derabassi, Distt. Mohali, Punjab (India)  
Tel. : +91 (1762) 275249, 275872, 275173 Fax : +91 (1762) 275228

Email : admin@sswlindia.com Website : www.sswlindia.com

**Delhi Office :** S-2, Second Floor, Vasant Square Mall, Community Centre, Pocket V, Plot No. A  
Sector B, Vasant Kunj, New Delhi-110 070, Phone-011-40000378, 377, 376

Certified ISO 14001 by

Certified ISO/TS 16949 by





STEEL STRIPS GROUP

Steel Strips Wheels Limited

*Wheeling Towards Excellence*

# ANNUAL REPORT

exploring  
possibilities

ISO 9002, QS 9000 & TS-16949 Certified Company

**2018-19**

# CORPORATE

## Information

### CONTENTS

Notice	1-10
Board's Report	11-33
Secretarial Auditors' Report	34-36
Corporate Governance Report	37-58
Management Discussion & Analysis	59-63
Independent Auditors' Report	64-67
Balance Sheet	68
Statement of Profit & Loss	69
Cash Flow Statement	70
Notes on Accounts	71-94

### REGD. OFFICE

Village Somalheri/Lehli,  
P.O. Dappar, Tehsil Derabassi,  
Distt. S.A.S. Nagar (Mohali) Punjab.

### WORKS

- (i) Village Somalheri/Lehli,  
P.O. Dappar, Tehsil Derabassi,  
Distt. S.A.S. Nagar (Mohali) Punjab.
- (ii) Plot No. A-10, SIPCOT, Industrial Growth Centre,  
Vallam Village, Sriperumbudur, Tamil Nadu.
- (iii) Plot No. 733, 734, 735, 747  
Mouza Jojobera, P.O. & P.S. Chhota Govindpur,  
East Singhbhum District Jamshedpur, Jharkhand.
- (iv) Plot No. 77, 78, 136B, 394,  
Village - Martoli/Tejpura, Taluka - Jotana,  
District - Mehsana, Gujarat, India
- (v) Village - Muria, P. O - Kolabira Thana No. - 150  
District Seraikela - Kharsawan, Jharkhand

### HEAD OFFICE

SCO 49-50, Sector 26, Madhya Marg,  
Chandigarh-160 019.

### REGISTRAR & TRANSFER AGENTS

Link Intime India Pvt. Ltd.  
Noble Heights, 1st Floor, Plot No. NH-2, LSC,  
NR Savitri Market, C-1 Block, Janakpuri,  
New Delhi-110058

### BOARD OF DIRECTORS

Sh. Rajinder Kumar Garg, Chairman  
Sh. Dheeraj Garg, Managing Director  
Sh. Andra Veetil Unnikrishnan, Dy. Managing Director  
Sh. Manohar Lal Jain, Executive Director  
Ms. Jaspreet Takhar  
Sh. Madan Mohan Chopra, AVSM (Retd.)  
Sh. Sanjay Surajprakash Sahni  
Sh. Sudhanshu Shekhar Jha  
Sh. Surinder Kumar Bansal  
Sh. Virander Kumar Arya

### COMPANY SECRETARY

Sh. Shaman Jindal

### CHIEF FINANCIAL OFFICER

Sh. Ayush Thareja

### BANKERS / INSTITUTIONS

AXIS Bank Ltd.  
DBS Bank India Ltd.  
Export-Import Bank of India  
Federal Bank Ltd.  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IDFC First Bank Ltd.  
Punjab National Bank  
Tata Capital Financial Services  
United Bank of India  
Yes Bank Ltd.

### AUDITORS

AKR & Associates  
Chartered Accountants  
SCO 51, 2nd Floor, Chandigarh Citi Centre,  
VIP Road,  
Zirakpur -140603 (Punjab)

# STEEL STRIPS WHEELS LIMITED

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## STEEL STRIPS WHEELS LIMITED

(CIN: L27107PB1985PLC006159)

Regd. Office: Village Somalheri/Lehli P.O.Dappar,  
Tehsil Derabassi, Distt. S.A.S Nagar Mohali (Punjab)  
Phone: +91- 172-2793112, Fax: +91-172-2794834  
Email: ssl\_ssg@glide.net.in, Website: www.sswlindia.com

### NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of Steel Strips Wheels Limited ("Company") will be held as scheduled below:

Day & Date : Monday, 30th day of September, 2019  
Time : 11.00 A. M.  
Venue : Company's Regd. Office at  
Village Somalheri/ Lehli, P.O. Dappar,  
Tehsil Derabassi, Distt. S.A.S Nagar, Mohali (Punjab)

to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year 2018-19.
3. To appoint a Director in place of Sh. Dheeraj Garg (DIN: 00034926), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sh. Andra Veetil Unnikrishnan (DIN: 02498195), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 ("Act")(including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modifications or re-enactment thereof for the time being in force) and on the basis of recommendation of Nomination and Remuneration Committee, Sh. Virander Kumar Arya (DIN: 00751005), who was appointed as an additional director in the capacity of Non-Executive, Independent Director of the Company w.e.f 27.05.2019 and who holds office up to the date of this Annual General Meeting of the Company and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and is eligible for appointment and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed, as a Non Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a period commencing from 27.05.2019 to 30.09.2023.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (" Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the basis of recommendation of the Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded to appoint Sh. Shashi Bhushan Gupta (DIN:00154404) as a Non-Executive Independent Director of the Company, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director of the Company, not liable to retire by rotation , to hold office for a term of five consecutive years commencing from 01.10.2019 to 30.09.2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (" Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the basis of recommendation of the Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded to appoint Sh. Ajit Singh Chatha (DIN: 02289613) as a Non-Executive Independent Director of the Company, who is above the age of 75 years and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director of the Company, not liable to retire by rotation , to hold office for a term of five consecutive years commencing from 01.10.2019 to 30.09.2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (" Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the basis of recommendation of the Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded to appoint Sh. Surinder Singh Viridi (DIN: 00035408) as a Non-executive Independent Director of the Company, who is above the age of 75 years and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director of the Company, not liable to retire by rotation , to hold office for a term of five consecutive years commencing from 01.10.2019 to 30.09.2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re- enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration amounting to Rs. 50,000 (Rupees Fifty Thousand Only) (plus Goods and Services Tax and reimbursement of out of pocket expenses) payable to M/s Aggarwal Vimal & Associates, Cost Accountants having Firm Registration Number: 000350, who were appointed as Cost Auditors of the Company, by the Board of Directors based on the recommendation of the Audit Committee to conduct the audit of the cost records of the Company for the Financial Year ending 31.03.2020.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Place: Chandigarh  
Date: 02.09.2019

Shaman Jindal  
CGM- cum-Company Secretary  
M. No. A15397

#### NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("Act") and rules made thereunder, Secretarial Standards on General Meetings (SS-2) and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") relating to the Special business to be transacted at the Meeting is annexed hereto. The relevant details of Directors seeking appointment/re-appointment/continuation of appointment at this Annual General Meeting ("AGM") of the Company are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. A PROXY FORM FOR THE AGM IS ENCLOSED.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

**DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING WITH THE CONCLUSION OF THE MEETING, A MEMBER WOULD BE ENTITLED TO INSPECT THE PROXIES LODGED AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, PROVIDED THAT NOT LESS THAN THREE DAYS OF NOTICE IN WRITING IS GIVEN TO THE COMPANY.**

3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

# STEEL STRIPS WHEELS LIMITED

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4. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting. Route map of the venue of the Meeting (including prominent land mark) is annexed to the notice.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **24.09.2019 to 30.09.2019** (both days inclusive) for the purpose of AGM and for determining the names of members entitled to dividend, if declared at this meeting.
7. The dividend, as recommended by the Board of Directors, if declared at this AGM will be paid within a period of 30 days from the date of declaration, to those members whose name will appear on the register of members/depository records as at the closing hours of business on **23.09.2019**.
8. Reserve Bank of India has introduced National Electronic Clearing Service (NECS) to facilitate credit of dividend directly to the shareholder's bank account. This facility eliminates loss of dividend warrants sent by post due to pilferage in transit, delay in receipt of dividend warrants and ensures quick credit of the dividend. Members holding shares in electronic form may note the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to Company/ Registrar and Transfer Agents of the Company.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their De-mat accounts. Members holding shares in physical form are requested to advise any change in their address along with Pin code number and proof immediately to the Company/ Registrar and Transfer Agents of the Company.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent.

**In reference to SEBI circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, in which SEBI has directed all the listed entities to record the PAN and Bank Account Details of all their shareholders holding shares in physical mode through their RTA. Accordingly, your Company has initiated steps for registering the PAN details of all the shareholders (including joint holders, if any) and the Bank Account Details of the registered shareholders. Members are requested to submit their KYC details with the Registrar and Share Transfer Agent of the Company.**

Electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) unless any member has requested for a physical copy of the report. For members who have not registered their email address, physical copies of the Annual Report for 2018-2019 are being sent by the permitted mode.

Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with Registrar and Share Transfer Agents of the Company/ Depository Participant (s), for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.

Members may also note that the Notice of the 33<sup>rd</sup> AGM and the Annual Report for 2018-19 will also be available on the Company's website [www.sswindia.com](http://www.sswindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (9.00 am to 5.00 pm) on working days.

10. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01.04.2019 unless the securities are held in the dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
- M/s Link Intime India Pvt. Limited, at Noble Heights 1<sup>st</sup> floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi 110058 are acting as the common agency to carry out the Dematerialization and physical transfer of shares.
11. The Company is maintaining the "INVESTORS SERVICE CELL" at its Head Office at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019.
  12. Members having any queries relating to Annual Report are requested to send their queries at least seven days before the date of the Meeting.
  13. Members can inspect the register of directors and key managerial personnel and their shareholding, required to be maintained under Section 170 of the Act, and register of contracts or arrangements in which the directors are interested, to be maintained under Section 189 of the Act, during the course of the meeting at the venue.
  14. This year the Unpaid/Unclaimed Dividend for the financial year 2011-12 shall be transferred to the "INVESTORS EDUCATION AND
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PROTECTION FUND” (IEPF). The due date of such transfer is 04.11.2019. Members who have not encashed their dividends are requested to claim the dividend from the Company immediately.

As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF Authority. The Company has sent notice to all the members whose Dividends are lying unpaid / unclaimed against their name for seven consecutive years or more. Members are requested to claim the same on or before 03.11.2019. In case the dividends are not claimed by the said date, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF. It may also be noted that unpaid/unclaimed dividend for the financial year 2010-11 has been transferred by the Company to IEPF Authority.

The Members/Claimants whose shares and unclaimed dividends have been transferred to IEPF may claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28.09.2018 (date of Last Annual General Meeting) on the website of the Company ([www.sswindia.com](http://www.sswindia.com)) and also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

The cut-off date for the purpose of determining the Members eligible for participation in remote e-voting (e-voting from a place other than venue of the AGM) and voting at the AGM is 23.09.2019. Please note that the Members can opt for only one mode of voting i.e., either by voting at the meeting or remote e-voting. If Members opt for remote e-voting, then they should not vote at the Meeting. However, once e-voting on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again.

#### 15. Voting through electronic means

In compliance with the provisions of Section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and as per Regulation 44 of the SEBI Listing Regulations, as amended from time to time, the Company is pleased to provide members, a facility to exercise their right to vote on the resolutions proposed to be passed in the 33<sup>rd</sup> AGM by electronic means through remote e-voting services provided by Link Intime India Private Limited (LI IPL) through their e-voting website “InstaVOTE”. It may be noted that this e-voting facility is optional. Since the Company is providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the said meeting.

**The instructions to Members for voting electronically are as under:**

- a. **The remote e-voting period begins on 27.09.2019 at 9.00 a.m. and will end on 29.09.2019 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as **on the cut-off date i.e. 23.09.2019**, may cast their vote electronically. The remote e-voting module shall be disabled by LI IPL for voting thereafter. The members are requested to note that once vote on a resolution is cast electronically, he shall not be allowed to change it subsequently or cast vote again.
- b. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting as well as voting at the meeting through ballot paper/ any other means.
- c. Log-in to e-Voting website of LI IPL.
  - I. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
  - II. Click on “Login” tab, available under 'Shareholders' section.
  - III. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
  - IV. Your User ID details are given below:
    - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID.
    - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
    - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company.
  - V. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

# STEEL STRIPS WHEELS LIMITED

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

<b>For Shareholders holding shares in Demat Form or Physical Form</b>	
PAN	Enter your 10 digit alpha - numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"><li>Members who have not updated their PAN with Depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li></ul>
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"><li>Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).</li></ul>

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**d. Cast your vote electronically.**

- I. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No." of the company, you choose to vote.
- II. On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.  
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.  
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- III. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- IV. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- V. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- VI. You can also take the print out of the votes cast by you by clicking on "Print" option on the voting page.



e. **General Guidelines for shareholders:**

- I. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.  
They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
  - II. During the voting period, shareholders can login any number of times till they have voted on the resolution(s) for a particular "Event No."
  - III. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
  - IV. In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 – 49186000.
  - V. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23.09.2019, may follow the same instructions as mentioned above for remote e-voting. **The Voting rights of the members shall be in proportion to their shares in the paid up capital of the Company as on the cut off date i.e. 23.09.2019. A person whose name is recorded in the Register of members or in the Register of Beneficial owners maintained by the Depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the said meeting. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.**
16. The Board of Directors has appointed Mr. Sushil K. Sikka, Practicing Company Secretary (Membership No. 4241 and C.P.No. 3582) proprietor of S.K.Sikka & Associates, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. He has communicated his willingness to be appointed and will be available for same purpose.
- The Scrutinizer shall, immediately after the conclusion of voting at the meeting , first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than forty eight hours of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- The Chairman or any Director or the person authorized by him in writing, shall forthwith on receipt of the consolidated Scrutinizer's Report declare the results of voting within 48 hours of the conclusion of this AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sswlindia.com](http://www.sswlindia.com) and on the website of LIPL immediately after the result is declared by the Chairman and shall also be communicated to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.
- Subject to the receipt of requisite number of Votes, the resolutions shall be deemed to be passed on the date of AGM i.e 30.09.2019.
17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office (i.e Village Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, Distt. Mohali, Punjab) and Head office (i.e SCO 49-50, Sector 26, Madhya Marg, Chandigarh) of the Company during normal business hours (9.00 am to 5.00 pm) on all working days up to and including the date of AGM of the Company.

By Order of the Board of Directors

Place: Chandigarh  
Date: 02.09.2019

Shaman Jindal  
CGM- cum- Company Secretary  
M. No. A15397

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT"), SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) AND REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS")**

**ITEM NO. 5**

The Board of Directors of the Company, pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the basis of recommendation of the Nomination and Remuneration Committee, had appointed Sh. Virander Kumar Arya (DIN: 00751005) as an additional director in the capacity of Non-Executive Independent Director of the Company w.e.f 27.05.2019 to hold office till the conclusion of this AGM.

# STEEL STRIPS WHEELS LIMITED

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The Board has, pursuant to the recommendation of the Nomination and Remuneration Committee and all the applicable provisions, sections, rules, regulations under the Act and SEBI Listing Regulations, proposed to the members of the Company the appointment of Sh. Virander Kumar Arya (DIN: 00751005) as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a period commencing from 27.05.2019 to 30.09.2023.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Sh. Virander Kumar Arya for the office of Non-Executive Independent Director of the Company. The Company has also received declaration from Sh. Virander Kumar Arya, that he meets the criteria of independent directorship as mentioned under the Act and the SEBI Listing Regulations, presently applicable and is not debarred from holding the office of Director pursuant to any Order issued by Securities and Exchange Board of India (SEBI) or any other authority.

Sh. Virander Kumar Arya is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In the opinion of the Board, Sh. Virander Kumar Arya fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management and possesses appropriate skills, experience and knowledge.

A brief resume of Sh. Virander Kumar Arya, the nature of his expertise, Directorships held in other companies, Committee Memberships/Chairmanships, his shareholding etc., is separately annexed hereto.

Except Sh. Virander Kumar Arya and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/ their relatives, are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 5 of the Notice.

A copy of the draft letter of appointment of Sh. Virander Kumar Arya, setting out terms and conditions of appointment is available for inspection by the Members of the Company at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM and shall also be made available for inspection at the Corporate Office of the Company situated at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019 as well as during the AGM at the venue thereof.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

## **ITEM NO. 6**

Sh. Madan Mohan Chopra, Sh. Surinder Kumar Bansal and Sh. Sudhanshu Shekhar Jha the present Independent Directors of the Company would cease to hold office as Non-Executive Independent Directors of the Company w.e.f. 01.10.2019, upon completion of their tenure as approved by the Shareholders/Members of the Company at the 30<sup>th</sup> AGM of the Company.

The Board placed on record its deep appreciation of the valuable services rendered by Sh. Madan Mohan Chopra, Sh. Surinder Kumar Bansal and Sh. Sudhanshu Shekhar Jha during their tenure as Directors of the Company.

Pursuant to the completion of the term of office of the above said directors, the Company in order to comply with the provisions of the Companies Act, 2013 ("Act") and rules framed thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time, is required to appoint Non-Executive Independent Directors on the Board of the Company.

The Board of Directors of the Company, pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the basis of recommendation of the Nomination and Remuneration Committee, has proposed to the Members of the Company, appointment of Sh. Shashi Bhushan Gupta (DIN: 00154404), as Non-Executive Independent Directors on the Board of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 01.10.2019 to 30.09.2024.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Sh. Shashi Bhushan Gupta for the office of Non-Executive Independent Director of the Company. The Company has also received declaration from Sh. Shashi Bhushan Gupta, that he meets the criteria of independent directorship as mentioned under the Act and the SEBI Listing Regulations, presently applicable and is not debarred from holding the office of Director pursuant to any Order issued by Securities and Exchange Board of India (SEBI) or any other authority.

Sh. Shashi Bhushan Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In the opinion of the Board, Sh. Shashi Bhushan Gupta fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management and possesses appropriate skills, experience and knowledge.

A brief resume of Sh. Shashi Bhushan Gupta, the nature of his expertise, Directorships held in other companies, Committee Memberships/Chairmanships, his shareholding etc., is separately annexed hereto.

A copy of the draft letter of appointment of Sh. Shashi Bhushan Gupta, setting out terms and conditions of appointment is available for inspection by the Members of the Company at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM and shall also be made available for inspection at the Corporate Office of the Company situated at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019 as well as during the AGM at the venue thereof.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested financially or otherwise in the resolution set out at Item No 6 of the Notice.

The appointment of Sh. Shashi Bhushan Gupta, as Non-Executive Independent Director of the Company, shall be effective upon approval by members in the AGM. The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

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## Item 7 and 8

Pursuant to the completion of the term of office of the independent directors of the Company as stated above in the explanatory statement of Item No. 6, the Company is required to appoint Non-Executive Independent Directors on the Board of the Company.

The Board of Directors of the Company, pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable regulations of the SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the basis of recommendation of the Nomination and Remuneration Committee, has proposed to the Members of the Company, appointment of Sh. Ajit Singh Chatha (DIN: 02289613), aged 83 years (date of birth 14.01.1936) and Sh. Surinder Singh Viridi (DIN: 00035408), aged 77 years (date of birth 22.09.1942) as Non-Executive Independent Directors on the Board of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 01.10.2019 to 30.09.2024.

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended vide SEBI LODR (Amendment) Regulations, 2018 w.e.f. 01.04.2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

Accordingly, special resolutions are proposed to take shareholders' approval for appointment of Sh. Ajit Singh Chatha and Sh. Surinder Singh Viridi as Non-Executive Independent Directors for a term of five consecutive years w.e.f. 01.10.2019 to 30.09.2024.

A brief justification for the appointment of the above said directors as Non-Executive Independent Directors of the Company with effect from 01.10.2019 is as under:

**Sh. Ajit Singh Chatha** is a retired IAS officer. He has worked as Chief Secretary to the Government of Punjab during his last tenure of service besides holding several different assignment and positions during his service. He is B.E. (Hons.) in Electrical Engineering. He is having vast experience in General Management and Administration.

**Sh. Surinder Singh Viridi**, is an Engineer (F.I.E.) by qualification and is a successful Industrialist for over three decades. He has been an Inspirational leader who has extensive experience in various functional areas, contribution in strategic initiatives, upholding governance practices and has the ability to advise the management on several aspects of Company's business.

The Board is of the view that Sh. Ajit Singh Chatha and Sh. Surinder Singh Viridi are independent of the Management and possess appropriate skills, experience and knowledge. Having regard to their vast knowledge and expertise, the Nomination and Remuneration Committee has recommended their appointment as a Non-Executive Independent Director on the Board of the Company.

The Board is also of the opinion that their association would be beneficial to the Company. So it is desirable and advisable to avail their services as Independent Directors.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Sh. Ajit Singh Chatha and Sh. Surinder Singh Viridi for the office of Non-Executive Independent Director of the Company. The Company has also received declarations from Sh. Ajit Singh Chatha and Sh. Surinder Singh Viridi that they meet the criteria of independent directorship as mentioned under the Act and the SEBI Listing Regulations, presently applicable and are not debarred from holding the office of Director pursuant to any Order issued by Securities and Exchange Board of India (SEBI) or any other authority.

Sh. Ajit Singh Chatha and Sh. Surinder Singh Viridi are not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given their consent to act as a Director.

A brief resume of the above said Directors, the nature of their expertise, Directorships held in other companies, Committee Memberships/Chairmanships, their shareholding etc. are separately annexed hereto.

Copies of the draft letter of appointments of Sh. Ajit Singh Chatha and Sh. Surinder Singh Viridi, setting out terms and conditions of their appointment are available for inspection by the Members of the Company at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM and shall also be made available for inspection at the Corporate Office of the Company situated at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019 as well as during the AGM at the venue thereof.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested financially or otherwise in the resolution set out at Item No. 7 and 8 of the Notice.

The appointment of above said persons, as Non-Executive Independent Directors of the Company, shall be effective upon approval by the members in the AGM. The Board recommends the Special Resolutions set out at Item No. 7 & 8 of the Notice for approval of the Members.

## ITEM NO. 9

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. Aggarwal Vimal & Associates, Cost Accountants having Firm Registration Number: 000350, as Cost Auditors to conduct the audit of the cost records relating to Hot Rolling Mill (HRM Division) of the Company for the financial year ending 31.03.2020 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in the Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year 2019-20.

None of the Director and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval of the Members.

By Order of the Board of Directors

Place: Chandigarh  
Date: 02.09.2019

Shaman Jindal  
CGM- cum- Company Secretary  
M. No. A15397

## STEEL STRIPS WHEELS LIMITED

### Details of Director's Seeking Appointment / Re-Appointment/Continuation of Appointment at the Annual General Meeting

Name of Director and DIN	Sh. Dheeraj Garg (DIN:00034926)	Sh. Andra Veetil Unnikrishnan (DIN:02498195)	Sh. Virander Kumar Arya (DIN:00751005)
Age	47 years (11.05.1972)	64 years (05.06.1955)	68 years (05.09.1950)
Qualification	B.S (Finance)	B.A	M.D (Medicine)
Expertise	He has been associated with Company for more than 25 years. He was first appointed as an Executive Director on 29.04.1993 and then elevated as the Managing Director of the Company. He belongs to promoter category of the company. His leadership and the valuable guidance, has contributed immensely to the growth of the company which is evident from the financial results thereof. Over the years, he has been able to build a highly motivated and effective management team, which has fully aligned and focused priorities. He has vast experience in finance, Corporate Strategy and Business Management.	He is associated with the Group since 1980 and has held various portfolios since then. He has been actively involved, in the overall management of the operation of the company and putting up appropriate systems and processes for bringing improvement in each of the functions of the Company. He has played a pivotal role in the growth of the Company's business.	He is a MD Medicine and has a rich experience of more than four decades in medical profession. Presently he is running a Private Limited Company in the name and style of Arya Hospital Pvt Ltd, which is engaged in providing healthcare services.He is having vast experience in general management and administration.
Terms and Conditions of Appointment/ Re-appointment	As per the resolution passed by the Shareholders of the company at the Annual General Meeting held on 30th September, 2015, Sh. Dheeraj Garg, was reappointed as a Managing Director of the Company for a period of 5 years w.e.f. 01.06.2015, liable to retire by rotation.	The Shareholders of the Company in their meeting held on 28.09.2018 had approved the re - appointment of Sh. Andra Veetil Unnikrishnan as Deputy Managing Director of the Company for a period of 5 years w.e.f. 01.01.2019 liable to retire by rotation.	As detailed in the resolution and explanatory statement.
Remuneration last drawn (including sitting fee if any)	Rs. 571.47 lacs during 2018-19 for details please refer Corporate Governance Report section of the Annual Report 2018-19	Rs. 85.88 lacs during 2018-19. For more details please refer Corporate Governance Report section of the Annual Report 2018-19	Nil as on 31.03.2019
Remuneration proposed to be paid	As per existing terms and conditions.	As per existing terms and conditions.	As per Nomination and Remuneration Policy of the Company
Date of First Appointment on the Board	29.04.1993	01.01.2009	27.05.2019
Shareholding in the Company	4640228 equity shares as on 31.03.2019	5112 equity shares as on 31.03.2019	NIL as on 31.03.2019
Relationship with other Director/Key Managerial Personal	Sh. Dheeraj Garg is related to Sh. R. K. Garg, Chairman & Non-Executive Director of the Company	Not related to any Director or Key Managerial Personnel of the Company.	Not related to any Director or Key Managerial Personnel of the Company.
Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2018-19	Please refer Corporate Governance Report Section of the Annual Report 2018-19	NA
Directorships held in other companies	Indian Acrylics Ltd.	NIL	Arya hospital Pvt. Ltd.
Memberships/chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	Indian Acrylics Limited- Member Audit Committee Stakeholders Relationship Committee	NIL	NIL

**Details of Director's Seeking Appointment / Re-Appointment/Continuation of Appointment at the Annual General Meeting (Contd)**

<b>Name of Director and DIN</b>	Sh. Ajit Singh Chatha (DIN: 02289613)	Sh. Surinder Singh Virdi (DIN 00035408)	Sh. Shashi Bhushan Gupta (DIN: 00154404)
<b>Age</b>	83 years (14.01.1936)	77 years (22.09.1942)	69 years (27.07.1950)
<b>Qualification</b>	B.E(Hons.)	Engineer (F.I.E.)	B.Com, FCA, I.S.A
<b>Expertise</b>	He joined the I.A.S. cadre of Punjab in 1963 and served it with distinction till 1995. He held wide range of assignments from the field to the secretariat such as Deputy Commissioner of Patiala, Sangrur, Ludhiana, Managing Director, PSIDC Ltd., Joint Secretary, Ministry of Commerce, Govt. of India and Principal Secretary, Department of Industries, Cooperation, Housing, Irrigation and Power, Home and Justice and finally as Chief Secretary to the Govt. of Punjab. He is having vast experience in general management and administration.	Sh. Surinder Singh Virdi, is an Engineer (F.I.E.) by qualification and is a successful Industrialist for over three decades. He has been an Inspirational leader who has extensive experience in various functional areas, contribution in strategic initiatives, upholding governance practices and has the ability to advise the management on several aspects of Company's business.	He is a Practicing Chartered Accountant and Proprietor of Bhushan Gupta & Co., Chartered Accountants. He possesses more than 40 years of experience in the areas of Company Audit, Statutory Audits, Revenue Audits, Bank Audits, Concurrent Audits, Stock Audit, Central Statutory/Branch Audits and Corporate Advisory Services. He renders advisory and compliance services for corporates on Income tax matters. He has extensive experience in representing cases before various Appellate authorities including Income Tax Appellate Tribunal (ITAT).
<b>Terms and Conditions of Appointment/ Re-appointment</b>	As detailed in the resolution and explanatory statement.	As detailed in the resolution and explanatory statement.	As detailed in the resolution and explanatory statement.
<b>Remuneration last drawn (including sitting fee if any)</b>	NA	NA	NA
<b>Remuneration proposed to be paid</b>	As per Nomination and Remuneration Policy of the Company	As per Nomination and Remuneration Policy of the Company	As per Nomination and Remuneration Policy of the Company
<b>Date of First Appointment on the Board</b>	NA	NA	NA
<b>Shareholding in the Company</b>	NIL	Nil	Nil
<b>Relationship with other Director/Key Managerial Personal</b>	Not related to any Director or Key Managerial Personnel of the Company.	Not related to any Director or Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company.
<b>Number of meetings of the Board attended during the financial year</b>	NA	NA	NA
<b>Directorships held in other companies</b>	1. Cotton County Retail Ltd 2. WWICS Global Law Offices Pvt. Ltd. 3. Indian Acrylics Ltd. 4. Nahar Industrial Enterprises Limited 5. J. Kumar Infraprojects Limited 6. Monte Carlo Fashions Limited 7. Triveni Projects And Resorts Private Limited	1 SAB Industries Limited 2 Steel Strips Infrastructures Limited 3 Steel Strips Limited 4 Steel Strips Industries Limited 5 Anaesthetic Gases Pvt. Ltd 6 Iqbal Oxyzen Pvt. Ltd.	Usha Yarns Limited
<b>Memberships/chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)</b>	1. Indian Acrylics Limited- Chairman: Stakeholders Relationship Committee Member Audit Committee 2. J. Kumar Infraprojects Limited Member Audit Committee 3. Cotton county Retail Ltd. Member Audit Committee	1. SAB Industries Limited Chairman: Audit Committee Stakeholders Relationship Committee 2. Steel Strips Infrastructures Ltd. Chairman: Audit Committee Member Stakeholders Relationship Committee 3. Steel Strips Ltd. Chairman Audit Committee Stakeholders Relationship Committee 4. Steel Strips Industries Ltd. Member - Audit Committee	NIL

# BOARD'S

# REPORT

To  
The Members,

Your Directors are pleased to present the 33rd Annual Report together with Audited Financial Statements of the Company for the financial year ended 31.03.2019.

## FINANCIAL HIGHLIGHTS

		(Rs. in Millions)	
S No	Particulars	2018-19	2017-18
A)	Revenue from Operations	20411.88	15571.58
B)	Other Income	174.62	134.45
C)	<b>Total Income (A+B)</b>	<b>20586.50</b>	15706.03
D)	Total Expenditures (excl Finance Cost, depreciation and amortization)	17952.98	13569.24
E)	<b>Profit before interest, depreciation and amortization</b>	<b>2633.52</b>	2136.79
F)	Interest & Financial Charges	925.44	639.41
G)	Depreciation and amortization	619.23	525.74
H)	<b>Profit before tax and Exceptional Item</b>	<b>1088.85</b>	971.64
I)	Exceptional Item	0.002	0.88
J)	<b>Profit before tax</b>	<b>1088.84</b>	970.76
K)	<b>Tax expense</b>		
	Current tax	57.18	43.31
	Deferred tax	196.71	176.54
	Prior year tax adjustments	11.39	-
L)	<b>Profit after tax</b>	<b>823.56</b>	750.91
M)	<b>Other Comprehensive Income (Net of Tax)</b>	<b>(2.17)</b>	6.59
N)	<b>Total Comprehensive Income for the period (L+M)</b>	<b>821.39</b>	757.50

## FINANCIAL PERFORMANCE

The financial year 2018-19 started on an optimistic note driven by strong economic activity and policy level interventions. In the first half of the year, economic growth remained robust backed by fiscal stimulus and resilient Emerging Markets. However, the second half of the year was marked by volatility, weakening demand caused by trade tensions, China's slowdown, tightening financial conditions and deceleration in NBFC lending. As a result, growth in global economic expansion and trade decelerated during the financial year 2018-19.

However, amidst this scenario the total income for the year under review of your Company increased by 31.07% to Rs. 20586.50 million as compared to Rs. 15706.03 million in FY 2017-18.

In terms of Number of wheels, the Company has achieved sale of 15.71 million wheel rims during FY 2018-19 against sale of 14.49 million wheel rims during the previous year, showing an increase of 8.42%.

The Earnings Before Interest, Depreciation and Tax (EBIDTA) increased to Rs.2633.52 million in FY 2018-19 from Rs. 2136.79 million in FY 2017-18, registering a growth of 23.25%

The Depreciation and other amortization have increased to Rs. 619.23 million in FY 2018-19 from Rs. 525.74 million in FY 2017-18.

Profit before tax during the year under review has increased to Rs. 1088.85 million from Rs. 971.64 million in FY 2017-18 recording a growth of 12.06%. The profit after tax have also increased to Rs. 823.56 million from Rs. 750.91 million, showing a growth of 9.67%.

Your Company expects to see an improvement in the growth trajectory in the coming years with the passing of this global economic slump.

## TRANSFER TO RESERVES

Your Company proposes to transfer an amount of Rs. 750.91 million to the General Reserve out of the amount available for appropriation.

## DIVIDEND

The Board, in its meeting held on 27.05.2019, has recommended a final dividend of Rs. 4.00 (40%) per equity share of Rs. 10/- each (previous



year Rs. 4.00 per equity share) for the financial year ended 31.03.2019, subject to the approval of shareholders at the ensuing Annual General Meeting (AGM). The total cash outflow on account of dividend, if approved by the shareholders for the Current year will amount to Rs. 75.18 million (including Dividend Distribution Tax of Rs. 12.82 million) as against 75.13 million (including Dividend Distribution Tax of Rs. 12.81 million) in the previous year, which represent 9.13% of the Profit After Tax earned during the year.

