



REALSTRIPS LTD.

An ISO 9001:2000 Certified Company

19th

Annual Report
2009-2010





We At Real Strips Use
Green Power





BOARD OF DIRECTORS :	SHRI A. K. KATARIA	CHAIRMAN
	SHRI A. D. SANGHVI	MANAGING DIRECTOR
	SHRI UGAMRAJ M. HUNDIA	JOINT MANAGING DIRECTOR
	SHRI P. S. JAIN	JOINT MANAGING DIRECTOR
	SHRI ASHWIN A. KATARIA	WHOLE-TIME DIRECTOR
	SHRI BABULAL S. JAIN	DIRECTOR
	SHRI CHANDRESH V. SHAH	DIRECTOR
	SHRI PAWANKUMAR R. MURARKA	DIRECTOR
	SHRI AMOL DALAL	DIRECTOR

AUDITORS: **M/S MEHTA LODHA & CO.**
CHARTERED ACCOUNTANTS

BANKERS : UNION BANK OF INDIA
STATE BANK OF INDIA

REGISTERED OFFICE : 401-402, "FLORENCE"
OPP. ASHRAM ROAD POST OFFICE,
ASHRAM ROAD,
AHMEDABAD-380 009.

WORKS : SURVEY NO.245
VILLAGE : SARI
AHMEDABAD-BAVLA HIGHWAY
TALUKA : SANAND
DIST : AHMEDABAD
PIN CODE-382 220

**REGISTRAR AND SHARE
TRANSFER AGENTS :**

M/S MCS LIMITED
101, SHATDAL COMPLEX,
1ST FLOOR,
OPP BATA SHOW ROOM,
ASHRAM ROAD,
AHMEDABAD – 380 009

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**NOTICE**

NOTICE is hereby given that the 19th Annual General Meeting of the members of REAL STRIPS LIMITED will be held on Saturday 25th September 2010 at the Chanakya Hall, Hotel Nalanda, Mithakhali Six Roads, Ellisbridge, Ahmedabad - 380 006 at 5.00 p.m. to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as on 31st March 2010 and Profit and Loss Account for the year ended on 31st March 2010 together with Directors' and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri Amol Dalal who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Shri Chandresh Shah who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Shri Babulal Jain who retires by rotation and is eligible for reappointment.
6. To appoint the Auditor to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification the following resolution as ordinary resolution.

TO AUTHORISED THE BOARD TO BORROW MONEY IN EXCESS OF LIMIT PROVIDED U/S 293 (1) (d)

7. **Resolved that** Pursuant to Section 293 (1) (d) and other applicable provisions and in suppression of the resolution passed by members of the company at an Extra Ordinary General Meeting held on 15th April 2006 consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of money from time to time as and when required by the Company not with standing that the monies so borrowed together with monies already borrowed by the Company (apart from loans obtained from the Company's Banker in ordinary course of business) may exceed the aggregate of the paid up share capital of the company and its free reserve which have not been set apart for any specific purpose, subject however to the condition that the total amount of borrowing outstanding at any one time shall not exceed the limit of Rs. 500 Crores (Rupees Five Hundred Crores Only).

Resolved further that the Board of Directors be and is hereby authorised to finalise the terms and conditions of the borrower/issue of debentures with the lenders/ investors/ debenture trustees and to do all such acts, deeds, matters, and things as may be deemed necessary in the interest of the Company, in accordance with the said borrower/issue of debentures and to execute all such documents as it may consider necessary for the purpose of giving effect to these resolutions.

By Order of the Board

Place: Ahmedabad
Date: 29th May, 2010

A. K. Kataria
Chairman

Registered Office

401-402, "Florence",
Opp. Ashram Road Post Office,
Ashram Road, Ahmedabad – 380 009.

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself on a poll and that a proxy need not be a member. Proxies, in order to be effective, forms must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting.



2. Additional information pursuant to Clause 49 of the Listing Agreement with stock exchanges, on directors recommended for reappointment at the Annual General Meeting, is given in this notice.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from 17th September, 2010 to 24th September, 2010 both days inclusive for declaration of dividend. The dividend if declared, will be paid on or after 30.09.2010.
4. Members / proxies should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
5. Company is proposing to make payment of dividend through National Electronic Clearing System(NECS). Shareholders holding shares in physical form are therefore requested to provide details as per the enclosed form.
6. Members who hold shares in dematerialised form are requested to write their Client - ID and DP - ID Numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
7. Details of Directors seeking re-appointment as per Item No. 3, 4 and 5 of the Ordinary Business in ensuing Annual General Meeting to be held on 25th September, 2010 are as under:

Name of Directors	Shri Amol Dalal	Shri Chandresh Shah	Shri Babulal Jain
Date of Birth	13.04.1956	05.02.1957	03.10.1941
Date of Appointment	01.04.2004	05.12.1990	19.09.1990
Expertise in specific functional areas	Commercial	Accounts & Commercial	Accounts & Administration
List of outside Directorship Held	Aarvee Denim Ltd.	NIL	NIL
Chairman / Member of the Committee of the Board of Directors of the Company	NIL	2	NIL
Chairman / Member of the Committee of the Board of Directors of the other Public Limited Company	NIL	NIL	NIL
Shareholding	2450	20000	35700
Relationship with other directors	NO	NO	YES

Explanatory Statement under Section 173(2) of the Companies Act, 1956

The Company had in its Extra Ordinary General Meeting held on 15.04.2006 passed a resolution authorising the Board of Directors to borrow upto Rs. 100 Crores (Rupees One hundred Crores). The business of the Company had increased manifold, keeping the capital expenditure to be incurred and the working capital requirement in mind it would be advisable to authorise the Board of Directors to borrow upto Rs. 500 Crores (Rupees Five hundred Crores).

Board recommends the resolution at item no. 7 for approval of members.

None of the directors is concerned or interested in the said resolution.

By Order of the Board

Place: Ahmedabad
Date: 29th May, 2010

A. K. Kataria
Chairman

Registered Office

401-402, "Florence",
Opp. Ashram Road Post Office,
Ashram Road, Ahmedabad – 380 009.

**DIRECTOR'S REPORT**

To,

The Members,

Your Directors have pleasure in presenting the 19th Annual Report together with the Audited Accounts of the company for the year ended 31st March 2010.

1) FINANCIAL HIGHLIGHTS :-

	2009-2010 (Rs. In Lacs)	2008-2009 (Rs. In Lacs)
Income for the Year	22781.97	13207.43
Profit before interest, depreciation and tax (PBIDT)	2008.88	765.80
Less:		
Financial Expenses	676.67	611.36
Depreciation	620.82	416.34
Profit / (Loss) before tax	711.39	(261.90)
Provision for taxation		
(i) Current Income Tax, Wealth Tax, Fringe Benefit Tax	121.05	2.03
(ii) Deferred Tax	(37.29)	(48.38)
Profit after tax	627.63	(215.55)
Add / (Less): Prior Period Adjustment	(0.07)	(5.68)
Profit available for appropriation	627.56	(221.23)
Appropriations		
Opening Balance of Profit & Loss Account	743.07	964.30
Less: Proposed Dividend on Equity shares	49.80	0
Less: Tax on dividend	8.27	0
Less: General Reserve	100.00	0
Net Balance Carried forward to Balance Sheet.	1212.56	743.07

2. DIVIDEND :-

The directors recommended a dividend of 10% @ Rs. 1/- per equity shares. This is however subject to the approval of shareholders at the Annual General Meeting.

3. PERFORMANCE :-

During the year under review the turn over has gone upto Rs.22781.97 Lacs an increase of 72.49% over previous year. During the Financial year under review the company been able to pull itself out of the blues of global meltdown of the previous financial year and has been able to achieve profit before tax Rs. 711.39 Lacs in Under Reviewed Financial Year against the Loss incurred in Previous Year.

FUTURE PROSPECTS

Your Directors are pleased to inform you that the Company has already placed orders for 2 Nos. of Bright Annealing Finish Lines which will be commissioned and will come into operation by the end of the financial year 2010-11, and benefits of the same will be derived in the next financial year. By installing these lines the company will be able to get higher realization of the final product.

GREEN ENERGY

The Company has utilized green energy generated from its wind mills. As against the electricity consumption of 8514916 units, the wind mill installed by the company have generated 5767263 units.

4. MOBILISATION OF FUNDS :-

During the year under review the Company has issued 12,00,000 equity shares to strategic investors and 10,00,000 convertible warrants to promoters and promoters group at a price of Rs. 51/- for funding the ongoing capital expenditure.

**5. INDUSTRIAL RELATIONS :-**

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels.

