

# INERTIA STEEL LIMITED

Regd. off.: 422, TULSIANI CHAMBER, NARIMAN POINT, MUMBAI - 400021

## DIRECTORS' REPORT

To the Members

The Directors herewith presents the 28<sup>th</sup> Annual Report on the business and operations of your company together with audited accounts for the year ended 31st March, 2012.

### Financial Results

The summary of financial results of your company is as under:

Particulars	(Amount in Rs.)	
	2011-12	2010-11
Total Income	188680	160405
Total Expenditure	634835	148739
Profit/(Loss) for the year	(446,155)	11666
Provision for tax	5300	3900
Net profit/(loss) after tax	(441,455)	7766

### Dividend

With a view to conserve the resources of the company, the board of directors do not recommend any dividend for the year under review.

### Operations

During the year under review, the total income from operations was Rs.1,88,680/- as compared to Rs. 160405/- during the corresponding period of previous year. The Company has incurred a Loss of Rs. 441,455 /- after making necessary provision for tax as against Rs. 7766/- in the previous year.

### Auditors Report

The Report of Auditors of the Company is self explanatory and the Board offers no further explanation.



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## Deposits

The Company has not accepted any deposits covered u/s 58A and 58AA of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 during the financial year under scrutiny.

## Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Shri Dhanesh Ajmera, Director retires by rotation and is eligible for re-appointment.

## Director's Responsibility Statement

Pursuant to sub-section (2AA) of Section 217 of the Companies, Act, 1956, the Board of Directors of the company hereby state and confirm that:

- i) All the applicable accounting standards have been followed along with proper explanations relating to material departures in the preparation of the accounts enclosed herewith.
- ii) Annual accounts are prepared on the principle of a Going Concern.
- iii) Accounting policies selected, applied and judgments and estimates made in that behalf to the extent necessary are reasonable and prudent so as to give true and fair view of the state of affairs at the end of the financial year and of the profit or loss of the company for the year under review.
- iv) Sufficient care has been taken for maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and the procedures, practices and control systems in the day-to-day management are sound enough to prevent and detect the occurrence of frauds and irregularities.

## Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

As the Company does not own an undertaking, where manufacturing operations are carried out, the information to be furnished u/s 217 (1)(e) of the Companies Act, 1956 regarding technology absorption and energy conservation are not applicable.

Similarly there were no foreign exchange earnings and outgo during the year under review.



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# INERTIA STEEL LIMITED

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## Particulars of Employees

As requires under Section 217 (2A) of the Companies Act, 1956 no employee of the Company, whether employed for whole or part of the year was in receipt of remuneration in excess of limits laid down in the Companies (Particulars of Employees) Rules, 1975 and therefore no such particulars are furnished herewith.

## Auditors

M/s Kaloti & Lathiya., Chartered Accountants, the auditor of the Company retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The members are requested to appoint auditors for the current year and fix the remuneration.

## Acknowledgement


Your Directors take this opportunity to place on record their great appreciation and gratitude for the whole-hearted support, assistance, co-operation and valuable guidance that has been forthcoming from all those who are associated with the operations of the Company during the period under review.

On behalf of the Board of Directors

Place: Mumbai

Date: 01.09.2012



  
(Hari Gopal Joshi)  
Chairman

**COMPLIANCE CERTIFICATE**

Registration No: 11-033082

Authorised Capital: Equity Share Capital : Rs. 25,00,000/-

Paid Up Capital: Equity Share Capital : Rs. 24,88,000/-

To

The Members

**INERTIA STEEL LIMITED**

422, Tulsiani Chamber, Nariman Point, Mumbai – 400 021

We have examined the registers, records, books and papers of **INERTIA STEEL LIMITED** as required to be maintained under the Companies Act, 1956 and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31<sup>st</sup> March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid Financial Year:

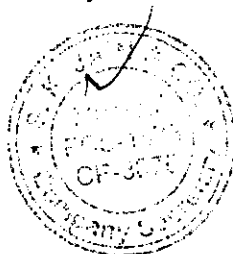
1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the Rules made there under and all entries therein have been duly recorded.
2. The Company has filed returns as stated in Annexure 'B' to this Certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the Rules made there under subject to delay in filing of certain documents as mentioned in "Annexure B"
3. The Company, being a Public Limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 6 (Six) times respectively on **25/04/2011, 05/05/2011, 11/07/2011, 01/09/2011, 18/10/2011** and **14/02/2012**, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.