## SHARE CAPITAL

During the year under review, the Company has allotted 24000 Equity Shares of Rs. 10/- each on 28.07.2018 upon exercise of options by the employees of the Company under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2016" ("ESOS 2016") at an exercise price of Rs. 200/- each.

Beside above, the Company has also allotted 9450 equity shares of Rs. 10/- each on 31.12.2018 upon exercise of options by the employees of the Company under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2014" ("ESOS 2014") at an exercise price of Rs. 100/- each.

Consequent to the allotment of above stated shares, the issued and paid up Equity Share Capital of the Company increased from 155562700/- (divided into 15556270 Equity Shares of Rs. 10/- each) as on 31.03.2018 to Rs. 155897200/- (divided into 15589720 equity shares of Rs. 10/- each) as on 31.03.2019.

Pursuant to the approval of Shareholders of the Company in their Extraordinary General Meeting held on 12.05.2018, the Board of Directors of the Company in their meeting held on 26.05.2018, has allotted 7,50,000 (Seven Lac Fifty Thousand) convertible warrants ("Warrants") on preferential basis to Smt. Sunena Garg ("Warrant holder"), belonging to promoter category of the Company, at a price of Rs. 1162/- each (Rupees One Thousand One Hundred And Sixty Two Only) ("Warrants Issue Price"), aggregating to Rs. 87,15,00,000/- (Rupees Eighty-Seven Crore Fifteen Lacs Only), with a right to warrant holder to apply for and get allotted one equity share of face value of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 1152/- each (Rupees One Thousand One Hundred and Fifty-Two Only) ("the equity shares") for each warrant, within a period of 18 (eighteen) months from the date of allotment of warrants.

The Company has received an upfront consideration of Rs. 21,78,75,000/- (Rupees Twenty One Crore Seventy Eight Lac Seventy Five Thousand Only) from the warrant holder, which is equivalent to 25 percent of the Warrant Issue Price and the remaining 75 percent of the Warrant Issue Price/ consideration shall be payable by the warrant holder on or before the exercise of the entitlement attached to Warrants to subscribe for Equity Shares. The said warrants are not yet exercised by the warrant holder.

During the year under review, the Company has not issued shares with differential voting rights and sweat equity shares.

## EMPLOYEE STOCK OPTION SCHEME

During the year under review, the Employee Compensation Committee (ECC) of the Company, in its meeting held on 08.01.2019, granted 23300 Stock Options to eligible employees of the Company under "Steel Strips Wheels Limited- Employee Stock Option Scheme, 2016" ("ESOS 2016"). Each stock option is exercisable into equivalent number of equity shares of Rs. 10/- each. Options granted will vest on 08.01.2020 and exercise period would commence from date of vesting and will expire on completion of 5 years from the date of grant.

ECC in its meeting held on 13.04.2019, has in accordance with the terms and conditions under the Steel Strips Wheels Limited - Employee Stock Option Scheme, 2014 ("ESOS 2014") and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") and pursuant to the expiry of exercise period of 4 years (effective from the date of grant i.e 02.03.2015) approved the closure of said ESOS 2014 scheme of the Company and all the outstanding 2975 vested stock options, which were not exercised till the validity period of the said scheme (i.e till 01.03.2019) by the employees to whom these options were granted, stands lapsed and expired automatically on the expiry of validity period of ESOS 2014. There was no material change in the said scheme till the completion of validity period of the scheme and the scheme was in compliance with SBEB Regulations.

In regard to "ESOS 2016", the vesting of options and exercise period continues as per the vesting and exercise schedule stated in the said scheme.

There is no material change in the continuing ESOS 2016 scheme of the Company and the Scheme is in compliance with SBEB Regulations. The applicable details/disclosures as stipulated under SBEB Regulations and SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015 with regard to "ESOS 2014" and "ESOS 2016" pertaining to financial year 2018-19 have been uploaded on the website of the Company under the web-link: <http://www.sswindia.com/pages/disclosureregardingesos.htm>

The Company has received a certificate from the Auditors of the Company that the Schemes i.e. "ESOS 2014" and "ESOS 2016" have been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolution passed by the members in their EGM held on 27.02.2015 and AGM held on 30.09.2016 respectively. The certificate would be placed at the Annual General Meeting for inspection by members.

## NATURE OF BUSINESS

During the financial year 2018-19, there has been no change in the nature of business of the Company.

## CORPORATE GOVERNANCE

The Company is firmly committed to the principles of Good Corporate Governance and believes that statutory compliances and transparency are necessary to enhance the shareholder value. A separate section on Corporate Governance and a Certificate from the Company's Statutory Auditors, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is included and forms an integral part of this Annual Report.

# STEEL STRIPS WHEELS LIMITED

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## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis report for the year under review, as stipulated under SEBI Listing Regulations is presented in a separate Section forming part of this Report.

## HEALTH, SAFETY AND ENVIRONMENT PROTECTION

The Company has complied with all the applicable Health & Safety standards, Environment Laws and Labour Laws and has been taking all necessary measures to protect the environment and provide workers a safe work environment. The Company is committed for continual improvement in Health & Safety as well as Environmental performance by involving all the employees.

Significant emphasis was also laid towards raising awareness on health and wellness of employees through medical check-ups and health awareness activities.

Employees have been encouraged to practice safety in all their activities in and out of Company premises. Continuous safety training is conducted at all levels and special emphasis is given to implementation of safety work standards.

## HUMAN RESOURCES DEVELOPMENT

The Company has continuously adopted structures that help in attracting best external talent and promote internal talent to take higher roles and responsibilities. The Company's people centric focus is providing an open work environment fostering continuous improvement and development among the employees of the Company. The Company provides a holistic environment where employees get opportunities to realize their potential. Company's performance driven culture helps and motivates employees to excel in their respective areas and progress within the organization. The Company has a structured appraisal system based on key result areas (KRAs) for employees belonging to Manager and above category.

## DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary trainees) are covered under this policy.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2018-19, the Company has not received any complaint on sexual harassment.

## DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consists of optimum number of Executive and Non- Executive Directors including Independent Directors who have wide and varied experience in the field of business, finance, education, industry, commerce and administration. Independent Directors provide their Declarations confirming that they meet the criteria of independence as prescribed under the Act and SEBI Listing Regulations.

### Retirement by rotation

Pursuant to the provisions of Section 152 of the Act and Rules framed thereunder (including any amendment thereof) Sh. Dheeraj Garg, Managing Director and Sh. Andra Veetil Unnikrishnan, Deputy Managing Director of the Company will retire by rotation at the ensuing AGM and being eligible, has offered themselves for re-appointment. The Board recommends their re- appointment for your approval.

### Appointment/Cessation of directors

As mentioned in the previous Annual Report, Sh. Sukhbir Singh Grewal, Non-Executive Independent Director of the Company ceased to be Director and Member / Chairman of various Committees of the Board of Directors in which he was appointed w.e.f. 21.07.2018 due to his death.

During the year under review, Tata Steel Limited (TSL), Equity Investor of the Company withdrew the nomination of Sh. Chanakya Chaudhary, Nominee Director of the Company w.e.f 01.10.2018 and TSL recommended the nomination of Sh. Sanjay Surajprakash Sahni, as Nominee Director on the Board of the Company. The Company consequent to the recommendation of the proposed nomination, appointed Sh. Sanjay Surajprakash Sahni as Nominee Director on the Board of the Company w.e.f. 14.11.2018. The Board placed on record its deep appreciation of the valuable services rendered by Sh. Chanakya Chaudhary during his tenure as Director of the Company.

Pursuant to the provisions of the Act, SEBI Listing Regulations and upon recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company vide circular resolution no. 7/2018 dated 19.11.2018 had appointed Smt. Tejinder Kaur as an additional director (Non-Executive and Independent Director) on the Board of the Company to hold office w.e.f 19.11.2018 till the conclusion of the next AGM , but due to personal reasons Smt. Tejinder Kaur resigned from the position of additional director (Non-Executive and Independent Director) on the Board of the Company w.e.f 14.02.2019.

Thereafter, in order to comply with the provisions of the Act and SEBI Listing Regulations, the Board of Directors of the Company in their immediate next meeting held on 27.05.2019, pursuant to the recommendation of the Nomination and Remuneration Committee of the Company, approved the appointment of Sh. Virander Kumar Arya as an additional director (Non-Executive and Independent Director) of the





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Company to hold office w.e.f 27.05.2019 till the conclusion of the next AGM to be held in the year 2019.

The Company has received the requisite notice from a member in writing proposing his appointment as a Non-Executive Independent Director on the Board of the Company. Your Company propose his appointment as Non-Executive Independent Director on the Board of the Company for a period commencing from 27.05.2019 to 30.09.2023, his period of office shall not be liable to determination by retirement of Directors by rotation.

The Company is required to keep the Composition of the Board in line with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations as the tenure of Non-Executive Independent Directors of the Company as mentioned below (under the heading Completion of Tenure of Independent Directors) is due for completion on 30.09.2019. The Board of Directors of the Company pursuant to the requirements of the Act and SEBI Listing Regulations and upon recommendation of Nomination and Remuneration Committee approved the appointment of Sh. Ajit Singh Chatha (DIN: 02289613), aged 83 years (date of birth 14.01.1936), Sh. Surinder Singh Virdi (DIN: 00035408), aged 77 years (date of birth 22.09.1942) and Sh. Shashi Bhushan Gupta (DIN:00154404) aged 69 years (date of birth 27.07.1950) as Non-Executive Independent Directors of the Company for a period of five years w.e.f 01.10.2019 subject to the approval of shareholders/members of the Company in the ensuing AGM. Their period of office shall not be liable to determination by retirement of Directors by rotation. The Company has received the requisite notices from the members of the Company proposing their appointment as Non-Executive Independent Directors.

The Company has also received the requisite declarations from the persons proposed for the appointment as Non-Executive Independent Directors that they meet the criteria of independence as per the provisions of the Act and the SEBI Listing Regulations.

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended vide SEBI LODR (Amendment) Regulations, 2018 w.e.f. April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment. Accordingly, a brief justification for the appointment of the above said directors as Non-Executive Independent Directors of the Company with effect from 01.10.2019 is indicated in the explanatory statement annexed to the notice dated 02.09.2019, for the ensuing 33rd AGM to be held on 30.09.2019.

Your Company by way of special resolution, propose their appointment as Non-Executive Independent Directors, not liable to retire by rotation on the Board of the Company, for a period of five years w.e.f. 01.10.2019.

#### **Completion of tenure of Independent Directors**

Sh. Madan Mohan Chopra, Sh. Surinder Kumar Bansal and Sh. Sudhanshu Shekhar Jha would cease to hold office as Non-Executive Independent Directors of the Company w.e.f. 01.10.2019, upon completion of their tenure as approved by the Shareholders/Members of the Company at the 30<sup>th</sup> AGM of the Company.

Sh. Madan Mohan Chopra was associated with Company since the year 1994. He has enriched the Board with his immense experience and has guided the Company to streamline procedures, ensure better coordination and faster decision making. He has been the Member of Audit Committee, Employee Compensation Committee and Nomination and Remuneration Committee of the Board.

Sh. Surinder Kumar Bansal was associated with the Company since the year 2005. He possessed more than 40 years of experience in the areas of Corporate Finance, audit etc. Over the years he occupied several advisory positions. With such vast experience in the field of finance, audit etc., he has played a pivotal role in steering the Company towards growth over a passage of time of his association with the Company. He has been the Chairman of the Audit Committee, Employee Compensation Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Share Transfer Committee and Risk Management Committee of the Board.

Sh. Sudhanshu Shekhar Jha was associated with the Company since the year 2005. He has played an important role in guiding the Company towards incorporating and adopting good corporate practice. He has been the Chairman of the Corporate Social Responsibility Committee, Member of Audit Committee, Employee Compensation Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Share Transfer Committee and Allotment Committee of the Board.

The Company has been immensely benefitted by their independent views and judgements in the board deliberations. Their association with the Company was beneficial and in the best interest of the Company. The Board placed on record its deep appreciation of the valuable services rendered by Sh. Madan Mohan Chopra, Sh. Surinder Kumar Bansal and Sh. Sudhanshu Shekhar Jha during their tenure as Directors of the Company.

The Notice of the ensuing 33rd AGM includes the proposal for appointment/ re-appointment/ continuation of appointment of Directors and justification thereof, their brief resume, the nature of expertise, names of Companies in which they hold Directorships, Committee Memberships/ Chairmanships, their shareholding in the Company etc.

#### **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Act the Key Managerial Personnel(KMP) of the Company are Sh. Dheeraj Garg, Managing Director, Sh. Andra Veetil Unnikrishnan, Deputy Managing Director, Sh. Manohar Lal Jain, Executive Director, Sh. Shaman Jindal, Company Secretary and Sh. Ayush Thareja CFO of the Company.

During the year under review Sh. Naveen Sorot, has resigned from the office of Chief Financial Officer (CFO) of the Company w.e.f 18.09.2018 due to personal reasons and Sh. Ayush Thareja was appointed as CFO of the Company w.e.f. 14.02.2019. The Board placed on record its deep appreciation of the valuable services rendered by Sh. Naveen Sorot during his tenure as CFO of the Company.

#### **DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

The Company is not having any Subsidiary Company, Joint Venture Company or Associate Company.

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# STEEL STRIPS WHEELS LIMITED

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## **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public within the meaning of Section 73 and 74 of the Act and Rules framed thereunder (including any amendments thereof) during the financial year 2018-19 and, as such, no amount on account of principal or interest on deposit from public was outstanding as on the date of this report.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## **CREDIT RATING**

The details pertaining to credit ratings obtained by the Company during the financial year is included in the Corporate Governance Report, which forms part of this Report.

## **INTERNAL FINANCIAL CONTROL**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information(s).

## **INTERNAL CONTROL SYSTEMS**

The Company has adequate internal control procedures commensurate with its size and nature of business. These internal policies ensure efficient use and protection of the assets and resources, compliances with policies and statutes and ensure reliability as well as promptness of financial and operational reports.

To enhance effective internal control system, the Company has laid down following measures:

- The Company's Books of accounts are maintained in SAP and transactions are executed through SAP (ERP) setups to ensure correctness/effectiveness of all transactions integrity and reliable reporting.
- Adherence to accounting policies.
- The Company has in place a well-defined Whistle Blower Policy/Vigil Mechanism.
- Compliance of secretarial functions is ensured by way of secretarial audit.
- Internal Audit is being done for providing assistance in improvising financial control framework.
- The Company has adequate risk management policy.
- Code of Conduct and other policies.
- Physical verification of inventory/stock(stock audit).

## **MAINTENANCE OF COST RECORDS AND AUDIT**

The Company was required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act and Rules made thereunder, only for its HRM Division (i.e. Hot Rolling Mills) which came into operation during the financial year 2018-19 and accordingly cost records have been maintained for the said division.

The Company has appointed M/s Aggarwal Vimal & Associates, Cost Accountants having Firm Registration No: 000350 as cost auditors to conduct the audit of the cost records relating to HRM Division of the company for the financial year ending 31.03.2020.

## **AUDIT COMMITTEE AND OTHER COMMITTEES OF THE BOARD**

The details pertaining to composition of Audit Committee and other committees of the Board are included in the Corporate Governance Report, which forms part of this Report.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In compliance with the requirements under Section 177(9) & (10) of the Act and in accordance with Regulation 22 of SEBI Listing Regulations, the Company has adopted a policy named "Vigil Mechanism and Whistle Blower Policy". The further details pertaining to Vigil Mechanism and Whistle Blower Policy of the Company is available in the Corporate Governance Report, which forms part of this Report.

## **NUMBER OF MEETINGS OF THE BOARD**

During the year, five (5) Board Meetings were convened and held, details of which are given in the Corporate Governance Report that forms part of this Report. The Intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e interval between two meetings did not exceed 120 days. The Company has complied with Secretarial Standards on the meeting of Board of Directors and General Meetings.



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## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 (5) of the Act and based on the representations, information and explanations received from the management, the Directors of the Company hereby confirm that:

- in the preparation of the annual accounts for the financial year 2018-19, the applicable accounting standards have been followed and there are no material departures;
- they have selected such accounting policies and applied them consistently and made judgements 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 the financial year 2018-19;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have submitted their declaration that they meet the criteria of Independence as provided in Sub Section (6) of Section 149 of the Act and SEBI Listing Regulations. Further, there has been no change in the circumstances which may affect their status as Independent Director during the financial year 2018-19.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is available on the website of the Company under the link [http://www.sswlindia.com/pages/nomination\\_remuneration.htm](http://www.sswlindia.com/pages/nomination_remuneration.htm). The salient feature of the policy set out in the Corporate Governance Report which forms the part of this report.

## DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT

During the financial year 2018-19, the Statutory Auditors and/or Secretarial Auditors of the Company have not reported any offence involving fraud which is being or has been committed against the Company by officers or employees to the Audit Committee or to the Board of Directors or to the Central Government under section 143(12) of the Act and Rules framed thereunder.

## STATUTORY AUDITORS AND THEIR REPORT

M/s AKR & Associates was appointed as Statutory Auditor of the Company by the Shareholders in their AGM held on 28.09.2017 till the conclusion of the 36<sup>th</sup> AGM of the Company to be held in the year 2022 (subject to the ratification of their appointment at every AGM, if so required under the Act).

The requirement relating to ratification of Auditors by the members of the Company at every AGM has been dispensed with by the Companies Amendment Act, 2017 vide Notification No. S.O.1833 (E) dated 07.05.2018. Pursuant to the said amendment, during the five-year term of appointment/re-appointment of Statutory Auditors, ratification of the appointment /re-appointment by the members in the AGM is not required. Accordingly, business item of ratification of re-appointment of Statutory Auditors is not included in the Notice of the ensuing 33<sup>rd</sup> AGM of the Company.

Auditors' Report is self-explanatory and does not contain any qualification, reservations or adverse remarks or disclaimers in their report for the financial year ended 31.03.2019, and therefore, needs no comments and forms part of this Annual Report. The board of directors places on record its sincere appreciation for the valuable services rendered by M/s AKR & Associates.

## SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Sushil K. Sikka, a practicing Company Secretary (Membership No. 4241 and CP No. 3582), proprietor of S. K. Sikka & Associates, to undertake the Secretarial Audit of the Company and the Secretarial Audit Report in Form No. MR-3 is being attached with the Board's Report as an **Annexure-I**, which is self-explanatory and does not contain any qualification, reservations or adverse remarks or disclaimers, hence needs no comments.

The Company has also undertaken an audit for the financial year 2018-19 pursuant to SEBI Circular No. CIR/CFD/ CMO/II/27/2019 dated 08.02.2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been submitted to the Stock Exchanges within 60 days of the end of the financial year ended 31.03.2019 and is also attached with the Board's Report as an **Annexure-II**.

# STEEL STRIPS WHEELS LIMITED

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## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

There have been no loans, guarantees and investments made by the Company under Section 186 of the Act and Rules framed thereunder (including any amendments thereof) and Schedule V of the SEBI Listing Regulations during the financial year 2018-19.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. There were no materially significant Related Party Transactions made by the Company with Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. The related party transactions undertaken by the Company during the year under review were in compliance with the provisions set out in the Act read with the rules issued thereunder and Regulation 23 of the SEBI Listing Regulations. Since all the Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business, no details are required to be provided in Form AOC-2 prescribed under clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

All Related Party Transactions were placed before the Audit Committee for their prior approval in accordance with the requirements of the applicable provisions of the Act and SEBI Listing Regulations. The Audit Committee, during the Financial year 2018-19, has approved Related Party transaction along with granting omnibus approval in line with the policy of the Company on materiality of Related Party Transactions and dealing with related party transactions and the applicable provisions of the Act read with the Rules issued thereunder and the SEBI Listing Regulations (including any statutory modification (s) or re-enactment (s) thereof for the time being in force). The transactions entered into pursuant to such approval were placed periodically before the Audit Committee.

The policy on materiality of Related Party Transactions and dealing with related party transactions as approved and adopted by the Board is uploaded on the website of the Company under the link <http://www.sswlindia.com/pages/relatedpartytransaction.htm>.

Disclosure as required under (INDAS) 24 has been made in Note 41 of the Notes to the financial statements.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company except remuneration and sitting fees.

## **MATERIAL CHANGES AND COMMITMENT, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR 2018-19 AND THE DATE OF THIS REPORT**

No material changes and commitment, affecting the financial position of the Company, has occurred between the end of the Financial year 2018-19 of the Company and the date of this report except the following:-

- Allotment of 24000 equity shares of Rs. 10/- each on 28.07.2018 upon exercise of options by the employees of the Company to whom options were granted under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2016" ("ESOS 2016") at an exercise price of Rs. 200/- each.
- Allotment of 9450 equity shares of Rs. 10/- each on 31.12.2018 upon exercise of options by the employees of the Company to whom options were granted under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2014" ("ESOS 2014") at an exercise price of Rs. 100/- each
- Allotment of 750000 warrants convertible into equal number of equity shares of Rs. 10/- each at a price of Rs. 1162/- each on 26.05.2018. The said warrants are not yet exercised by the warrant holder.

## **THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

A statement giving details of conservation of energy/technology absorption and foreign exchange earnings and outgo in terms of Section 134 (3) (m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, forms part of this report and is annexed herewith as **Annexure A**

## **BUSINESS RISK MANAGEMENT**

Pursuant to the requirement of Regulation 21 of SEBI Listing Regulations, your Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

The details of the Committee and its terms of reference are set up in the Corporate Governance Report forming part of this Report.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy including identification of element of business risk and its mitigation plans has been covered in the Management Discussion and Analysis, which forms part of this Report.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

In compliance to Section 135 and in consonance with Schedule VII of the Act, and Rules framed thereunder (including any amendment thereof), the Company has constituted a Corporate Social Responsibility Committee and also framed a Corporate Social Responsibility Policy and the same is uploaded on the website of the Company under the link <http://www.sswlindia.com/pages/csr-policy.htm>.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the financial year 2018-19 are set out in **Annexure B** to this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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## BOARD EVALUATION

In compliance with the provisions of the Act, SEBI Listing Regulations and Guidance note on Board evaluation issued by SEBI, the Nomination and Remuneration Committee of the Board of Directors of the Company has carried out a formal annual evaluation of the Board, its committees and individual directors. Further, the Board of Directors have also carried out the evaluation of the Board as a whole, Its committees, Chairman of the Board and all the Individual and Independent Directors on the Board.

The performance evaluation of the Board and its committees was made after seeking inputs from all the directors of the Company on the basis of effectiveness of Board processes, information and functioning, degree of fulfillment of key responsibilities, governance issues, effectiveness of control system in identifying material risks and reporting of material violations of policies and law, Board Structure and composition, experience and competencies, establishment and delineation of responsibilities to committees, frequency of meetings, circulation of agenda of the meetings, recording of minutes, adherence to law, Board culture and dynamics, Quality of relationship between Board and Management, efficacy of communication with external stakeholders, etc.

The Board and the Nomination and Remuneration Committee (NRC) of the Company evaluated the performance of individual directors (including independent directors) based on criteria such as qualifications, experience, knowledge and competency, fulfillment of functions and integrity including adherence to Code of Conduct and code of Independent directors of the Company, safeguarding of the Confidential information and of interest of Whistle Blowers under Vigil Mechanism, compliance with policies and disclosures of interest and fulfillment of other obligations imposed by the Law, Contribution and Initiative, availability, attendance, participation and ability to function as a team, commitment, independence, independent views and judgement and Guidance/support to Management outside board, etc.,

A separate meeting of the Independent Directors ("Annual ID meeting") was convened on 22.03.2019, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman and the quality, quantity and timeliness of flow of information between the Company, Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties. Post the Annual Independent Directors meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the Nomination and Remuneration Committee with the Board's Chairman covering performance of the Board as a whole; performance of the Non-Independent Directors and performance of the Board's Chairman.

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization program of the Independent Directors as detailed in the Corporate Governance Report which forms part of this Report.

## EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3)(a) of the Act, an extract of the Annual Return as provided under Sub-Section (3) of Section 92 of the Act, is enclosed as **Annexure C** in the prescribed form MGT-9 and forms part of this Report.

Extract of annual return in MGT-9 and annual return in MGT-7 will be available on the website of the Company at <http://www.sswlindia.com/pages/annual-return.htm>

## PARTICULARS OF REMUNERATION OF DIRECTORS/KMP'S/EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure D** to this report. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company and has been uploaded on the website of the Company at [www.sswlindia.com](http://www.sswlindia.com). Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

## INSURANCE

All properties and insurable interests of your Company including building and plant & machinery are adequately insured.

## INDUSTRIAL RELATIONS WITH THE PERSONNEL OF THE COMPANY

The industrial relations scenario continued to be largely positive across all the manufacturing locations and the Company has continued to maintain cordial and harmonious relations with its employees at all levels. As a result of it, the Company is thriving to achieve growth and greater heights in the times to come.

## ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation for the continued co-operation, the Company received from various departments of the Central and State Government, Bankers, Financial Institutions, Dealers and Suppliers. The Board also wishes to place on record its gratitude to the valued customers, members and investing public for their continued support and confidence reposed in the Company. It also acknowledges and appreciates the commitment, dedication and contribution of the Employees towards growth of the Company in all fields.

For and on behalf of the Board

Date: 02.09.2019  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN 00034827

# ANNEXURE-A

## TO THE BOARDS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

### A. CONSERVATION OF ENERGY

#### (i) Steps taken or impact on conservation of energy

Energy conservation dictates how efficiently a Company can conduct its operations. The Company has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices that have reduced the growth in carbon dioxide emissions and strengthened the Company's commitment towards becoming the environment friendly organization.

As a part of continuous process, the Company adopts all suitable measures to conserve energy. This includes periodical check-ups, preventive maintenance and calibration of all electrical instruments & machineries. The Company has taken steps for optimizing HVAC load to reduce overall power consumption. The Company has initiated and taken measures for energy audit by independent agencies to improve energy performance.

#### (ii) Steps taken by the Company for utilizing alternate sources of energy

The Company is in the process to change all Hydraulic Pumps with Servo Pumps and replacement of all Electrical panel with PLC system, fixing of Led light instead of conventional light, implement of machine wise auto stop arrangement, fixing of VFD instead of normal star delta starter, initiate to procure energy efficient motor in all machines, initiate to stop compressed air leakages in entire plant, initiate to fix auto stop timer in canteen & all rim lines air washers, initiate to fix energy savers in all the office ACs which will lead to substantial saving of energy. Usage of wind-electric energy is being continued in Tamil Nadu plants. Now the Company has initiated to utilize solar energy power to convert lighting & AC load in Solar power in coming years.

#### (iii) The Capital investment on energy conservation equipment

During the year under review, the Company has spent Rs. 40.00 lacs for the said purpose.

### B. TECHNOLOGY ABSORPTION

#### (i) The efforts made towards technology absorption:

The Company deploys State of the Art Technology in design, manufacturing and validation of its products. As a result, the products designed and developed by the Company are well accepted by its various customers in India and abroad. The Company had entered into an agreement during the financial year 2015-16, with Kalink Co. Ltd, a South Korea based Company for setting up Alloy Wheel manufacturing facility in Mehsana, Gujarat and technology transfer. Kalink Co. Ltd which is part of HiHo metals is a world renowned Company in the Alloy Wheel manufacturing field and is having state-of-the art facilities for Alloy Wheel Manufacturing in Korea and China. Presently its customers are mainly located at U.S.A., Europe and Japan. The Company has also executed Technical Assistance Agreement with Kalink Co. Ltd for its alloy plant at Mehsana, which has been renewed during the financial year for a period of one year w.e.f. 01.03.2019.

In addition to the technology adoption and diversification strategies the Company is also increasingly devoting resources for automation, process improvement, cost efficiency and quality improvements.

The Company has a Govt. of India approved R & D Centre.

The Company has made efforts towards:-

- Design and development of new wheel rims
- Design and development of new dies and tools

#### (ii) The benefits derived as a result of the above

- Better yield
- Better performance of products
- Reduced cost of products
- Reduction in process wastages
- Better productivity
- Value addition to customers by way of reduced weight of the wheel rims, leading to better fuel efficiency.

**(iii) Details of imported technology (imported during the last three years)**

**(a) The details of the technology imported**

During the year 2018-19, the Company has not imported any technology. However, during the financial year 2015-16, the Company had entered into agreement with Kalink Co. Ltd for setting up an alloy wheel manufacturing facility in Mehsana, Gujarat and the technology for the said purpose was imported during the financial year 2016-17.

**(b) The year of import**

Not Applicable for the financial year 2018-19, however technology was imported during the financial year 2016-17 under the above stated agreement with Kalink Co. Ltd.

**(c) Whether the technology been fully absorbed**

Not Applicable for the financial year 2018-19, however the technology imported during the financial year 2016-17 was fully absorbed in the year 2016-17.

**(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof;**

Not applicable

**(iv) The expenditure incurred on Research and Development**

(Rs. In lacs)

Particulars	Year Ended 31.03.2019 (amount in Rs.)	Year Ended 31.03.2018 (amount in Rs.)
Capital	2294.34	3240.86
Recurring	539.73	415.72
Total	2834.07	3656.58
Total R& D Expenditure as a percentage of Turnover	1.38%	2.34%

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Rs. In lacs)

Particulars	Year Ended 31.03.2019 (amount in Rs.)	Year Ended 31.03.2018 (amount in Rs.)
The Foreign exchange earned in terms of actual inflows during the year	23917.90	13526.81
The Foreign exchange outgo during the year in terms of actual outflows	12945.10	13539.61

For and on behalf of the Board

Date: 02.09.2019  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN: 00034827

# ANNEXURE-B

## TO THE BOARDS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	<p>The Company believes in Corporate excellence and social welfare. This corporate philosophy is the force for integrating Corporate Social Responsibility (CSR) into Company's values, culture, operation and business decisions at all levels of the organization. Being a responsible corporate citizen, the Company has a value system of giving back to society and improving life of the people and the surrounding environment.</p> <p>The Company believes that the Corporate strategy which embraces social developments an integral part of the business activities ensure long term sustainability of business enterprises. With this belief, the Company is committed to conduct its business in a socially responsible, ethical and environment friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.</p> <p>As part of CSR initiatives, the Company, during the financial year 2018-19, had amongst other activities, undertook projects in the areas of promoting education, sanitation and making available safe drinking water, cleanliness, promotion of sports and ensuring environment sustainability, and spent Rs. 194.39 lacs on these projects.</p> <p>The above stated projects were in accordance with Schedule VII of the Companies Act, 2013 and Company's CSR policy.</p> <p><b>Overview of the projects or programmes</b></p> <p>For the Promotion of education, the Company has supported Schools at Moonak Distt. Sangrur (Pb) namely Govt. Senior Secondary School (Boys), Govt. Senior Secondary School (Girls), Bhagat Ravidas Govt. Primary School and Govt. Primary Girls School by renovating, modernizing and providing basic amenities and repair and maintenance, etc.</p> <p>The Company has also contributed towards promotion of Education in Schools at Mehsana, Gujarat and Company run School set up in Jamshedpur.</p> <p>At Moonak, Jamshedpur and Mehsana, the Company has further spent in various areas contributing towards betterment of the society such as distribution of blankets and woolens to the needy, environment sustainability, development of park, sanitation and making available safe drinking water, cleanliness, installation and repairs of CCTV Cameras for safety and surveillance, construction and repairs of community halls, promotion of sports and has made initiative in providing financial assistance/fee payments of the needy students.</p> <p>The Company's CSR policy has been amended by the Board of Directors during the financial year 2018-19, to keep in line with the amended laws and the same has been uploaded on the website of the Company under the web-link: <a href="http://www.sswlindia.com/pages/csr-policy.htm">http://www.sswlindia.com/pages/csr-policy.htm</a></p>
2.	The Composition of the CSR Committee	<p>(i) *Sh. Sudhanshu Shekhar Jha, Chairman                  (ii) Sh. Andra Veetil Unnikrishnan, Member                  (iii) Sh. Manohar Lal Jain, Member</p>
3.	Average Net Profit of the Company for last three financial years	Rs. 9690.22 lacs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 193.80 lacs
5.	Details of CSR spend during the financial year: (a) Total amount spent for the financial year (b) Amount unspent, if any	Rs. 194.39 lacs Nil



(c) Manner in which the amount spent during the financial year is detailed below:

(Rs. in lacs)

S. No	CSR Project or activity identified	Sector in Which the project is covered	Projects or programmes: (i) Local area or other (ii)Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the projects or programs sub-heads: (i)Direct expenditure on projects or programs (ii) Overheads	Cumulative Expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	For the promotion of education by renovation and modernization of Schools etc.	Promotion of Education	Moonak , Distt. Sangrur (Punjab)  Jamshedpur Distt. East Singhbhum (Jharkhand)  Mehsana (Gujarat)	Rs. 99.00	Direct: Rs. 91.02  Direct: Rs. 7.90  Direct: Rs. 0.38	Rs. 99.30	Direct= Rs. 61.44 **implementing Agency= Rs. 29.58  Direct  Direct
2.	Park Development and Maintenance	Environment Sustainability	Moonak , Distt. Sangrur (Punjab)	Rs. 20.00	Direct: Rs. 20.08	Rs. 20.08	Direct= Rs. 18.45 **implementing Agency= Rs. 1.63
3.	Safe drinking water-Water to villagers	making available safe drinking water	Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 0.75	Direct: Rs. 0.74	Rs. 0.74	Direct
4.	Soil and Water Conservation (Digging of Ponds)	Conservation of Water Resource	Mehsana (Gujarat)	Rs. 2.50	Direct: Rs. 1.98	Rs. 1.98	Direct= Rs. 1.44 ***implementing Agency= Rs. 0.54
5.	Financial Assistance/ Fee payment of the needy students	Promotion of Education	Moonak , Distt. Sangrur (Punjab) & PAN India	Rs. 15.00	Direct: Rs. 15.23	Rs. 15.23	Direct= Rs. 14.11  **implementing Agency= Rs. 1.12
6.	Cleanliness- (Cleaning of Roads, Public places, schools, Mechanised sanitation vehicle and installed Portable toilets)	Sanitation and Swach Bharat	Moonak , Distt. Sangrur (Punjab)  Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 32.50	Direct: Rs. 26.39  Direct: Rs. 6.48	Rs. 32.87	Direct=Rs. 2.21 **implementing Agency= Rs.24.18  Direct
7.	Promotion of sports	Promotion of sports	Moonak , Distt. Sangrur (Punjab)	Rs. 11.00	Direct: Rs. 11.00	Rs. 11.00	Direct =Rs. 1.00 **implementing Agency= Rs. 10.00
8.	CCTV Cameras - safety and surveillance	Other	Moonak , Distt. Sangrur (Punjab)	Rs. 0.50	Direct Rs. 0.42	Rs. 0.42	Direct
9.	Distribution of Blankets and Woolen Socks	Poverty and Community Welfare	Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 3.50	Direct: Rs. 3.62	Rs. 3.62	Direct
10.	Repair of Community Hall	Restoration of Building	Mehsana (Gujarat)	Rs. 0.25	Direct: Rs. 0.21	Rs. 0.21	Direct
11.	Administrative Expenses			Rs. 9.00	Rs. 8.94	Rs. 8.94	Direct
	<b>Total</b>			<b>Rs.194.00</b>	<b>Rs. 194.39</b>	<b>Rs.194.39</b>	

Note: \* Sh. Sudhanshu Shekhar Jha, was appointed as Chairman of the CSR Committee w.e.f 14.08.2018 in place of Sh. S. S. Grewal, who ceased to be the Chairman of the CSR Committee w.e.f 21.07.2018, due to his demise.