Measures have been taken for Human Resources Development.

6. DIRECTORS :-

Shri Amol Dalal, Shri Chandresh Shah and Shri Babulal Jain retire from the Board by rotation and being eligible, offer themselves for re-appointment.

7. CORPORATE GOVERNANCE REPORT :-

Pursuant to clause 49 of the Listing Agreement of the company with the Stock Exchanges, the Management Discussion & Analysis, Report on Corporate Governance, and certification by the Managing Director (CEO) confirming compliance by all the Board Members and Senior Management personnel with Company's Code of Conduct are made a part of the Annual Report. A certificate from Auditors, of the Company regarding compliance of conditions of Corporate Governance is given in Annexure, which is attached hereto.

8. COMPLIANCE CERTIFICATE:-

Pursuant to the requirement under section 383A of the Companies Act, 1956 a compliance certificate from Mr. Ashwin Shah Practicing Company Secretary is attached hereto.

9. DIRECTOR'S RESPONSIBILITY STATEMENT :-

Pursuant to requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed :

- a. that in the preparation of the Account for the financial year ended 31st March, 2010 the applicable standards have been followed along with proper explanation relating to material departures ;
- b. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the, state of affairs of the company as at 31st March 2010 and of the profit of the company for the year ending on that date ;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other Irregularities :
- d. that the Directors have prepared the accounts for the financial year ended on 31st March, 2010 on a going concern basis.

10. AUDITORS

M/s Mehta Lodha & Co. Chartered Accountants, retire as Auditor of the company and being eligible, offer themselves for re-appointment. A certificate is obtained from them that their re-appointment, if made, will be within the limit prescribed under section 224(1B) of the Companies Act, 1956.

11. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

As required under section 217 (1) (e) of the Companies Act, 1956 and the rules made therein, the concerned particulars relating to Energy conservation, Technology Absorption, Foreign Exchange Earning and outgo are given, in Annexure-II, which is attached hereto and forms part of the Director's Report.

12. LISTING

The equity shares of the Company were listed on Ahmedabad Stock Exchange Ltd and Bombay Stock Exchange Ltd. As per Regulation 6 (a) of the Securities and Exchange Board of India (Delisting of Securities) Regulation 2009 the Company may delist its equity shares from one or more stock exchanges if their shares remain listed on any stock exchange having nation wide trading terminal i.e. Bombay Stock Exchange Ltd or National Stock Exchange Ltd. There



was no trading activity in the Ahmedabad Stock Exchange Ltd. It therefore did not serve the purpose in continuing the Listing of the equity shares of the Company in Ahmedabad Stock Exchange Ltd. Accordingly the Company delisted its equity shares from Ahmedabad Stock Exchange Ltd. w.e.f 31st March 2010. The equity shares of the Company remain listed on Bombay Stock Exchange Ltd. The Company has paid the listing and other payable fees for 2010-11.

13. PARTICULARS OF EMPLOYEES

Particulars of employees in accordance with the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rules, 1975 as amended are not given as none of the employees qualify for such disclosure.

14. ACKNOWLEDGEMENT

The directors extend their sincere thanks to the Bankers, Financial Institutions, Central Government and State Government Authorities and all associated with the company for the co-operation.

The directors also place on record the efforts made by the employees, workers and all other associated with the company for making their organization successful.

For and on behalf of the Board

Place: Ahmedabad
Date : 29th May, 2010

A. K. Kataria
Chairman



Annexure - I
REPORT ON CORPORATE GOVERNANCE

Corporate Governance ensures high standards of transparency, accountability, ethical operating practices, professional management thereby enhancing shareholders' value and protecting the interest of the stakeholders. The Company is committed to attain highest standards of Corporate Governance by ensuring integrity in financial reporting, disclosure of material information, continuous improvement of internal controls and sound investor relations. The required details on Corporate Governance are given hereunder :-

1. Company's philosophy on Code of Governance

The basic objective of Corporate Governance Policies adopted by your Board is to ensure transparency in all dealing and the functioning of the management and the Board. The Board believes in and supports the principles of Corporate Governance. The Board represents the shareholders interest in terms of optimization of long-term financial results. In maximizing shareholders long-term value, Board is responsible to all the constituents of its business i.e. customers, employees, suppliers and the Communities where it operates. The Company also respects the inalienable rights of its investors and other stakeholders to information on the performance of the company based on highest professional, ethical and financial reporting standards.

2. BOARD OF DIRECTORS

The Board represents an optimum combination of executive and non executive directors and is in conformity with the provisions of Listing Agreements of Corporate Governance. The Board of Directors of your Company comprises nine directors composition of the Board and the category of the Directors as well as details of their directorship/ membership in other companies/committees as on 31st March, 2010 is given below:

Sr. No.	Name of the Directors	Category	No. of Directorship in other companies	No. of chairmanship/ membership in Board Committees.
1.	Mr. Amritlal K. Kataria	Chairman & Non-executive director	NIL	1
2.	Mr. Arvindkumar Sanghvi	Managing Director	2	NIL
3.	Mr. Prakashraj Jain	Joint Managing Director	1	3
4.	Mr. Ugamraj Hundia	Joint Managing Director	1	NIL
5.	Mr. Chandresh Shah	Independent & Non-executive director	NIL	2
6.	Mr. Babulal Jain	Independent & Non-executive director	NIL	NIL
7.	Mr. Pawankumar Murarka	Independent & Non-executive director	NIL	2
8.	Mr. Ashwin A. Kataria	Whole Time & Executive director	NIL	NIL
9.	Mr. Amol Dalal	Independent & Non-executive director	1	NIL

Number of other Directorships held by the Directors, as mentioned above, do not include alternate directorships and directorships held in foreign companies, Section 25 Companies and Indian private limited companies and are based on the latest declarations received from the Directors.

The Company has a system to circulate and provide adequate information to the Board including as required under Annexure IA of Clause 49 of the Listing Agreements to enable the Board to take informed decisions.

The Compliance report of all laws applicable to the Company as prepared and compiled by the Compliance Officer is circulated to all the Directors along with the agenda and placed/reviewed in each Board Meeting.

The Board laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same has been posted on the website of the Company.

**Certificate of Code of Conduct for the year 2009-10**

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Conduct" which is applicable to all directors, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Conduct under a certificate of Code of Conduct for the year 2009-10.

Ahmedabad.

A. D. Sanghvi

May 29, 2010.

Managing Director

A brief resume and the profile of directors retiring by rotation/ Managing Director eligible for appointment or re-appointment at the ensuing Annual General Meeting of the Company are given in the notice of Annual General Meeting, annexed to this Annual Report.

Mr. Amol Dalal, Mr. Chandresh Shah and Mr. Babulal Jain are retiring by rotation in the ensuing Annual General Meeting and resolutions have been proposed for the reappointment.

Mr. Amol Dalal and Mr. Chandresh Shah are not related to any of the Directors of the Company Mr. Babulal Jain is relative of Mr. Prakashraj Jain.

3. Board Procedure

In the financial year 2009-10, Twelve meetings of Board of Directors were held, the information to be made available to the Board as per Annexure IA forming part of Clause 49 has been complied with. The Board Meetings are generally held at the Registered Office of the Company in Ahmedabad. Calendar of the Board Meeting is fixed in advance for each year. The Board meets at least once a quarter with the gap between two meetings not exceeding four months. The Directors also have access to all the information about the company and are free to recommended inclusion of any matter in the agenda for discussion.