5. The Company had closed its Register of Members and Share Transfer Books in respect of the Equity Shares of the Company from 28<sup>th</sup> September, 2011 to 30<sup>th</sup> September, 2011 (Both days inclusive).
6. The Annual General Meeting for the Financial Year ended on 31<sup>st</sup> March, 2011 was held on 30<sup>th</sup> September, 2011 after giving due notice to the Members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No- Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries whenever required in the Register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government as the case may be.
12. The Company has not issued any duplicate certificates during the Financial Year.
13. The Company has
  - i. not made any allotment /transfer and transmissions of any securities during the Financial Year.
  - ii. not deposited any amount in a separate Bank Account as no dividend was declared during the Financial Year.
  - iii. not posted warrants to any member of the Company as no dividend was declared during the Financial Year.
  - iv. no amount outstanding in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon which have remained unclaimed or unpaid for the period of seven years and liable to be transferred to Investor Education and Protection Fund.
  - v. duly complied with the requirements of Section 217 of the Act.



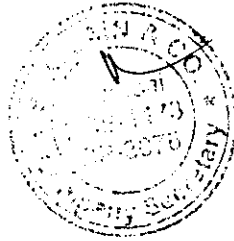
14. The Board of Directors of the Company is duly constituted. There was no appointment of any Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing director/ Whole Time Director/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the Financial Year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the Rules made there under.
19. The Company has not issued any Equity Shares during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. There was no redemption of preference shares or debentures during the Financial Year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the Financial Year.
24. The Company borrowings during the year was within the limit prescribed under Section 293 (1) (d) of the Act.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the Register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.



29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association pursuant to the provisions of the Act during the Financial Year.
31. The Show Cause Notice regarding annual filing was received and duly replied by the Company.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has not deducted contribution towards Provident Fund under Provident Fund Scheme u/s 418 of the Act during the Financial Year.

**Place : Mumbai**

**Date: 29/05/2012**



**Signature :**

**Name of the Company Secretary: .**

**S.K. JAIN & CO.**

**Practicing Company Secretaries**

**S. K. Jain**

**Partner**

**C. P. No. : 3076**

**Annexure 'A'**

**Registers as maintained by the Company**

1. Register of Investments u/s 49
2. Register of Members u/s. 150
3. Register of Share Transfers
4. Register of Directors, Managing Directors etc., u/s 303
5. Register of Director's Share Holding u/s 307
6. Applications and Allotment Register
7. Books of Accounts u/s 209

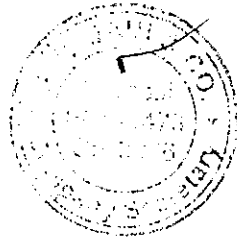
**Annexure 'B'**

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ended 31<sup>st</sup> March, 2012.**

SN.	Nature of Document	Date of Document	Date of Filing	Whether filed within time	If No, whether additional fees paid
1.	Annual Return u/s 159	31/03/2011	24/11/2011	Yes	No
2.	Form -66	2010-2011	18/11/2011	No	Yes

**Place : Mumbai**

**Date: 29/05/2012**



**Signature :**

**Name of the Company Secretary:**

**S.K. JAIN & CO.**

**Practicing Company Secretaries**

**S. K. Jain**

**Partner**

**C. P. No. : 3076**



**To  
The Members of  
Inertia Steel Limited**

1. We have audited the attached Balance Sheet of INERTIA STEEL LIMITED, as at 31<sup>st</sup> March, 2012 and also the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure hereto, a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of such books;
  - iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
  - v) On the basis of the written representations received from the directors as on 31st March, 2012 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.