Details of Implementing Agency:

- (i) \*\* Hans Raj Trust is a public charitable trust and Sh. Rajinder Kumar Garg, Chairman of the Company is Managing Trustee of the said Trust  
(ii) \*\*\* Sujlam Suflam Jal Sanchay Scheme 2019 run by State Government of Gujarat for water conservation.

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report. : NA

7. A responsibility statement of the CSR Committee of the Board of Directors of the Company:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Date: 02.09.2019  
Place: Chandigarh

Andra Veetil Unnikrishnan  
(Deputy Managing Director)

Sudhanshu Shekhar Jha  
(Chairman CSR Committee)

# ANNEXURE-C

## TO THE BOARDS' REPORT

Form No.MGT-9

**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31.03.2019**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

### I. REGISTRATION AND OTHER DETAILS:

i) CIN	L27107PB1985PLC006159
ii) Registration Date	28th February 1985
iii) Name of the Company	Steel Strips Wheels Limited
iv) Category / Sub-Category of the Company	Public Limited Company having Share Capital
v) Address of the Registered office and contact details	Village Somalheri/Lehli P.O.Dappar Tehsil Derabassi, District SAS Nagar (Mohali), Punjab-140506. Ph. No. 0172-2793112
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. Noble Heights 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi – 110 058 Ph. No. 011- 49411000, 41410592-94

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company.

S.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Manufacture of Wheel Rims (Auto Parts and Equipment Industry)	29301	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

The Company is not having any Holding Company, Subsidiary Company and Associate Company.

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

##### i) Category-wise Shareholding.

Category of Shareholders	No of shares held at the beginning of the Year(As on 01.04.2018)				No of shares held at the end of the Year (As on 31.03.2019)				% change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a)Individual/HUF	5015561	-	5015561	32.24	5189855	-	5189855	33.29	1.05
b) Central Govt.									
c)State Govt.(s)									
d)Bodies Corporate	3947965	1250	3949215	25.39	3973853	1250	3975103	25.50	0.11
e)Banks/FI	-	-	-	-					
f) Any Other	-	-	-	-					
<b>Sub-Total (A)(1):</b>	<b>8963526</b>	<b>1250</b>	<b>8964776</b>	<b>57.63</b>	<b>9163708</b>	<b>1250</b>	<b>9164958</b>	<b>58.79</b>	<b>1.16</b>
<b>(2) Foreign</b>									
a)NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)Other-Individual	-	-	-	-	-	-	-	-	-
c)Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e)Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total(A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A)=(A) (1)+(A)(2)</b>	<b>8963526</b>	<b>1250</b>	<b>8964776</b>	<b>57.63</b>	<b>9163708</b>	<b>1250</b>	<b>9164958</b>	<b>58.79</b>	<b>1.16</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a)Mutual Funds/UTI	315613	750	316363	2.03	0	750	750	0.005	(2.03)
b)Banks/FI	79747	1450	81197	0.52	66961	1450	68411	0.44	(0.08)
c)Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e)Venture Capital Fund	-	-	-	-	-	-	-	-	-
f)Insurance Company	-	-	-	-	-	-	-	-	-
g)Foreign Institutional/ Portfolio Investor	91943	-	91943	0.60	90003	-	90003	0.58	(0.02)
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total(B) (1)</b>	<b>487303</b>	<b>2200</b>	<b>489503</b>	<b>3.15</b>	<b>156964</b>	<b>2200</b>	<b>159164</b>	<b>1.02</b>	<b>(2.13)</b>
<b>B2 Non-Institution</b>									
a)Bodies Corporate									
i) Indian	2753570	2900	2756470	17.72	2843250	2750	2846000	18.26	0.54
ii) Overseas	-	-	-	-	-	-	-	-	-
b) <b>Individuals</b>									
i)individual shareholders holding nominal share capital up to Rs.1 lakh	1380251	308261	1688512	10.85	1578132	259746	1837878	11.79	0.94
ii)individual shareholders holding nominal share capital in excess of Rs. 1 lakh	296905	-	296905	1.91	170033	-	170033	1.08	(0.83)
<b>c) other (Specify)</b>									
Trusts	2061	-	2061	0.01	2061	-	2061	0.01	0.00
Foreign Body Corporate	1059525	-	1059525	6.81	1059525	-	1059525	6.79	(0.02)
Non Resident Indian	69171	-	69171	0.44	95989	-	95989	0.62	0.18
Clearing Members	12183	-	12183	0.08	24737	-	24737	0.16	0.08
Hindu Undivided Family	51301	300	51601	0.33	52578	300	52878	0.34	0.01
Investor Education & Protection fund authority	165563	-	165563	1.06	176497	-	176497	1.13	0.07
<b>Sub Total (B)(2)</b>	<b>5790530</b>	<b>311461</b>	<b>6101991</b>	<b>39.22</b>	<b>6002802</b>	<b>262796</b>	<b>6265598</b>	<b>40.19</b>	<b>0.97</b>
<b>(B)Total Public shareholding(B)=(B)(1)+(B)(2)</b>	<b>6277833</b>	<b>313661</b>	<b>6591494</b>	<b>42.37</b>	<b>6159766</b>	<b>264996</b>	<b>6424762</b>	<b>41.21</b>	<b>(1.16)</b>
<b>(c) Shares held by Custodians for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total(A)+(B)+(C)</b>	<b>15241359</b>	<b>314911</b>	<b>15556270</b>	<b>100.00</b>	<b>15323474</b>	<b>266246</b>	<b>15589720</b>	<b>100.00</b>	<b>-</b>

# STEEL STRIPS WHEELS LIMITED

## ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the Year (As on 01.04.2018)			Shareholding at the end of the Year (As on 31.03.2019)			
		No. of Shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares*	No. of Shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	% change in shareholding during the year*
1	Sh. R. K. Garg	292571	1.88	-	292571	1.88	-	-
2	Smt. Sunena Garg	3500	0.02	-	177794	1.14	-	1.12
3	Sh. Dheeraj Garg	4640228	29.83	12.43	4640228	29.76	24.13	(0.07)
4	Ms. Priya Garg	79262	0.51	-	79262	0.51	0.51	-
5	SAB Industries Ltd.	1324187	8.52	3.86	1324187	8.50	3.85	(0.02)
6	SAB Udyog Ltd.	1142582	7.35	-	1142582	7.33	-	(0.02)
7	Chandigarh Developers Pvt. Ltd.	569132	3.66	-	569132	3.65	3.65	(0.01)
8	Malwa Chemtex Udyog Ltd.	385000	2.47	-	385000	2.47	-	-
9	DHG Marketing Pvt. Ltd.	501094	3.22	2.35	501094	3.21	1.80	(0.01)
10	Steel Strips Financiers Pvt. Ltd.	20000	0.13	-	20000	0.13	-	-
11	Chandigarh Aircraft Management Services Pvt. Ltd.	0	0	-	25888	0.17	-	0.17
12	**Munak International Pvt. Ltd	2250	0.02	-	2250	0.02	-	-
13	S. S. Credits Pvt. Ltd.	1600	0.01	-	1600	0.01	-	-
14	**S. J. Mercantile Pvt Ltd. (Earlier known as S. A Holdings Pvt. Ltd.)	1250	0.01	-	1250	0.01	-	-
15	**Steel Strips Leasing Ltd (now known as Steel Strips Industries Ltd)	500	0.00	-	500	0.00	-	-
16	Malwa Holdings Pvt. Ltd.	400	0.00	-	400	0.00	-	-
17	Munak Investments Pvt. Ltd.	400	0.00	-	400	0.00	-	-
18	**Munak Financiers Pvt. Ltd.	400	0.00	-	400	0.00	-	-
19	**Steel Strips Ltd	300	0.00	-	300	0.00	-	-
20	Steel Strips Holdings Pvt. Ltd.	120	0.00	-	120	0.00	-	-
	<b>Total</b>	<b>8964776</b>	<b>57.63</b>	<b>18.64</b>	<b>9164958</b>	<b>58.79</b>	<b>33.94</b>	<b>1.16</b>

- (i) \*The % of shares pledged/encumbered represents % of shares pledged/encumbered as a % of the total Shares of the Company.
- (ii) \*\*Steel Strips Leasing Ltd (now known as Steel Strips Industries Ltd), Munak Financiers P. Ltd, Steel Strips Ltd and S.A. Holdings P. Ltd (now known as S.J. Mercantile P. Ltd) have sold 500, 400, 300 and 50 shares (totaling 1250 shares) respectively long back, but not yet lodged by the purchasers in public category with the Company. These shares are still standing in the name of above stated promoters in physical forms in member register.
- Further as per our member register, Munak International Pvt. Ltd (MIPL) is holding 2250 shares. However out of this, 50 shares have already been sold by MIPL long back, however the same is still outstanding in its name.
- (iii) During the financial year 2018-19, the Company has allotted 24000 equity shares and 9450 equity shares under ESOS-2016 and ESOS-2014 respectively. The paid up share capital of the Company pursuant to such allotment, has been increased from Rs.15,55,62,700/- to Rs.15,58,97,200/-. Therefore % of shareholding of certain promoters slightly reduced as on 31.03.2019.
- (iv) Chandigarh Aircraft Management Services Private Ltd, Promoter Group Company did not hold any equity shares of the Company as on 31.03.2018. It had acquired shares of the Company during the financial year 2018-19 and has subsequent to such acquisition been shown in the list of shareholding of promoters as on 31.03.2019.

iii) Change in Promoters' Shareholding (Please Specify, if there is no change)

S.No.	Name of shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1	<b><u>Sunena Garg</u></b>					
	<b>At the beginning of the Year</b>	<b>3500</b>	<b>0.02</b>	<b>3500</b>	<b>0.02</b>	
	Market Purchase on:					
	04.12.2018	3000	0.02	6500	0.04	
	05.12.2018	14484	0.09	20984	0.13	
	06.12.2018	16077	0.10	37061	0.24	
	18.02.2019	46189	0.30	83250	0.53	
	19.02.2019	14513	0.09	97763	0.63	
	20.02.2019	8796	0.06	106559	0.68	
	25.02.2019	3102	0.02	109661	0.70	
	26.02.2019	4160	0.03	113821	0.73	
	27.02.2019	3944	0.03	117765	0.76	
	28.02.2019	5763	0.04	123528	0.79	
	01.03.2019	2500	0.02	126028	0.81	
	20.03.2019	7449	0.05	133477	0.86	
	22.03.2019	4673	0.03	138150	0.89	
	25.03.2019	14981	0.09	153131	0.98	
	26.03.2019	7021	0.05	160152	1.03	
	27.03.2019	3557	0.02	163709	1.05	
	28.03.2019	12894	0.08	176603	1.13	
29.03.2019	1191	0.01	177794	1.14		
	<b>At the end of the year</b>	<b>177794</b>	<b>1.14</b>	<b>177794</b>	<b>1.14</b>	
2	<b><u>Chandigarh Aircraft Management Services Pvt. Ltd.</u></b>					
	<b>At the beginning of the Year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
	Market Purchase on					
	27.09.2018	5087	0.03	5087	0.03	
	28.09.2018	10543	0.07	15630	0.10	
	29.10.2018	1008	0.01	16638	0.11	
	21.12.2018	6250	0.04	22888	0.15	
	24.12.2018	3000	0.02	25888	0.17	
		<b>At the end of the year</b>	<b>25888</b>	<b>0.17</b>	<b>25888</b>	<b>0.17</b>

Note: Smt. Sunena Garg is also holding 750000 warrants convertible into equity shares of Rs. 10/- each. Date of allotment was 26.05.2018. The said warrants are yet to be exercised by the warrant holder Smt. Sunena Garg.

There is no change in other Promoters shareholding during FY 2018-19

iv) Shareholding Pattern of Top Ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

S.No.	Name of the Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	<b><u>Tata Steel Ltd</u></b>				
	At the Beginning of the year	1086972	6.99	1086972	6.99
	Increase/decrease in shareholding during the year 2018-19	0	0.00	1086972	6.97
	<b>At the End of the Year</b>	<b>1086972</b>	<b>6.97</b>	<b>1086972</b>	<b>6.97</b>
2	<b><u>Sumitomo Metal Industries Ltd.</u></b>				
	At the Beginning of the year	850000	5.46	850000	5.46
	Increase/decrease in shareholding during the year 2018-19	0	0.00	850000	5.45
	<b>At the End of the Year</b>	<b>850000</b>	<b>5.45</b>	<b>850000</b>	<b>5.45</b>
3	<b><u>Priya Tools Pvt. Ltd.</u></b>				
	At the Beginning of the year	526874	3.39	526874	3.39
	Increase/decrease in shareholding during the year 2018-19	0	0.00	526874	3.38
	<b>At the End of the Year</b>	<b>526874</b>	<b>3.38</b>	<b>526874</b>	<b>3.38</b>

## STEEL STRIPS WHEELS LIMITED

4	<b>SCM Fintrade Pvt. Ltd.</b>				
	At the Beginning of the year	487691	3.14	487691	3.14
	Increase/decrease in shareholding during the year 2018-19	0	0.00	487691	3.13
	<b>At the End of the Year</b>	<b>487691</b>	<b>3.13</b>	<b>487691</b>	<b>3.13</b>
5	<b>Bloomen Flora Ltd.</b>				
	At the Beginning of the year	486496	3.13	486496	3.13
	Increase/decrease in shareholding during the year 2018-19	0	0.00	486496	3.12
	<b>At the End of the Year</b>	<b>486496</b>	<b>3.12</b>	<b>486496</b>	<b>3.12</b>
6	<b>Kalink Co. Ltd</b>				
	At the Beginning of the year	269275	1.73	269275	1.73
	Increase/decrease in shareholding during the year 2018-19.	0	0.00	269275	1.73
	<b>At the End of the Year</b>	<b>269275</b>	<b>1.73</b>	<b>269275</b>	<b>1.73</b>
7	<b>Investor Education and Protection Fund Authority Ministry of Corporate Affairs</b>				
	At the Beginning of the year	165563	1.06	165563	1.06
	Increase/decrease in shareholding during the year 2018-19 on:				
	03.12.2018	11434	0.07	176997	1.14
20.12.2018	(500)	(0.003)	176497	1.13	
	<b>At the End of the Year</b>	<b>176497</b>	<b>1.13</b>	<b>176497</b>	<b>1.13</b>
8	<b>#MAX LIFE INSURANCE COMPANY LIMITED A/C -ULIF00225/06/04LIFEBALANC104 - BALANCED FUND</b>				
	At the Beginning of the year	40500	0.26	40500	0.26
	Increase/decrease in shareholding during the year 2018-19 on:				
	06.04.2018	103058	0.66	143558	0.92
	20.04.2018	41535	0.27	185093	1.19
	22.06.2018	1800	0.01	186893	1.20
	30.06.2018	2700	0.02	189593	1.22
	06.07.2018	680	0.00	190273	1.22
	20.07.2018	1800	0.01	192073	1.23
	02.11.2018	6708	0.05	198781	1.28
	07.12.2018	2700	0.01	201481	1.29
	14.12.2018	(2399)	(0.01)	199082	1.28
	21.12.2018	(8497)	(0.06)	190585	1.22
	28.12.2018	(3565)	(0.02)	187020	1.20
	31.12.2018	(194)	(0.00)	186826	1.20
	04.01.2019	(7285)	(0.05)	179541	1.15
	11.01.2019	(4726)	(0.03)	174815	1.12
	18.01.2019	(671)	(0.00)	174144	1.12
	25.01.2019	(4416)	(0.03)	169728	1.09
	01.02.2019	(6000)	(0.04)	163728	1.05
	08.02.2019	(6000)	(0.04)	157728	1.01
22.02.2019	(9732)	(0.06)	147996	0.95	
01.03.2019	(6043)	(0.04)	141953	0.91	
08.03.2019	(2000)	(0.01)	139953	0.90	
15.03.2019	(2847)	(0.01)	137106	0.88	
22.03.2019	(1336)	(0.01)	135770	0.87	
	<b>At the End of the Year</b>	<b>135770</b>	<b>0.87</b>	<b>135770</b>	<b>0.87</b>

9	<b>Amrit Sagar Mittal</b> At the Beginning of the year Increase/decrease in shareholding during the year 2018-19 on:	101044	0.65	101044	0.65
	06.04.2018	(101044)	(0.65)	0	0.00
	20.04.2018	14329	0.09	14329	0.09
	27.04.2018	10383	0.07	24712	0.16
	04.05.2018	2000	0.01	26712	0.17
	18.05.2018	8000	0.05	34712	0.22
	01.06.2018	8754	0.06	43466	0.28
	08.06.2018	10000	0.06	53466	0.34
	13.07.2018	3000	0.02	56466	0.36
	27.07.2018	8000	0.05	64466	0.41
	03.08.2018	3000	0.02	67466	0.43
	<b>At the End of the Year</b>	<b>67466</b>	<b>0.43</b>	<b>67466</b>	<b>0.43</b>
10	<b>General Insurance Corporation of India</b> At the Beginning of the year Increase/decrease in shareholding during the year 2018-19	44502 0	0.28 0	44502 44502	0.28 0.28
	<b>At the End of the Year</b>	<b>44502</b>	<b>0.28</b>	<b>44502</b>	<b>0.28</b>
11	<b>*Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Pure Value Fund</b> At the Beginning of the year Increase/decrease in shareholding during the year 2018-19 on:	315613	2.03	315613	2.03
	06.04.2018	(11700)	(0.07)	303913	1.95
	13.04.2018	(9666)	(0.06)	294247	1.89
	20.04.2018	(42134)	(0.27)	252113	1.62
	27.04.2018	(67300)	(0.43)	184813	1.19
	04.05.2018	(10400)	(0.07)	174413	1.12
	11.05.2018	(4230)	(0.03)	170183	1.09
	18.05.2018	(1000)	(0.01)	169183	1.08
	25.05.2018	(1743)	(0.01)	167440	1.07
	01.06.2018	(3150)	(0.02)	164290	1.05
	08.06.2018	(9328)	(0.06)	154962	0.99
	15.06.2018	(11574)	(0.07)	143388	0.92
	22.06.2018	(2540)	(0.02)	140848	0.90
	30.06.2018	(1800)	(0.01)	139048	0.89
	06.07.2018	(1600)	(0.01)	137448	0.88
	20.07.2018	(8900)	(0.06)	128548	0.82
	27.07.2018	(113)	(0.00)	128435	0.82
	03.08.2018	(800)	(0.00)	127635	0.82
	10.08.2018	(8100)	(0.05)	119535	0.77
	05.10.2018	7400	0.04	126935	0.81
	16.11.2018	(1066)	(0.01)	125869	0.80
	07.12.2018	(35800)	(0.22)	90069	0.58
	14.12.2018	(1000)	(0.01)	89069	0.57
	22.02.2019	(73771)	(0.47)	15298	0.10
	01.03.2019	(8598)	(0.06)	6700	0.04
	29.03.2019	(6700)	(0.04)	0	0.00
	<b>At the End of the Year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

## STEEL STRIPS WHEELS LIMITED

12	<b>*Manisha Lodha</b> At the Beginning of the year Increase/decrease in shareholding during the year 2018-19 on:				
		70000	0.45	70000	0.45
	04.05.2018	(10000)	(0.06)	60000	0.39
	11.05.2018	(4550)	(0.03)	55450	0.36
	18.05.2018	(5450)	(0.04)	50000	0.32
	30.06.2018	(3500)	(0.02)	46500	0.30
	06.07.2018	(1500)	(0.01)	45000	0.29
	27.07.2018	(6000)	(0.04)	39000	0.25
	03.08.2018	(7100)	(0.05)	31900	0.20
	17.08.2018	(5500)	(0.03)	26400	0.17
	29.09.2018	(7400)	(0.05)	19000	0.12
	05.10.2018	(1500)	(0.01)	17500	0.11
	09.11.2018	(8000)	(0.05)	9500	0.06
	30.11.2018	(700)	(0.00)	8800	0.06
	22.02.2019	(1400)	(0.01)	7400	0.05
	08.03.2019	(3400)	(0.02)	4000	0.03
	15.03.2019	(4000)	(0.03)	0	0.00
	<b>At the End of the Year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

\*\*ceased to be in the list of top 10 shareholders as on 31.03.2019. The same has been reflected above since shareholders were one of the top 10 shareholders as on 01.04.2018.

# Not in the list of top ten shareholders as on 01.04. 2018. The same has been reflected above since shareholders were one of the top ten shareholders as on 31.03.2019.

Date of increase/decrease has been considered as the date on which beneficiary positions was provided by the depositories.

Due to the reason as mentioned at point no. (iv) in shareholding of promoters, % of shareholding of certain above mentioned shareholders in the list has slightly reduced as on 31.03.2019.

### v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name of the Director	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Sh. R. K. Garg</b>				
	At the beginning of the year	292571	1.88	292571	1.88
	Date wise Increase/Decrease in shareholding during the year	-	-	292571	1.88
	<b>At the end of the Year</b>	<b>292571</b>	<b>1.88</b>	<b>292571</b>	<b>1.88</b>
2.	<b>Sh. Dheeraj Garg</b>				
	At the beginning of the year	4640228	29.83	4640228	29.83
	Date wise Increase/Decrease in shareholding during the year	-	-	4640228	29.76
	<b>At the end of the Year</b>	<b>4640228</b>	<b>29.76</b>	<b>4640228</b>	<b>29.76</b>
3.	<b>Sh. Andra Veetil Unnikrishnan</b>				
	At the beginning of the year	1612	0.01	1612	0.01
	Allotment under ESOS on 28.07.2018	3500	0.02	3500	0.02
	<b>At the end of the Year</b>	<b>5112</b>	<b>0.03</b>	<b>5112</b>	<b>0.03</b>
4.	<b>Sh. Manohar Lal Jain</b>				
	At the beginning of the year	20853	0.13	20853	0.13
	Sale of shares in open market on:				
	25.04.2018	(500)	(0.003)	20353	0.13
	30.04.2018	(50)	(0.00)	20303	0.13
	<b>At the end of the Year</b>	<b>20303</b>	<b>0.13</b>	<b>20303</b>	<b>0.13</b>
5.	<b>Sh. Madan Mohan Chopra</b>				
	At the beginning of the year	10000	0.06	10000	0.06
	Date wise Increase/Decrease in shareholding during the year	-	-	-	-
	<b>At the end of the Year</b>	<b>10000</b>	<b>0.06</b>	<b>10000</b>	<b>0.06</b>

Ms. Jaspreet Takhar, Sh. Sudhanshu Shekhar Jha, Sh. Surinder Kumar Bansal, and Sh. Sanjay Surajprakash Sahni, Directors of the Company, did not hold any shares during the financial year 2018-19



**Name of the Key Managerial Personnel**

	Name of the KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Sh. Ayush Thareja (CFO)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/Decrease in shareholding during the year:	-	-	-	-
	<b>At the end of the Year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
2.	<b>Sh. Shaman Jindal (Company Secretary)</b>				
	At the beginning of the year	0	0.00	0.00	0.00
	Allotment of 1250 shares on 28.07.2018 under ESOS 2016	1250	0.01	1250	0.01
	<b>At the end of the Year</b>	<b>1250</b>	<b>0.01</b>	<b>1250</b>	<b>0.01</b>

**Note :** During the year Sh. Naveen Sorot, who was associated with the company as CFO till 18.09.2018, was holding 19 equity shares of the company at the beginning of the year and was allotted 500 equity shares of Rs.10/- each on 28.07.2018 upon exercise of stock option by him under ESOS 2016. He sold 150 equity shares on 11.09.2018 and as on 18.09.2018, he was holding 369 equity shares of the company.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (Amount in Rs.)
Indebtedness at the beginning of the financial year (01.04.2018)				
i) Principal Amount	97506.19	15193.01	-	112699.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>97506.19</b>	<b>15193.01</b>	<b>-</b>	<b>112699.20</b>
Change in Indebtedness during the financial year				
• Addition	9999.80	-	-	9999.80
• Reduction (net of fluctuation)	13268.80	4445.17	-	17713.97
<b>Net Change</b>	<b>(3269.00)</b>	<b>(4445.17)</b>	<b>-</b>	<b>(7714.17)</b>
Indebtedness at the end of the financial year(31.03.2019)				
i) Principal Amount	94237.19	10747.84	-	104985.03
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>94237.19</b>	<b>10747.84</b>	<b>-</b>	<b>104985.03</b>

# STEEL STRIPS WHEELS LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director(MD), Whole-time Directors (WTD) and/or Manager:

(Rs. in lac)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (In Rs)
		Sh. Dheeraj Garg (MD)	Sh. Andra Veetil Unnikrishnan (DMD)	Sh. Manohar Lal Jain (ED)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961.	28.80	45.77	46.56	121.13
2	Stock Options	-	36.51	-	36.51
3	Sweat Equity	-	-	-	-
4	Commission  - As % of Profit - Others, specify	540.51 -	- -	- -	540.51 -
5	Others, please Specify : Provident fund	2.16	3.60	3.89	9.65
	<b>Total (A)</b>	<b>571.47</b>	<b>85.88</b>	<b>50.45</b>	<b>707.80</b>
	Ceiling as per the Act	Rs. 1257.23 lac (being 11% of Net profit of the Company as calculated as per the provisions of Section 198 of the Companies Act, 2013.)			

### B. Remuneration to other Directors:

#### 1. Independent Directors

(Rs. in lac)

Sr. No.	Name of Directors	Particulars of Remuneration(fee for attending Board/Committee, Commission, Other Specify)	Total Amount (In Rs.)
1	Sh. Sukhbir Singh Grewal	Fee for Attending Board Meeting	0.20
2.	Sh. Sudhanshu Shekhar Jha	Fee for Attending Board Meeting & Audit Committee Meeting	0.70
3.	Sh. Surinder Kumar Bansal	Fee for Attending Board Meeting & Audit Committee Meeting	0.90
4.	Sh. Madan Mohan Chopra	Fee for Attending Board Meeting & Audit Committee Meeting	0.80
5.	Ms. Jaspreet Takhar	Fee for Attending Board Meeting	0.20
	<b>Total (1)</b>		<b>2.80</b>

#### 2. Other Non Executive Directors

(Rs. in lac)

Sr. No.	Name of Directors	Particulars of Remuneration(fee for attending Board/Committee, Commission, Other Specify)	Total Amount (In Rs.)
1.	Sh. Rajinder Kumar Garg	Fee for Attending Board Meeting	0.80
	<b>Total (2)</b>		<b>0.80</b>
	<b>Total (B) = (1+2)</b>		<b>3.60</b>
	Total Managerial Remuneration		<b>711.40</b>
	Overall Ceiling as per the Act	Rs. 1257.23 lac (being 11% of Net profit of the Company)	

Note: (i) Sh. Sukhbir Singh Grewal, Non-Executive Independent Director of the Company ceased to be the Director and Chairman/Member of the committees of the Board of Directors of the Company w.e.f 21.07.2018 due to his demise. He was paid sitting fee of Rs. 0.20 Lacs as sitting fee for attending one Board Meeting held on during the financial year 2018-19 as stated above.

(ii) Sh. Chanakya Chaudhary (ceased w.e.f 01.10.2018) and Sh. Sanjay Surajprakash Sahni (appointed w.e.f 14.11.2018), Non-Executive Directors of the Company, nominated by Tata Steel Limited (Equity investor), were not entitled to get any sitting fee for attending the Board meeting of the Company, as per the policy of Tata Steel Limited.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Rs. in lac)

S. No	Particulars of Remuneration	Key Managerial Personnel			
		Sh. Naveen Sorot (Chief Financial Officer)*	Sh. Ayush Thareja (Chief Financial Officer)*	Sh. Shaman Jindal (Company Secretary)	Total Amount (In Rs)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.32	1.76	21.50	39.58
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961.	-	-	-	-
2	Stock Options	5.22	-	13.04	18.26
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as% of Profit	-	-	-	-
	- Others specify	-	-	-	-
5	Others, please Specify: Provident Fund Gratuity	0.63 3.84	0.11 -	1.51 -	2.25 3.84
	<b>Total (A)</b>	<b>26.01</b>	<b>1.87</b>	<b>36.05</b>	<b>63.93</b>

\* Sh. Naveen Sorot, Chief Financial Officer of the Company resigned w.e.f 18.09.2018 and Sh. Ayush Thareja was appointed as Chief Financial Officer of the Company w.e.f 14.02.2019. The above mentioned salaries of the Chief Financial Officers for the financial year 2018-19 has been shown for and/or from the period for which they served the office as Chief Financial Officers.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE:**

There were no penalties / punishment / compounding of offences for the year ending 31.03.2019.

For and on behalf of the Board

Date: 02.09.2019  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN: 00034827

# ANNEXURE-D

## TO THE BOARDS' REPORT

### PARTICULARS OF REMUNERATION

The information required under Section 197 of the Companies Act, 2013 and the Rule 5 (1) of Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014, in respect of employees of the Company, is as follows:-

- (a) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;**

Executive Directors	Ratio of Median Remuneration
Sh. Dheeraj Garg	213.24
Sh. Andra Veetil Unnikrishnan	32.07
Sh. Manohar Lal Jain	18.84

Note: The Non-Executive Director of the Company are entitled to sitting fee only for attending Board meetings and Audit Committee Meetings as per the Statutory provision. The details of remuneration of Non-Executive Directors are provided in Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Director's remuneration is therefore not considered for the above said purpose.

- (b) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Name of Person	% increase in remuneration
Sh. Dheeraj Garg (MD)	10.66
Sh. Andra Veetil Unnikrishnan (DMD)	86.78
Sh. Manohar Lal Jain	2.15
Sh. Ayush Thareja ( CFO w.e.f. 14.02.2019)	N.A.
Sh. Shaman Jindal (CS)	9.74

\* Sh. Naveen Sorot, Chief Financial Officer of the Company resigned w.e.f 18.09.2018 and Sh. Ayush Thareja was appointed as Chief Financial Officer of the Company w.e.f 14.02.2019. Hence, % increase in remuneration of Sh. Ayush Thareja is not applicable.

- (c) **The percentage increase in the median remuneration of employees in the financial year**

11.52%

- (d) **The number of permanent employees on the rolls of Company:**

As on 31.03. 2019, the Company had 2644 permanent employees on the rolls of the Company.

- (e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

Average increase in remuneration is 12.74% for employees other than Key Managerial Personnel and 9.87% for Key Managerial Personnel. The remuneration of employees an KMP is decided based on the individual performance , inflation, prevailing industry trends and benchmark.