Details of the Board Meeting held during the year are as follows:

Sr.No.	Date of Board Meeting	Chairman
1.	7 th May, 2009	Shri A. K. Kataria
2.	29 th June, 2009	Shri A. K. Kataria
3.	29 th July, 2009	Shri A. K. Kataria
4.	16 th September, 2009	Shri A. K. Kataria
5.	3 rd October, 2009	Shri A. K. Kataria
6.	12 th October, 2009	Shri A. K. Kataria
7.	28 th October, 2009	Shri A. K. Kataria
8.	30 th October, 2009	Shri A. K. Kataria
9.	11 th December, 2009	Shri A. K. Kataria
10.	2 nd January, 2010	Shri A. K. Kataria
11.	27 th January, 2010	Shri A. K. Kataria
12.	4 th March, 2010	Shri A. K. Kataria

Details of Attendance of the directors at the Board Meetings held during the year 2009-10 and at the last Annual General Meeting are given below:

Sr. No.	Name of Directors	No. of Board Meeting held while holding the office	No. of Board Meeting attended while holding the office	Attendance at last AGM
1.	Mr. Amritlal K. Kataria	12	12	Yes
2.	Mr. Arvindkumar Sanghvi	12	12	No
3.	Mr. Prakashraj Jain	12	12	Yes
4.	Mr. Ugamraj Hundia	12	12	Yes



5.	Mr. Chandresh Shah	12	4	Yes
6.	Mr. Babulal Jain	12	4	No
7.	Mr. Pawankumar Murarka	12	4	No
8.	Mr. Ashwin A. Kataria	12	12	Yes
9.	Mr. Amol R. Dalal	12	4	Yes

The Details of Share holding of Directors

Name of the Director	No. of shares held as on 31.03.2010
Mr. Amritlal K. Kataria *	222900
Mr. Arvindkumar Sanghvi	115950
Mr. Prakashraj Jain	53800
Mr. Ugamraj Hundia	71600
Mr. Chandresh Shah *	20000
Mr. Babulal Jain *	35700
Mr. Pawankumar Murarka *	NIL
Mr. Ashwin A. Kataria	22500
Mr. Amol R. Dalal *	2450

* Non executive Directors

4. Audit Committee:

The Audit Committee has been entrusted to overview the accounting systems, financial reporting and internal controls of the Company. The power and role of audit committee is as set out in Listing Agreements.

As on 31st March 2010, the Audit Committee of the Board consists of the two independent Non Executive Director and one Joint Managing Director, as specified below:-

Sr. No.	Name	Designation
1.	Shri Chandresh Shah	Chairman
2.	Shri Prakashraj Jain	Member
3.	Shri Pawankumar Murarka	Member

All the members of committee are financially literate and have expert knowledge of finance and accounting.

Quorum of committee is two members, including both the independent directors. Calendar of the meeting is fixed in advance for each year. The committee met five times during the year under review. The committee also met prior to finalization of accounts for the period ended on 31st March, 2010.

Meetings of Audit Committee and attendance.

Sr. No.	Date of Meetings	No. of Members	Attendance
1.	6 th May 2009	3	3
2.	29 th June 2009	3	3
3.	29 th July 2009	3	3
4.	28 th October 2009	3	3
5.	27 th January 2010	3	3

The Internal Auditors, Head of Finance and representative of Statutory Auditors are permanent invitees at the meetings.

Audit Committee's terms of reference:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the half yearly and annual financial statements before submission to the board, focusing primarily on



- i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause(2AA) of section 217 of the Companies Act, 1956
 - ii) any changes in accounting policies and practices
 - iii) major accounting entries based on exercise of judgment by management
 - iv) qualification in draft audit report
 - v) significant adjustments arising out of audit
 - vi) the going concern assumption
 - vii) compliance with accounting standards
 - viii) compliance with stock exchange and legal requirements concerning financial statements
 - ix) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
- d) Reviewing with the management the quarterly financial statements before submission to the board for approval.
 - e) Reviewing with the management, external and internal auditors, the adequacy of internal control systems and ensuing compliance therewith.
 - f) Reviewing the adequacy of internal audit function, 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.
 - g) Discussing with internal auditors any significant finding and follow up thereon.
 - h) 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.
 - i) Discussing with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
 - j) Reviewing the Company's financial and risk management policies.
 - k) To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 - l) Any other function(s)/responsibilities as may be delegated by the Board from time to time.
 - m) To review mandatorily the following information
 1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the audit committee) submitted by management;
 3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

5. Remuneration Committee:

As on 31st March 2010, the Remuneration Committee of the Board consists of the two independent Non Executive Director and one Executive Director as specified below:-

Sr. No.	Name	Designation
1.	Shri Chandresh Shah	Chairman
2.	Shri Pawankumar Murarka	Member
3.	Shri Prakashraj Jain	Member

During the year under review there was no necessity to convene any meeting of the Remuneration Committee. The Remuneration Committee is responsible for determining and reviewing all matters in respect of remuneration of Directors.



The Company has credible and transparent policy in determining and accounting for the remuneration of Executive Directors. Their remuneration is governed by external competitive environment, track record, potential, individual performance, and performance of the Company as well as industrial standard. The remuneration determined for the Executive Directors is subject to the approval of Remuneration Committee of Board of Directors.

At present the Company does not have the policy of payment of remuneration to non executive directors except by way of sitting fees for attending the meeting of the Board or a committee thereof.

Details of remuneration to all the Directors are as under:

i) Non-Executive Directors:

The details of sitting fees paid to Non-Executive Directors during the financial year 2009-10 are as under:

Sr. No.	Name of Director	Sitting Fees paid to Directors (Rupees)
1	Shri Amritlal K. Kataria	24000
2	Shri Amol Dalal	8000
3	Shri Chandresh Shah	8000
4	Shri Pawankumar Murarka	8000
5	Shri Babulal S. Jain	8000
	TOTAL	56000

There were no other pecuniary relationships or transactions of the Non Executive Directors vis-a-vis the Company.

ii) Executive Directors:

The appointment of Managing Director, Joint Managing Director and Whole Time Director is governed by resolutions passed by the Board of Directors and shareholders of the Company. Remuneration paid to Managing Director, Joint Managing Director and Whole Time Director is recommended by the Remuneration Committee, approved by the Board and is within the limit set by shareholders at the General Meeting.

Details of remuneration paid to Managing Director, Joint Managing Director and Whole Time Director during the financial year 2009-10 is as under:

Name	Salary	Perquisites & Allowances	Bonus	Commission
Shri Arvindkumar D. Sanghvi	480000.00	NIL	NIL	NIL
Shri Prakashraj Jain	480000.00	NIL	NIL	NIL
Shri Ugamraj Hundia	480000.00	NIL	NIL	NIL
Shri Ashwin Kataria	480000.00	NIL	NIL	NIL
TOTAL	1920000.00			

As per the terms of appointment of Managing Director, Joint Managing Director and Whole Time Director, their contract of service is for the period of five years from the date of appointment. Either party to the contract can terminate the contract as mutually agreed.

The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance Fees.

6. Shareholders Grievances Committee

The committee looks into the redressal of shareholders and investor complains. The function and power of this committee include review and redressal of shareholders' and investors grievances and to give approval to transfer, transmission or dematerialisation of shares. This committee look into complaint of non receipt of Balance Sheet, non receipt of declared dividend and matter relating to Duplicate share certificate, deletion of name, splitting and consolidation of shares etc.

As on 31st March 2010 committee has consist of following directors.

1. Shri Amritlal K. Kataria - Chairman
2. Shri Prakashraj Jain - Member



The committee was held 10 times meetings during the 2009-10 on 01.06.2009, 30.06.2009, 31.08.2009, 23.09.2009, 13.10.2009, 29.10.2009, 16.11.2009, 15.01.2010, 15.03.2010, 31.03.2010

The total number of complains / correspondence / queries received and replied to the satisfaction of shareholders during the year under review are as follows.

Sr.	Particulars	Nos recd	Nos Replied
1)	Dividend Related	12	12
2)	Endorsement/Change of Address / Misc	5	5
3)	Share Transfer Requests	62	62
4)	Dematerialisation / Remat Requests	71	71

In General, all correspondence / queries are replied to the satisfaction of shareholders.

7. General Body Meeting:

The last three Annual General Meeting of the Company were held as under:

Sr. No.	Year	Location	Date	Time	Special approval	Resolution
1.	2008-09	Chanakya Hall, Hotel Nalanda, Mithakhali Six Road, Ellisbridge, Ahmedabad	15.09.09	5.00 p.m.	- Appointment of Managing Director - Appointment of Joint Managing Director - Appointment of Joint Managing Director - Appointment of Whole Time Director	Ordinary Resolution Ordinary Resolution Ordinary Resolution Ordinary Resolution
2.	2007-08	Chandan Hall, Hotel Nalanda, Mithakhali Six Road, Ellisbridge, Ahmedabad	25.09.08	4.30 p.m.	Nil	Not Applicable
3.	2006-07	Tulsi Hall, Hotel Nalanda, Mithakhali Six Road, Ellisbridge, Ahmedabad	24.09.07	4.30 p.m.	Nil	Not Applicable

One Extra Ordinary General Meeting held on 30th November 2009 to issue equity shares on preferential basis
Other Extra Ordinary General Meeting held on 14th August 2007 to issue equity shares on preferential basis.
Another Extra Ordinary General Meeting of the Company held on 15th April 2006 to authorised Board to borrow in excess of limit provided u/s 293 (1) (d) of the Companies Act, 1956 during last 3 years.