5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
- (ii) in the case of Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**FOR KALOTI & LATHIYA**

Chartered Accountants

F.R.N: 104589W



**SANJEEV N BAJAJ**

**Partner**

**Membership No. 107678**

**MUMBAI**

**DATED: 29/05/2012**

## ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

As required by the Companies (Auditor's Report) Order, 2003 issued by Central Government of India in terms of Section 227 (4A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate, we further report that:-

- i) The company does not have any Fixed Assets, hence clause 4(1) of the companies (Auditor's Report) Order, 2003 is not applicable to the company.
- ii) The company does not have any Inventory, hence clause 4(ii) of the companies (Auditor's Report) Order, 2003 is not applicable to the company.
- iii) The company has not granted any unsecured loan during the year to the company covered in the register maintained under section 301 of the Companies Act, 1956.

In our opinion and according to the information and explanation given to us, the rates of interest and other terms and conditions of such loans given by the company, are prima facie not prejudicial to the interest of the company.

As no tenure of repayments is fixed, it is not possible to express opinion whether the payment of principal is regular.

The company has taken reasonable steps for recovery of principal and interest.

The company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 during the year. Accordingly sub-clauses (e),(f),(g) of clause (iii) of this order are not applicable.

- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been so entered in the register required to be maintained under that section.

In our opinion all these transactions have been made at price which are reasonable having regard to prevailing market prices at reasonable time.



- vi) The company has not accepted during the year from the public within the meaning of section 58A,58AA or any other relevant provisions of the companies Act,1956 and rules framed there under.
- vii) The paid up capital of the company was less than Rs.50 Lacs as at the commencement of the financial year and average annual turnover for the period was not in excess of Rs.5 Crores, hence the internal audit system is not applicable to the company.
- viii) According to the information and explanation given to us, the maintenance of cost records is not applicable to the company.
- ix) According to the information and explanations given to us in respect of statutory dues:
- i) The company is generally regular in depositing the undisputed statutory dues and any other statutory dues with the appropriate authorities.
- ii) According to information and explanations given to us and the records of the company examined by us, in our opinion ,there are no undisputed statutory dues outstanding as on 31st March,2012 for the period exceeding six months from the date they become payable. According to the information and explanations given to us, there are no dues of Income Tax pending in dispute.
- x) The company has accumulated losses during the year. The company has incurred cash losses during the financial year. However no cash loss was incurred during financial year immediately preceding to this financial year.
- xi) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank as on balance sheet date.
- xii) In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) Order,2003 is not applicable to the company.
- xiv) In our opinion and according to the information and explanations given to us, the



Company is not a dealer or trader in shares, securities & other investments. The Company has not made any investments in shares, securities of any other companies.

- xv) In our opinion and according to the information and explanations given to us the company has not given corporate guarantee for loans taken by others from bank or financial institutions.
- xvi) According to the records of the company examined by us and the information and explanation given to us, the company has not obtained any term loan during the year; hence, the question of applicability of the same does not arise.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- xviii) During the year the company has not made any preferential allotment of shares to parties and companies in the register maintained under section 301 of the companies Act,1956.
- xix) The Company has not issued any debentures and hence provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xx) During the year covered by our report the company has not raised any money by public issue.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

MUMBAI  
DATED: 29/05/2012



**FOR KALOTI & LATHIYA**  
Chartered Accountants

(F.R. N 104589W)

*Sanjeev N BAJAJ*

**SANJEEV N BAJAJ**  
Partner

**Membership No. 107678**

**INERTIA STEEL LIMITED**  
Balance Sheet as at 31st March, 2012

Particulars	Note No	As at 31.03.2012 RS.	As at 31.03.2011 RS.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	2,488,000	2,488,000
(b) Reserves and Surplus	2	(298,724)	152,731
<b>(2) Current Liabilities</b>			
(a) Short-term borrowings	3	19,000	19,000
(b) Trade payables	4	76,693	279,902
(c) Other current liabilities	5	7,400,000	-
(d) Short-term provisions	6	35,246	30,438
<b>Total</b>		<b>9,720,215</b>	<b>2,970,071</b>
<b>II. ASSETS</b>			
<b>(I) Non-current assets</b>			
(a) Long term loans and advances	7	1,283,156	1,283,156
<b>(2) Current assets</b>			
(a) Trade receivables	8	1,258,405	1,069,725
(b) Cash and cash equivalents	9	275,354	103,914
(c) Short-term loans and advances	10	6,903,300	513,276
<b>Total</b>		<b>9,720,215</b>	<b>2,970,071</b>

Significant accounting policies and notes on Accounts.