- (f) **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirms that remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Date: 02.09.2019  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN: 00034827



# SECRETARIAL

## Annexure I

# AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Steel Strips Wheels Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Steel Strips Wheels Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance mechanism in place to the extent, in the manner and subject to other reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2019 according to the provisions of:

- 1) The Companies Act, 2013(the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (now, The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 );
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the audit period**)
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not applicable to the Company during the audit period**) and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the Company during the audit period**)
- 6) Apprentices Act, 1961
- 7) Employment Exchange (Compulsory Notification of Vacancies Act, 1959)
- 8) Industrial Employment (Standing Orders) Act, 1956
- 9) Minimum Wages Act, 1948
- 10) Payment of Bonus Act, 1965
- 11) Payment of Wages Act, 1936
- 12) Motor Vehicle Act, 1988
- 13) The Water (Prevention & Control of Pollution) Act, 1974
- 14) The Water (Prevention & Control of Pollution) Cess Act, 1977
- 15) Employees' State Insurance Act, 1948
- 16) Employees' Provident Fund & Misc. Provisions Act, 1952
- 17) Goods & Services Tax Act, 2017
- 18) Air (Prevention & Control of Pollution) Act, 1981
- 19) Payment of Gratuity Act, 1972
- 20) Indian Electricity Act, 1910 & Rules 1956
- 21) Hazardous Waste (Management & Handling) Rules 1989 under EP Act, 1986

# STEEL STRIPS WHEELS LIMITED

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- 22) Explosive Act, 1884 and Rules made thereunder.
  - 23) Industrial Development & Regulation Act, 1951
  - 24) Contract Labour Regulation & Abolition Act, 1971

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

## **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act, as Sh. Sukhbir Singh Grewal, Non Executive Independent Director of the Company ceased to be Director w.e.f. 21.07.2018 due to his death. The company has made subsequent appointment of other directors to the various committees in which he held position as a member and as a chairman.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings, as represented by management, were taken unanimously.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the Company had:

- (i) Allotted 24000 Equity Shares of Rs. 10/- each on 28.07.2018 upon exercise of options by the employees of the Company under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2016" ("ESOS 2016") at an exercise price of Rs. 200/- each.
- (ii) Allotted 9450 equity shares of Rs. 10/- each on 31.12.2018 upon exercise of options by the employees of the Company under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2014" ("ESOS 2014") at an exercise price of Rs. 100/- each.
- (iii) Allotted 750000 convertible warrants on 26.05.2018, at a price of Rs. 1162/- per warrant on preferential basis to Smt. Sunena Garg, belonging to promoter group. These warrants shall be convertible into equity shares of the company of face value Rs. 10/- each at a premium of Rs. 1152/- each within a period of 18 months from the date of allotment of the convertible warrants.

**I further report that** during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Place: Chandigarh  
Date: 02.09.2019

Sushil K Sikka  
Company Secretary  
FCS 4241  
CP 3582

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## The Members

### **Steel Strips Wheels Limited**

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express as opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chandigarh  
Date: 02.09.2019

Sushil K Sikka  
Company Secretary  
FCS 4241  
CP 3582



**Secretarial Compliance Report  
Steel Strips Wheels Limited  
for the year ended 31.03.2019**

I, Sushil Kumar Sikka, Prop. of S. K. Sikka & Associates, have examined:

- (a) all the documents and records made available to us and explanation provided by Steel Strips Wheels Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of :
  - i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - ii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Other regulations as applicable from time to time;

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NOT APPLICABLE.....			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
NOT APPLICABLE.....				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2018	Action take by the listed entity, if any.	Comments of the practising secretary on the actions taken by the listed entity
NOT APPLICABLE.....				

Place : Chandigarh  
Date : 20.05.2019

(Sushil K Sikka)  
FCS No. : 4241  
CP No. : 3582

# CORPORATE GOVERNANCE

## **ABRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The philosophy of the Company in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms fully to laws, regulations and guidelines and to promote ethical conduct throughout the organization with the primary objective of enhancing stakeholders' value while being a responsible corporate citizen. The Company has always thrived towards building trust with shareholders, employees, customers, suppliers, regulators, and other stakeholders based on the principles of good Corporate Governance.

The Company has adopted SSWL's Code of Conduct for its employees, officers and directors. In addition, the Company's Independent Directors adhere to "Code for Independent Directors provided in Schedule IV of the Companies Act, 2013 ("the Act") which suitably incorporates the duties and responsibilities of Independent Directors as laid down in the Act. The Company's corporate governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading and the Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (UPS).

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance. This report is to be read with Board's Report and all its annexures for more clarity on Corporate Governance practices of the Company.

## **BOARD OF DIRECTORS**

The Board of Directors ("Board") of the Company is entrusted with the ultimate responsibility of the management, formulations of policies, devising corporate strategy, general affairs, direction and performance of the Company, ensuring compliances of all applicable laws of the land in letter as well as in spirit and long term success of business as a whole. The Board has been vested with requisite powers, authorities and duties. The Board consists of optimum combination of Executive and Non- Executive Directors including Independent Directors who have wide and varied experience in the field of business, finance, education, industry, commerce and administration.

- (i) **Composition and Category of the Directors:** The Composition of the Board of your Company is in conformity with Regulation 17 of SEBI Listing Regulations read with Section 149 of the Act . As on 14.02.2019, the Company's Board consists of ten (10) Directors. Of the ten Directors, three (3) (i.e. 30%) are Executive Directors including one director belonging to promoter category. Remaining seven (7) (i.e. 70%) are Non Executive Directors, of which five (5) are Independent Directors (including Woman Independent Director), one Nominee Director [Nominated by Tata Steel Limited (Equity Investor)] and one Non-Executive Chairman belonging to promoter category. But due to some pre occupations, one Independent Director of the Company from the above mentioned five Independent Directors, resigned (w.e.f 14.02.2019) from the office of Independent Directorship. As a consequence of the same, on 31.03.2019 the Company's Board consists of nine (9) Directors and out of the said nine Directors four are Independent Directors, the Company is in the process of appointing an Independent Director on the Board of the Company to keep the composition of the Board in conformity with SEBI Listing Regulations. Consequently, the Board of Directors in their immediate next meeting held on 27.05.2019 appointed Independent Director on the Board of the Company and upon such appointment, as stated above, the Composition of the Board is in conformity with Regulation 17 of SEBI Listing Regulations read with Section 149 of the Act as on the date of this report.
- (ii) None of the Director is a Director in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 8 listed entities (as specified in Regulation 17A of the SEBI Listing Regulations) or acts as an Independent Director (including any alternate directorships) in more than 7 listed companies and none of the Whole Time Director and Managing Director of the Company serves as an Independent Director in any listed entity (as specified in Regulation 17A of the SEBI Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (considering only Audit and Stakeholders' Relationship Committee as specified in Regulation 26 of the SEBI Listing Regulations), across all the public limited companies in which he/she is a Director. Necessary disclosures regarding committee positions in other public companies as on 31.03.2019 have been made by the directors.
- (iii) Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of SEBI Listing Regulations, read with Section 149 (6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, all the Independent Directors have declared that they meet the criteria of Independence as provided in Regulation 16(1)(b) of SEBI Listing Regulations and have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The maximum tenure of the Independent Directors is in compliance with the Act and clarifications/circulars issued by the Ministry of Corporate Affairs from time to time. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16 (1) (b) of the SEBI Listing Regulations read with Section 149 (6) of the Act and that they are independent of the management.
- (iv) Sh. Rajinder Kumar Garg (Chairman & Non-Executive Director) and Sh. Dheeraj Garg (Managing Director) are related to each other and belong to the promoter category. None of the other directors of the Company are in any way related to each other.
- (v) Five Board Meetings were held during the year and gap between two meetings did not exceed one hundred twenty days (120) as stipulated under Regulation 17(2) of SEBI Listing Regulations, Secretarial Standards and under the Act. The said five Board meetings were held on 12.04.2018, 26.05.2018, 14.08.2018, 14.11.2018 and 14.02.2019. The necessary quorum was present at all the meetings and in case of any exigency/urgency, resolutions were passed by circulation.
- (vi) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which he/she is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other Public Companies as on 31.03.2019 are given herein below. Other Directorships do not include directorships of Private Limited Companies, Foreign Companies, and Companies registered under Section 8 of the Act. For the purpose of determination of the limit of the Board Committees, Chairmanships/ Memberships of the Audit and Stakeholders Relationship Committee has been considered as per Regulation 26(1) (b) of SEBI Listing Regulations.



Name of Director and Designation	Category	No. of Board meetings attended during the FY 2018-19	Whether attended last AGM held on 28-09-2018	No. of Directorships in other Public companies		No. of Committee positions held in other public companies		Directorships in other Listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Sh. Rajinder Kumar Garg (Chairman) DIN: 00034827	Non-Executive Director (Promoter)	4	No	3	1	-	-	1. Indian Acrylics Limited (Managing Director) 2. Sab Industries Limited (Chairman, Non-Executive Director) 3. Steel Strips Infrastructures Limited (Chairman, Non-Executive Director) 4. Steel Strips Limited (Chairman, Non-Executive Director)
Sh. Dheeraj Garg (M.D) DIN: 00034926	Executive Director (Promoter)	4	Yes	-	1	-	2	Indian Acrylics Limited (Whole time Director, Additional MD)
Sh. Andra Veetil Unnikrishnan (Dy. MD) DIN: 02498195	Whole Time Director	4	Yes	-	-	-	-	-
Sh. Manohar Lal Jain (Executive Director) DIN: 00034591	Whole Time Director	5	Yes	-	3	-	-	-
Sh. Madan Mohan Chopra (Director) DIN: 00036367	Independent Non-Executive Director	3	No	-	2	1	1	1. Indian Acrylics Limited (Independent, Non-executive Director) 2. Steel Strips Limited (Independent, Non-executive Director)
Sh. Surinder Kumar Bansal (Director) DIN: 00165583	Independent Non-Executive Director	3	Yes	-	2	-	-	Vardhaman Acrylics Limited (Independent, Non executive Director)
*Sh. Sukhbir Singh Grewal (Director) DIN: 00031001	Independent Non-Executive Director	1	NA	-	-	-	-	NA
Sh. Sudhanshu Shekhar Jha (Director) DIN: 01489603	Independent Non-Executive Director	2	No	-	1	-	-	Indian Acrylics Limited (Independent, Non executive Director)
Ms. Jaspreet Takhar (Director) DIN: 00318883	Independent Non-Executive Director	1	No	-	-	-	-	-
**Sh. Chanakya Chaudhary (Director) DIN: 02139568	Nominee of Tata Steel Ltd (equity investor), Non-Executive Director	1	No	-	-	-	-	-
***Sh. Sanjay Surajprakash Sahni (Director) DIN: 08263029	Nominee of Tata Steel Ltd (equity investor), Non-Executive Director	1	NA	-	-	-	-	-
****Smt. Tejinder Kaur (Director) DIN: 00512377	Independent Non-Executive Director	-	NA	-	-	-	-	-
*****Sh. Virander Kumar Arya (Director) DIN: 00751005	Independent Non-Executive Director	NA	NA	-	-	-	-	-

# STEEL STRIPS WHEELS LIMITED

\* Sh. Sukhbir Singh Grewal, Non-Executive Independent Director of the Company ceased to be the Director and Chairman/Member of the committees of the Board of Directors of the Company w.e.f 21.07.2018 due to his demise.

\*\* Sh. Chanakya Chaudhary ceased to be the Nominee Director of the Company w.e.f.01.10.2018.

\*\*\* Sh. Sanjay Surajprakash Sahni was appointed as Nominee Director of the Company w.e.f 14.11.2018. Attendance of meetings held after the date of appointment is considered.

\*\*\*\*Smt. Tejinder Kaur was appointed as Non-Executive Independent Director of the Company w.e.f 19.11.2018 and subsequently resigned from the office of Independent Directorship w.e.f 14.02.2019 due to personal reasons and she has confirmed that there are no material reasons other than those provided in the resignation letter. She did not attend any meeting of the Board of Directors of the Company during her tenure in the Company.

\*\*\*\*\* Sh. Virander Kumar Arya was appointed as Non-Executive Independent Director of the Company w.e.f 27.05.2019.

- (vii) During the financial year 2018-19, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- (viii) The Board periodically reviews compliance reports pertaining to all laws applicable to the Company. Steps are taken to rectify instances of non-compliance, if any.
- (ix) The Board has satisfied itself that plans are in place for orderly succession for appointment of the Board of Directors and Senior Management.
- (x) Details of number of Equity Shares of the Company held by the Directors (Executive and Non Executive) as on 31.03.2019 are given below:

#### (a) Executive Directors

Name of the Director	Designation	No of Shares held	Percentage
Sh. Dheeraj Garg	Managing Director	4640228	29.76
Sh. Andra Veetil Unnikrishnan	Deputy Managing Director	5112	0.03
Sh. Manohar Lal Jain	Executive Director	20303	0.13

#### (b) Non-Executive Directors

Name of the Director	Designation	No of Shares held	Percentage
Sh. Rajinder Kumar Garg	Chairman, Non Executive Director	292571	1.88
Sh. Madan Mohan Chopra	Independent, Non Executive Director	10000	0.06

Note: (i) Apart from receiving directors sitting fee and dividend declared by the Company on the shares held if any, none of the Non-Executive / Independent Directors has any other material pecuniary relationship or transaction with the Company.

(ii) The Executive Directors and/or Non Executive Directors of the Company does not hold any convertible securities/ instruments of the Company. However, during the year, the Company has granted 3500 stock options convertible into equal number of equity shares to Sh. Andra Veetil Unnikrishnan, Deputy Managing Director of the company under "Steel Strips Wheels Limited- Employee Stock Option Scheme, 2016" (ESOS 2016).

- (xi) The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long -term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance and Regulatory Oversight	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long -term effective stakeholder engagements and driving corporate ethics and values.
Sales and Marketing Exposure	Developing strategies to protect and grow brand equity and distribution reach. Understanding evolution in channels and strategies required to protect and grow the business and its potential to recommend plans to leverage the developments effectively for growth and efficiency.
Financial Experience and Risk Oversight	Evaluating the financial viability of various strategic proposals, review of capital budgets, financial results/ statements, risks associated with the business and the minimization procedure.

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## **SELECTION AND APPOINTMENT OF NEW DIRECTORS ON THE BOARD**

Considering the requirements of the skill-sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The number of directorships and memberships in various committees of other companies by such persons is also considered.

### **SELECTION CRITERIA OF BOARD MEMBERS**

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for selection as a Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- Desired age and diversity on the Board;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of business;
- Balance of skills and expertise in view of the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for proper performance of duties;
- Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, leadership skills, pioneering mindset.

### **FAMILIARIZATION PROGRAM OF INDEPENDENT DIRECTORS**

The Independent Directors of Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. The terms and conditions of appointment of independent directors are disclosed on the website of the Company under the link <http://www.sswlindia.com/pages/terms.htm>.

When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairman, Managing Director, Deputy Managing Director, Executive Director, Chief Financial Officer and Company Secretary of the Company to brief him/her about the Company, its businesses, key customers, business module wise performance, the salient features of the industries to which the Company supplies its goods and other relevant information.

New Independent Directors are provided with copy of latest Annual Report, the SSWL Code of Conduct, the SSWL Code of Conduct for Prevention of Insider Trading, Code for Independent Directors provided in Schedule IV of the Companies Act, 2013.

A detailed Appointment Letter incorporating the role, rights, duties and responsibilities, remuneration and performance evaluation process, insurance cover and obligations on disclosures, is also issued to the Independent Directors.

The Directors get an opportunity to visit Company's plants, where plant heads apprise them of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety and quality etc.

During Board Meetings/Audit Committee Meetings, Directors are also informed about business performance, operations, market share, financial parameters, working capital management, fund flows, major litigation, compliances, CSR activities, regulatory scenario etc.·

Directors are also informed on the various developments in the Company through Email and other modes by the Chairman / Managing Director/Deputy Managing Director/Company Secretary.

The details of the familiarization programme of the Independent Directors are available on the website of the Company.(web link: <http://www.sswlindia.com/pages/familiarisationprogramme.htm>)

## **COMMITTEES OF THE BOARD**

There are nine (9) committees of the Board of Directors of the Company as on 31.03.2019 which comprises five statutory committees and four other committees that have been formed considering the needs of the Company, the details of which are as follows:

### **I. AUDIT COMMITTEE**

The Audit Committee (AC) of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act and Rules framed thereunder (including any amendment thereof).

The terms of reference of AC are as per relevant guidelines, legislations, acts and regulations. The primary objective of the AC is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, recommendation for appointment, remuneration and terms of appointment of auditors of the company, reviewing, with the management, the annual financial statements and Auditor's Report thereon and quarterly financial statements before submission to the Board for approval and to review the adequacy of internal control systems and functions etc.

# STEEL STRIPS WHEELS LIMITED

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The AC is empowered, pursuant to its terms of reference and its role, inter alia, includes the following:

- (i) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required being included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transaction;
  - (g) Modified opinion(s) in the draft audit report;
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the whistle blower mechanism;
- (xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- (xxi) Reviewing management discussion and analysis of financial condition and results of operations;
- (xxii) Reviewing statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (xxiii) Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
- (xxiv) Reviewing internal audit reports relating to internal control weaknesses;

- (xxv) Reviewing the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- (xxvi) Reviewing statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

Four AC meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days (120). The dates on which the said meetings were held are 26.05.2018, 14.08.2018, 14.11.2018, and 14.02.2019. Necessary quorum was present at all the meetings.

The composition of the AC and the details of meetings attended by the Directors are given below:-

Name of Chairperson & Members	Category	Meetings Attended
Sh. Surinder Kumar Bansal, Chairman	Independent Non-Executive Director	3
*Sh. Sukhbir Singh Grewal, Member	Independent Non-Executive Director	-
Sh. Sudhanshu Shekhar Jha, Member	Independent Non-Executive Director	3
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director	4
*Sh. Madan Mohan Chopra, Member	Independent, Non- Executive Director	2

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Member of the AC due to his demise on 21.07.2018 and Sh. Madan Mohan Chopra was appointed as Member of the AC w.e.f. 14.08.2018. Attendance of meetings held after the date of appointment is considered.

The Company Secretary acts as the Secretary of AC.

The previous Annual General Meeting of the Company was held on 28.09.2018 and was attended by Sh. Surinder Kumar Bansal, Chairman of AC.

## II. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act and Rules framed thereunder.

The terms of reference of the NRC include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy, relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Specify the manner for effective evaluation of performance of Board, it's committees and individual Directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors;
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

**Note: The terms of reference of the NRC has been revised in line with SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018**

As per the criteria laid down in the Nomination and Remuneration Policy of the Company, the NRC has carried out the evaluation of performance of Board, it's committees and individual Directors. Further the Board of Directors have also carried out the evaluation of the Board as a whole, Its committees, Chairman of the Board and all the Individual and Independent Directors on the Board. The details of which are given in Board's Report that forms part of this Annual Report.

During the year, Five meetings of NRC were held, i.e. on 04.04.2018, 16.07.2018, 25.10.2018, 18.01.2019 and 12.02.2019.

# STEEL STRIPS WHEELS LIMITED

The composition of the NRC and number of meetings attended by the members during the year are given below:

Name of Chairperson & Members	Category	Meetings attended
*Sh. Sukhbir Singh Grewal, Chairman	Independent, Non Executive Director	2
*Sh. Surinder Kumar Bansal, Member (Chairman w.e.f. 14.08.2018)	Independent, Non Executive Director	5
Sh. Sudhanshu Shekhar Jha, Member	Independent, Non Executive Director	5
*Sh. Madan Mohan Chopra, Member	Independent, Non Executive Director	3

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Chairman of the NRC due to his demise on 21.07.2018 and Sh. Madan Mohan Chopra was appointed as Member of the NRC w.e.f. 14.08.2018 and Sh. Surinder Kumar Bansal, was elected as Chairman of the NRC w.e.f. 14.08.2018. Attendance of meetings held after the date of appointment is considered.

Sh. Surinder Kumar Bansal, Chairman of NRC was present at the Annual General Meeting held on 28.09.2018.

## Performance evaluation criteria for Independent Directors

The NRC evaluates the performance of Independent Directors on the basis of the following criteria:

- Qualifications
- Experience
- Knowledge and Competency
- Fulfillment of functions and integrity including adherence to Code of Conduct and Code of Independent Directors of the Company, safeguarding of the Confidential information and of interest of Whistle Blowers under Vigil Mechanism, compliance with policies and disclosures of interest and fulfillment of other obligations imposed by the Law
- Contribution and Initiative
- Availability, attendance, participation and ability to function as a team
- Commitment
- Independence
- Independent views and judgement and guidance/support to Management outside board

On the basis of the report of the performance evaluation of Independent Directors, the NRC determines whether to extend or continue the term of appointment of Independent Directors.

## Nomination and Remuneration Policy:

The Nomination and Remuneration Policy ("Policy") is formulated by the NRC and approved by the Board of Directors of the Company. The Policy of the Company as duly amended has been uploaded on the website of the Company under the web link [http://www.sswlindia.com/pages/nomination\\_remuneration.htm](http://www.sswlindia.com/pages/nomination_remuneration.htm)

The Policy of the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The guiding principle of the Policy is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management.

NRC determines and recommends to the Board for approval, individual remuneration packages for Executive Directors, KMPs and Senior Management of the Company on the basis of the scope of their duties, the role and nature of responsibilities, the level of skill, knowledge and experience of individual, their performance, business performance and practices in comparable companies, having due regard to financial and commercial health of the company as well as prevailing laws and regulations/other guidelines.

Remuneration may comprise of fixed component only or combination of both fixed and variable component. Fixed component may include salary, allowances, perquisites and other statutory/non-statutory benefits. The NRC may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the NRC, based on performance against pre-determined financial and non-financial metrics.

Remuneration to Managing Director of the Company may comprise both fixed as well as variable components including commission by way of certain percentage on Net profit of the Company as calculated under Section 198 of the Act.

## Remuneration of Directors

### (i) Remuneration to Managing Director and Executive Director

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission @ 5% on Net Profit of the company as calculated under Section 198 of the Act, inclusive of fixed component of the salary (variable component) to its Managing Director.

The Company pays remuneration to its Executive Directors by way of salary, benefits, perquisites and allowances (fixed component only).

Annual Increments are decided by the NRC within the salary scale approved by the members of the Company and on the basis of the performance of the Executive Directors, business performance and practices in comparable companies, having due regard to financial and commercial health of the company as well as prevailing laws and regulations/other guidelines.

### Details of Remuneration paid to Managing Director (MD), Deputy Managing Director (Dy. MD) and Executive Director (ED) during the financial year 2018-19:

Particulars	Sh. Dheeraj Garg, MD	Sh. Andra Veetil Unnikrishnan, Dy. MD	Sh. Manohar Lal Jain, ED
Basic Salary	18.00	30.00	32.40
House Rent Allowance	10.80	10.50	11.34
Special Allowance	Nil	5.04	2.52
Medical allowance	Nil	0.11	0.15
Reimbursement of Medical expenses	Nil	0.12	0.15
Perquisites	Nil	Nil	Nil
Contribution to Provident Fund	2.16	3.60	3.89
Stock options	Nil	36.51	Nil
Commission	540.51	Nil	Nil
<b>Total</b>	<b>571.47</b>	<b>85.88</b>	<b>50.45</b>
Date of Original appointment	29/04/1993	01/01/2009	01/08/2013
Date of Appointment/Re-appointment	01/06/2015	01/01/2019	01/07/2015
Tenure Up to	30/05/2020	31/12/2023	30/06/2020

### (ii) Remuneration to Non-Executive Directors

The Non- Executive Directors are entitled to get sitting fee for attending the Board meeting and Audit Committee meeting. Sitting fee to the Non Executive Directors for attending each Board meeting was Rs. 20,000 and for attending each Audit Committee Meeting, the sitting fee was Rs. 10,000. The Company also reimburses the out of pocket expenses incurred by Directors for attending the meetings.

There has been no pecuniary relationship or transactions except the entitlement to the dividend declared by the company on the shares held by them, if any, and/or the following payment of sitting fee to the Non-Executive Directors for attending the Board and Audit Committee Meetings of the Company during the year under review.

### Details of sitting fee paid to the Non-Executive Directors during the financial year 2018-19 are as follows:-

Name of Director	Dates on which Board Meetings were held					Sitting fee (in Rs.)
	12.04.2018	26.05.2018	14.08.2018	14.11.2018	14.02.2019	
Sh. Rajinder Kumar Garg	√	-	√	√	√	80,000
Sh. Madan Mohan Chopra	-	√	-	√	√	60,000
Sh. Sukhbir Singh Grewal	√	-	-	-	-	20,000
Sh. Sudhanshu Shekhar Jha	-	√	√	-	-	40,000
Sh. Surinder Kumar Bansal	-	√	√	√	-	60,000
Ms. Jaspreet Takhar	√	-	-	-	-	20,000

# STEEL STRIPS WHEELS LIMITED

Name of Directors	Dates on which Audit Committee Meetings were held				Sitting fee (in Rs.)
	26.05.2018	14.08.2018	14.11.2018	14.02.2019	
Sh. Surinder Kumar Bansal	√	√	√	-	30,000
Sh. Sudhanshu Shekhar Jha	√	√	-	√	30,000
Sh. Madan Mohan Chopra	-	-	√	√	20,000

Sh. Sanjay Surajprakash Sahni, a Non Executive Director of the Company, nominated by Tata Steel Limited (Equity investor), is not entitled to get any sitting fee for attending the Board meeting of the Company, as per the policy of Tata Steel Limited.

#### Service Contracts, notice period, severance fees:

Sh. Dheeraj Garg has been re-appointed as Managing Director from 01.06.2015 till 30.05.2020, is liable to retire by rotation and his status continues.

Sh. Andra Veetil Unnikrishnan has been re-appointed as an Executive Director (Deputy Managing Director) from 01.01.2019 till 31.12.2023 is liable to retire by rotation and his status continues.

Sh. Manohar Lal Jain has been appointed as an Executive Director from 01.07.2015 till 30.06.2020, is liable to retire by rotation and his status continues.

The appointment of Managing Director and Executive Director/ Whole-time Director(s) is governed by the Articles of Association of the Company, the resolutions passed by the Board of Directors and Members of the Company.

Services of the Managing Director and Executive Director may be terminated by either party by giving one month notice. There is no provision for payment of severance fee.

Notice period/Severance fee is not applicable to Non-Executive/ Independent Directors of the Company.

#### Details of Stock Options issued/granted to the Directors:

The Company on 08.01.2019 has issued/granted 3500 stock options to Sh. Andra Veetil Unnikrishnan, Dy. Managing Director, under Steel Strips Wheels Limited Employee Stock Option Scheme, 2016 (ESOS 2016) of the Company. The said Stock Options granted entitles the holder to exercise his options to convert the same into equivalent number of equity shares after the expiry of one year from the date of grant and within a period of 5 years from the date of grant at an exercise price of Rs. 200/- each. Also on 28.07.2018, the Company had allotted 3500 equity shares of Rs. 10/- each, pursuant to exercise of stock options earlier granted to him on 16.05.2017 under ESOS 2016.

Further, the Company has not issued/granted stock options to any of its Independent/Nominee/ Non Executive Directors during the year under review.

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee (SRC) is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act and Rules framed thereunder (including any amendments thereof).

The broad terms of reference of the SRC are as under:

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**Note: The terms of reference of the SRC has been revised in line with SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018.**

During the year, one meeting of SRC was held i.e. on 04.04.2018.

The composition of the SRC and number of meetings attended by the members during the year are given below:

Name of Chairperson & Members	Category	Meetings attended
Sh. Surinder Kumar Bansal, Chairman	Independent, Non Executive Director	1
*Sh. Sukhbir Singh Grewal, Member	Independent, Non Executive Director	1
Sh. Manohar Lal Jain, Member	Non-Independent, Executive Director	1
*Sh. Sudhanshu Shekhar Jha, Member	Independent, Non Executive Director	-





\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Member of the SRC due to his demise on 21.07.2018 and Sh. Sudhanshu Shekhar Jha was appointed as Member of the SRC w.e.f. 14.08.2018. Attendance of meetings held after the date of appointment is considered.

Surinder Kumar Bansal, Chairman of SRC was present at the Annual General Meeting held on 28.09.2018.

The Company addresses all complaints, suggestions and grievances expeditiously and replies are sent/ issues resolved usually within 15 days unless there is a dispute or other legal constraint.

(i) Name, Designation, Address & E-mail of Compliance Officer:

Sh. Manohar Lal Jain, Executive Director  
 Sh. Shaman Jindal, Company Secretary  
 Steel Strips Wheels Limited  
 Corporate Office: S C O 49-50, Sector - 26, Madhya Marg, Chandigarh.  
 Telephone No. 0172- 2793112, 2792385  
 E-mail: mljain@sswllindia.com  
 shamanjindal@sswllindia.com

(ii) Detail of shareholder's complaints received and redressed:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
1	5	4	2

#### Compliance Certificates

In compliance to the provisions of Regulations 40 (9) of SEBI Listing Regulations, the Company has obtained the Secretarial Compliance Certificate on half yearly basis from practicing Company Secretaries, to the effect that all transfer of shares among others, were effected within the stipulated time and in compliance to the provisions of Regulations 40 (10) of SEBI Listing Regulations, the said certificate was submitted with Stock Exchanges within the prescribed time limit.

Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations, duly signed by the Compliance officer of the Company and the authorized representative of the Share Transfer Agent, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent, registered with the Securities and Exchange Board of India, is also filed with the Stock Exchanges on a half yearly basis.

#### IV. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Corporate Social Responsibility Committee (CSR) is constituted in concurrence with the provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

Terms of reference of the CSR Committee includes:

- to formulate and recommend to the Board, a CSR Policy and the activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013;
- to recommend amount of expenditure to be incurred on CSR activities;
- to monitor CSR Policy of the Company from time to time.

The CSR Policy of the Company as duly amended has been uploaded on the website of the Company under the web link <http://sswllindia.com/downloads/csr-policy.pdf> and the areas and amount of expenditure incurred by the Company on CSR projects during the financial year 2018-19 has been updated and is available on the website of the Company.

During the year, six meetings of CSR were held, i.e. on 04.04.2018, 16.05.2018, 16.07.2018, 10.10.2018, 18.01.2019 and 12.02.2019.

The Composition of the CSR and details of the meetings attended by its members are given below:-

Name of Chairperson & Members	Category	Meetings Attended
*Sh. Sukhbir Singh Grewal , Chairman	Independent, Non -Executive Director	3
Sh. Andra Veetil Unnikrishnan, Member	Non Independent, Executive Director	6
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director	6
*Sh. Sudhanshu Shekhar Jha, Member ( Chairman w.e.f. 14.08.2018)	Independent, Non -Executive Director	3

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Chairman of the CSR due to his demise on 21.07.2018 and Sh. Sudhanshu Shekhar Jha was appointed as Chairman of the CSR w.e.f. 14.08.2018. Attendance of meetings held after the date of appointment is considered.

# STEEL STRIPS WHEELS LIMITED

## V. EMPLOYEE COMPENSATION COMMITTEE

The Company has constituted Employee Compensation Committee (ECC) to formulate detailed terms and conditions of the ESOP plan which, inter alia includes:

- i. The quantum of option to be granted under ESOS Scheme(s) to employee;
- ii. The conditions under which option vested in employee may lapse in case of termination of employment for misconduct;
- iii. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
- iv. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
- v. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
- vi. The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of divisions and others.
- vii. The grant, vest and exercise of option in case of employees who are on long leave; and
- viii. The procedure for cashless exercise of options.
- ix. Any other matter, which may be relevant for administration of ESOS schemes from time to time.

During the year, one meeting of ECC was held i.e. on 08.01.2019. Composition of the committee is as follows: -

Name of Chairperson & Members	Category	Meetings Attended
*Sh. Sukhbir Singh Grewal, Chairman	Independent, Non Executive Director	-
*Sh. Surinder Kumar Bansal, Member (Chairman w.e.f 14.08.2018)	Independent, Non Executive Director	1
Sh. Sudhanshu Shekhar Jha, Member	Independent, Non Executive Director	1
*Sh. Madan Mohan Chopra, Member	Independent, Non Executive Director	1

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Chairman of the ECC due to his demise on 21.07.2018 and Sh. Madan Mohan Chopra was appointed as Member of the ECC w.e.f. 14.08.2018 and Sh. Surinder Kumar Bansal, was elected as Chairman of the ECC w.e.f. 14.08.2018. Attendance of meetings held after the date of appointment is considered.

## VI. RISK MANAGEMENT COMMITTEE

The Company recognizes that Risk Management is an integral part of good management practice. Risk Management is an essential element in achieving business goals and deriving benefits from market opportunities.

Risk Management is attempting to identify and then manage threats that could severely impact or bring down the organization. Generally, this involves reviewing operations of the organization, identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.

The Company as a part of Good Corporate Governance has constituted a Risk Management Committee (RMC) in concurrence with the provisions of Regulation 21 of the SEBI Listing Regulations though applicable to top 500 listed entities, determined on the basis of market capitalization. The main functions of committee are as under:

- (a) to formulate and recommend to the Board, a Risk Management Policy which shall indicate the activities such as identification of risks and mitigation strategy thereof;
- (b) to recommend the Board about risk assessment and minimization procedures; and
- (c) monitoring and reviewing of the risk management plan to the Board and ensuring its effectiveness.