8. Disclosures

- There has been no materially significant related party transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. Audit Committee reviews periodically significant related party transactions i.e. transactions of the company, which are of material nature, with it's directors, or relatives or the management that may have potential conflict with the interest of the Company at large. Details are provided in Note 5 in Schedule No. 15 to the Notes forming part of the Accounts in accordance with the provisions of Accounting Standard 18
- There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.
- The Company has generally complied with all the mandatory requirements as specified in the revised Clause 49 to the extent these apply and extend to the company.



- d. In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the ICAI. The significant accounting policies applied in preparation and presentation of financial statements has been set out in Schedule 15 forming part of the financial statements.
- e. The Company has laid down procedure to inform the Board Members about the risk assessment and minimization procedure covering the entire gamut of business operations of the company and the same have been reviewed by the Board during the year.
- f. The CEO (Managing Director) and the CFO have furnished a Certificate to the Board for the year ended on 31st March 2010 in compliance with the revised Clause 49 V of the Listing Agreements as amended.
- g. The designated Senior Management Personnel of the company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

9. Means of Communications:

a. Quarterly Results:

Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirement of the Listing Agreements. At present Half yearly report is not sent to shareholders.

b. Newspapers wherein results are normally published:

The quarterly results are normally published in the leading English Dailies like "The Economic Times", "The Business Standard" and Vernacular Dailies like "Jansatta", "Economic Times (Gujarati)" Published from Ahmedabad.

c. Any Website where displayed: www.realstrips.com

10. Management Discussion & Analysis Report:

The Management Discussion & Analysis Report is part of Annual Report.

11. General Shareholders Information:

(a) Annual General Meeting

Date	Time	Venue
25th September, 2010	5.00 P.M.	Chanakya Hall, Hotel Nalanda, Mithakhali Six Road, Ellisbridge, Ahmedabad – 380 006

(b) Financial Calendar(2010-11)

(tentative)

Annual General Meeting	:	August / September, 2011.
Quarterly Results	:	
Quarter ending on June 30, 2010		Last Week of July, 2010
Quarter ending September 30, 2010	:	Last Week of October, 2010
Quarter ending December 31, 2010	:	Last Week of January, 2011
Annual Result of 2010-11	:	Last week of May, 2011

(c) Book Closure Date : 17th September, 2010 to 24th September, 2010.
(Both days inclusive)

(d) Dividend Payment Date : Within 30 Days of Declaration.

(e) Listing on Stock Exchanges : Bombay Stock Exchange Ltd.

Listing fees have been paid for the year 2010-11 as per the Listing Agreement with the respective Stock Exchanges.

(f) Stock Code : BSE, Mumbai 513558

(g) Demate ISIN Number for NSDL & CDSL : INE183B01014

**(h) Market Price Data :**

Market price data at the Stock Exchange, Mumbai for the year 2009-10 is given below:

Month	Highest (Rs.)	Lowest (Rs.)
April 2009	37.00	24.80
May 2009	47.00	31.50
June 2009	52.95	36.20
July 2009	43.20	32.45
August 2009	50.25	42.35
September 2009	59.00	41.50
October 2009	57.05	45.00
November 2009	61.50	48.00
December 2009	59.20	48.10
January 2010	60.00	48.20
February 2010	53.80	37.50
March 2010	56.00	45.25

Registrar and Share Transfer Agents : M/s MCS Limited
101, Shatdal Complex, 1st Floor,
Opp Bata Show Room, Ashram Road, Ahmedabad – 380 009.

Contact Person : Mr. Balasubramaniam

Contact Telephone Nos : (079)26582880, 26584027

Mobile No. : 09327055153

(i) Share Transfer System:

MCS Limited has been acting as the Depository Registrar for establishing connectivity with NSDL and CDSL for Demat Segment and for physical segment as well with effect from 1st April, 2003. MCS Limited uses computerized share transfer system for processing transfer of shares. On the basis of periodic report on various requests received from the shareholders, share transfer and other requests are placed for approval of Shareholders' Grievances Committee. The Company obtains from Mr. Ashwin Shah, Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreements and files a copy of the certificate with the Stock Exchanges.

The Company's representatives visit the office of the Registrar and Share Transfer Agents from time to time to monitor, supervise and ensure that there are no delays or lapse in the system.

(j) Distribution of Shareholding:

• Distribution of shareholding as on 31.03.2010 is given below:

No. of Equity Shares held	Number of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
1 – 1000	2427	92.11	512961	10.30
1001 – 5000	109	4.14	273267	5.49
5001 – 10000	34	1.29	252118	5.06
10001 – 50000	41	1.55	987331	19.83
50001 – 100000	15	0.57	1115438	22.40
100001 – 1000000	9	0.34	1838885	36.92
1000001 & above	NIL	NIL	NIL	NIL
GRAND TOTAL	2635	100	4980000	100
Physical Mode	967	36.70	883417	17.74
Electronic Mode	1668	63.30	4096583	82.26



• **Category of shareholders as on 31st March 2010:**

Category	No. of Shares Held	Percentage Held
Promoter Holding		
(a) Indian Promoters	257850	5.18
(b) Foreign Promoters	Nil	Nil
(c) Persons Acting in Concert	1677891	33.69
Financial Institutions/ Banks/ Mutual Funds	Nil	Nil
Resident Individuals & Corporates	3032947	60.90
NRI's / OCB	11312	0.23
Grand Total	4980000	100.00

(k) Group coming within the definition of group as defined in the Monopolies and Restrictive Trade Practice Act, 1969 (54 of 1969)

Raajratna Stock Holding Pvt. Ltd.	Jitendra Madanlal Hundia	Vikram Babulal Hundia
Amritlal Kisandas Kataria	Deepak Ugamraj Hundia	Pradeep Madanlal Hundia
Arvindkumar D. Singhvi	Vinay Amritlal Kataria	Manjulaben Ganeshmalji Jain
Kataria Metal & Alloys Pvt. Ltd.	Ashwin Amritlal Kataria	Sunanda Hundia
Raajratna Stock Holding Pvt. Ltd.	Narangidevi Madanlal Hundia	Sandeep Babulal Hundia
Surajmal Seshmal Ji Jain	Naresh Babulal Jain	Shantaben Babulal Hundia
Amritlal Kisandas Kataria	Sunny Prakashraj Jain	Bharatkumar Ganeshmal Ji Jain
Prakashraj Seshmalji Jain	Kamla Hirachand Hundia	Hundia Babulal Mishrimal
Ganeshmal Seshmalji Jain	Amritlal Kisandas Kataria	Hirachand Mishrimal Hundia
Kataria Minaxi Amritlal	Rajendra Hundia	Shilpa Sandeep Hundia
Ugamraj M. Hundia	Atul Ganeshmalji Jain	Meena V. Hundia
Madanlal Mishrimal Hundia	Sanjay Pukhraj Jain	Mitaben Harshad Jain
Jayantilal Seshmalji Jain	Praful Babulal Jain	Prakash Hundia
Shantiben Jayantilal Jain	Sapna Ravi Hundia	Mukesh Pukhraj Jain
Babulal Mishrimal Hundia	Romit Prakashraj Jain	Kantaben Praful Jain
Pukhraj Seshmalji Jain	Harshidkumar Pukhrajji Jain	Sarojben Surajmal Jain
Hundia Kishorechand	Pankaj Babulal Hundia	Sarojben Prakashraj Jain
Babulal Seshmalji Jain	Vinay Alloys Steel Pvt. Ltd.	Aruna Pankaj Hundia
Sanskar Metals Pvt. Ltd.	Kishorchand D. Hundia	Sangeeta Jitendra Hundia
Ravi Hundia	Nancy Prakashraj Jain	
Hirachand Mishrimal Hundia	Savitaben Babulal Jain	

(l) Dematerialization of Shares and Liquidity:

40,96,583 equity shares representing 82.26% of the total Equity Capital of the Company are held in a dematerialised form with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) as on 31st March 2010.

The Secretarial Audit Report from Mr. Ashwin Shah, Company Secretary in practice confirming that the total issued capital of the Company is in aggregate with the total number of equity shares in physical form and the total number of dematerialized equity shares held with NSDL and CDSL is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to the stock exchanges where the equity shares of the Company are listed.

(m) Outstanding GDRs/ ADRs/ Warrants and Convertible instruments, conversion date and likely impact on equity : Not Applicable.