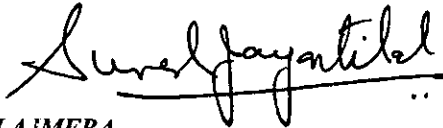
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On behalf of the Board Of Directors.

As per our report of even date

For Kaloti & Luthiya

Chartered Accountants.



S.J. AJMERA  
Director





SANJEEV N. BAJAJ  
Partner

M.No. 107678

F.R.N 1045894



H.G. JOSHI  
Director

Place : Mumbai

Dated : 29-05-2012

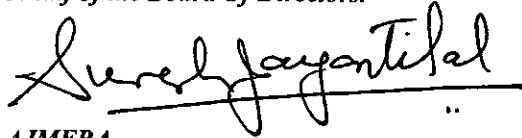
**INERTIA STEEL LIMITED**  
Statement of Profit and Loss for the year ended 31st March, 2012

	Particulars	Note No	Year Ended 31.03.2012	Year Ended 31.03.2011
			RS.	RS.
1	Revenue from operations	11	188,680	160,405
	<b>Total Revenue</b>		<b>188,680</b>	<b>160,405</b>
2	<u>Expenses:</u>			
	Other expenses	12	634,835	148,739
	<b>Total Expenses</b>		<b>634,835</b>	<b>148,739</b>
3	Profit before tax (1-2)		(446,155)	11,666
4	Tax expense: Current tax		5,300	3,900
5	Profit/(Loss) for the period (3-4)		(451,455)	7,766
6	Earning per equity share:	13		
	(I) Basic		(1.81)	0.03
	(II) Diluted		(1.81)	0.03

Significant accounting policies and notes on Accounts.

1 to 17

On behalf of the Board Of Directors.



S.J. AJMERA  
Director



H.G. JOSHI  
Director

As per our report of even date

For Kaloti & Lathiya  
Chartered Accountants.



SANJEEV N. BAJAJ  
Partner

M.No. 107678  
F.R.N 1049 89W

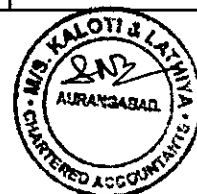


Place : Mumbai

Dated : 29-05-2012

**INERTIA STEEL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED**

	31.03.2012 (Rs.)	31.03.2011 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) after tax as per Profit and Loss Account	(451,455)	7,766
ADJUSTED FOR		
Depreciation	-	-
Foreign Exchange Differences	-	-
Interest / Dividend	-	-
Extraordinary Items	-	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>	<b>(451,455)</b>	<b>7,766</b>
ADJUSTMENTS FOR		
Trade and Other Receivables	(6,578,704)	(219,869)
Inventories	-	-
Trade Payables & Other Liabilities	7,201,599	240,789
<b>CASH GENERATED FROM OPERATIONS</b>	<b>171,440</b>	<b>28,686</b>
Interest Paid	-	-
Direct taxes paid (including TDS) / Refund	-	-
Extraordinary Items (Prior Period Items)	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>171,440</b>	<b>28,686</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
Interest Received	-	-
Dividend Income	-	-
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	-	-
Proceeds from Borrowings	-	-
Repayment of Finance Lease Liability	-	-
Dividend Paid	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>171,440</b>	<b>28,686</b>
Cash and Cash Equivalents (Opening Balance)	103,914	75,228
Cash and Cash Equivalents (Closing Balance)	275,354	103,914
Net Increase	171,440	28,686

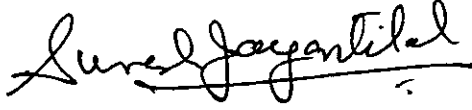




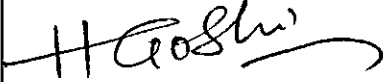
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

Figures in brackets indicate Outflows.