During the year one meeting of RMC was held on 30.03.2019.

The composition of the RMC and details of its Members are given below:

Name of Chairperson & Members	Category
Sh. Surinder Kumar Bansal, Chairman	Independent, Non Executive Director
Sh. Andra Veetil Unnikrishnan, Member	Non Independent, Executive Director
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director
*Sh. Naveen Sorot, Member	Chief Financial Officer

\* Sh. Naveen Sorot, ceased to be the Member of the Committee w.e.f. 18.09.2018 as he resigned from the office of CFO due to personal reasons. All the other Committee members attended the meeting and was held in the presence of special invitee Sh. Ayush Thareja, CFO of the Company.

Sh. Shaman Jindal, Company Secretary acts as a Company Secretary of the Committee.

## VII. SHARE TRANSFER COMMITTEE

The Share Transfer Committee (STC) approves and expedites the process of share transfers, issue of share certificate pursuant to duplicate/remat/renewal requests as and when received by the company. The Committee met 16 times during the year i.e. on 25.04.2018, 29.05.2018, 11.06.2018, 22.06.2018, 07.09.2018, 21.09.2018, 31.10.2018, 22.11.2018, 16.12.2018, 21.12.2018, 29.12.2018, 07.01.2019, 02.02.2019, 28.02.2019, 15.03.2019 and 30.03.2019. No transfer of shares and no request for de-mat of shares is pending. All the shares received for transfer have been transferred within the time period prescribed. The composition of STC and details of the meeting attended by its members are given below: -

Name of Chairperson & Members	Category	Meetings Attended
Sh. Surinder Kumar Bansal, Chairman	Independent, Non-Executive Director	2
Sh. Manohar Lal Jain, Member	Non-Independent, Executive Director	16
*Sh. Sukhbir Singh Grewal, Member	Independent, Non-Executive Director	4
Sh. Andra Veetil Unnikrishnan, Member	Non-Independent, Executive Director	16
*Sh. Sudhanshu Shekhar Jha, Member	Independent, Non-Executive Director	9

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Member of the STC due to his demise on 21.07.2018 and Sh. Sudhanshu Shekhar Jha was appointed as Member of the STC w.e.f. 14.08.2018. Attendance of meetings held after the date of appointment is considered.

Sh. Shaman Jindal, Company Secretary acts as a Company Secretary of the Committee.

## VIII. FINANCE COMMITTEE

The Company has a Finance Committee (FC) for borrowing funds, not exceeding Rs. 2000 crore and also to create security on the assets of the Company.

During the year, ten meetings of the FC were held i.e. on 03.05.2018, 12.07.2018, 24.07.2018, 02.08.2018, 24.09.2018, 25.10.2018, 07.12.2018, 20.12.2018, 11.01.2019 and 27.03.2019.

The composition of the FC and details of the meetings attended by its members are given below:

Name of Chairperson & Members	Category	Meetings Attended
Sh. Dheeraj Garg, Chairman	Non Independent, Executive Director	8
Sh. Andra Veetil Unnikrishnan, Member	Non Independent, Executive Director	7
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director	10

## IX. ALLOTMENT COMMITTEE

The Company has an Allotment Committee of the Board of Directors of the Company for allotment of shares to the employees of the Company who have exercised the stock options granted to them under Employee Stock Option Scheme(S) of the Company.

During the year, two meetings of the Allotment Committee were held i.e. on 28.07.2018 and 31.12.2018.

The composition of the Allotment Committee and details of the meetings attended by its members are given below:

Name of Chairperson & Members	Category	Meetings Attended
Sh. Dheeraj Garg, Chairman	Non Independent, Executive Director	2
Sh. Surinder Kumar Bansal, Member	Independent, Non-Executive Director	2
Sh. Sudhanshu Shekhar Jha, Member	Independent, Non-Executive Director	2

## INDEPENDENT DIRECTORS MEETING

Independent Directors are regularly updated on performance of the business of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors i.e Sh. Surinder Kumar Bansal, Sh. Sudhanshu Shekhar Jha, Sh. Madan Mohan Chopra & Ms. Jaspreet Takhar met on 22.03.2019 without the attendance of Non-Independent Directors and members of Management of the Company and inter alia:

- reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors; and
- assessed the quality, quantity and timeliness of flow of information between the management of the company and the Board of Directors that is necessary for the Board of directors to effectively and reasonably perform their duties.

# STEEL STRIPS WHEELS LIMITED

## **GENERAL BODY MEETINGS**

### **GENERAL MEETING**

#### **(a) Annual General Meeting (“AGM”)**

Date and venue of last three Annual General Meetings:

<b>Details of Meeting (Financial year)</b>	<b>Date of Meeting</b>	<b>Time of Meeting</b>	<b>Venue of Meeting</b>
30th Annual General Meeting (2015-16)	30.09.2016	11.00 A.M	Village Somalheri/Lehli, P. O. Dappar, Tehsil Derabassi, Distt. Mohali, (Pb).
31st Annual General Meeting (2016-17)	28.09.2017		
32nd Annual General Meeting (2017-18)	28.09.2018		

#### **(b) Extraordinary General Meeting (EGM)**

One extraordinary general meeting of the members of the Company was held during the financial year 2018-19 on 12.05.2018

#### **(c) Special Resolution in the previous three Annual General Meeting**

At the AGM held on 28.09.2018, three special resolutions were passed as follows:

- (i) To continue the Directorship of Sh. Rajinder Kumar Garg (DIN: 00034827), as Chairman and Non-Executive Director of the Company.
- (ii) To continue the Directorship of Sh. Madan Mohan Chopra (DIN: 00036367), as Non-Executive Independent Director of the Company.
- (iii) To continue the Directorship of Sh. Sudhanshu Shekhar Jha (DIN:01489603), as Non-Executive Independent Director of the Company.

At the AGM held on 28.09.2017, three special resolutions were passed as follows:

- (i) To re-appoint Ms. Jaspreet Takhar (DIN: 00318883) as an Independent Director.
- (ii) Approve to enhance Borrowing Limits to Rs. 2000 Crore.
- (iii) To authorize Board of Directors to create Security on the assets of the Company.

At the AGM held on 30.09.2016, five special resolutions were passed as follows:

- (i) Re- appointment of Sh. Madan Mohan Chopra (DIN: 00036367), as an Independent Director of the Company for a period of three years w.e.f. 01.10.2016 to 30.09.2019.
- (ii) Re- appointment of Sh. Sukhbir Singh Grewal (DIN: 00031001), as an Independent Director of the Company for a period of three years w.e.f. 01.10.2016 to 30.09.2019.
- (iii) Re- appointment of Sh. Sudhanshu Shekhar Jha (DIN: 01489603), as an Independent Director of the Company for a period of three years w.e.f. 01.10.2016 to 30.09.2019.
- (iv) Re- appointment of Sh. Surinder Kumar Bansal (DIN: 00165583), as an Independent Director of the Company for a period of three years w.e.f. 01.10.2016 to 30.09.2019.
- (v) Introduction and implementation of “Steel Strips Wheels Limited-Employee Stock Option Scheme 2016” (hereinafter referred to as the “ESOS 2016” or “the Scheme”) to create, issue, offer and grant up to 1,00,000 options to employees of the Company exercisable into equal number of equity shares.

### **POSTAL BALLOT**

(a) No Postal Ballot was conducted during the financial year 2018-19.

(b) None of the business proposed to be transacted at the ensuing AGM requires passing of the special resolution through postal ballot.

### **MEANS OF COMMUNICATION**

The quarterly, half yearly and annual financial results of the company are generally published in “Financial Express” and “Desh Sewak” newspapers and are also submitted to the Stock Exchanges (through BSE’s & NSE’s online portal) on which the Company’s equity shares are listed as per the requirements of the SEBI Listing Regulations and other regulatory laws, acts and rules applicable, to enable them to put on their web sites. These are also put up on the Company’s website [www.sswindia.com](http://www.sswindia.com). All the official news released and presentations made to analysts/institutional investors, submitted by the Company to the Stock Exchanges are also displayed on the web site of the Company.



## GENERAL SHAREHOLDER INFORMATION

(i) <b>Annual General Meeting for FY 2018-19</b> Date Time Venue	30.09.2019 11.00 AM Vill. Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, District Mohali (Pb.)
(ii) <b>Financial Year</b>	1st April to 31st March
(iii) <b>Year Ending</b>	31.03.2019
(iv) <b>Financial Calendar (tentative) for Results of</b> Quarter ending June 2019 Quarter ending Sept. 2019 Quarter ending Dec. 2019 Quarter ending March 2020	2nd week of July, 2019 2nd week of November, 2019 2nd week of February, 2020 Last week of May, 2020
(v) <b>Book Closure date</b>	24.09.2019 to 30.09.2019 (both days inclusive)
(vi) <b>Dividend Payment date</b>	On or before 30.10.2019 (Subject to the approval of shareholders)
(vii) <b>Name and Address of Stock Exchange at which Company's securities are Listed</b>	(a) BSE Ltd (BSE), Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 (b) National Stock Exchange of India Limited (NSE), Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400051
(viii) <b>Listing fee</b>	The Company has paid listing fees to both the above stated Stock Exchanges and there is no outstanding payment as on date.
(ix) <b>Stock Code</b> BSE Ltd (BSE) National Stock Exchange of India Limited (NSE)	513262 SSWL
(x) <b>ISIN No. of the Company's shares in De -mat form</b>	INE802C01017 (with NSDL and CDSL).

### (xi) Stock Market Price Data

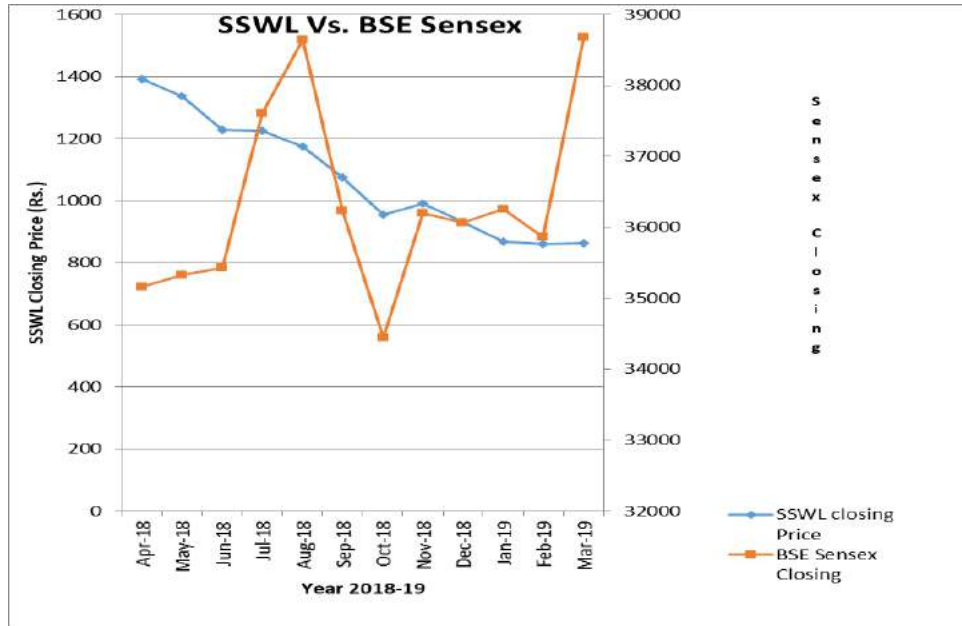
Market Price Data: Monthly High and Low quotations on BSE Ltd (BSE) and National Stock Exchange of India Limited (NSE) during each month in last financial year were as under:

Month	Bombay Stock Exchange (BSE)		National Stock Exchange of India Limited (NSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2018	1473.70	1071.00	1473.80	1059.95
May 2018	1444.95	1227.05	1438.05	1233.05
June 2018	1410.00	1152.90	1364.90	1155.65
July 2018	1341.20	1180.00	1326.35	1181.00
Aug 2018	1249.95	1132.60	1246.85	1161.20
Sept 2018	1200.65	1030.15	1202.00	1015.00
Oct 2018	1160.95	948.00	1190.00	944.05
Nov 2018	1153.45	950.00	1154.00	948.25
Dec 2018	1016.00	930.00	1030.95	922.50
Jan 2019	944.95	843.90	944.85	841.45
Feb 2019	899.90	828.00	900.00	826.00
Mar 2019	938.95	840.00	938.95	826.30

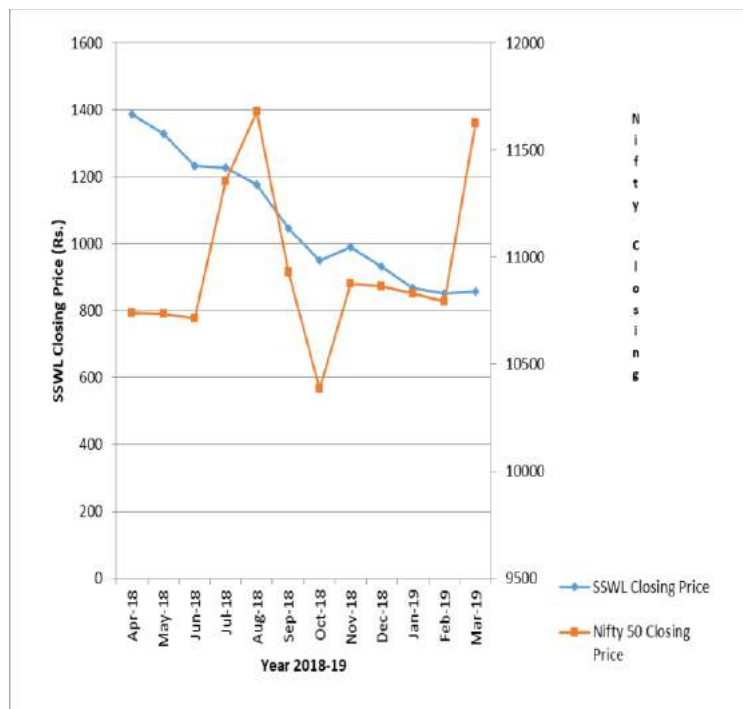
# STEEL STRIPS WHEELS LIMITED

(xii) Performance of Share price of the Company in comparison to the BSE Sensex and NSE-Nifty 50: -

## BSE Sensex Vs. SSWL



## NSE Nifty 50 Vs SSWL



(xiii) The Company's shares were not suspended from trading during the financial year under review.

(xiv) **Registrar and Share Transfer Agents**

Name and address: Link Intime India Pvt. Ltd.  
Noble Heights 1st Floor,  
Plot No. NH-2, C-1 Block,  
LSC Near Savitri Market, Janakpuri,  
New Delhi - 110058

Phone Number : 011- 49411000, 41410592, 93, 94  
Fax : 011- 41410591  
Email : delhi@linkintime.co.in  
Website : www.linkintime.co.in

(xv) **Place for Acceptance of documents:**

**Documents will be accepted at:**

(i) Link Intime India Pvt. Ltd.,  
Noble Heights 1st Floor,  
Plot No. NH-2, C-1 Block,  
LSC Near Savitri Market, Janakpuri,  
New Delhi - 110058

(ii) Steel Strips Wheels Limited, SCO 49-50, Sector 26, Madhya Marg, Chandigarh- 160019

(xvi) **Share Transfer System**

Trading in Equity Shares of the Company through recognized Stock Exchanges is permitted only in dematerialised form. Transfer of shares in physical form is normally processed within 12 to 15 days from the date of receipt if the documents are complete in all respect.

Regulation 40 of SEBI Listing Regulations was amended vide Gazette notification dated 08.06.2018 mandating transfer of securities in dematerialized form only on and after 05.12.2018. Further, SEBI has extended the date for transfer of securities in physical form to 31.03.2019 vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30.11.2018.

According to the said Notification dated 30.11.2018 requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with the depository with effect from 01.04.2019. However, this restriction shall not be applicable to the request received for effecting transmission or transposition of physical shares.

The shareholders holding shares in physical form are requested to get their shares dematerialized at the earliest to avoid any inconvenience in future while transferring the shares.

(xvii) **Distribution of Shareholding**

(a) Class-wise Distribution of Equity Shares as on 31.03.2019

Shares/Debentures Holding of Nominal Value	Number of Shares	% age of Total
Up to 5000	1264232	8.11
5001 - 10000	229203	1.47
10001 - 20000	241655	1.55
20001 - 30000	114480	0.73
30001 - 40000	76001	0.49
40001 - 50000	84202	0.54
50001 - 100000	156871	1.01
100001 and above	13423076	86.10
<b>Total</b>	<b>15589720</b>	<b>100.00</b>

# STEEL STRIPS WHEELS LIMITED

(b) Shareholding Pattern as on 31.03.2019

S. No	Particulars	No. of Shares	Percentage
1.	Promoter and Promoter Group	9164958	58.79
2.	Mutual Funds/UTI/Financial Institutions, Banks & Foreign Institutional Investors/Foreign Portfolio Investor	159164	1.02
3.	Foreign Bodies Corporate Indian Body Corporate	1059525 2846000	6.79 18.26
4.	Individuals	2007911	12.88
5.	Any other :		
	Non Residents	95989	0.62
	Clearing Members	24737	0.16
	HUF	52878	0.34
	Trust	2061	0.01
	IEPF	176497	1.13
	<b>Total</b>	<b>15589720</b>	<b>100.00</b>

(xviii) **Dematerialization of shares and Liquidity**

As on 31.03.2019 there were 16649 shareholders of the Company. Out of these 14670 shareholders were holding 15323474 (98.29%) equity shares in the dematerialized form and rest of them i.e. 1979 shareholders were holding 266246 (1.71%) equity shares in physical form. The Non-promoters holding as on 31.03.2019 is around 41.21% and the stock is liquid.

The Company's script forms part of the Compulsory demat segment for all investors. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar M/s Link Intime India Pvt. Ltd. The Company had also appointed M/s Link Intime India Pvt. Limited as common Agency to look after dematerialization of shares as well as for physical transfer of shares.

(xix) **Outstanding GDR/ADR or warrants or any convertible instruments, conversion date and likely impact on equity**

As on 31.03.2019, the Company has 23300 outstanding employee stock options granted under "Steel Strips Wheels Limited-Employee Stock Options Scheme 2016 (ESOS 2016). Date of grant was 08.01.2019 and vesting period was one year from the date of grant. These options are exercisable into equivalent number of equity shares within a period of 5 years from the date of grant.

As and when the aforesaid stock options will be exercised by the employees, the paid up capital of the Company will increase accordingly.

The Company during the financial year 2018-19, has allotted 7,50,000 warrants on 26.05.2018, convertible into equity shares within 18 months from the date of allotment. The said warrants are outstanding as on date of this report. Further, there was no outstanding GDR/ADR or any other Convertible instruments as on 31.03.2019.

- (xx) Corporate Identification No. : L27107PB1985PLC006159
- (xxi) Plant Location
- Village Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, District Mohali (Pb.)
  - Plot no. A-10, SIPCOT Industrial Growth Centre, Vallam Village, Sripurumbudur, Tamil Nadu
  - Plot No. 733, 734, 735, 747, Mouza Jojobera, P. O. & P. S. Chhota Govindpur East Singhbhum, District Jamshedpur, Jharkhand
  - Plot No. 77, 78, 136B, 394, Village- Martoli/Tejpura, Taluka - Jotana, Dist. - Mehsana, Gujarat, India
  - Village-Muria, P.O.- Kolabira Thana No.-150 Dist. Saraikela - Kharsawan (Jharkhand), Pin- 833220





(xxii) **Address for Correspondence:**

**To the Registrar & Share Transfer Agents**

Link Intime India Pvt. Ltd.  
Noble Heights 1st Floor,  
Plot No. NH-2, C-1 Block,  
LSC Near Savitri Market, Janakpuri,  
New Delhi - 110058  
Phone Number : 011-49411000, 41410592,93,94  
Fax Number : 011-41410591  
Email : [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

Contact Persons : Sh. V. M. Joshi  
Sh. Swapan Nasker

**To the Company (Corporate Office)**

Steel Strips Wheels Limited  
S.C.O 49-50, Sector 26  
Madhya Marg,  
Chandigarh-160019  
Phone No.: 0172- 2793112  
Email ID: [mljain@sswllindia.com](mailto:mljain@sswllindia.com)  
: [shamanjindal@sswllindia.com](mailto:shamanjindal@sswllindia.com)

Contact Person: Sh. Manohar Lal Jain  
Sh. Shaman Jindal

(xxiii) **The Company during the financial year 2018-19 obtained credit rating from India Rating and Research Private limited (a Fitch Group Company) for Bank Loans, the details of which are as follows:**

Instrument Type	Ratings by Indian Ratings and Research
Fund Based Working Capital Limit	IND A-/Stable/IND A2+
Term Loans	IND A-/Stable
Non-Fund Based Working Capital Limit	IND A-/Stable/IND A2+

The rating reflects the Company's dominant market position in India, long track record of successful operations, strong corporate governance practices, financial flexibility and conservative financial policies.

**DISCLOSURES**

(i) **Related Party Transactions**

All contracts / arrangements / transactions entered by the Company with related parties during the financial year 2018-19, were in the ordinary course of business and on an arm's length basis. The details of the related party transactions are set out in the Notes to Financial Statement forming part of this Annual report.

The related party transactions undertaken by the company were in compliance with the provisions set out in the Act, read with the rules issued thereunder and Regulation 23 of the SEBI Listing Regulations.

The Audit Committee, during the financial year 2018-19, has approved Related Party Transaction along with granting omnibus approval valid for a period not exceeding one year in line with the policy of the Company on materiality of Related Party Transactions and dealing with related party transactions and the applicable provisions of the Act, read with the Rules issued thereunder and the SEBI Listing Regulations (including any statutory modification (s) or re-enactment (s) thereof for the time being in force).

The Audit Committee reviews on a quarterly basis the detail of related party transaction entered into by the company pursuant to the omnibus approval given.

The Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions and dealing with related party transactions and none of the related party transactions entered into have any potential conflict with the interest of the Company. The said policy has been uploaded on the Company's Website at the following link:- (<http://www.sswllindia.com/pages/relatedpartytransaction.htm>).

(ii) No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.

(iii) The Company has amended the Vigil Mechanism/Whistle Blower Policy of the Company to keep in line with the amendments brought in through SEBI (Prohibition of Insider Trading) (Amendments) Regulations, 2018, enabling employees to report insider trading violations as well as reporting of instances of leak of Unpublished Price Sensitive Information and has established the necessary vigil mechanism for directors and employees to report their genuine concerns. No personnel have been denied access to the audit committee. This mechanism provides for adequate safeguards against victimization of director (s) /employee (s) or any other person, who avail the said mechanism and also provides for direct access to the Chairman of the audit committee in exceptional cases. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the 'Vigil Mechanism Whistle Blower Policy' uploaded at the website of the Company. (web link:- <http://www.sswllindia.com/pages/whistleblower.htm>). During the financial year 2018-19, the Company has not received any instances of genuine concerns from Directors or employees.

(iv) The Company has complied with all the mandatory requirements as applicable to it along with the compliance with the requirements of Part C (sub paras 2 to 10) of Schedule V of the SEBI Listing Regulations. There were no cases of non-compliance during the last three financial years.

(v) The Company is in compliance with the Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

(vi) Details of adoption of the non-mandatory requirement as specified in Part E of Schedule II:

# STEEL STRIPS WHEELS LIMITED

- (a) The Non-Executive Chairman of the company has been provided a Chairman's office at the corporate office of the Company at Company's expenses and also allowed reimbursement of expenses incurred in performance of his duty.
- (b) During the year under review, there is no audit qualification on the Company's financial statement. The Company continues to adopt best practice to ensure regime of unmodified audit opinion.
- (c) The Internal Auditor of the Company has direct access to the Audit Committee and presents his internal audit report to the Audit Committee.
- (vii) The Senior Management team has confirmed to the Board of Directors that no material and commercial transactions have been entered into between the Company and members of Senior Management team, where they have personal interest.
- (viii) The Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standard (AS)/Indian Accounting Standard (IND AS) laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

(ix) **Disclosure on Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company is in the business of manufacture of wheel rims and steel and aluminum being the primary raw material is the key to Company's profitability. Presently the Company imports some of the raw material and that impacts the profitability due to adverse currency movement. Company is already taking steps to indigenize the imported raw material by developing it with Indian vendors and de-risking the business model.

As regards foreign exchange risk, a significant portion of the Company's inflows and outflows are in foreign currency, the exchange rate fluctuations between the Indian rupee and the foreign currency affects the company's results of operation. Therefore, keeping in view the position of rupee vis-à-vis foreign currency, the Company has been assertive in taking forward cover for exports and imports.

The Company regularly informs the Board of Directors about the risk assessment, if any, along with recommendations to reduce the risk.

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

a. Total exposure of the listed entity to commodities in INR:

The Value of total inventory held by the Company for Raw Material, Work in Progress and Finished Goods (including stock in trade) as on 31.03.2019 was Rs. 338.09 crores.

b. Exposure of the listed entity to various commodities:

Commodity Name (Inventory as on 31.03.2019)	Exposures in INR (Crores) towards the Particular Commodity	Exposures in qty (MT) terms towards the Particular Commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		TOTAL
			OTC	EXCHANGE	OTC	EXCHANGE	
Raw Material	142.34	24,883.67	NIL	NIL	NIL	NIL	NIL
Work in Progress	42.54	6,427.37	NIL	NIL	NIL	NIL	NIL
Finished Goods	60.72	8,334.89	NIL	NIL	NIL	NIL	NIL
Scrap	1.88	530.06	NIL	NIL	NIL	NIL	NIL
Misc. Stocks	90.61	Not ascertainable	NIL	NIL	NIL	NIL	NIL

c. Commodity risks faced by the listed entity during the year and how they have been managed;

The commodity prices are determined through basic supply and demand factors in the marketplace and as a safeguard measure, company purchases the raw material against orders in hand. The company has a strong export base to provide the requires natural hedge for the raw material procurement. The open positions, if any on the either side, are hedged through commodity exchanges, if available.

- (x) The Company has fully utilized the upfront money received for the purpose for which funds were raised through preferential allotment of warrants convertible into equal number of equity shares, during the financial year 2018-19. The Company has not raised any funds through qualified institutions placement.
- (xi) A certificate has been received by the Company from S.K. Sikka and Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. (Annexed herewith as part of report)
- (xii) There have been no instances in the Company, where the board has not accepted any recommendation of any committee of the board which is mandatorily required, during the financial year 2018-19.

- (xiii) M/s AKR & Associates, Chartered Accountants (Firm Registration No. 021179N) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees for carrying out audit of the financial year 2018-19, is given below:

(₹ in lacs)	
Particulars	Amount
Statutory Audit Fee	7.00
Tax Audit Fee	2.00
Certificate charges	2.00

- (xiv) The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary trainees) are covered under this policy. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2018-19, the Company has not received any complaint on sexual harassment.

#### **CODE OF CONDUCT**

The Board of Directors laid down Code of Conduct ("Code") for all Board Members and Senior Management of the Company. The said Code incorporated the duties of Independent Directors as laid down in the Act and has been revised and uploaded on the website of the Company under the link [http://www.sswlindia.com/pages/code\\_conduct.htm](http://www.sswlindia.com/pages/code_conduct.htm).

The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31.03.2019. The Annual Report of the Company contains a Declaration by the Managing Director in terms of SEBI Listing Regulations, based on the affirmations received from the Members of the Board and Senior Management personnel.

#### **INSIDER TRADING**

The Company has in place a Code of Conduct for Prevention of Insider Trading (Code of Conduct to Regulate Monitor and Report Trading by Designated Persons) and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Regulations"). The said codes were amended to keep in line with the amendments to SEBI Regulations as notified by SEBI and are uploaded on the website of the Company.

Web link for Code of Conduct for Prevention of Insider Trading is:  
[http://sswlindia.com/pages/code\\_insider\\_trading.htm](http://sswlindia.com/pages/code_insider_trading.htm)

Web link for Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is  
[http://sswlindia.com/pages/code\\_unpublished\\_price.htm](http://sswlindia.com/pages/code_unpublished_price.htm).

The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff and other connected persons, and procedures to be followed and disclosures to be made by them while dealing with the shares of the company and cautioning them of the consequences of violations.

Pursuant to the amendments made by SEBI in Regulations the Company has also adopted a Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI"). The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

#### **AUDIT FOR RECONCILIATION OF SHARE CAPITAL**

Statutory Auditor of the Company carried out a Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### **SUBMISSION OF QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE**

The Company has submitted quarterly compliance report on Corporate Governance, duly signed by the Company Secretary of the Company, with all the Stock Exchanges wherein the shares of the Company are listed and was placed before the Board of Directors of the Company.

#### **CEO/CFO CERTIFICATION**

As required under Regulations 17(8) of the SEBI Listing Regulations, the CEO/CFO Certificate for the Financial year 2018-19, duly signed by Sh. Dheeraj Garg, Managing Director, Sh. A.V. Unnikrishnan, Deputy Managing Director and Sh. Ayush Thareja, Chief Financial Officer of the Company was placed before the Board of Directors of the Company in their meeting held on 27.05.2019.

#### **CONSTITUENTS OF RELATED PARTIES**

Following named Companies, Individuals and HUF constitute the related parties:

# STEEL STRIPS WHEELS LIMITED

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## **Group companies:**

Indian Acrylics Limited, SAB Industries Limited, Steel Strips Limited, Steel Strips Infrastructure Limited, Steel Strips Industries Limited(earlier known as Steel Strips Leasing Limited), Indlon Chemicals Limited, SAB Developers Pvt. Ltd., Malwa Chemtex Udyog Limited, SAB Udyog Limited, Steel Strips Mercantile Pvt. Limited, Indian Acrylics Investments Ltd, Munak International Pvt. Limited, Steel Strips Financiers Pvt. Limited, S.S. Credits Pvt. Limited, Malwa Holdings Pvt. Limited, S.J. Mercantile Pvt. Limited, Munak Investments Pvt. Limited, Steel Strips Holdings Pvt. Limited, Munak Financiers Pvt. Limited, Chandigarh Developers Pvt. Ltd., DHG Marketing Pvt. Ltd. and Chandigarh Aircraft Management Services Pvt. Ltd.

## **Individuals:**

Sh. Rajinder Kumar Garg, Smt. Sunena Garg, Ms. Priya Garg and Sh. Dheeraj Garg.

## **Hindu Undivided Family (HUF):**

R. K. Garg & Sons (HUF)

## **Trust:**

Hans Raj Trust

## **TRANSFER OF UNCLAIMED DIVIDEND/SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:**

The Company has been paying Dividend regularly from the last twenty years (except for the year 2008-09), starting from the year 1996-97. Some amount of the dividend remain unclaimed in the "Unpaid Dividend Accounts" being maintained by the Company with HDFC Bank and Yes Bank Ltd.

Pursuant to applicable provisions of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years from the date of transfer to Unclaimed Dividend Account of the Company. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the de-mat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining transfer of the shares.

During the year under review, the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company had transferred Rs.455450.00 of unpaid/unclaimed dividend for the financial year 2010-11 and 11434 shares to the IEPF authority. The voting rights on these shares shall remain frozen till the shareholder claim those shares from IEPF authority.

Shareholders/claimants whose shares, unclaimed dividend, have been transferred to the IEPF De-mat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) from time to time. The Shareholders/claimant can file only one consolidated claim in a financial year as per the rules. The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company under the link [http://sswllindia.com/pages/particulars\\_nodalofficer\\_IEPF.htm](http://sswllindia.com/pages/particulars_nodalofficer_IEPF.htm)

During the financial year 2019-20, the company would be transferring unclaimed dividend amount for the financial year 2011-12 on or before 04.11.2019 to IEPF.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on the website, at link [http://www.sswllindia.com/pages/unpaid\\_divident.htm](http://www.sswllindia.com/pages/unpaid_divident.htm)

The shareholders are requested to verify their records and claim their unclaimed dividends for the past years, if not claimed.

## **AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

Certificate from the Auditor's on compliance of conditions of Corporate Governance is enclosed herewith and forms part of this report.

For and on behalf of the Board of Directors

Rajinder Kumar Garg  
Chairman  
DIN: 00034827

Place: Chandigarh  
Date: 02.09.2019



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
Steel Strips Wheels Limited

We have examined the compliance of the conditions of Corporate Governance by Steel Strips Wheels Limited ("Company") for the year ended on 31.03.2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, as applicable, for the financial year ended 31.03.2019.

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.

Date: 02.09.2019  
Place: Chandigarh

For AKR & Associates  
Chartered Accountants  
Firm Registration No: 021179N

(Kailash Kumar)  
Partner  
M. No. 505972

## DECLARATION REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the Board has prescribed Code of Conduct for all the Board members and Senior Management of the Company, which is available on the website of the Company.

I confirm that the Company has in respect of the year ended 31.03.2019, received from its Board members as well as Senior Management Personnel, a declaration in compliance with the code of conduct as applicable to them.

For Steel Strips Wheels Limited

Place: Chandigarh  
Dated: 02.09.2019

Dheeraj Garg  
Managing Director  
DIN: 00034926

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to the provisions of Regulation 34(3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,

**Steel Strips Wheels Limited**

In accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 inserted vide SEBI notification dated 9<sup>th</sup> May 2018 and in my opinion and to the best of my information, according to explanations given and documents provided by **Steel Strips Wheels Limited** ("Company"), I hereby certify that none of the Directors on the Board of **Steel Strips Wheels Limited** has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority for the year ended 31<sup>st</sup> March, 2019.