**(n) Plant Location :**

Survey No.-245,
Village - Sari, Taluka - Sanand,
Ahmedabad-Bavla Highway,
Dist.- Ahmedabad, Pincode - 382 220
Contact Telephone No - (02714) 233096, 233097
Fax No – (02714) 232746
Email ID – works@realstrips.com

(o) Correspondence with the Company:

Address for correspondence with the Company is:
Mr. Ramcharan Beriwal
Real Strips Limited
401-402 "Florence" Opp. Ashram Road Post Office
Ashram Road
Ahmedabad - 380 009
Contact Telephone No - (079) 2650455, 26588788, 26581833
Fax No - (079) 26581073, 40068261
Website : www.realstrips.com
Email ID : ramcharan@realstrips.com; info@realstrips.com

**CEO / CFO CERTIFICATE****TO WHOMSOEVER IT MAY CONCERN**

We Certified to the Board that:

- (a) We have reviewed financial statement and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:-
- (i) significant changes in internal control during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system.

For, Real Strips Limited

**Place: Ahmedabad
Date: 29th May 2010**

**Ramcharan Beriwala
Chief Finance Officer**

**Shri Arvind Sanghvi
Managing Director**

AUDITOR'S CERTIFICATE

To
The Members of Real Strips Limited,

We have examined the compliance of conditions of Corporate Governance by Real Strips Limited, for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is 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 Listing Agreements.

We state that in respect of investor grievances received during the year ended 31st March 2010, no investor grievances are pending against the Company for a period exceeding one month as per the records maintained by the Company and presented to the Shareholders / Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, MEHTA LODHA & CO.
CHARTERED ACCOUNTANTS**

**Place: Ahmedabad
Date : 29TH May 2010.**

**PRAKASH D. SHAH
PARTNER
M No. 34363**



ANNEXURE - II

Information under section 217(1)(e) of the Companies Act,1956.

[A] Conservation of Energy:

The company has oil fired annealing furnace for annealing the stainless steel coils, whereby heat loss is reduced and higher efficiency is achieved.

The details of total energy consumption and energy consumption per unit of production is given hereunder:

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

(a) Power & Fuel Consumption :	2009-2010	2008-2009
(1) Electricity :-		
Unit	8514916	4548140
Less: Units Towards Capitalized	0	332837
Total Units Consumed for Manufacturing	8514916	4215303
Total Amount	Rs. 57037840	26412967
Rate / Unit	Rs. 6.70	5.81
(2) Own Generation :-		
(i) Through Diesel Generation Set:		
Units	22304	18560
Diesel Consumed	Ltrs. 10286	8600
Unit per/Ltrs of diesel	2.17	2.16
Diesel cost	Rs. 368856	325080
Cost per unit	Rs. 16.54	17.52
(ii) Through Wind Turbine Generator:		
Units	5767263	3758032
		(Net of Units Lapsed)
(3) Furnace Oil:-		
Consumption	Ltrs. 2809569	1329202
Value	Rs. 68738460	34827133
Rate / Unit	Rs. 24.47	26.20
(b) Consumption per unit of Production:		(Standards if any)
Product- S.S.Coil (Own)	M.T. 23987.440	11184.785
Product- S.S.Coil (Jobwork)	M.T. 449.503	571.253
Total Production	24436.943	11756.038
Electricity- Consumption Per M.T.	Units 349.36	360.14
Furnace Oil- Consumption Per M.T.	Ltrs. 114.97	113.07

[B] Technology Absorption :

The company is using latest technology available.

[C] Foreign Exchange Earnings:

Earnings	Rs. 4344115	17974748
Out Go	Rs. 19072785	143920636



ANNEXURE - III COMPLIANCE CERTIFICATE

To,
The Members
Messrs. **REAL STRIPS LIMITED**

I have examined the registers, records, book and papers of Messrs. **REAL STRIPS LIMITED** [the company] as required to be maintained under the Companies Act, 1956, [the Act] and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2010 [financial year] in my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year;

1. The company has kept and maintained all registers as stated in Annexure 'A' of this certificate, as per the provision of the Act and the rule made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made thereunder.
3. The company being a Public Limited Company, has the minimum prescribed paid-up capital.
4. The Board of Directors duly met twelve times respectively on 7th May 2009, 29th June 2009, 29th July 2009, 16th September 2009, 3rd October 2009, 12th October 2009, 28th October 2009, 30th October 2009, 11th December 2009, 2nd January 2010, 27th January 2010 and 4th March 2010, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.
5. The company closed its Register of Members from 10th September 2009 to 15th September 2009 and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2009 was held on 15th September 2009 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. One Extra Ordinary General Meeting was held on 30th November 2009 during the financial year ended on 31-03-2010 after giving due notice to the members of the company and the Resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
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 duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances failing 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 Shareholders and Investors Grievance Committee of Board of Directors has approved the issue of Duplicate Share Certificates.
13. The Company has;
 - (i) Delivered all the certificate on allotment of securities and on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) The Company has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) The Company has not posted warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) No amount lying in the Books of Accounts in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have been remain unclaimed or unpaid for a period of seven years.
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the company is duly constituted and appointment of directors has been duly made. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The appointment of Managing Director, Joint Managing Directors and Whole time Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act.
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, and 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 thereunder.
19. The company has issued 12,00,000 equity shares during the financial year and complied with the provision of the Act.
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 or accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from Financial Institutions, Banks, and others during the financial year are within the borrowing limits of the Company.
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 name of the company during the year under scrutiny.
29. The company has altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny and complied with the provisions of the Act.
30. The company has altered its articles of association after obtaining approval of members in the extra ordinary general meeting held on 30th November 2009 and the amendments to the articles of association have been duly registered with the Registrar of Companies.
31. There were no prosecutions initiated against or show cause notices received by the company, during the financial Year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The Company has not constituted any separate trust for its employees and hence the question of deposit of contribution with prescribed authorities pursuant to section 418 of the Act does not apply.

Ahmedabad
May 29, 2010

CS Ashwin Shah
Company Secretary
FCS No. 1640

ANNEXURE – A

List of Registers as maintained by the Company:

1. Register of Members under Section 150
2. Minutes book of General Meeting under Section 193
3. Minutes book of Board meeting under Section 193
4. Register of Directors etc. under Section 303
5. Register of Directors' Shareholding under Section 307
6. Register of companies and firms in which Directors of the Company are interested u/s 299, 301 of the Act.
7. Register of Charges.
8. Register of Transfer
9. Books of Accounts
10. Register of Renewed and Duplicate Certificates
11. Register of Director's attendance

ANNEXURE : B

A. THE REGISTRAR OF COMPANIES, GUJARAT

Sr. No	Form No.	Under Section	Purpose	Date of Filing	Receipt No.	Filed within time
1.	Form 32	303 (2)	Particulars of Appointment of Managing and Whole time Directors	10.04.09	A59676858	Yes
2.	Form 25C	269 (2) & Sch XIII	Reappointment of Managing Director and Whole time Director	10.04.09	A59677070	Yes
3.	Form 25C	269 (2) & Sch XIII	Reappointment of Managing Director and Whole time Director	10.04.09	A59677278	Yes
4.	Form 25C	269 (2) & Sch XIII	Reappointment of Managing Director and Whole time Director	10.04.09	A59677419	Yes
5.	Form 25C	269 (2) & Sch XIII	Reappointment of Managing Director and Whole time Director	10.04.09	A59677542	Yes
6.	Form 66	383A	Filing of Compliance Certificate	02.10.09	P35183656	Yes
7.	Sch.VI	220	Filing of Balance Sheet with in 30 days after approved in Annual General Meeting	02.10.09	P35184225	Yes
8.	Form 23	192	Registration of resolution of Board of Directors of a Company relating to reappointment of Managing Director	06.10.09	A70376272	Yes
9.	Sch. V Part 2	159 (1)	Filing of Annual Return with in 60 days from the date of Annual General Meeting	14.10.09	P36090702	Yes
10.	Form 17	138	Particular of Satisfaction of Charge	05.11.09	A72140619	Yes
11.	Form 17	138	Particular of Satisfaction of Charge	05.11.09	A72141054	Yes
12.	Form 23	192	Registration of Resolution of alteration of capital clause of Memorandum of Association and Article of Association and issue of further shares to non members	02.12.09	A73808313	Yes
13.	Form 2	75(1)	Return of Allotment	15.12.09	A74616681	Yes



MANAGEMENT DISCUSSION AND ANALYSIS

A) Industry structure and developments

India is ranked 10th in the stainless steel production in the world. India produces 18 to 20 lakh ton per annum and the consumption of stainless steel in India stands at 22 lakh tons. Ahmedabad is considered No. 1 for production of raw materials. The per capita consumption of stainless steel in India is 1.2kg against the world average per capita consumption of 9.4kg, which is the lowest in the world. But current development shows that India is to become outsourcing and manufacturing hub for stainless steel products in world market by 2015 which will increase the per capita consumption of stainless steel in India. Hence, there is tremendous scope of increasing production and consumption of stainless in India. The usage and application of Stainless Steel is fast expanding in various fields like houseware, hardware, furniture, SS jewellery, machinery, Pipe-wire-coil-sheet (patta-patti), railway vendor, architectural, building and construction, sanitary equipment, dairy, automotive, ferro alloys and allied. Recently, Government has started promoting this metal because of its non-corrosive and sustainable character which helps in decreasing the overall maintenance of the product which in turn will increase the consumption of stainless steel.