On behalf of the Board Of Directors.



S.J. AJMERA  
Director



H.G. JOSHI  
Director

As per our report of even date

For Kaloti & Lathiya  
Chartered Accountants.



SANJEEV N. BAJAJ  
Partner

M.No. 107678  
F.R.N 104589W



Place : Mumbai

Dated : 29-05-2012

**INERTIA STEEL LIMITED**  
Notes to Financial Statement for the year ended 31st March 2012

Note No		As at	As at
		31.03.2012	31.03.2011
		RS.	RS.
1	<b>Share Capital</b>		
	Equity Share Capital		
	Authorised Share capital 250,000 Equity shares of Rs.10/- each	2,500,000	2,500,000
	Issued, subscribed & fully paid share capital 248,800 Equity shares of Rs.10/- each	2,488,000	2,488,000
	<b>Total</b>	<b>2,488,000</b>	<b>2,488,000</b>

**1.01 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year**

PARTICULARS	As at 31.03.2012		As at 31.03.2011	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of year	248,800	2,488,000	248,800	2,488,000
Shares outstanding at the end of year	248,800	2,488,000	248,800	2,488,000

**1.02 Details of Shareholders, holding more than 5% shares of Paid-up Equity Share Capital of the Company**

Name of Shareholders	As at 31.03.2012		As at 31.03.2011	
	No of Share held	Percentage to Capital	No of Share held	Percentage to Capital
NIL	NIL	NIL	NIL	NIL

**1.03 Rights of Equity Shareholders**

The Company has only one class of equity share having a face value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive any of 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 shareholder.

Note No		As at	As at
		31.03.2012	31.03.2011
		RS.	RS.
2	<b>Reserves and Surplus</b>		
	Surplus		
	Balance as per last Balance Sheet	152,731	144,965
	Add: Profit for the year	(451,455)	7,766
	<b>Total</b>	<b>(298,724)</b>	<b>152,731</b>



**INERTIA STEEL LIMITED**  
Notes to Financial Statement for the year ended 31st March 2012

Note No		As at 31.03.2012	As at 31.03.2011
		RS.	RS.

Note No		As at 31.03.2012	As at 31.03.2011
		RS.	RS.

3	Short-terms borrowings Unsecured Loans and advances from related parties		
		19,000	19,000
	<b>Total</b>	<b>19,000</b>	<b>19,000</b>

Note No		As at 31.03.2012	As at 31.03.2011
		RS.	RS.

4	Trade payables Trade Payables - Micro, Small and Medium Enterprises - Others		
		76,693	279,902
	<b>Total</b>	<b>76,693</b>	<b>279,902</b>

Note No		As at 31.03.2012	As at 31.03.2011
		RS.	RS.

5	Other current liabilities Other payables		
		7,400,000	-
	<b>Total</b>	<b>7,400,000</b>	<b>-</b>

Note No		As at 31.03.2012	As at 31.03.2011
		RS.	RS.

6	Short-term provisions Provision for Expenses Provision for Income Tax		
		7,722	8,214
		27,524	22,224
	<b>Total</b>	<b>35,246</b>	<b>30,438</b>

Note No		As at 31.03.2012	As at 31.03.2011
		RS.	RS.

7	Long Term Loans and Advances Capital Advances		
		1,283,156	1,283,156
	<b>Total</b>	<b>1,283,156</b>	<b>1,283,156</b>



**INERTIA STEEL LIMITED**  
Notes to Financial Statement for the year ended 31st March 2012

Note No		As at 31.03.2012 RS.	As at 31.03.2011 RS.
8	<b>Trade receivables</b>		
	Trade Receivables Outstanding for a period exceeding six months		
	Unsecured considered good	1,069,725	909,320
	Other receivables - unsecured considered good	188,680	160,405
	<b>Total</b>	<b>1,258,405</b>	<b>1,069,725</b>
9	<b>Cash and cash equivalents</b>		
	Balances with banks	256,240	84,800
	Cash on hand	19,114	19,114
	<b>Total</b>	<b>275,354</b>	<b>103,914</b>
10	<b>Short term loans and advances</b>		
	Advance for Income Tax	10,314	6,540
	Others	6,892,986	506,736
	<b>Total</b>	<b>6,903,300</b>	<b>513,276</b>