Sr. No.	Name of Director	DIN
1.	Mr. Rajinder Kumar Garg	00034827
2.	Mr. Dheeraj Garg	00034926
3.	Mr. Manohar Lal Jain	00034591
4.	Mr. Madan Mohan Chopra	00036367
5.	Mr. Surinder Kumar Bansal	00165583
6.	Ms. Jaspreet Takhar	00318883
7.	Mr. Sudhanshu Shekhar Jha	01489603
8.	Mr. Andra Veetil Unnikrishnan	02498195
9.	Mr. Sanjay Surajprakash Sahni	08263029

For **S. K. SIKKA & ASSOCIATES**  
Company Secretaries

Place: Chandigarh  
Date: 02.09.2019

(Sushil K. Sikka)  
Prop.  
FCS 4241  
CP 3582

# MANAGEMENT

# DISCUSSION & ANALYSIS

India's GDP growth during the fiscal year 2018-19 was at 6.80%, marginally lower than CSO's advance estimate of 7%, urged the new government to take short-term measures to arrest the slowdown in the economy. There have been various investments in various sectors of the economy. The M&A activity in India reached record US\$ 129.40 billion in 2018 while Private Equity (PE) and Venture Capital (VC) investments reached US\$ 20.50 billion. Some of the important recent developments in Indian economy are as follows:

Net direct tax collection for 2018-19 had crossed Rs 10 trillion (US\$ 144.57 billion) by March 16, 2019, while goods and services tax (GST) collection stood at Rs 10.70 trillion (US\$ 154.69 billion) as of February 2019.

India's Foreign Direct Investment (FDI) equity inflows reached US\$ 409.15 billion between April 2000 and December 2018, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.

Net employment generation in the country reached a 17-month high in January 2019. India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY 2027 and achieve upper-middle income status on the back of digitisation, globalisation, favorable demographics, and reforms. India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 385-412 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST). India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from to 175 GW by 2022. India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern.

## Indian Automobile Market Leading Trends

India is expected to emerge as the world's third-largest passenger-vehicle market by 2021.

- It took India around seven years to increase annual production to four million vehicles from three million.
- However, the next milestone—five million—is expected in less than five years. Hitting that mark will depend on today's rapid economic development continuing.
- a projected annual GDP growth rate of 7 % through 2020-23, ongoing urbanizations, a burgeoning consuming class, and supportive regulations and policies.

Currently, the automotive sector contributes more than 7% to India's GDP. The Automotive Mission Plan 2016–26 sets an aspiration to increase the contribution to 12 %. A number of economic trends could help in meeting this target. Rapid urbanization means the country will have over 500 million people living in cities by 2030—1.5 times the current US population. Rising incomes will also play a role, as roughly 60 million households could enter the consuming class (defined as households with incomes greater than \$8,000 per annum) by 2025. At the same time, more people will join the workforce. Participation could reach 67 % in 2020, as more women and youth enter the job market, raising the demand for mobility. Some of them would leap straight into four-wheeler segment, and others will graduate from two- to four-wheelers. Over 44 % of the consuming-class households will be in 49 growth clusters—for example, Delhi is expected to have the same GDP per capita at purchasing power parity as the entire country of Russia in 2025. Cities like Delhi are a sweet spot for car manufacturers to target. Through the automotive Mission Plan, the National Electric Mobility Mission Plan (NEMMP), and other initiatives, the government seeks to achieve two objectives—facilitate long-term growth in the industry and reduce emissions and oil dependence.

In the Automotive Mission Plan 2026, the government and industry set a target to triple industry revenues, to \$300 billion, and expand exports sevenfold, to \$80 billion. To meet these aims, it is estimated that the sector could contribute more than 60 million additional direct and indirect jobs, and the result could be improved manufacturing competitiveness and reduced emissions.

For a number of years, multinationals have been using India as a hub for low-cost talent. However, in the past few years, India has also been recognized for high-quality managerial talent. Indians are starting to occupy major positions across industries such as consumer goods, automotive, pharmaceutical and banking, among others. Moreover, many such companies are also leveraging local talent for driving innovation through R&D centers. In the case of a leading global conglomerate, more than a quarter of their innovations are done by the team in India. Likewise, in the case of an automotive manufacturer, the local team of managers and engineers are working on products that will drive growth in the medium to long run.

## SSWL KEY GROWTH DRIVERS

SSWL today generates close to 10% of its revenues from export markets with only steel wheel exports and the company has set its sight at an ambitious target to make this to 25% in coming 3 years by penetrating with whole host of products in US. The potential for Steel wheel markets US territory is close to Rs.2000 crores with trucks & passenger cars. Your company has undertaken large number of steel wheel development exercise to be present in 90% of the US caravan and high speed trailer market. We expect SSWL to penetrate US markets with 25-30% market share by the financial year end of 2019-20. This will help maintain the export momentum and help the company move closer to its target of 25% revenue from exports segment. SSWL is also ensuring its presence in the commercial vehicle market and have made the products ready to target this segment for a 20% market share and we expect the exports to deliver a 50% growth rate in coming 2-3 years to reach its export targets.

The US-China trade war offers once in a lifetime opportunity to grab a Rs.400-500 crores of steel wheel revenue potential for SSWL in Europe and America. SSWL is exploring all the opportunities to build the development portfolio in shortest possible time to cater to this demand which is now under the trade war impact and gives India an edge to compete and make deeper inroads in US and EU.

### Indian Automobile Niche

After previous fiscal's excitement overcast fizzed away in the first half of the financial year 2018-19, auto demand slipped down south resulting into a lower single digit growth for most of the segments in FY 2018-19.

Macroeconomic factors like interest rate, inflation and good forecast monsoon lifted the demand in the first half of the recently concluded fiscal year. New model launches during auto Expo 2018 also contributed to the growth.

### Sectoral Outlook

Passenger vehicle sales in India rose just 2.7% in 2018-19 as weak customer sentiment led by liquidity crunch, high vehicle prices and uncertainty revolving forthcoming elections put brakes on the sales growth in the segment.

According to SIAM data, domestic passenger vehicles (PV) sales were at 33,77,436 units in 2018-19 beating the previous record of 32,88,581 units in 2017-18. However, despite new product launches, sales failed to rev up during the second half of the last fiscal which had even prompted the industry body to lower the sales forecast for the PVs from the earlier estimate of 8-10 per cent to 6 per cent. The final figure of 2.7 per cent is even lower than that. Domestic car sales in 2018-19 were at 22,18,549 units as against 21,74,024 units in 2017-18, displaying a growth of 2.05 per cent.

Utility vehicles (UV) sales were at 9,41,461 units last fiscal as against 9,22,322 units in 2017-18, a growth of 2.08 per cent. However, exports of PVs were down 9.64 per cent at 6,76,193 units in 2018-19 as against 7,48,366 units in 2017-18. In 2018-19, two-wheeler sales rose by 4.86 per cent to 2,11,81,390 units as compared with 2,02,00,117 units in 2017-18. Commercial vehicle sales, on the other hand, rose by 17.55 per cent to cross one million sales in a financial year at 10,07,319 units as compared with 8,56,916 units. The Auto Industry is entering FY 19-20 with a lot of head winds like general elections, monsoon, fiscal tightness, global slowdown and few more domestic regulatory issues. All these issues are coming and making FY 19-20 to be a tougher year to maintain growth with a lot of focus on differentiation.

More importantly, two of the four quarters of 2019-20 is widely expected to be difficult i.e. Q1 due to the ongoing elections and Q4 because of the transition to BS-VI, the new emission norm. No BS-IV cars will be registered from April 1, 2020. This factor will continue to put a lot of purchase on hold due to the wait of new model and the manufacturers have to plan it perfectly to balance the technology changeover. The sector that employs 37 million people (direct and indirect), contributes 7% to the country's GDP and 49% to the manufacturing GDP, is staring at a multi-layered challenge.

A set of wide-ranging factors — from industry-specific challenges to policy resets and macro-economic factors to poor consumer sentiments — have converged to dent sales. Let's first look at the short-term factors. Last year, the bad news kicked off with Kerala floods. Then, in October, insurance regulator IRDAI changed its policy on insurance cover. For instance, third-party insurance cover on motorcycles now needs to be paid upfront for five years instead of one year previously. For two-wheelers, insurance cost rose by 14%, which had an adverse impact on sales. These unexpected developments meant while automakers built up inventory gearing up for the festivals, sales remained elusive. Urban India, reeling from a difficult job market, took a pause. Rural India, hurting from farm distress (over 60% of farm produce has reportedly been sold below the minimum support price), wasn't buying, either. As a result, inventory piled up, hurting everyone, especially the dealers.

Amidst low consumer sentiment throughout the industry, two-wheeler segment could muster a single digit growth in the financial year ended March 31, 2019. According to SIAM two-wheeler domestic wholesales grew by 4.86 per cent in the financial year 2018-19 at 21,181,390 units compared to 20,200,117 units dispatched in the previous fiscal. The sector survived various hurdles such as Kerala floods in August and IRDAI's orders to increase insurance premium of two-wheeler to five years at the time of buying. With the commencement of second quarter, volumes declined partly due to the high base of FY2018, capacity constraints and inventory correction by OEMs.

The Indian tractor industry witnessed a double digit growth for the third consecutive year in financial year 2018-2019, however, the pace was slowest in the last three years. In FY'2019 tractor sales grew by 10.24 per cent at 878,476 units as compared to 20.52 per cent and 15.74 per cent in FY'2018 and FY'2017 respectively. On a yearly basis the growth rate was almost halved in FY'2019 over FY'2018. The growth was marred due to weak sentiment in later part of the year as sales slipped into negative in February and March 2019 on year-on year (yoy). Tractor sales that mirrors rural sentiment was struck due to erratic rainfall coupled with delayed sowing and low production of rabi crops in the last fiscal.

For the first time, the Commercial Vehicle sector crossed one million domestic sales mark in FY 2018-19. The major demand drivers were new infrastructure projects and fleet replacement. The commercial vehicle manufacturers dispatched 1,007,319 units from their factories across India in the last fiscal compared to 856,916 units in FY'2018, registering a growth of 17.55%. The growth rate in the H2 moderated mainly due to revised axle norms, liquidity crunch and uncertainties due to upcoming general elections. The axle norm increased the freight carrying capacity of medium and heavy commercial vehicles (M&HCV) by 20% that led to lower demand for new trucks. What further trimmed the demand was the tightened liquidity scenario due to fall out of IL&FS which led to NBFC becoming cautious in lending which also dented new purchases.

### Export Outlook

In the fiscal year (FY)2018-19, India's total merchandise exports registered a 9.06 percent growth to hit a new high of US\$330 billion, surpassing the earlier peak of US\$314 billion clocked in 2013-14 FY. India's total imports grew at a much higher rate at 10.41 percent, amounting to US\$514 billion.

Monitoring the evolving nature of India's imports and exports can help investors understand country's trade patterns and identify opportunities in the domestic market. Below, India Briefing analyzes India's export and import trends in FY2018-19. With tariff war happening between China and US, it gives a big opportunity to Indian exporters to make a permanent mark in US and make long term contracts for sustainable export growth.

# STEEL STRIPS WHEELS LIMITED

In April-March 2019, overall automobile exports grew by 14.50 percent. While Passenger Vehicles exports declined by (-) 9.64 percent, Commercial Vehicles, Three Wheelers and Two Wheelers registered a growth of 3.17 percent, 49.00 percent and 16.55 percent respectively in April-March 2019 over the same period last year. The auto component industry is well placed to take advantage of the globalisation and is poised to take Centre stage towards Make in India initiative and make global inroads.

SSWL attained its highest exports ever in FY 2018-19 to reach Rs. 198.36 crores with the help of across the board customer base contributed towards reaching this benchmark. For FY 2019-20, SSWL expect to achieve more than 50-60% exports value growth taking more global footprints to reach highest ever exports levels for FY 2019-20. We expect US to contributed heavily towards the growth factor in FY 2019-20 and open up large opportunity for SSWL to maintain high double digit growth. Your company achieved a volume of 15.71 Lacs wheels in FY 2018-19. And we expect to reach the FY 2019-20 volume of close to 30.00 Lacs wheels to reach highest ever volumes of exports for SSWL. We expect to make deep inroads in US caravan and High speed trailers segment to target a minimum 2-3 million wheel volumes to make sure SSWL ends up with 100% car wheel plant capacity of SSWL plants towards FY 2019-20 second half.

## Opportunities

US China trade war opens up a big opportunity for the Company to enter US market in all segments and this opens up a potential revenue market of close to Rs. 2000 crores for steel wheels in trucks and passenger car wheel segment. The Company is making all efforts to develop the entire range for US market and will target to increase its export by high double digits to get revenue advantage and repeat the success story of European continent.

## Threats

The slowing domestic market always remain a threat as its majority share of the total revenue. Any major and continuous fall in domestic markets remains a threat to tackle. The Company is de-risking itself and building other international markets in steel wheel and also targeting domestic alloy wheel market to offset such conditions. The Company is expecting to reach 25% export revenue contribution in coming 3 years from existing 10-12%.

## Financial Performance with respect to Operational Performance

Gross revenues stood at Rs. 2058.65 crores in FY 2018-19 as compared to Rs. 1570.60 crores in FY 2017-18. The company grew its revenue by 31.07% and outpaced the industry growth trends. The company maintained high revenue growth from its new plant introduction in Chennai. SSWL attained its highest ever volume 1.57 crores wheels as compared to 1.45 crores wheels with a 8.42 % volume growth. The company achieved profit before tax of Rs. 108.88 crores in FY 2018-19 as compared to Rs. 97.16 crores in FY 2017-18 witnessing a growth of 12.06%. The growth got impacted with higher finance cost due to the new plant full functioning is under way and will get to stabilize going ahead. The profit after tax for FY 2018-19 was Rs. 82.36 crores as compared to Rs. 75.09 crores in FY 2017-18 indicating a growth of 9.67%. We expect the company is maintaining all efforts to be competitive in tough auto market conditions and will try to outperform the automotive industry benchmarks.

## Return on Net Worth (PAT/Net Worth)

FY 2019	FY 2018	Detailed Explanation
12.04%	12.96%	The expenses for financial year 2018-19 have been increased due to capitalization of new plants operating at lower capacities during the year, the same have been classified as pre-operative last year.

## Key Financial Ratios

Key Financial ratio	FY 2019	FY 2018	%Change		Detailed Explanation in case change is more than 25%
Debtors Turnover	2.49	1.80	38.33%	Credit Sales/Average Account Receivable	The Debtors Turnover Ratio has improved due to lower credit period in Exports & CV Segment wherein sales volume have increased.
Inventory Turnover	2.09	2.11	(0.95%)	Cost of Goods Sold/Average Inventory	N.A
Interest Coverage Ratio	2.18	2.52	(13.49%)	EBIT/Interest	N.A
Current Ratio	0.93	0.84	10.71%	Current Assets/Current Liabilities	N.A
Debt Equity Ratio	0.67	0.84	(20.23%)	Long Term Debt/Equity	N.A
Operating Profit Margin (%)	9.87%	10.61%	(6.97%)	Operating Margin/Net Sales	N.A
Net Profit Margin (%)	4.02%	4.99%	(19.48%)	PAT/Net Sales	N.A

## Domestic Sales Forecast for FY 2019-20 by SIAM

India's apex industry body, Society of Indian Automobile Manufacturers (SIAM) has forecasted a single digit growth for overall vehicles sales in FY 2020, owing to rise in commodity price, election, below normal monsoon and recent repo rate cut by RBI. According to SIAM, passenger vehicle sales are projected to grow between 3-5 per cent and commercial vehicle at 10-12 per cent. The two-wheeler segment is expected to grow between 5-7 percent and three wheeler segment is pegged to grow between 7-9 percent. Driving this growth will be overall infrastructure and Gross domestic product that is estimated to grow at 7 percent during FY2020. Other reason cited for growth was pre-buying of BS-IV vehicles in FY2020 before BS-VI implementation and several new launches in the current fiscal year. The Growth factors are muted and domestic consumption theme remains conservative due to ongoing slowdown in demand scenario.



## Risk & Concerns

Some of the key existing and emerging risks affecting the Company are as follows:

Risks Type	Key Risks	Impact on SSWL	Mitigation
Strategic Risk	Global Economic Scenario	Vehicle purchase across different segment has strong correlations with GDP growth. The decision to purchase a passenger vehicle comes under customers' discretionary spending (Passenger Vehicle) which is linked to their perception of business outlook. Depressed economic outlook can impact this spending and thereby constrain the Company's growth potential.	Diversified product mix, segment mix and customer mix. Target newer market segments which might provide counter-cyclical support
	Long term growth dependent on of capacity expansion	Capacities utilization across all the plants are inching up gradually and with business environment turning favorable growth in long term will be dependent on Capacity addition.	Debottlenecking exercise across all the facilities are being carried every quarter. Optimum scheduling of production across different products thereby improving yield. Possibility of setting up new lines wherein Company has project Management expertise.
Operation Risk	Supply chain disruption.	The raw material (Steel & Aluminium) accounts for 60-65% of the cost, poses a key risk as it may be subject to supply disruption and market price volatility.	The Company maintains significant integration of raw materials for its Operations. To achieve greater raw material security, company enters into long term MOU with suppliers. Development of alternate sources for uninterrupted supply of key raw material.
	Employee Productivity and retention	Employee involvement and productivity is one of the key factors to be competitive in industry. Being a labour intensive sector employee welfare assumes significance.	Company has strong commitment towards creating and providing safe working environment for its employee and stakeholders. Focused approach to retain key talent through multiple initiatives including providing cross functional access and experience. Focus on employee engagement. Increased focus on offering learning opportunities with allocation of funds for training requirements.
Financial Risk	Currency Volatility	Volatility in currency exchange movements resulting in transaction and translation exposure.	Board approved Currency hedging policies and practices in place. Close monitoring of hedging strategy by risk management committee. Quarterly assessment of foreign exchange exposure by Board.
	Debt Burden	The Company's outstanding indebtedness in an adverse environment can have significant impact on financial flexibility and business as a whole	Close monitoring of debt profile and continuous effort to bring the cost in line with industry. Continuous effort to maintain the impeccable credit history. Quarterly review of financial leverage and efforts are on to move towards industry benchmark.
	Credit Rating	Failure to maintain credit ratings could adversely affect cost of funds.	Regular exchange of information and updates with agency. Focused approach to work on areas of improvement and to build upon areas of strength. Close monitoring of triggers highlighted in rating rationale
	Social costs	SSWL's assumptions while estimating social cost like gratuity funding are subject to capital market and actuarial risks and any shortfall could put pressure on financial performance.	A framework to manage social cost risks has been deployed to ensure that obligations remain affordable and sustainable, whilst protecting the asset market exposure.
	Credit Risk	Customer default can pose a significant challenge and impact the bottom line of the Company.	Systems are in place to assess the credit worthiness of new as well as existing customers.
	Financial Fraud	Financial fraud can challenge the reputation as well existence of the Company besides denting the confidence on the systems in place.	Adequate Internal financial control system in place. Adequate accounting records are in place to safeguard the assets of Company and for preventing and detecting frauds. Vigil Mechanism in place that provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Ethics Counselor/Chairman of the Audit Committee of the Board and make protective disclosures about the unethical behavior, actual or suspected fraud.
Legal Risk	Regulatory environment & compliance	The Company is subject to numerous laws, regulations and contractual commitments. Any failure to comply with same may impact the adversely.	The Company has policies, systems and procedures in place with a strong commitment from the Board and the Executive Committee towards compliance.

## INTERNAL CONTROLS AND THEIR ADEQUACY

The Company has a robust internal control and audit system to provide adequate assurance regarding the effectiveness and efficiency of its systems and operations. The controls are commensurate to the needs of the organization given its size and complexity of operations. The standard operating procedures ensure compliance to local regulation and statutes as applicable to the Company. The Company strictly ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

# STEEL STRIPS WHEELS LIMITED

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## **DEVELOPMENT IN HUMAN RESOURCES**

The Company has continuously adopted structures that help in attracting best external talent and promote internal talent to take higher roles and responsibilities. The Company's people centric focus is providing an open work environment fostering continuous improvement and development among the employees of the Company. The Company provides a holistic environment where employees get opportunities to realize their potential. Company's performance driven culture helps and motivates employees to excel in their respective areas and progress within the organization. The Company has a structured appraisal system based on key result areas (KRAs) for employees belonging to Manager and above category. As on 31.03.2019, the Company had 2644 permanent employees on the rolls of the Company.

## **SEGMENT REPORTING**

The Company is primarily engaged in the manufacturing business of steel wheel and alloy wheel rims catering to different segment of automobile industry. The inherent nature of activities is governed by the same set of risk and returns; hence these have been grouped as a single segment. The said treatment is in accordance with the principle enunciated in the Accounting Standard on Segment Reporting (AS 17).

## **DISCLAIMER**

This report contains certain statements that the Company believes and may be considered as forward looking statements. These forward looking statements may be identified by their use of words like 'plan', 'hope', 'will', 'expect', 'aim' or such similar words or phrases. All such statements are subject to risks and uncertainties which could cause actual results to vary materially from those contemplated by the relevant forward looking statements.

For and on behalf of the Board

Date: 02.09.2019  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN:00034827

# INDEPENDENT AUDITORS'

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# REPORT

To the Members of  
Steel Strips Wheels Limited

## Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Steel Strips Wheels Limited** ("the Company"), which comprise the Balance Sheet as at **31 March 2019**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements, that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31 March 2019**, its profit, total comprehensive profit, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Ind AS financial statements dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.;
  - e. on the basis of the written representations received from the directors as on **31 March 2019** and taken on record by the Board of Directors, none of the directors is disqualified as on **31 March 2019** from being appointed as a director in terms of Section 164(2) of the Act;
  - f. with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company does not have any pending litigations which would impact its financial position;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For AKR & Associates  
Chartered Accountants  
Firm's Registration No.: 021179N

per Kailash Kumar  
Partner  
Membership No.: 505972

Place : Chandigarh  
Date : 27th May 2019

# STEEL STRIPS WHEELS LIMITED

**Annexure A to the Independent Auditors' Report of even date to the members of Steel Strips Wheels Limited, on the financial statements for the year ended 31st March 2019**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the said Order are not applicable to the company.
- (iv) The Company has not granted any loan or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provisions of clauses 3(iv) of the said Order are not applicable to the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) . Accordingly, the provisions of clause 3(v) of the said Order are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained for Hot Rolling Mill (HRM) division. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, GST, duty of customs, and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs)	Amount Paid Under Protest (Rs)	Period to which the amount relates	Forum where dispute is pending
..... N.A.....					

- (viii) In our opinion, the Company has not defaulted in repayment of dues to any financial institution or bank or Government or to debenture-holders during the year.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Money raised by way of term loans were applied for the purposes for which those are raised.
- (x) No fraud on or by the Company has been noticed or reported during the period covered by our audit.
- (xi) The Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) As the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it, the provision of clause 3(xii)

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of the order are not applicable to the company.

- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The detail of such related party transactions have been disclosed in the financial statements as required under Indian accounting standards (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the company.

For AKR & Associates  
Chartered Accountants  
Firm's Registration No.: 021179N

per Kailash Kumar  
Partner  
Membership No.: 505972

Place : Chandigarh  
Date : 27th May 2019

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#### **Annexure B to Independent Auditors' Report**

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Steel Strips Wheels Limited on the financial statements for the year ended 31st March, 2019.

#### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of Steel Strips Wheels Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of internal financial control over financial reporting (the "Guidance Notes") and the standards on auditing deemed to be prescribed under section 143(10) of the act to the extent applicable to an audit of internal financial controls, both applicable to an audit of

# STEEL STRIPS WHEELS LIMITED

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internal financial controls and both issued by the ICAI. Those standards and the guidance notes require that we comply with ethical requirements and planned and performed the audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls system over financial reporting, assessing the risks that material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedure selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

## **Meaning of Internal financial controls over financial reporting**

6. A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1.) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2.) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorization of management and directors of the company ; and (3.) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitation of Internal financial controls over financial reporting**

7. Because of the Inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management over-ride of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluations of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

8. In our opinion, the company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2018 based on the internal financial controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For AKR& Associates  
Chartered Accountants  
Firm's Registration No.: 021179N

per Kailash Kumar  
Partner  
Membership No.: 505972

Place : Chandigarh  
Date : 27th May 2019

# BALANCE SHEET

As at 31st March, 2019

(All amounts (₹) in lacs, unless stated otherwise)

PARTICULARS	Notes	AS AT March 31st, 2019	AS AT March 31st, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	3	1,32,753.50	1,02,693.79
b) Capital work-in-progress	4	5,280.33	32,318.45
c) Other Intangible assets	5	165.40	242.96
d) Financial assets			
i) Investments	6	19.40	19.40
ii) Loans	7	1,002.12	657.06
iii) Other Financial assets	8	713.69	848.90
e) Other non-current assets	9	135.79	137.38
<b>Total Non-Current assets</b>		<b>1,40,070.23</b>	<b>1,36,917.94</b>
<b>Current assets</b>			
a) Inventories	10	33,809.36	26,588.70
b) Financial assets			
i) Trade receivables	11	19,396.72	31,287.38
ii) Cash and Cash equivalents	12	3,616.98	3,356.34
iii) Bank balances other than above	13	8,483.10	9,702.44
iv) Loans	14	281.30	548.71
v) Other financial asset	15	178.85	43.72
c) Current tax assets (net)	16	-	-
d) Other current assets	17	9,501.02	9,148.87
<b>Total Current assets</b>		<b>75,267.33</b>	<b>80,676.16</b>
<b>Total Assets</b>		<b>2,15,337.56</b>	<b>2,17,594.10</b>
<b>EQUITY AND LIABILITIES</b>			
a) Equity Share capital	18	1,558.97	1,555.63
b) Share Application Money pending allotment		2,178.75	-
c) Other equity	19	64,431.06	56,872.09
<b>LIABILITIES</b>		<b>68,168.78</b>	<b>58,427.72</b>
<b>Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	20	45,811.34	49,071.47
ii) Others financial liabilities	21	6,229.87	2,400.01
b) Provisions	22	1,326.47	1,201.79
c) Deferred tax liabilities (Net)	23	12,570.11	10,614.60
d) Other non-current liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>65,937.79</b>	<b>63,287.87</b>
<b>Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	24	39,288.39	40,965.68
ii) Trade and other payables	25	25,732.37	32,538.92
iii) other financial liabilities	26	13,655.43	20,262.04
b) Current Tax Liabilities (Net)	27	143.34	175.44
c) Provisions	28	233.94	131.03
d) Other current liabilities	29	2,177.52	1,805.40
<b>Total Current Liabilities</b>		<b>81,230.99</b>	<b>95,878.51</b>
<b>Total Equity and liabilities</b>		<b>215,337.56</b>	<b>2,17,594.10</b>

The accompanying notes are an integral part of these financial statements (1-51)  
As per our report of even date attached.

For **AKR & Associates**

Chartered Accountants

ICAI Firm Registration Number: 021179N  
per Kailash Kumar

Partner

Membership Number : 505972

Place : Chandigarh  
Date : 27th May, 2019

Shaman Jindal  
Company Secretary

Dheeraj Garg  
Managing Director  
Andra Veetil Unnikrishnan  
Dy. Managing Director

Manohar Lal Jain  
Executive Director  
Ayush Thareja  
CFO

For and on behalf of Board

Surinder Kumar Bansal  
Jaspreet Takhar  
Sanjay Surajprakash Sahni  
Directors

# STEEL STRIPS WHEELS LIMITED

## STATEMENT OF PROFIT & LOSS ACCOUNT

For the year ended 31st March, 2019

(All amounts (₹) in lacs, unless stated otherwise)

S.No. PARTICULARS	Notes	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
<b>I Revenue from operations</b>	30	<b>2,04,118.84</b>	1,55,715.80
II Other Income	31	<b>1,746.16</b>	1,344.54
<b>Total income(I+II)</b>		<b>2,05,865.00</b>	<b>1,57,060.34</b>
<b>III Expenses</b>			
a Cost of materials consumed	32	<b>1,35,371.31</b>	93,768.40
b Purchases of stock-in-trade		-	-
c Change in inventories of finished goods, stock in trade and work -in-progress	33	<b>(4,984.70)</b>	(3,397.40)
d Excise Duty Expense		-	3,896.67
e Employee benefit expense	34	<b>18,826.88</b>	13,641.88
f Finance costs	35	<b>9,254.44</b>	6,394.07
g Depreciation and amortisation expense	36	<b>6,192.27</b>	5,257.36
h Other expenses	37	<b>30,316.32</b>	27,782.92
<b>Total Expenses III (a to h)</b>		<b>1,94,976.52</b>	<b>1,47,343.90</b>
IV Profit/(loss) before exceptional items and tax (I+II-III)		<b>10,888.48</b>	9,716.44
V Exceptional items	38	<b>0.02</b>	8.82
VI Profit/(loss) before tax after exceptional items(IV-V)		<b>10,888.46</b>	<b>9,707.62</b>
VII Tax expense: (refer note 51)			
(1) Current tax		<b>571.80</b>	433.09
(2) Deferred tax		<b>1,967.14</b>	1,765.39
Prior years tax Adjustments		<b>113.93</b>	-
VIII Profit/(loss) for the period after Tax (VI-VII)		<b>8,235.59</b>	<b>7,509.14</b>
IX Other Comprehensive Income (net of tax)		<b>(21.65)</b>	65.91
X Total Comprehensive Income for the period (VIII+IX) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		<b>8,213.94</b>	<b>7,575.05</b>
XI Paid-up equity share capital (Face value of Rs 10 per share)		<b>1,558.97</b>	1555.63
XII Earnings per equity share in Rs. (refer note 39)			
(1) Basic (in ₹)		<b>52.91</b>	48.28
(2) Diluted (in ₹)		<b>51.14</b>	48.18

The accompanying notes are an integral part of these financial statements (1-51)

The accompanying notes are an integral part of these financial statements (1-51)  
As per our report of even date attached.

**For AKR & Associates**  
**Chartered Accountants**  
ICAI Firm Registration Number: 021179N  
per Kailash Kumar  
**Partner**  
Membership Number : 505972

Place : Chandigarh  
Date : 27th May, 2019

Shaman Jindal  
**Company Secretary**

Dheeraj Garg  
**Managing Director**  
Andra Veetil Unnikrishnan  
**Dy. Managing Director**

Manohar Lal Jain  
**Executive Director**

For and on behalf of Board

Surinder Kumar Bansal  
Jaspreet Takhar  
Sanjay Surajprakash Sahni  
**Directors**

Ayush Thareja  
**CFO**



# CASH FLOW STATEMENT

For the year ended 31st March, 2019

(All amounts (₹) in lacs, unless stated otherwise)

S. No. Particulars	For the Year Ended March 31st, 2019		For the Year Ended March 31st, 2018	
<b>A. Cash Flow/(Outflow) from operating activities</b>				
<b>Profit before tax</b>		<b>10,866.81</b>		9773.53
Depreciation	6,192.27		5,257.36	
Miscellaneous expenses written off				
Bad debts written off	(12.74)	-		-
(Profit)/Loss on sale of assets	8.16		(89.95)	
(Profit)/Loss on sale of investments	-		(0.17)	
Expense on employee Stock Option Scheme	-			
Interest received	(1,098.47)		(841.07)	
Effect of Exchange Rate Change	467.36		562.46	
Financial charges paid	9,254.44	14,811.02	6,394.07	11,282.70
<b>Operating profit before working capital changes</b>		<b>25,677.83</b>		<b>21,056.23</b>
Adjustment for				
- (Increase)/ decrease in inventory	(7,220.65)		(8,885.15)	
- (Increase)/ decrease in trade and other receivables	11,781.54		(10,545.85)	
- Increase/ (decrease) in trade payables	(9,211.28)	(4,650.39)	23,887.47	4,456.47
<b>Cash inflow from operating activities</b>		<b>21,027.44</b>		25,512.70
Taxes paid		2,652.87		2,198.48
<b>Net cash from / (used) in operating activities</b>		<b>18,374.57</b>		<b>23,314.22</b>
<b>B. Cash flows from/ (used) in Investing Activities</b>				
Purchase of fixed assets	(8,376.34)		(33,696.92)	
Exchange fluctuation in Fixed assets/CWIP	(1,041.70)		(308.63)	
Sale of fixed assets	281.81		3,147.08	
Sale of investments	-		-	
Investment in mutual fund	-		2.01	
Profit on sale of investments / Assets	(8.16)		90.12	
Interest received	1,098.47		841.07	
<b>Net cash from / (used) in investing activities</b>		<b>(8045.93)</b>		<b>(29,925.26)</b>
<b>C. Cash flows from/ (used) in Financing Activities</b>				
Proceeds from issue of equity shares incl premium	2,182.14		2.27	
Changes in Equity Reserves	97.89		213.89	
Changes in tax provisions	1,955.51		1,800.27	
Proceeds from long term borrowings	9,999.80		22,362.07	
Proceeds(payment) from/(of)long term Provisions/Short Term Provisions	195.50		77.71	
Repayment of long term borrowing (net of fluctuation)	(13,259.92)		(7,876.61)	
Changes in working capital loans/short term borrowing	(1,677.29)		(3,056.88)	
(increase)/Decrease in Long/Short Term Loan and Advances	(307.86)		1,592.39	
Dividend paid	(751.31)		(561.69)	
Financial charges paid	(9,721.80)		(6956.53)	
<b>Net cash from / (used) in financing activities</b>		<b>(11,287.35)</b>		<b>7,596.89</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(958.71)</b>		<b>985.84</b>
<b>Cash and cash equivalents as at April 1, 2018</b>		<b>13,058.78</b>		12,072.94
<b>Cash and cash equivalents as at March 31, 2019</b>		<b>12,100.07</b>		13,058.78

## AUDITORS' CERTIFICATE

We have verified the attached Cash Flow Statement of M/s Steel Strips Wheels Limited derived from audited financial statements and the books & records maintained by the Company for the year ended 31st March, 2019 and found the same in agreement therewith.