World stainless steel demand is expected to rise 4.9% per year to 2010. Stainless Steel demand in India is presumed to be 7% per year during this period, while annual growth in the rest of the world is expected to be 4%. Projections for 2010 to 2015 suggest a 4.2% annual growth in world wide stainless steel demand, with growth reaching 7.7% per year for India during the same period.

B) Swot Analysis

- Strength
 - Large production capacity enables faster deliveries.
 - Timely upgradation of Technology used.
 - Visible brand equity for "Real" brand
- Weaknesses
 - Dependency on one product
 - Less availability of skilled manpower in the industry
- Opportunities
 - Increase in awareness of use of Stainless Steel in India.
 - Favourable Government policies for promotion of Stainless Steel.
- Threats
 - Less options available for Raw Material Supplies.
 - Frequent fluctuation in Raw Material prices.
 - Increasing competitiveness in the market.

C) Risks, concerns & their management

Risk is involved in all types of businesses may it be trading or manufacturing. It is just the way how one tackles it. Being a focused management we make constant efforts to lessen the same and make the best use of the resources and get the premium result out of our endeavours.

Some of the risks affecting your company are described as under:

- Strategic risk
 - The steel industry today faces several significant strategic issues elaborately which includes industry consolidation issues, execution of profitable growth options, raw materials linkages & scrutiny, technology and new product development, raising finance from global finance markets, protecting the environment and serving the community while creating values for its shareholders.
 - In today's industrial structure of metal industry it has become difficult to make future strategies of development which involves huge risk of finance, selection & execution of profitable growth opportunities which due to globalization has increased even more but the management in order to mitigate the risk of such issues does periodic review of issues relating to further development of your company. Planning and timely execution of its projects in order to create better value for its shareholders.
- Business & Operational risk
 - The management of company headed by the Managing Directors is responsible for managing day to day affairs of the company.
 - The steel industry is still highly fragmented and cyclical in nature as well as demand for steel products is generally affected by macroeconomic fluctuations in the global market. The current market scenario shows that the market is still very volatile in terms of Raw Material price which makes it difficult for the management to maintain the parity between stocks against order as there are favorable chances of customers to cancel the order due to frequent changes in rates.
- Quality risk
 - For a company maximum attrition of customer is due to quality but, we at Realstrips believe in the best quality product for content to our customers.



Care is taken before selecting a new supplier for any material that is used in your company. Company uses the best kind of material in its process and also manufactures the best quality.

The quality of the product is monitored by quality control department as well as the samples are tested before supplying to the customers. Just to provide best quality material your company has setup a new laboratory with the best equipments available.

The company follows the stringent quality measures across raw material procurement, production, despatch, distribution and sales benchmarked to the ISO 9001:2000.

- **Volatility Price Risk**

Price has become the major factor in the steel industry today. Too much of speculation is observed in the market because of which it becomes difficult to predict the future of the industry and the demand.

Company always tries to find out various options available in the market to get the best quality at a cheaper rate. Also, your company with its credit has well bargaining power so is able to cope in the volatile market of stainless steel.

D) Product wise performance

The company deals in a single product, i.e. cold rolled stainless steel coils. The production of the company in 2009 – 2010 was 24437 MT which is more than 200% over the previous year.

E) Outlook

(i) **Steel division**

India offers a fast growing steel industry with enormous future growth potentials inherent. Even in the tough times of economic slowdown, the industry succeeded to sustain its positive growth momentum on the strong fundamentals of domestic demand from construction, automobile and infrastructure sectors. Stainless steel is emerging as a fastest growing segment in the Indian steel industry with consumption growth forecast at 8.1% Compound Annual Growth Rate during 2010-2013.

(ii) **Wind mill division.**

You will feel proud to know that your company is the only one which uses 100% Green power generated from wind for the manufacturing of stainless steel. Company has four windmills with the capacity of 1.25MW, 0.35MW and 0.60MW (2 mills), to help the drive of alternative energies and save power cost to us as well as the nation which makes us an eco-friendly citizen of our country.

F) Internal control system and their adequacy

The company is ISO 9001:2000 certified and this is the 6th consecutive year in which your company has been awarded the certificate for its excellence in controlling the internal system of quality. The company maintains its own internal control systems and procedures to commensurate with its size and nature of business so as to have a better and clear working. The internal control systems are supported by internal audit carried out by a professional audit firm at the Registered office as well as at works. The firm carries out extensive audit throughout the year covering almost all the areas of operation. The adequacy and effectiveness of the internal control, as well as compliance with the laid down systems and policies are comprehensively monitored by the internal auditors. The management reviews the findings of internal auditors on regular basis by the way of having monthly review meetings.

G) Human resources

The company believes in continuous improvement of the workforce by the way of providing vocational as well practical training by organizing training programmes and appointing professional trainers to improve the knowledge as well as the quality of the workforce within the company. We are putting efforts to make out appraisal system more effective to cater the financial and career aspirations of employees to increase organizational effectiveness and efficiency.

Our industrial relations are good and harmonious. Both management and workgroup take positive approach and come to mutual understanding, wherever necessary for betterment of the organization.

The company believes in constant improvement of the organization for which the company has designed a system that connects the top level management directly with floor level workforce, this directly helps the management to understand the grievances of the workforce and remove the same which creates better environment as well as understanding in the organization.

H) Cautionary statement

Statement in this report on management's discussion and analysis describing the company's objectives, projections, estimates, exceptions or predictions may be forward looking statements and are based on certain assumptions and exception of future events. Actual result could however differ materially from those expressed or implied. Important factors that could make a difference to the company's operations including global and domestic demand-supply conditions, finished goods prices, raw material cost and availability, changes in government regulations and tax structures, economic developments within India and the countries with which the company has business contracts and other factors such as litigation and industries relations.

The company assume no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information and events.

**AUDITOR'S REPORT****TO
THE MEMBERS OF
REAL STRIPS LIMITED,**

- 1.) We have audited the attached Balance Sheet of **REAL STRIPS LIMITED** as at 31st March 2010, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date. 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 as amended by the Companies (Auditor's Report) amended order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in the paragraph 4 & 5 of the said order, for the year under consideration.
- 4.) Further to our comments in the Annexure referred to in paragraph 3 above, we broadly report that :
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement are in agreement with books of accounts.
 - d. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of section 211 of the Companies Act, 1956, to the extent applicable.
 - e. As per the representation made by the Company and all its Directors, as on 31st March 2010, no directors is disqualified 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 according to the best of our information and explanations given to us, the said Balance Sheet and Profit and Loss Account read together with the 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 principle generally accepted in India :
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 - b) In the case of Profit and Loss Account, of the **Profit** for the year ended on that date and
 - c) In the case of cash flow statement, of the cash flows for the year ended on that date.

**For, MEHTA LODHA & CO.
(FIRM REGD.NO: 106250W)
CHARTERED ACCOUNTANTS**

**PLACE : AHMEDABAD
DATE : 29TH May 2010.**

**PRAKASH D. SHAH
PARTNER
M. No. 34363**

**ANNEXURE TO AUDITOR'S REPORT**

(Referred to in paragraph 3 of our report of even date to the Members of **REAL STRIPS LIMITED**, on the accounts for the year ended on **31st March 2010**)