**INERTIA STEEL LIMITED**  
Notes to Financial Statement for the year ended 31st March 2012

Note No		Year ended 31.03.2012	Year ended 31.03.2011
		RS.	RS.
11	<b>Revenue from Operations</b>		
	Other operating revenues	188,680	160,405
	<b>Total</b>	<b>188,680</b>	<b>160,405</b>

Note No		Year ended 31.03.2012	Year ended 31.03.2011
		RS.	RS.
12	<b>Other Expenses</b>		
	Professional Charges	98,352	87,137
	ROC Filing Fees	2,540	28,891
	Listing Fees	17,450	11,030
	Audit Fees	13,483	13,483
	Legal Expenses	486,320	-
	Travelling Expenses	-	6,822
	Printing & Stationery	368	-
	Bank charges	276	60
	Miscellaneous expenses	16,046	1,316
	<b>Total</b>	<b>634,835</b>	<b>148,739</b>

Note No		Year ended 31.03.2012	Year ended 31.03.2011
		RS.	RS.
13	<b>Revenue from Operations (for companies other than a finance company)</b>		
	Net profit/(loss) available for equity share holders	(451,455)	7,766
	Weighted average number of equity shares (Nos.)	248,800	248,800
	<b>Basic and diluted earning per share of Rs.10/- each</b>	<b>(1.81)</b>	<b>0.03</b>



**INERTIA STEEL LIMITED**  
**Notes to Financial Statement for the year ended 31st March 2012**

**Notes**

<b>14</b>	<b>SIGNIFICANT ACCOUNTING POLICIES</b>
a)	<b>Basis for Preparation of Financial Statements :</b> The financial statements are prepared under historical cost convention, income and expenses are recognised on an accrual basis and are in accordance with the requirements of the Companies Act, 1956 and are consistent with generally accepted accounting principles.
b)	The Company has no Deferred Tax Liability.
c)	In the opinion of the Board, Current Assets, Loan and advances are approximately of the value stated, if realised in the ordinary course of business. The provisions for all known liabilities is adequate and neither in excess nor in short of the amount reasonably necessary.

**Notes**

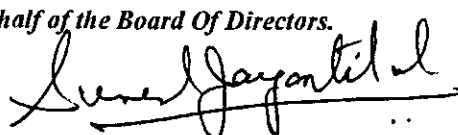


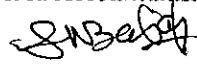
<b>15</b>	<b>Disclosure of related parties / related party transactions :</b>
a)	A List of related parties with whom transactions have taken place during the year : Key Management Personnel : Shri H.G. Joshi Shri Suresh J.Ajmera Shi Dhanesh B Ajmera
b)	Disclosure of related party transaction : Unsecured Loans Balance as on 01-04-2011   Rs.19,000/- Taken during the year       NIL Balance as on 31-03-2012   Rs.19,000/-

**Notes**

<b>16</b>	There is no separate reportable segment within the meaning of Accounting Standard 17 issued by Institute of Chartered Accountants of India.
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**Notes**

<b>17</b>	Previous years figures have been re-grouped and/or rearranged wherever necessary to make them comparable with those of the current year.
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<p><i>On behalf of the Board Of Directors.</i></p> <p style="text-align: center;"></p> <p><b>S.J.AJMERA</b> Director</p> <p style="text-align: center;"></p> <p><b>H.G. JOSHI</b> Director</p>	<p style="text-align: right;"><i>As per our report of even date</i> <i>For Kaloti &amp; Lathiya</i> <i>Chartered Accountants.</i></p> <p style="text-align: center;"></p> <p style="text-align: right;"> <b>SANJEEV N. BAJAJ</b> Partner M.No. 107678 F.R.N 104589W</p> <p style="text-align: right;">Place : Mumbai Dated : 29-05-2012</p>
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