The accompanying notes are an integral part of these financial statements (1-51)

As per our report of even date attached.

For and on behalf of Board

**For AKR & Associates**  
**Chartered Accountants**

ICAI Firm Registration Number: 021179N

per Kailash Kumar

**Partner**

Membership Number : 505972

Place : Chandigarh  
Date : 27th May, 2019

Shaman Jindal  
**Company Secretary**

Dheeraj Garg  
**Managing Director**  
Andra Veetil Unnikrishnan  
**Dy. Managing Director**

Manohar Lal Jain  
**Executive Director**

Ayush Thareja  
**CFO**

Surinder Kumar Bansal  
Jaspreet Takhar  
Sanjay Surajprakash Sahni  
**Directors**

# STEEL STRIPS WHEELS LIMITED

Significant Accounting Policies for the period ended 31st March, 2019

## 1) CORPORATE INFORMATION

Steel Strips Wheels Limited (the Company) is a public limited Company registered in India under the Companies Act 2013 (erstwhile Companies Act 1956). Its Shares are listed on both BSE Limited (Formerly Bombay Stock Exchange Limited) and National Stock Exchange of India Ltd. (NSE). The Company is a leading manufacturer of Automotive Wheel rims.

These financial statements were approved and adopted by company's board of directors in its meeting held on 27th May, 2019.

## 2) SIGNIFICANT ACCOUNTING POLICY

### 1. BASIS OF PREPARATION

#### 1.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013 (the Act) (to the extent notified), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant amendment rules issued thereafter.

The financial statements up to and for the year ended 31 March 2017 were prepared in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

Effective April 1, 2016, the company has adopted all the Ind As standards and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

#### 1.2 Basis of measurement

The Standalone financial statements have been prepared under the historical convention, on the accrual basis of accounting except for certain financial instruments that are measured at fair value.

#### 1.3 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

## 2) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

### A. SALE OF GOODS

Revenue from sale of goods is recognized when the significant risks and rewards of ownership in the goods are transferred to the buyer of goods as per the terms of contracts, the Company retains no effective control of the goods transferred to a degree usually associated with the ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. The Company collects CST/VAT/GST on the behalf of the Government and therefore these are not economic benefits flowing to the company. Hence they are excluded from Revenue.

The revenue up to Q1 of the Financial Year 2017-18 includes the excise duty amount that have been collected from customers, which is shown separately as expense in the statement of profit & loss as per the disclosure requirements. Post GST the tax amounts are excluded from the revenue for the reported period.

### B. INTEREST INCOME

Interest income from a financial instrument is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably using EIR method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### C. OTHER INCOME

- (i) Dividend Income is recognized when the right to receive the payment is established, which is generally when shareholders approve the dividend.
- (ii) Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

### D. Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on accrual basis.

## 3) Leasing

### As a Lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of

the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other Financial liabilities, as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### **As a Lessor**

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### **4) ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

#### **5) IMPAIRMENT OF NON FINANCIAL ASSETS**

- A. At each Balance Sheet date, the carrying amount of assets is tested based on internal/external factors, for impairment so as to determine:
- The provision for impairment loss, if any; and
  - The reversal of impairment loss recognized in previous periods, if any,
- B. Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:
- In the case of an individual asset, higher of the net selling price and the value in use.
  - In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows discounted to their present value at the weighted average cost of Capital, from the continuing use of an asset and from its disposal at the end of its useful life).

Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

#### **6) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents balances include cash in hand, fixed deposits, margin money deposits, earmarked balances with banks, other bank balances such as dividend accounts, which have restrictions on repatriation, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

# STEEL STRIPS WHEELS LIMITED

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## 7) INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- a) In case of raw materials at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- b) In case of stores and spares at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- c) In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.
- d) In case of finished goods at raw material cost plus conversion costs, packing cost, excise duty (if applicable) and other overheads incurred to bring the goods to their present location and condition.

## 8) Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Initial recognition and measurement.

### Initial recognition measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except trade receivables which are recognized at transaction price.

### Subsequent measurement

Non-derivative financial instruments

#### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

#### (iv) Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind-AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind-AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in statement of profit and loss. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

### Equity Share Capital

#### (i) Equity shares

Equity shares issued by the Company are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

### De-recognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

## Fair value measurement of financial instruments

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchies, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

### 9) Property, plant and equipment(PPE)

Fixed assets are stated at original cost net of tax/duty credit availed, if any, less accumulated depreciation and cumulative impairment and those which have been revaluated are stated at the values determined by the valuers less accumulated depreciation and cumulative impairment. Cost of acquisition is inclusive of freight and other incidental expenses and interest on loan taken for the acquisition of qualifying assets up to the date of commissioning of assets.

Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the company and cost of the item can be measured reliably. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gain or losses arising from de-recognition of fixed assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, have been added to or deducted from the cost of the asset and shall be depreciated over the balance useful life of the asset.

Die Tooling, developed in-house, includes cost of material and other direct/ incidental expense on in-house development.

Tangible Assets not ready for the intended use on the date of the balance Sheet are disclosed as "capital work in progress".

### Transition to Ind AS

For transition to Ind AS, The Company has elected to continue with the carrying value of all of its PPE recognised as of 01 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### 10) DEPRECIATION / AMORTIZATION ON TANGIBLE FIXED ASSETS

Depreciation is the systematic allocation of the depreciable amount of an asset over useful life. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value.

#### A. OWNED ASSETS

- (i) Pursuant to applicability of Schedule II, of Companies Act 2013, with effect from 1st April 2014, Management has reassessed the useful life of tangible assets based on the internal and external technical evaluation. The Depreciation on fixed assets is provided on straight line method in accordance with applicable Schedule of the Companies Act, 2013.
- (ii) Depreciation for addition to/deductions from, owned assets is calculated on pro-rata basis from the date of such addition or, as the case may be, up to the date on which such asset has been sold, discarded, demolished or destroyed.
- (iii) Residual values of assets have been considered at 5% of the original cost of the assets.
- (iv) Difference of Exchange Rate fluctuation on imported plant and machineries procured out of long term foreign currency loans is amortized over the residual life of relevant plant and machineries.
- (v) Depreciation on assets carried at carrying amount as on 01.04.2014 and is depreciated as per Straight line method over the remaining useful life of the assets. Further the assets whose remaining useful life are nil, has been recognized in the opening balance of retained earnings. Refer the same as transitional provision
- (vi) The depreciation calculation is based on the balance useful lives of assets and shift working. Depreciation on assets used on double shift basis have been increase by 50% for that period and Depreciation on assets used in triple shift basis have be calculated on the basis of 100% for that period, Except for assets in respect of which no extra shift depreciation is permitted (indicated by NESD in Part C of the schedule).
- (vii) Management has reassessed the useful life of plant and machineries based on the internal and external technical evaluation which is higher than useful life prescribed under the act. The reassessed useful life is tabulated as:

Location	Useful Life as per Act (in Years)	Average useful life (in years)	Balance Avg. useful Life as on 01/04/2014
Dappar	15.00	23.85	17.11
Chennai	15.00	23.29	19.72
JSR	15.00	24.96	23.17
Seraikella	15.00	15.00	15.00

# STEEL STRIPS WHEELS LIMITED

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## **B. LEASED ASSETS**

Land acquired under long term lease is classified under "Tangible Assets" and is amortized over the period of lease.

### **11) INTANGIBLE ASSETS AND AMORTIZATION**

Intangible assets are stated at original cost net of tax/duty credit availed, if any, less accumulated amortization and cumulative impairment. Intangible assets are recognized when it is probable that the future economic benefits are attributable to the asset will flow to the enterprise and the cost of asset can be measured reliably. Intangible assets are amortized over their estimated useful life. The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence etc.

Intangible Assets not ready for the intended use on the date of balance sheet are disclosed as "intangible assets under development"

### **12) Borrowing**

Borrowing are initially recognised at fair value, net of transaction costs incurred. Borrowing are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowing are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowing are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### **13) BORROWINGS COST**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized/inventorised as part of cost of such assets till such time the asset is ready for its intended use/or sale. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are expensed in the period in which they are incurred.

### **14) Provision**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **15) Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

### **16) Employee benefits**

#### **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### **Provident Fund & Employee State Insurance**

Contribution towards provident fund and employee state insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

#### **Superannuation fund**

The Company have a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Company contributes up to 12% of the eligible employees' salary or `1,00,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.



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## Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in profit or loss.

## Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise. Past-service costs are recognised immediately in profit or loss.

## 17) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled share option outstanding account. Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counter party renders the service. For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

## 18) TRANSACTIONS IN FOREIGN CURRENCY

### A) Functional and Presentation currency

The functional currency of the Company is Indian Rupee. These financial statements are presented in Indian Rupee (rounded off to lakhs).

### B) Transaction and balances

The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

## 19) SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole.

## 20) EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes and dividend on cumulative preference shares for the year) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for event of bonus issue/right issue etc; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

# STEEL STRIPS WHEELS LIMITED

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For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 21) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 22) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments which have significant effect on the amounts recognized in the financial statement:

### a) CONTINGENCIES

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

### b) ALLOWANCE FOR UNCOLLECTED ACCOUNTS RECEIVABLE AND ADVANCES

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.

### c) DEFINED BENEFIT PLANS

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### d) FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## AUDITORS' REPORT

Certified in terms of our separate report of even date annexed.

### FOR AKR & Associates

Chartered Accountants

ICAI Firm Registration Number: 021179N

per Kailash Kumar  
Membership Number : 505972

Place : Chandigarh  
Date : 27th May, 2019



## Statement of Changes in Equity for the period ended 31 March 2019

(All amounts ₹ in Lakhs, unless stated otherwise)

PARTICULARS	Reserve and surplus							Total
	Share Forfeiture Reserve	Securities premium reserve	Capital reserve	General reserve	Share option outstanding	Deferred employee compensation	Retained earnings	
<b>A. Equity Share Capital</b>								
As at 31st March, 2017								1,553.36
Changes in equity share capital during the year								2.27
<b>As at 31 March, 2018</b>								<b>1,555.63</b>
Changes in equity share capital during the year								3.35
<b>As at 31 March, 2019</b>								<b>1,558.98</b>
<b>B. Other Equity</b>								
<b>(a) Balance at 31st March, 2017</b>	59.10	13,022.80	5,358.59	24,653.93	82.03	-	6,472.33	49,648.78
(i) Profit for the year	-	-	-	-	-	-	7,509.14	7,509.14
(ii) Other comprehensive income for the year, net of tax	-	-	-	-	-	-	65.91	65.91
<b>(b) Total comprehensive income for the year</b>	-	-	-	-	-	-	7,575.05	7,575.05
Deductions during the year								
(iii) Dividends including tax thereon	-	-	-	-	-	-	(561.69)	(561.69)
(iv) Transfer to general reserve	-	-	-	5,568.30	-	-	(5,572.25)	(3.95)
(v) Shares issued/options exercised	-	73.53	-	-	140.36	-	-	213.89
<b>(c) Balance at 31 March, 2018</b>	59.10	13,096.33	5,358.59	30,222.23	222.39	-	7,913.44	56,872.08
(vi) Profit for the year	-	-	-	-	-	-	8,235.59	8,235.59
(vii) Other comprehensive income for the year, net of tax	-	-	-	-	-	-	(21.65)	(21.65)
<b>(d) Total comprehensive income for the year</b>	-	-	-	-	-	-	8,213.94	8,213.94
Deductions during the year								
(viii) Dividends including tax thereon	-	-	-	-	-	-	(751.31)	(751.31)
(ix) Transfer to general reserve	-	-	-	7,509.14	-	-	(7,510.68)	(1.54)
(x) Shares issued/options exercised	-	251.31	-	-	506.81	-	-	758.12
<b>(e) Balance at 31 March, 2019</b>	59.10	13,347.64	5,358.59	37,731.37	729.20	(660.23)	7,865.39	64,431.06

The accompanying notes are an integral part of these financial statements (1-51)  
As per our report of even date attached.

**For AKR & Associates**  
**Chartered Accountants**

ICAI Firm Registration Number: 021179N  
per Kailash Kumar  
**Partner**  
Membership Number : 505972

For and on behalf of Board

Dheeraj Garg  
**Managing Director**  
Andra Veetil Unnikrishnan  
**Dy. Managing Director**

Surinder Kumar Bansal  
Jaspreet Takhar  
Sanjay Suraj Prakash Sahni  
**Directors**

Place : Chandigarh  
Date : 27th May, 2019

Shaman Jindal  
**Company Secretary**

Manohar Lal Jain  
**Executive Director**

Ayush Thareja  
**CFO**

# STEEL STRIPS WHEELS LIMITED

Summary of significant Standalone accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in lakhs, unless stated otherwise)

## Note-3 Property, plant and equipment

Particulars	Freehold land	Leasehold land	Building	Office equipments	Furniture and fixtures	Plant and machinery	Vehicle	Total
<b>Gross Carrying Value</b>								
<b>Balance as at 31st March,2017</b>	<b>10,024.28</b>	<b>1,207.17</b>	<b>15,631.81</b>	<b>690.81</b>	<b>4,427.62</b>	<b>82,234.01</b>	<b>1,681.87</b>	<b>1,15,897.57</b>
Additions	397.89	-	9,319.62	140.95	821.20	25,943.31	236.15	36,859.12
Disposals	-	-	-	(0.42)	(547.82)	(3,044.40)	(35.78)	(3,628.42)
<b>Balance as at 31st March,2018</b>	<b>10,422.17</b>	<b>1,207.17</b>	<b>24,951.43</b>	<b>831.34</b>	<b>4,701.00</b>	<b>1,05,132.92</b>	<b>1,882.24</b>	<b>1,49,128.27</b>
Additions	15.00	-	5,732.62	258.68	293.85	30,063.73	92.31	36,456.19
Disposals	-	-	(0.66)	(1.18)	(47.60)	(427.71)	-	(477.15)
<b>Balance as at 31st March,2019</b>	<b>10,437.17</b>	<b>1,207.17</b>	<b>30,683.39</b>	<b>1,088.84</b>	<b>4,947.25</b>	<b>1,34,768.94</b>	<b>1,974.55</b>	<b>1,85,107.30</b>
<b>Accumulated Depreciation</b>								
<b>Balance as at 31st March,2017</b>	-	127.80	3,484.52	519.76	1,752.53	35,153.40	698.68	41,736.69
Additions	-	12.06	513.79	59.02	554.59	3,865.11	174.50	5,179.07
Disposals	-	-	-	(0.24)	(2.92)	(450.06)	(28.10)	(481.32)
<b>Balance as at 31st March,2018</b>	-	<b>139.86</b>	<b>3,998.31</b>	<b>578.54</b>	<b>2,304.20</b>	<b>38,568.45</b>	<b>845.08</b>	<b>46,434.44</b>
Additions	-	12.06	764.95	87.82	535.03	4,531.21	183.63	6,114.70
Disposals	-	-	(0.07)	(1.03)	(45.22)	(149.01)	-	(195.33)
<b>Balance as at 31st March,2019</b>	-	<b>151.92</b>	<b>4,763.19</b>	<b>665.33</b>	<b>2,794.01</b>	<b>42,950.65</b>	<b>1,028.71</b>	<b>52,353.81</b>
<b>Net carrying amount</b>								
<b>Balance as at 31st March, 2017</b>	<b>10,024.28</b>	<b>1,079.37</b>	<b>12,147.29</b>	<b>171.05</b>	<b>2,675.09</b>	<b>47,080.61</b>	<b>983.19</b>	<b>74,160.87</b>
<b>Balance as at 31st March,2018</b>	<b>10,422.17</b>	<b>1,067.31</b>	<b>20,953.12</b>	<b>252.80</b>	<b>2,396.80</b>	<b>66,564.47</b>	<b>1,037.16</b>	<b>1,02,693.79</b>
<b>Balance as at 31st March,2019</b>	<b>10,437.17</b>	<b>1,055.25</b>	<b>25,920.20</b>	<b>423.51</b>	<b>2,153.24</b>	<b>91,818.29</b>	<b>945.84</b>	<b>1,32,753.50</b>

### Notes:

- Land for Oragadam plant in Chennai is obtained on 99 years of lease basis from State Industrial Promotion Corporation of Tamilnadu Limited(SIPCOT), a Government of Tamilnadu enterprises. The total cost of Lease hold land is amortised over a period of 99 years. Accordingly a sum of Rs. 12.06 Lacs ( Previous year Rs. 12.06 Lacs) is amortised during the period.

### Leases

	As at 31st March 2019	As at 31st March 2018
a) Not later than one year	12.06	12.06
b) later than one year but not later than five years	48.24	48.24
c) later than five years	994.95	1,007.01

- The company has used deemed cost exemption under Ind AS 101 as on the date of transition to Ind AS.



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

**Note-4 Capital Work-in-Progress**

Particulars	Amount
Balance as at 1st April, 2017	35,172.02
Balance as at 31st March, 2018	32,318.45
Balance as at 31st March, 2019	5,280.33

**Note-5 Other Intangible Assets**

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Particulars</b>	<b>Packages &amp; Software</b>	<b>Total</b>
<b>Gross Carrying Value</b>		
Deemed Cost as at 31st March, 2017	447.84	447.84
Additions	-	-
Disposals	-	-
Balance as at 31st March, 2018	447.84	447.84
Additions	-	-
Disposals	-	-
Balance as at 31st March, 2019	447.84	447.84
<b>Accumulated Depreciation</b>		
Balance as at 31st March, 2017	126.58	126.58
Additions	78.30	78.30
Disposals	-	-
Balance as at 31st March, 2018	204.88	204.88
Additions	77.56	77.56
Disposals	-	-
Balance as at 31st March, 2019	282.44	282.44
<b>Net carrying amount</b>		
Balance as at 31st March, 2017	321.26	321.26
Balance as at 31st March, 2018	242.96	242.96
Balance as at 31st March, 2019	165.40	165.40

**Note 6. Non-current investments**

Particulars	As at 31st March 2019	As at 31st March 2018
<b>OTHERS</b>		
<b>Investment in Equity Shares</b>	<b>19.40</b>	<b>19.40</b>
(Unquoted and valued at cost)		
112500 (Previous year 112500) Equity Shares of Rs. 10/- each of Nimbua Greenfield (Punjab) Limited.		
81534 (Previous year 81534) equity shares of Rs. 10/- Each of Echanda Urja Pvt. Limited.		
<b>Grand Total</b>	<b>19.40</b>	<b>19.40</b>
<b>Aggregate amount of quoted investments</b>	<b>-</b>	<b>-</b>
<b>Aggregate amount of Un-quoted investments</b>	<b>19.40</b>	<b>19.40</b>

# STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Note:- 7. Loans</b> <b>(Unsecured, considered good unless otherwise stated)</b>		
Advance recoverable in cash or kind	1,037.12	692.06
Less :- Provisions for Doubtful Advances( Other loan & advances)	35.00	35.00
	<b>1,002.12</b>	<b>657.06</b>
<p>The Company has entered into an agreement for purchase of land admeasuring 304 kanals approx at village Bir Farozari, Distt. Panchkula, at cost of Rs. 133.00 Lacs for setting up and auto component unit. The Land has not yet been registered in the name of Company . Pending the same , the advance of Rs. 35.00 Lacs paid by the Company has been shown as advances recoverable and being under legal suit, a provision for the same has been made.</p>		
<b>Note:- 8. Other financial assets (non-current)</b>		
Security deposits	630.11	753.11
Income tax Refundable of earlier years	83.58	95.79
	<b>713.69</b>	<b>848.90</b>
<b>Note:- 9. Other non-current assets</b>		
Prepaid expenses	135.79	137.38
	<b>135.79</b>	<b>137.38</b>
<b>Note:-10 Inventories</b> <b>(Valued at cost, unless otherwise stated)</b>		
a) Raw material		
- Raw Material & Components in hand	11,468.56	11,173.71
- Raw Material & Components (in transit)	2,766.13	2,200.98
b) Work in Progress	4,253.70	3,276.83
c) Finished Goods	6,072.58	1,880.17
d) Stores & Spares	9,060.54	7,684.57
e) Scrap	187.85	372.44
	<b>33,809.36</b>	<b>26,588.70</b>
<b>Note:- 11 Trade receivables</b> <b>(Unsecured, considered good unless otherwise stated)</b>		
Unsecured, considered good	19,396.72	31,287.38
Unsecured, considered doubtful	55.66	55.66
	<b>19,452.38</b>	<b>31,343.04</b>
Less :- Provisions for Doubtful Debtors	55.66	55.66
	<b>19,396.72</b>	<b>31,287.38</b>
<b>Note:- 12 Cash and bank balances</b>		
Balances with banks		
-Current account	607.15	197.07
Cheques in hand	3,001.67	3,150.00
Cash in hand	8.16	9.27
	<b>3,616.98</b>	<b>3,356.34</b>
<b>Note:- 13. Other Bank Balances</b>		
Current Account-Funds for CSR activities	2.26	0.69
Unpaid dividend accounts	48.80	47.29
Fixed deposits maturing within 12 months (Held under lien with banks)	8,432.04	9,654.46
	<b>8,483.10</b>	<b>9,702.44</b>
<b>Note:- 14. Loans</b> <b>(Unsecured, considered good unless otherwise stated)</b>		
Advances Recoverable in Cash or in Kind (Short Term)	281.30	548.71
	<b>281.30</b>	<b>548.71</b>



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2019		As at 31st March 2018	
<b>Note:- 15. Other financial assets</b>				
Interest Accrued But Not Received		178.85		43.72
		<b>178.85</b>		<b>43.72</b>
<b>Note:-16. Current/Non-current tax assets/ liabilities (net)</b>				
Advance Tax/ Tax Deducted at Source		-		-
		-		-
<b>Note:-17. Other current assets</b>				
MAT Credit Entitlement		7,268.35		5,436.23
Balance with Statutory Authorities		119.27		172.34
GST/VAT Recoverable		2,053.19		3,466.83
Prepaid Expenses		60.21		73.47
		<b>9,501.02</b>		<b>9,148.87</b>
Less :- Provisions for Doubtful Advances		-		-
		<b>9,501.02</b>		<b>9,148.87</b>

Particulars	31st March 2019		31st March, 2018	
	No. of shares	Amount	No. of shares	Amount
<b>Note:- 18(a) Equity Share Capital</b>				
<b>Authorised capital</b>				
Equity Shares of Rs.10/- each	19000000	1,900	19000000	1,900
Preference shares of Rs. 145/- each optionally Convertible cummulative or Non Cummulative	1200000	1,740	1200000	1,740
<b>Issued, subscribed and fully paid up.</b>				
Equity Shares of Rs.10/- each	15589720	1,558.97	15556270	1,555.63
<b>a) Reconciliation of equity shares outstanding at the beginning and at the end of the year. (Equity Shares of ₹10/- each)</b>				
Equity shares at the beginning of the year	15556270	1,555.63	15533520	1,553.35
Issued during the year	33450	3.35	22,750	2.27
Equity shares at the end of the year	15589720	1,558.97	15556270	1,555.63

**b) Rights, Preferences and restrictions attached to shares**

The Company has issued only one class of shares i.e. equity shares of Rs. 10/- per share. All equity shares rank pari passu and carry equal rights with respect to voting and dividend. The dividend proposed by the board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of shareholders holding more than 5% shares in the Company**

	31st March 2019		31st March 2018	
	No of shares	% holding	No of shares	% holding
MR. DHEERAJ GARG	4640228	29.76	4640228	29.83
SAB INDUSTRIES LIMITED	1324187	8.49	1324187	8.51
SAB UDYOG LIMITED	1142582	7.33	1142582	7.34
TATA STEEL LIMITED	1086972	6.97	1086972	6.99
SUMITOMO METAL INDUSTRIES LIMITED	850000	5.45	850000	5.46

**d) Share Reserved for Issue under Options outstanding as at the end of the year (refer note no. 46)**

# STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

## Note:- 19 Other Equity

	As on 31st March 2019	As on 31st March 2018
<b>Reserves &amp; Surplus</b>		
Share Forfeiture Reserve	59.10	59.10
Assistance under PATSER Scheme	50.00	50.00
Capital Subsidy	27.95	27.95
Capital Revaluation Reserve	5,280.64	5,280.64
	<b>5,417.69</b>	<b>5,417.69</b>
<b>Securities Premium Reserve</b>		
As per Last Balance sheet	13,096.33	13,022.80
Addition during the Year	251.31	73.53
Deduction during the Year	-	-
<b>Closing Balance</b>	<b>13,347.64</b>	<b>13,096.33</b>
<b>Share Options Outstanding Account</b>		
Employee Stock Options Outstanding		
As per Last Balance sheet	222.39	82.03
Addition during the Year	506.81	193.41
Deduction during the Year	-	53.05
<b>Closing Balance</b>	<b>729.20</b>	<b>222.39</b>
<b>Deferred Employee Compensation Expenses</b>		
As per Last Balance sheet	-	-
Addition during the Year	(660.23)	(193.41)
Deduction during the Year	-	193.41
<b>Closing Balance</b>	<b>(660.23)</b>	<b>-</b>
<b>General Reserves</b>		
Opening Balance as per last Balance Sheet	30,222.23	24,653.93
Add : Additions during the year	7,509.14	5,568.30
<b>Balance as at the year end</b>	<b>37,731.37</b>	<b>30,222.23</b>
<b>Retained Earnings</b>		
Opening Balance as per last Balance Sheet	7,913.44	6,472.34
Profit for the year	8,235.59	7,509.14
Other Comprehensive Income	(21.65)	65.91
Dividends (including tax thereon)	751.31	561.69
Transfer to General Reserves	7,509.14	5,568.30
Appropriations	(1.54)	(3.95)
<b>Balance as at the year end</b>	<b>7,865.39</b>	<b>7,913.44</b>
<b>Total</b>	<b>64,431.06</b>	<b>56,872.09</b>
<b>Note:- 20 Non-current Borrowings</b> (Refer note No:45)		
<b>Secured</b>		
Rupee Term loans from banks	28,839.61	34,175.00
Foreign Currency Term Loans	16,915.11	14,820.24
Loans from NBFC	-	-
Vehicle Loan from banks	56.62	76.23
<b>Unsecured</b>		
Buyer Credit for Capital Goods - Long Term	-	-
	<b>45,811.34</b>	<b>49,071.47</b>
<b>Note:-21 Other Financial Liabilities</b>		
Payables for Capital Goods - Long Term	6,229.87	2,400.01
	<b>6,229.87</b>	<b>2,400.01</b>



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As on 31st March 2019	As on 31st March 2018
<b>Note:- 22 Provisions</b>		
Provision for Gratuity (refer note 43)	1,019.60	906.27
Provision for Leave Encashment	306.87	295.52
	<b>1,326.87</b>	<b>1,201.79</b>
<b>Note:-23 Deferred tax Liabilities (net) (refer note 50)</b>		
Deferred tax liabilities arising on account of :		
Depreciation and fixed assets	12,570.11	10,614.60
<b>Deferred tax asset arising on account of :</b>		
Expenses debited in current year but allowed for tax purposes in following year	-	-
	<b>12,570.11</b>	<b>10,614.60</b>
<b>Note:-24 Current Borrowings</b>		
<b>Secured</b>		
<b>Loan repayable on demand</b>		
- Rupee demand Loans from Banks	26,036.74	28,092.85
- Loan against Fixed Deposits	7,871.76	8,374.13
<b>Foreign Currency Loan</b>		
- Buyers Credit loan for Raw Material from Banks	861.92	-
<b>Unsecured</b>		
From Banks		
- Loan against Bills Receivables	4,517.97	4,498.70
From Others		
- NBFC	-	-
	<b>39,288.39</b>	<b>40,965.68</b>

#### Nature of Securities

##### Loan payable on Demand

1st pari passu charge by way of hypothecation of entire current asset constituted of raw materials, stock in process, finished goods, consumable stores, book debts, bills whether documentary or clean outstanding monies, receivables both present and future of the company.

2nd pari-passu charge on entire Fixed Assets of the company.

##### Foreign Currency Loan

Buyer credit loans are secured by way of lien on non-funds based working capital limits and counter indemnity of the Company.

All secured loans are further secured by personal guarantee of Chairman and Managing Director of the Company.

#### Note:- 25 Trade payables

	As at 31st March 2019	As at 31st March 2018
Micro, Small and Medium Enterprises	915.85	551.48
Others	24,816.52	31,987.44
	<b>25,732.37</b>	<b>32,538.92</b>

Debit and credit balances in the accounts of suppliers and others are subject to confirmation and reconciliation.