- 1) (A) The company has maintained records showing full particulars including quantitative details and situation of Fixed Assets.
(B) A substantial portion of the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
(C) During the year no substantial portion of the fixed assets has been disposed off.
- 2) (A) During the year the management has conducted physical verification of the inventories and in our opinion, the frequency of verification is reasonable.
(B) The procedures of physical verification of inventories followed by the management are reasonable and adequate having regard to the size of the Company and the nature of its business.
(C) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- 3) (A) The Company has taken unsecured loan from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 from one such party of Rs.2 Crore and which has been repaid before the year end and its terms and conditions are not prejudicial to the interest of the company.
(B) The Company has not given any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5) (A) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(B) There is no transaction of value exceeding of Rs. Five lacs during the financial year, with each such party.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of section 58A, section 58AA and any other relevant provisions of the Act and the rules framed there under.
- 7) In our opinion, the company has an internal audit system commensurate with the size and nature of its business, however there is further scope to enlarge and strengthen the same.
- 8) As informed to us, the Central Government has not prescribed for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, for the product of the company.
- 9) (A) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
(B) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and cess were in arrears at 31st March 2010 for a period of more than six months from the date they become payable.
(C) There are no outstanding dues of Sales Tax, Income Tax, Custom Duty, Wealth Taxes, Excise Duty and Cess which have not been deposited on account of dispute.
- 10) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- 11) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank.
- 12) Based on our examination of the records and the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company is not chit fund or a nidhi mutual benefit fund/ society and accordingly the provisions of clause 4(xiii) of the Companies (Auditor's Report) order, 2003 is not applicable to the Company.
- 14) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments and accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) 2003 are not applicable to the Company.
- 15) As informed to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions and accordingly the provisions of clause 4(xv) of the Companies (Auditor's Report) order, 2003 is not applicable to the Company.
- 16) During the year no term loan has been raised by the company and accordingly the provisions of clause 4(xvi) of the Companies (Auditor's Report) order, 2003 is not applicable to the Company.
- 17) According to the Cash Flow Statement and other records examined by us as well as information and explanations given to us on an overall basis, we report that funds raised on short term basis have not prima-facie been used for long term investment, though surplus funds which were not required for immediate utilization have been gainfully invested in liquid investment payable on demand.
- 18) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19) The Company has not issued any debentures and accordingly the provisions of clause 4(xix) of the Companies (Auditor's Report) order, 2003 is not applicable to the Company.
- 20) The Company has not raised any money through public issue during the year and accordingly the provisions of clause 4(xx) of the Companies (Auditor's Report) order, 2003 is not applicable to the Company.
- 21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For, MEHTA LODHA & CO.
(FIRM REGD.NO: 106250W)
CHARTERED ACCOUNTANTS**

**PLACE : AHMEDABAD
DATE : 29th May, 2010.**

**PRAKASH D. SHAH
PARTNER
M No. 34363**

**BALANCE SHEET AS ON 31st MARCH 2010**

PARTICULARS	SCHEDULE No.	AS ON 31/03/2010		AS ON 31/03/2009	
		Rs.		Rs.	
A. SOURCES OF FUNDS					
1. SHAREHOLDERS' FUNDS:					
a. Share Capital	1	49747500		37747500	
b. Equity Share Warrants	1A	12750000		0	
c. Reserves and Surplus	2	235456211	297953711	129307165	167054665
2. LOAN FUNDS:					
a. Secured Loans	3	424782092		355289955	
b. Unsecured Loans	4	174373524	599155616	142915470	498205425
3. DEFERRED TAX LIABILITY (NET)			32259100		35988100
			929368427		701248190
B. APPLICATION OF FUNDS					
1. FIXED ASSETS:	5				
a. Gross Block		689907997		660859151	
b. Less: Depreciation		327310995		266884156	
NET BLOCK		362597002		393974995	
c. Capital Work in progress		3630670	366227672	7722692	401697687
2. INVESTMENTS	6		322290		310990
3. CURRENT ASSETS, LOANS & ADVANCES:	7				
a. Inventories		436659089		174933721	
b. Sundry Debtors		443318203		215389771	
c. Cash and Bank balances		25391585		25692692	
d. Loans & Advances		43656504		27750546	
Less: Current Liabilities & Provisions	8	949025381		443766730	
		386311837		144587217	
Net Current Assets			562713544		299179513
4. MISCELLANEOUS EXPENDITURE: (to the extent not written off or adjusted) Preliminary Expenses			104921		60000
			929368427		701248190
NOTES ON ACCOUNTS	15				

As per our even date report
FOR MEHTA LODHA & CO.
CHARTERED ACCOUNTANTS

A. K. KATARIA

CHAIRMAN

ARVIND D. SANGHVI

MANAGING DIRECTOR

PRAKASH D. SHAH
PARTNER**PRAKASHRAJ S. JAIN**

JOINT MANAGING DIRECTOR

UGAMRAJ M. HUNDIA

JOINT MANAGING DIRECTOR

PLACE : AHMEDABAD
DATE : 29th May, 2010PLACE : AHMEDABAD
DATE : 29th May, 2010

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2010**

PARTICULARS	SCHEDULE No.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
INCOME			
Sales and Operational Incomes		2432951675	1456826876
Less : Excise duty		190088685	160458229
Power Generation Income		35206197	23741473
Other Income	9	127371	632801
Increase/(Decrease) in Stocks	10	121535331	(1736078)
		2399731889	1319006843
EXPENDITURES :			
Material Cost		1941835589	1105228683
Manufacturing and other Expenses	11	214517940	109708206
Employees Remuneration	12	35200087	20627454
Financial Expenses	13	67666769	61136193
Selling & Distribution Expenses	14	7260490	6844506
Preliminary Expenses written off		29980	17614
Depreciation		62082189	41634421
		2328593044	1345197077
Net Profit /(Loss) for the year before Taxation		71138845	(26190234)
Less: Provision For Taxation:			
(i) Current Tax		12090000	0
(ii) Deferred Tax		(3729000)	(4837810)
(iii) Fringe Benefit Tax		0	188000
(iv) Wealth Tax		15000	14700
Net Profit/(Loss) after Taxation		62762845	(21555124)
Add/(Less):Prior Period Adjustment		(6683)	(567675)
Net Profit/(Loss) for the Year		62756162	(22122799)
Add: Balance as per Last Year		74307165	96429964
Less: Transferred to General Reserve		10000000	0
Less: Proposed Dividend on Equity Shares		4980000	0
Less: Dividend Distribution Tax		827116	0
Balance carried forward to Balance Sheet		121256211	74307165
NOTES ON ACCOUNTS	15		
EARNINGS PER SHARE			
Basic Earnings Per Share (In Rupees)		15.14	(5.85)
Diluted Earnings Per Share (In Rupees)		14.87	(5.85)
Face Value Per Share (In Rupees)		10.00	10.00

As per our even date report
FOR MEHTA LODHA & CO.
 CHARTERED ACCOUNTANTS

A. K. KATARIA

CHAIRMAN

ARVIND D. SANGHVI

MANAGING DIRECTOR

PRAKASH D. SHAH
PARTNER**PRAKASHRAJ S. JAIN**

JOINT MANAGING DIRECTOR

UGAMRAJ M. HUNDIA

JOINT MANAGING DIRECTOR

PLACE : AHMEDABAD
DATE : 29th May, 2010PLACE : AHMEDABAD
DATE : 29th May, 2010



	AS ON 31/03/2010 Rs.	AS ON 31/03/2009 Rs.
SCHEDULE 1 : SHARE CAPITAL		
Authorised:		
80,00,000 (40,00,000) Equity Shares of Rs.10/- each	80000000	40000000
5,00,000 (45,00,000) Preference Shares of Rs.10/- each	5000000	45000000
	85000000	85000000
Issued,Subscribed & Paid-up:		
49,80,000 (37,80,000) Equity Shares of Rs.10/- each,fully paid up.	49800000	37800000
Call in Arrears-Other than Directors	52500	52500
	49747500	37747500
	49747500	37747500
SCHEDULE 1A		
EQUITY SHARE WARRANTS		
10,00,000 (Nil) Partly Paid Up (Rs.12.75 per warrant paid) Convertible Warrants of Face Value of Rs.51/-each, to be converted into 10,00,000 Equity Shares of Rs. 10/- each at a premium of Rs.41/- per share,on and before 10th June 2011,on full payment of the warrants.	12750000	0
	12750000	0
SCHEDULE 2 : RESERVES & SURPLUS		
A) Capital Reserve:		
Government Capital Subsidy		
- Balance as per last year	1500000	1500000
B) Share Premium Account		
- Balance as per last Year	18500000	18500000
- Addition during the Year	49200000	0
	67700000	18500000
C) General Reserve:		
- Balance as per last Year	35000000	35000000
- Addition during the Year	10000000	0
	45000000	35000000
D) Profit & Loss Account		
	121256211	74307165
	235456211	129307165
SCHEDULE 3 : SECURED LOANS		
Term Loans from :		
(a) Financial Institution	0	4340000
(b) Banks:		
- Rupee Term Loan-[Note No.1(a)]	64256502	81045947
- Corporate Loan-[Note No.1(b)]	8333345	10000010
	72589847	95385957
Working Capital Facilities from Banks (Note No.2) (Includes foreign currency Working Capital Term Loan of Rs 174251791/- P.Y.Rs.Nil)	351862237	258970310
Hire Purchase Finance for Vehicles (Note No.3)	330008	933688
	424782092	355289955

Notes:-

- (a) Term Loan from State Bank of India are secured by way of First charge on Fixed Assets of the company, movable and/or immovable, present or future situated at Survey No.244, 245 and 247 at : Village : Sari, Taluka : Sanand, District : Ahmedabad (Gujarat) and office situated at 401-402, "Florence" Opp.Ashram Road P.O., Ashram Road, Ahmedabad - 380 009 and Wind Mill situated at Ukhrala (Dist.Bhavnagar), Gujarat and further said loans are also secured by personal guarantees of some of the Directors of the Company.
- (b) Corporate Loan from Union Bank of India is Secured by way of Second Charge on Fixed Assets of the company and personal guarantees of some of the Directors of the Company.
- Working Capital facilities from Union Bank of India and State Bank of India are secured by way hypothecation of Inventories, Book debts and personal guarantees of some of the Directors of the Company and further said loan is also secured by way of second charge on Fixed Assets of the Company.
- Hire purchase finance is secured by Hypothecation of Vehicles financed and personal guarantees of some of the Directors of the Company.