Detail of amounts outstanding to Micro & Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act 2006, based on available information with the Company is as under :

Particulars	As at 31st March 2019	As at 31st March 2018
Principal amount due and remaining unpaid	915.85	551.48
Interest due on above and the unpaid interest	-	-
Interest Paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

# STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As on 31st March 2019	As on 31st March 2018
<b>Note:- 26 Other financial liabilities</b>		
Current maturities of long-term borrowings	13,655.43	11,967.74
Current maturities of Capital Creditors	-	8,294.30
Interest accrued but not due	-	-
	<b>13,655.43</b>	<b>20,262.04</b>
<b>Note:-27. Current/Non-current tax assets/ liabilities (net)</b>		
Advance income tax (net of prov.)	143.34	175.44
	<b>143.34</b>	<b>175.44</b>
<b>Note:- 28 Provisions</b>		
<b>Provision for Employee benefits</b>		
i) Provision for Gratuity (refer note 43)	184.14	94.73
ii) Provision for Leave Encashment	49.80	36.30
	<b>233.94</b>	<b>131.03</b>
<b>Note:- 29 Other Current liabilities</b>		
Advances from customers	40.06	42.15
Due to directors	348.44	312.96
Government dues	346.22	295.60
Other Payable incl.(Employee related payables)	1,394.00	1,107.40
Unclaimed dividend	48.80	47.29
	<b>2,177.52</b>	<b>1,805.40</b>
	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31st March 2019</b>	<b>31st March 2018</b>
<b>Note:- 30 Revenue from operations</b>		
Operating revenues		
Sale of products (excluding excise duty)		
Export	19,836.40	11,546.06
Domestic	183,864.29	1,43,971.12
	<b>203,700.69</b>	<b>1,55,517.18</b>
<b>Other operating revenue</b>		
Duty Draw back Income	334.64	120.37
Job Work Income	83.51	78.25
	<b>418.15</b>	<b>198.62</b>
	<b>204,118.84</b>	<b>1,55,715.80</b>
<b>Note:- 31 Other Income</b>		
Interest income	1,098.47	841.07
Profit on sale of shares/Mutual funds	-	0.17
Profit on disposal of fixed assets	-	89.95
Balances written back/off (net)	12.74	-
Miscellaneous income	634.95	413.35
	<b>1,746.16</b>	<b>1,344.54</b>
<b>Note:- 32 Cost of materials consumed</b>		
Imported	2,352.38	-
Indigenous	133,018.93	93,768.40
	<b>135,371.31</b>	<b>93,768.40</b>
<b>Note:- 33 Change in inventories of finished goods, stock in trade and work -in-progress</b>		
Opening stock		
Finished Goods	1,880.17	716.71
Scrap	372.44	79.88
Work-in-Progress	3,276.83	1,335.45
Less: Closing Stock		
Finished Goods	6,072.59	1,880.17
Scrap	187.85	372.44
Work-in-Progress	4,253.70	3,276.83
	<b>(4,984.70)</b>	<b>(3,397.40)</b>





Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
<b>Note:- 34. Employee benefit expense</b>		
Salaries, Wages, Bonus & Incentives etc.(Net)	17,029.32	11,984.99
Contribution to Provident and Other Funds	576.09	522.80
Workmen and Staff Welfare Expenses	968.28	714.53
Gratuity	185.23	250.32
Employee stock option scheme Share Expenses (refer note 46)	67.96	169.24
	<b>18,826.88</b>	<b>13,641.88</b>
<b>Note:- 35 Finance costs</b>		
a) Interest Expenses		
i) Paid to Banks		
- on Term Loan	3,901.67	1,690.20
- on Working Capital Loan	2,689.84	2,648.94
- on Foreign Currency Loan	795.30	257.50
- on Car Loan	7.10	3.48
ii) Interest Others	1,349.75	1,447.95
b) Other borrowing Charges	510.78	346.00
	<b>9,254.44</b>	<b>6,394.07</b>
<b>Note. 36 Depreciation and amortisation</b>		
<b>Depreciation on</b>		
Property, plant and equipment	6,114.71	5,179.06
<b>Amortisation on</b>		
Intangible assets	77.56	78.30
	<b>6,192.27</b>	<b>5,257.36</b>
<b>Note:- 37 Other Expenses</b>		
Store Spares Consumed :		
-Imported	828.58	924.57
-Indigenous	9,783.96	9,860.82
Other Misc. Manufacturing Exp	610.47	431.43
-Manufacturing	5,937.91	5,036.68
-Others	19.41	15.27
Repair and Maintenance	-	-
-Plant & Machinery	484.12	405.14
-Repairs & Renewals	136.98	109.74
-Vehicle Running, Repair & Maintenance	30.67	90.10
Commission	-	-
Rent (Including Lease Rent)	622.75	436.49
Rates and Taxes	188.33	133.89
Insurance	229.48	210.05
Auditors' Remuneration	11.00	11.00
Advertisement, Publicity and Sales Promotion	2.42	5.42
Travel & Conveyance		
-Directors	50.10	30.39
-Others	796.80	600.76
Legal & Professional Charges	589.32	318.58
Balances Written Back/ Off (Net)	-	5.65
Director's Sitting Fees	2.80	3.80
Loss on Sale of Assets	8.16	-
Managerial Remuneration incl. commission of Whole time directors	707.81	611.79
Telephone & Communication Expenses	42.52	52.02
Business Promotion	85.21	75.01
Forwarding Expenses	7,334.65	6,481.79
Royalty on Sales	28.51	99.92
Loss/(Gain) on Foreign Exchange Fluctuation	467.36	562.46
Miscellaneous Expenses *	777.26	854.43
<b>Total</b>	<b>29,776.58</b>	<b>27,367.20</b>
* Miscellaneous Expenses includes expenses under the Corporate Social responsibilities under Section 135 of Companies Act 2013	194.39	164.21
<b>Research and Development Expenses</b>	<b>Year Ended 31st March 2019</b>	<b>Year Ended 31st March 2018</b>
Salaries , Wages and other allowances	502.60	370.00
Power & Fuel	21.55	24.18
Travelling and Conveyance	15.59	21.54
	<b>539.74</b>	<b>415.72</b>
<b>Grand Total</b>	<b>30,316.32</b>	<b>27,782.92</b>

# STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
<b>Note:- 38 Exceptional items</b>		
Prior Period Expense/(Income) (refer note 42)	0.02	8.82
	<b>0.02</b>	<b>8.82</b>
<b>Payment to Auditors</b>		
As Auditor:		
Audit fee	7.00	7.00
Tax audit fee	2.00	2.00
Certificate Charges	2.00	2.00
	<b>11.00</b>	<b>11.00</b>

## Note: 39 Earnings per share (EPS)

### Basic

Net Profit as per profit and loss account	8,235.59	7,509.14
Weighted average number of equity shares outstanding during the year	15,564,795.00	1,55,53,652.00

### Earning per Share- Basic

	<b>52.91</b>	<b>48.28</b>
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### Diluted

Net Profit as per profit and loss account	8,235.59	7,509.14
Weighted average number of equity shares outstanding during the year	16,102,882.00	1,55,86,068.00

Earning per Share- Diluted	<b>51.14</b>	<b>48.18</b>
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Nominal Value of Equity Share	10	10
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## Note:- 40 Contingent Liabilities (To the extent not provided for)

### A) CONTINGENT LIABILITIES

Letter of Credit /Bank of Guarantee Outstanding for Import /Purchase of Raw materials , Spares and Plant and Machinery	2,402.70	2,797.03
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### B) COMMITMENTS

Estimated amount of Contracts remaining to be executed on account of capital account and not provided for ( net of advances)	5,492.64	3,174.36
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## Note:- 41 Related party disclosure

### 1) Related Party Disclosure

#### a) Key Managerial Personnel

Sh. Dheeraj Garg, (Managing Director)  
Sh. A.V Unnikrishnan, (Deputy Managing Director)  
Sh. M.L. Jain,(Executive Director)  
\*Sh. Naveen Sorot ( CFO)  
Sh. Shaman Jindal ( Company Secretary)  
\*\* Sh. Ayush Thareja (CFO)  
Note: \*Sh. Naveen Sorot ceased to be CFO w.e.f. 18.09.2018  
\*\* Sh. Ayush Thareja was appointed as CFO w.e.f. 14.02.2019

#### b) Relatives of the KMP

Sh. R.K Garg, Chairman  
Smt. Sunena Garg  
Ms. Priya Garg

#### c) Enterprises over which key management personnel (KMP) are able to exercise significant control:-

SAB Industries Limited, SAB Udyog Limited, Malwa Chemtex Udyog Ltd., Steel Strips Financiers Pvt. Ltd., Munak International Pvt. Ltd., S.S. Credits Pvt. Ltd., S.J. Mercantile Pvt. Ltd.(Earlier known as S.A. Holding Pvt. Ltd.) , Malwa Holdings Pvt. Ltd., Munak Investment Pvt. Ltd., Steel Strips Holding Pvt. Ltd., Chandigarh Developers Pvt. Limited , DHG Marketing Pvt. Ltd , Steel Strips Infrastructre Limited, Munak financiers P Ltd, Steel Strips Ltd., Steel Strips Industries Limited (Earlier Known as Steel Strips Leasing Limited) & Hans Raj Trust

Related Party Transactions	Key management Personnel (KMP)	Relatives of KMP	Enterprises over which KMP are able to exercise significant influences	Total for current year 2018-19	Total for previous year 2017-18
<b>EXPENDITURE</b>					
Lease Line Charges	-	-	-	-	4.13
Donation paid	-	-	72.00	72.00	-
Rent Paid	-	-	33.69	33.69	31.44
Sitting Fee	-	0.80	-	0.80	0.60
Remuneration incl. commission	771.73	-	-	771.73	677.47
Dividend Paid	186.68	15.01	157.97	359.66	265.64
	<b>958.41</b>	<b>15.81</b>	<b>263.66</b>	<b>1,237.88</b>	<b>979.28</b>



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Note:- 42. Prior period comprises of the following</b>		
<b>Expenses</b>		
Sales tax demand	-	2.76
Freight and Others	0.02	6.06
<b>Total</b>	<b>0.02</b>	<b>8.82</b>

**Note:- 43. Post Retirement Benefits Plans (Ind AS 19)**

**Defined Benefit Plan**

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Particulars	As on 31st March, 2019	As on 31st March, 2018
<b>(i) Changes in Defined Benefit Obligation</b>		
<b>Present value obligation as at the start of the year</b>	<b>1,001.76</b>	929.13
Interest cost.	75.13	74.33
Current service cost	193.78	165.36
Actuarial loss/(Gains) - Experience Changes	39.14	(107.94)
Actuarial loss / (Gains)- on obligations	-	-
Benefits directly paid by employer	(39.23)	(40.18)
Benefits directly paid by trust	(65.91)	(18.93)
<b>Present value obligation as at the end of the year</b>	<b>1,204.67</b>	<b>1,001.76</b>
<b>(ii) Change in fair value of plan assets</b>		
Fair value of plan assets as at the start of the year	553.53	398.08
Interest income on plan assets	41.51	31.85
Employer Contributions	305.00	149.68
Return on plan assets greater/(lesser) than discount Rates	5.87	(7.15)
Benefits paid	(65.91)	(18.93)
<b>Fair value of plan assets as at the end of the year</b>	<b>839.99</b>	553.53
<b>(iii) Breakup of Actuarial gain/loss:</b>		
Actuarial (gain)/loss on arising from change in financial assumption	-	-
Actuarial (gain)/loss on arising from experience adjustment	39.14	(107.94)
Return on plan assets (greater)/less than discount rate	(5.87)	7.15
	<b>33.28</b>	<b>(100.79)</b>
<b>(iv) Net Asset / (Liability) recognised in the Balance Sheet</b>		
Present value obligation as at the end of the year	(1,204.67)	(1,001.76)
Fair value of plan assets as at the end of the year	839.99	553.53
<b>Net Asset / (Liability) in the Balance Sheet</b>	<b>(364.68)</b>	<b>(448.24)</b>
<b>(v) Amount recognized in the statement of profit and loss</b>		
Current service cost	193.78	165.36
Interest cost	75.13	74.33
Interest income on plan assets	(41.51)	(31.85)
<b>(Income)/Expense recognised in the statement of profit and loss</b>	<b>227.40</b>	<b>207.84</b>
<b>(vi) Remeasurements recognised in the statement of Other Comprehensive Income (OCI)</b>		
Changes in Financial Assumptions	-	-
Experience Adjustments	39.14	(107.94)
Return on plan assets (greater)/less than discount rate	(5.87)	7.15
<b>Amount recognised in Other Comprehensive Income</b>	<b>(33.28)</b>	<b>100.79</b>
<b>(vii) Actuarial assumptions</b>		
Discount Rate (p.a)	7.50%	8.00%
Salary Escalation Rate (p.a)	6.00%	6.00%
Attrition (At all ages)	10.00%	10.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

# STEEL STRIPS WHEELS LIMITED

Summary of significant standalone accounting policies and other explanatory information for the year ended 31st March, 2019  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>(viii) Sensitivity analysis for gratuity liability</b>		
The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:		
<b>Present value of obligation at the end of the year</b>		
<b>Impact of the change in Discount rate (p.a)</b>		
Impact due to decrease of 1%	76.58	60.32
Impact due to increase of 1%	(68.05)	(53.79)
<b>Impact of change in Salary Escalation rate (p.a)</b>		
Impact due to increase of 1%	76.90	60.98
Impact due to decrease of 1%	(68.95)	(55.21)
<b>Weighted average duration of defined plan obligation at the end of reporting period</b>	<b>6 Years</b>	<b>5.70 years</b>

## Note:- 44. Segment Reporting

### A) PRIMARY SEGMENT (BUSINESS SEGMENT)

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. The Company's Operation predominantly comprise of only one segment i.e Automotive Wheels. In view of the same, separate segmental information is not required to be given as per the requirements of Accounting Standard 17.

### B) SECONDARY SEGMENT (GEOGRAPHICAL SEGMENT)

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments.

Particulars	As at 31st March 2019	As at 31st March 2018
<b>GROSS SALE REVENUE BY GEOGRAPHICAL SEGMENT</b>		
WITHIN INDIA	234,600.04	1,76,350.19
OUTSIDE INDIA	19,836.40	11,546.06
<b>TOTAL</b>	<b>254,436.44</b>	<b>1,87,896.25</b>

The Company has common fixed assets, other assets and liabilities for domestic as well as overseas market. Hence, separate figures for assets and liabilities have not been furnished.

## Note: 45. Securities and Terms of repayments for Secured Long term borrowings

### 1) Nature of Securities

#### A) Rupee Term Loans/ Foreign currency term loan/ NBFC

Term Loans from banks, financial institutions and others are secured / to be secured by equitable mortgage created/ to be created by deposit of title deeds of the Company's immovable properties for Dappar ( In Punjab),Oragadam( In Chennai) & Seraikella in Jharkhand) in addition to the deed of hypothecation charging Company's moveable properties, both present and future and second charge created / to be created on raw materials, semi-finished goods, consumable stores, finished goods and book debts etc on pari-passu basis. However in regard to loan taken from HDFC Bank and EXIM Bank for Mehsana (Gujarat) project, the said loan will be secured (first charge) through equitable mortgage by deposit of title deeds of the Company's immovable properties situated at Mehsana (in Gujarat) and Second pari passu charge on all other immovable properties , movable properties and current assets situated at Dappar( In Punjab),Oragadam( In Chennai) unit & Seraikela (in Jharkhand).

All secured loans are further secured by personal guarantee of Chairman & Director and/ or Managing Director of the Company.

#### B) Vehicle Loans are secured against the Hypothecation of Vehicle to Lender

### 2) Terms of Repayments

Maturity Profile of Secured Term Loans are as below :

Particulars	1st year	2nd year	3rd year	4th year	5th year
Term Loans - Current Year	13,655.43	13,608.80	12,247.04	7,938.17	6,010.75
Term Loans - Previous Year	11,949.78	11,209.61	11,003.43	9,655.18	6,453.44

## Note 46. Employee stock option plan.

### Share Reserved for Issue under Options outstanding as at the end of the year on unissued share capital

As on 1st April, 2018, the company had two employee Stock Options scheme i.e "Steel Strips wheels Limited Employee Stock Option Scheme 2014" (ESOS 2014) and Steel Strips Wheels Limited- Employee Stock Option Scheme, 2016 (ESOS 2016).

### 1. Steel Strips Wheels Limited , Employee Stock Option Scheme 2014

The Company has established an Employee Stock Option Scheme (ESOS) as "Steel Strips Wheels Limited Employee Stock Option Scheme 2014(ESOS 2014)" in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which was approved by the board of Directors and subsequently by shareholders of the Company in their Extra ordinary General meeting dated 27.02.2015, authorising the company to create, offer, issue and grant, in one or more tranches, up to 1,50,000 options to the employees of the company. Pursuant to the terms of the said Scheme, the Company had granted 1,50,000 options to employees. Each option would entitle the holder thereof to subscribe one equity share of Rs. 10/- each at an exercise price of Rs. 100/- per share of the company. Date of grant was 02.03.2015 and vesting period was one year from the date of grant. Exercise period for the option was within 4 years from the date of grant of the options. During the financial year 2015-16, 50,000 options were forfeited under this "ESOS 2014" and till the validity period of the said scheme i.e 01.03.2019, 97025 options have been exercised by the option holders (including 9450 options exercised during the FY 2018-19) and consequently equivalent number of shares have been issued and the balance outstanding 2975 Employee Stock Options, which were not exercised within the validity/eligibility period (i.e till 01.03.2019) by the employees to whom these options were granted, stands lapsed and expired w.e.f. 01.03.2019 and the said scheme had been closed w.e.f. 01.03.2019.

The Number and Weighted average exercise price of Stock Option are as follows:

Particulars	ESOS 2014			
	Year ended 31st March 2019		Year ended 31st March 2018	
	Options	Weighted average Exercise Price	Options	Weighted average Exercise Price
	Number	Amount	Number	Amount
Outstanding at the Beginning of the year	12425	100	35175	100
Granted Options	Nil	Nil	Nil	Nil
Forfeited during the year	Nil	Nil	Nil	Nil
Exercised during the year	9450	100	22750	100
Expired during the year	2975	100	Nil	Nil
Outstanding at the end of year	Nil	NIL	12425	100
Exercisable at the end of the year	Nil	NIL	12425	100
Number of Equity shares of Rs 10 each fully paid up to be issued on exercise of option	Nil	NIL	12425	100
Weighted Average share price in respect of options exercised during the year	-	942.43*	-	894.4*
Weighted average remaining contractual life (in years)	The said scheme has been closed w.e.f. 01.03.2019 due to expiry of exercise period	The said scheme has been closed w.e.f. 01.03.2019 due to expiry of exercise period	4 years (w.e.f. 02.03.2015)	4 years (w.e.f. 02.03.2015)

### 2. Steel Strips Wheels Limited- Employee Stock Option Scheme, 2016 (ESOS 2016)

The Company has also established an Employee Stock Option Scheme (ESOS) as "Steel Strips Wheels Limited Employee Stock Option Scheme 2016 (ESOS 2016)" in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which was approved by the board of Directors and subsequently by shareholders of the Company in their Annual General meeting held on 30.09.2016, authorizing the company to create, offer, issue and grant, in one or more tranches, up to 1,00,000 options to the employees of the company). Pursuant to the terms of the said Scheme, the Company had granted 49800 options ( 26500 options were granted on 16.05.2017 and 23300 options were granted on 08.01.2019) to employees of the Company. Each option would entitle the holder thereof to subscribe one equity share of Rs. 10/- each at an exercise price of Rs. 200/- per share of the company. As per the terms of the Scheme, all the options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 4 (four) years from the respective date of grant of options as may be determined by Employee Compensation Committee (ECC). As decided by the ECC, the vesting period for the said 49800 options granted is one year from the respective date of grant. Exercise period would commence from the date of vesting and will expire on completion of 5 years from the respective date of grant of options. During the year, 2018-19, 24000 options have been exercised by the option holders and consequently equivalent number of shares have been allotted.

The Number and Weighted average exercise price of Stock Option are as follows:

Particulars	ESOS 2016			
	Year ended 31st March 2019		Year ended 31st March 2018	
	Options	Weighted average exercise price	Options	Weighted average exercise price
	Number	Amount	Number	Amount
Outstanding at the Beginning of the year	26500	200	Nil	Nil
Granted Options	23300	200	26500	200
Forfeited during the year	Nil	Nil	Nil	Nil
Exercised during the year	24000	200	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of year	25800	200	26500	200
Exercisable at the end of the year	25800	200	26500	200
Number of Equity shares of Rs 10 each fully paid up to be issued on exercise of option	25800	200	26500	200
Weighted Average share price in respect of options exercised during the year		1251.36*	NA	NA
Weighted average remaining contractual life (in years)	5 years from the respective date of grant of options	5 years from the respective date of grant of options	5 years from the respective date of grant of options	5 years from the respective date of grant of options

# STEEL STRIPS WHEELS LIMITED

### 3 Impact of fair Valuation method on Net Profit under EPS

In March 2005, the Institutes of Chartered Accountants of India has issued a guidance note on " Accounting for Employees Share based payments" applicable to Employee based share plan, the grant date in respect of which falls on or after April 1 2005. The said guidance notes requires the Pro-forma Discloser of the impact of fair value method of accounting of Employee Stock Compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note the impact on the reported net profit and earning per share would be as follows:

#### ESOS 2016 Method of valuation -Fair value method

The Company has calculated the employee compensation cost using the fair value method of accounting to account for the options granted under ESOS 2016, therefore their will not be any impact on profits and EPS of the company.

#### ESOS 2014 Method of valuation -Intrinsic value method

a) Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options.

There is no effect of the above for ESOS 2014.

b) Impact of this difference on profits and on EPS of the Company

There is no effect of the above for ESOS 2014.

4. **Weighted Average fair value of options granted under ESOS 2016 during the year is 751.65(Previous year 729.87) per option.**

5. **The fair Value of the Options , is estimated on the date of grant using the black- schooles model with the following significant assumptions.**

Particulars	ESOS 2016 (2018-19)	ESOS 2016 (2017-18)	ESOS 2014 (2018-19)	ESOS 2014 (2017-18)	ESOS 2014 (2016-17)
Weighted average Risk free interest rates ( in %)	7.42%	6.98%	No option was granted during the year and the said scheme has been closed w.e.f. 01.03.2019 due to the expiry of exercise period	No options was granted during the year	No options was granted during the year
Weighted average Expected life	5 years	5 years			
Weighted average Volatility (in %)	42.04%	45.53%			
Weighted average Dividend Yield (%)	0.47%	0.58%			
Weighted average Exercise price	Rs.200.00	Rs.200.00			
The Price of the underline share in market at the time of Option grant	Rs.908.25	Rs. 891.60			
Weighted average Fair Value of the Options	Rs.751.65	Rs.729.87			

**The volatility of the options is based on the historical volatility of the share price applicable to the total expected life of each option.**

6. No Shares out of the issued , subscribed and paid up Share Capital were allotted as Bonus Shares in the last five years by capitalization of Securities Premium Reserves.

7. No Shares out of the issued , subscribed and paid up Share Capital were allotted in the last five years pursuant to the various scheme of amalgamation without payment being received in cash.

#### Note:- 47 Remuneration of Whole Time Directors

##### a) Managing Director Remuneration :

Salary and Allowances	28.80	28.80
Contribution to Provident Fund	2.16	2.16
Commission on Profit	540.51	485.47

##### Total

571.47

516.43

##### b) Whole Time Director Remuneration

Salary and Allowances	92.34	87.95
Contribution to Provident Fund	7.49	7.42

##### Total

136.33

95.36

#### Note:- 48. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a Business Risk Management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This Business Risk Management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

## Market risk

### a) Price Risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its products. The key raw material for the Company's business is HR Steel. The Company has arrangements with its major customers for passing on the price impact. The Company is also regularly taking initiatives like VA VE ( value addition, value engineering ) to reduce its raw material costs to meet targets set up by its customers for cost downs.

### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate.

Particulars	31st March 2019	31st March 2018
Variable rate borrowings	59,466.77	61,039.21
Fixed rate borrowings	-	-
<b>Total Borrowings</b>	<b>59,466.77</b>	<b>61,039.21</b>

### Interest rate sensitivity

For the Purpose of computing interest rate sensitivity on the above borrowings, management has estimated a reasonably possible change in interest rate as 50bps based on current as well as expected economic conditions. This analysis is based on Long Term Risk exposures outstanding at the reporting date and assumes that all other variables, in particular foreign currency exchange rates, remains constant. The period and balances are not necessarily representative of the average amounts outstanding during the periods.

### Impact on Profits

	31st March 2019	31st March 2018
50 bp decrease would Increase the profit before tax by	297	305
50 bp increase would decrease the profit before tax by	(297)	(305)

### c) Foreign currency risks

The company tries to manage the foreign currency risk by attaining natural hedge. The company also does selective hedging to hedge its risk associated with foreign currency and to address the timing difference in foreign currency collections & payments.

#### i) The derivative outstanding as at the reporting date is as follows:-

Category Wise Quantitative Data	For the Year Ended 31st March 2019 Amount in Foreign Currency
Forward Contracts, Options	( in Lacs)
Forward Contract Against Export(USD)	186.70
Forward Contract Against Export(EURO)	0.81
Forward Contract Against Export(GBP)	17.39
Put & Call Options Against Export(JPY)(Eq USD)	30.00
Put & Call Options Against Export(USD)	205.00
Put & Call Options Against Export(EURO)	10.00
Forward Contract Against Import(Eq USD)	6.04
Put & Call Options Against Import(Eq USD)	75.00

Foreign Currency option contracts mature within 12 months

#### ii) Mark to market losses / (gain) on Forwards/options:

	(Rs in Lacs) For the Year Ended 31st March 2019
Mark to Market losses/(gain)	159.46

### d) Credit risk

"The credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due"

# STEEL STRIPS WHEELS LIMITED

## Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Year Ended March 31, 2019	Up to 1 Year	Above 1 Year	Total
<b>Non - derivatives</b>			
Borrowings	39,288.39	45,854.73	85,143.12
Trade Paybles	25,732.37	-	25,732.37
Other Financial Liabilities	13,655.43	6,229.87	19,885.30
<b>Total Non Derivative Liabilities</b>	<b>78,676.19</b>	<b>52,084.60</b>	<b>1,30,760.79</b>
<b>Year Ended March 31, 2018</b>			
<b>Non - derivatives</b>			
Borrowings	40,965.68	4,9071.47	90,037.15
Trade Paybles	32,538.92	-	32,538.92
Other Financial Liabilities	20,262.04	2,400.01	22,662.05
<b>Total Non Derivative Liabilities</b>	<b>93,766.64</b>	<b>51,471.48</b>	<b>1,45,238.12</b>
<b>Year Ended March 31, 2017</b>			
<b>Non - derivatives</b>			
Borrowings	39,476.57	39,131.63	78,608.20
Trade Paybles	14,915.12	-	14,915.12
Other Financial Liabilities	8,442.25	8,197.83	16,640.08
<b>Total Non Derivative Liabilities</b>	<b>62,833.94</b>	<b>47,329.46</b>	<b>1,10,163.40</b>

## Note:- 49 Capital Management

### a) Risk Management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus insurance costs).

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

	As at 31st March 2019	As at 31st March 2018
Net Debt	86,655.08	88,946.11
EBITDA	26,335.19	21,367.87
Net Debt/EBITDA	3.29	4.16

### b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

Note:- 50. Deferred tax balances (Net)	AS at 31st March 2019	AS at 31st March 2018	AS at 31st March 2017
(a) Deferred tax assets	1,558.71	1,320.58	1,014.99
(b) Deferred tax liabilities	14,128.82	11,935.18	9,829.32
	(12,570.11)	(10,614.60)	(8,814.33)

The following is the analysis of deferred tax assets/(liabilities)

Recognised in profit and loss account and other comprehensive income

	As at 31st March 2018	Credit /(charge) to Profit or Loss	Credit /(charge) to Other Comprehensive Income	As at 31st March 2019
<b>Deferred tax assets/(liabilities) in relation to:</b>				
Property, plant and equipment	(10,471.07)	(2,200.14)	-	(12671.21)
Intangible assets	(18.34)	26.92	-	8.58
Provision for Gratuity	53.90	16.95	-	70.85
Provision for Leave Encashment	1.57	7.11	-	8.68
Provision for Bonus	62.59	(56.45)	-	6.14
Provision for Doubtful Debt	(0.34)	0.34	-	0.00
Security Deposit	5.20	-	-	5.20
Payables for Capital Goods - Long Term	(854.85)	-	-	(854.85)
Recognized through OCI	(16.50)	-	11.63	(4.87)
Profit & Loss Ind AS Adj.	623.24	238.13	-	861.37
	(10614.60)	(1967.14)	11.63	(12570.11)



	As at 31st March, 2017	Credit /(charge) to Profit or Loss	Credit /(charge) to Other Comprehensive Income	As at 31st March, 2018
<b>Deferred tax assets/(liabilities) in relation to:</b>				
Property, plant and equipment	(8,357.79)	(2113.28)	-	(10471.07)
Intangible assets	(23.53)	5.19	-	(18.34)
Provision for Gratuity	23.94	29.96	-	53.90
Provision for Leave Encashment	27.25	(25.68)	-	1.57
Provision for Bonus	15.30	47.29	-	62.59
Provision for Doubtful Debt	14.12	(14.46)	-	(0.34)
Security Deposit	5.20	-	-	5.20
Payables for Capital Goods - Long Term	(854.85)	-	-	(854.85)
Recognized through OCI	18.38	-	(34.88)	(16.50)
Profit & Loss Ind AS Adj.	317.65	305.59	-	623.24
	<b>(8814.33)</b>	<b>(1765.39)</b>	<b>(34.88)</b>	<b>(10614.60)</b>

**Note:- 51. Income Tax Expenses**

<b>Reconciliation of tax liability on book profit vis-à-vis actual tax liability</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Accounting profit before income tax	10,888.46	9,707.62
Tax at statutory income tax rate of 34.944%(Previous year 34.608%)	3,804.86	3,359.61
Tax effect of the amounts not deductible for computing taxable income		
Depreciation difference	88.86	752.31
Disallowances	292.74	55.53
Deductions/Exemption	(1,485.50)	(1,754.33)
Actuarial Valuation	-	(29.02)
43B Disallowances	32.05	(8.09)
Provision for doubtful Debt	(194.07)	(146.40)
Others	113.93	(31.13)
<b>Income Tax</b>	<b>2,652.87</b>	<b>2,198.48</b>

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# STEEL STRIPS WHEELS LIMITED

## Form No.MGT-11

### Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L27107PB1985PLC006159  
 Name of the Company : Steel Strips Wheels Limited  
 Registered Office : Village Somalheri/Lehli P.O.Dappar, Tehsil Derabassi, Distt. S.A.S Nagar (Mohali) Punjab

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

I/We, being the member(s) of shares of the above named Company, hereby appoint

Name : \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Address: \_\_\_\_\_

Signature , or failing him

Name : \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Address: \_\_\_\_\_

Signature , or failing him

Name : \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Address: \_\_\_\_\_

Signature , or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Monday, 30th day of September, 2019 at 11:00 a.m. at Regd. Office of the Company at Village Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, Distt. S.A.S Nagar, Mohali (Punjab), and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution(s)
<b>Ordinary Business</b>	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and the Auditors thereon
2.	To declare Dividend on Equity Shares for the financial year 2018-19
3.	To appoint a Director in place of Sh. Dheeraj Garg (DIN NO. 00034926), who retires by rotation and being eligible, offers himself for re-appointment
4.	To appoint a Director in place of Sh. Andra Veetil Unnikrishnan (DIN NO. 02498195), who retires by rotation and being eligible, offers himself for re-appointment
<b>Special Business</b>	
5.	To appoint Sh. Virander Kumar Arya (DIN: 00751005) as Non-Executive Independent Director of the Company to hold office for a period commencing from 27.05.2019 to 30.09.2023
6.	To appoint Sh. Ajit Singh Chattha (DIN: 02289613) as Non-Executive Independent Director of the Company for a period of 5 years w.e.f 01.10.2019.
7.	To appoint Sh. Surinder Singh Virdi (DIN:00035408) as Non-Executive Independent Director of the Company for a period of 5 years w.e.f 01.10.2019.
8.	To appoint Sh. Shashi Bhushan Gupta (DIN:00154404) as Non-Executive Independent Director of the Company for a period of 5 years w.e.f 01.10.2019.
9.	To ratify the remuneration of Cost Auditors for the Financial Year 2019-20.

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder \_\_\_\_\_

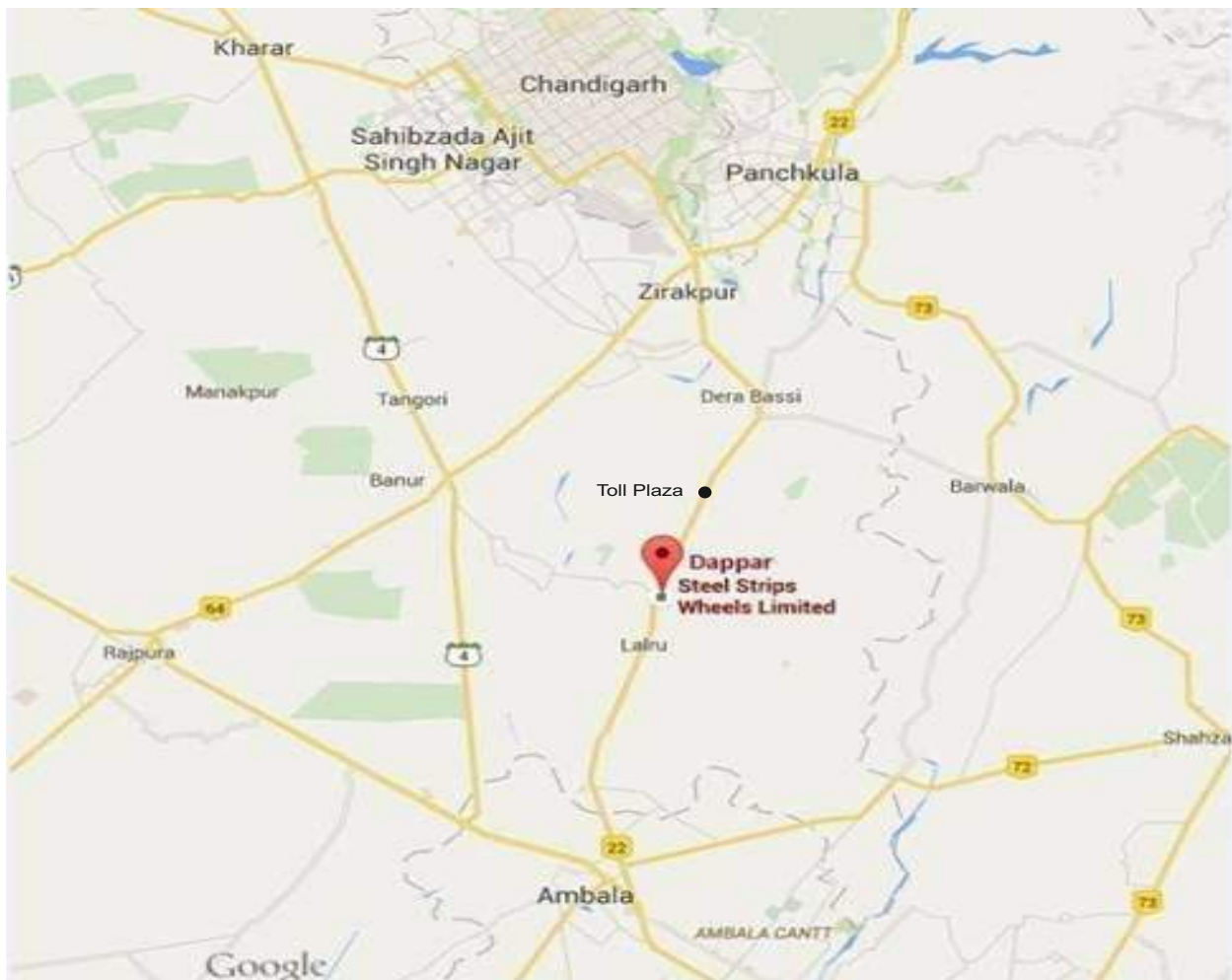
Signed this \_\_\_\_ day of \_\_\_\_ 2019

Please affix Revenue Stamp of appropriate value
--

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the Company

Courier /Regd. Post  
Location Map of Annual General Meeting



**Steel Strips Wheels Limited**  
*Wheeling Towards Excellence*

**STEEL STRIPS GROUP**

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Chandigarh -160 019 (INDIA)  
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Fax: +91(172) 2794834, 2790887  
Website: [www.sswlindia.com](http://www.sswlindia.com)  
CIN: L27107PB1985PLC006159