	AS ON 31/03/2010 Rs.	AS ON 31/03/2009 Rs.
SCHEDULE 4 : UNSECURED LOAN		
Deposits/ Loans from - Body Corporates	174373524	93414021
- Bank	0	49501449
	174373524	142915470

SCHEDULE 5 : FIXED ASSETS A/C.YEAR 2009-2010

ITEMS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	AS ON 01/04/2009 Rs.	ADDITION Rs.	DEDUCTION Rs.	AS ON 31/03/2010 Rs.	AS ON 01/04/2009 Rs.	ADDITION Rs.	DEDUCTION Rs.	AS ON 31/03/2010 Rs.	AS ON 31/03/2010 Rs.	AS ON 31/03/2009 Rs.
Freehold Land	943946	0	0	943946	0	0	0	0	943946	943946
Building	77988393	5085214	0	83073607	27567685	4679590	0	32247275	50826332	50420708
Plant and Machinery	561832155	25090210	2043411	584878954	231200457	55291873	1342776	285149554	299729400	330631698
Furnitures & Fixture	10672962	482678	0	11155640	4634122	1145773	0	5779895	5375745	6038840
Computer	1572782	284600	0	1857382	1203385	217631	0	1421016	436366	369397
Vehicles	7848913	1087816	938261	7998468	2278507	747322	312574	2713255	5285213	5570406
Total	660859151	32030518	2981672	689907997	266884156	62082189	1655350	327310995	362597002	393974995
Previous Year	523182699	138133482	457030	660859151	225509886	41634421	260151	266884156	393974995	297672813

	AS ON 31/03/2010 Rs.	AS ON 31/03/2009 Rs.
SCHEDULE 6 : INVESTMENTS		
Quoted - Trade		
1009 Equity Share of Union Bank of India face value of Rs.10/- each	110990	110990
20000 units of SBI Infrastructure Fund of Face value of Rs.10/- each	200000	200000
(Market Value of Investments Rs.5,01,731/- previous year Rs.2,56,228/-)		
SILVER	11300	0
	322290	310990

SCHEDULE 7 : CURRENT ASSETS, LOANS & ADVANCES

A. Inventories

(As valued, verified & certified by the Management)

a. Stores and Spare	18751202	15891343
b. Raw Material	143409116	43139139
c. Work In Process	190842129	76145347
d. Finished Goods	20365378	12582981
e. Goods in Transit	63291264	27174911
	436659089	174933721

B. Sundry Debtors

(Unsecured, Considered good)

- More than six months	41110962	25292842
- Others	402207241	190096929
	443318203	215389771

C. Cash & Bank Balance

a. Cash on Hand	248928	177338
b. Cash at Bank with Schedule Banks in		
- Current Account	1833862	17879133
- Fixed Deposits	22839372	7138331
- Unclaimed Dividend Account	469423	497890
	25391585	25692692



	AS ON 31/03/2010 Rs.	AS ON 31/03/2009 Rs.
D. Loans & Advances		
(Unsecured, Considered good)		
Loans and Advances recoverable in cash or in kind or for value to be received	4360474	2618316
Loans & Advances to Staff	256546	257446
Deposits	14852385	5052885
Balance With Government Authorities.	22077781	17711852
Balance with Income Tax	2109318	2110047
	43656504	27750546
SCHEDULE 8 : CURRENT LIABILITIES & PROVISIONS		
Current Liabilities:		
Sundry Creditors	374068206	144041627
Unclaimed Dividend	469423	497890
Provisions :		
Provision of Income Tax & Fringe Benefit Tax (Net of Advance Tax of Rs.61,37,908/- P.Y.Rs.1,55,000/-)	5952092	33000
Provision of Wealth Tax	15000	14700
Proposed Dividend	4980000	0
Dividend Distribution Tax Payable	827116	0
	386311837	144587217
	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
SCHEDULE 9 : OTHER INCOME		
Dividend Income (Gross) (TDS Rs.Nil Previous Year Rs.Nil)	5045	4036
Export Incentives	122326	361830
Discounts	0	266935
	127371	632801
SCHEDULE 10 : INCREASE / (DECREASE) IN STOCKS		
OPENING STOCK		
- Finished Goods	12582981	25252164
- Work In Process	76145347	67436788
	88728328	92688952
CLOSING STOCK		
- Finished Goods	20365378	12582981
- Work In Process	190842129	76145347
	211207507	88728328
Add/(Less) : Increase/(Decrease) of Excise Duty on Finished Goods	(943848)	2224546
INCREASE / (DECREASE) IN STOCKS	121535331	(1736078)



	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
SCHEDULE 11 : MANUFACTURING AND OTHER EXPENSES		
Power and Fuel	126145156	61936329
Stores and Spares	58855592	28408299
Job Charges	789165	1667670
Freight and Octroi	750921	606219
Testing Charges	25437	38653
Machinery Repairs	2136965	1520835
Building Repairs	375549	38861
Vehicle & Other Repairs	606484	486858
Rent Rates and Taxes	107470	187825
Directors Remuneration	1920000	1920000
Directors Meeting Fees	56000	42000
Insurance Premium	2631403	2826584
(Includes Keyman insurance payment of - - Rs.2005340/- P.Y. Rs. 2005340/-)		
Postage Telegram & Telephone Expenses	679168	635676
Conveyance Expenses	1789460	1072288
Travelling Expenses	418729	550673
Printing and Stationery	556995	411597
Vehicle Expenses	1135012	1120549
Auditors' Remuneration:		
- Audit Fees	150000	100000
- Tax Audit Fees	30000	25000
- Other Matters	65500	46000
Legal and Professional Charges	1306044	866385
General Expenses	1772212	1547497
Advertisement	239819	193143
Discount, Kasar, Claim & Bad Debts.	4408804	0
Effluent Treatment Expense	3789290	1967166
Wind Mill Expenses	3544167	1360220
Loss on sale of Fixed assets (Net)	232598	131879
	<u>214517940</u>	<u>109708206</u>
SCHEDULE 12 : EMPLOYEES REMUNERATION		
Salaries,Wages and Allowances and Bonus	31975322	18250828
Contribution to Provident and other funds	1401484	1148212
Staff Welfare and amenities	1823281	1228414
	<u>35200087</u>	<u>20627454</u>
SCHEDULE 13 : FINANCIAL EXPENSES		
Term Loan Interest	9681828	15696581
Bank and other Loan Interest	49349690	36783575
(Net of Interest Income of Rs. 1693223/- & Interest on Call- in-Arrears Rs. NIL)		
(Previous Year Rs.2181474/- & Interest on Calls in-Arrears Rs.2563/-)		
(TDS Rs 209308/-, Previous Year Rs 446769/-)		
Bank and Finance Charges	6379516	4406423
Exchange Rate Fluctuation	2255735	4249614
	<u>67666769</u>	<u>61136193</u>
SCHEDULE 14 : SELLING & DISTRIBUTION EXPENSES		
Commission on sales	4382058	4718715
Freight and Forwarding Outward & Other Expenses	2878432	2125791
	<u>7260490</u>	<u>6844506</u>

**SCHEDULE 15 : NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED AS ON 31/03/2010****1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****A. : ACCOUNTING CONVENTION :**

The Financial Statements are prepared under historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956 as adopted consistently by the company.

B. : USE OF ESTIMATES :

The preparation of financial statements in conformity with generally accepted accounting principles requires managements to make estimates and assumptions that affect the reported amounts of assets & liabilities and disclosures of contingent liabilities at the date of financial statements and the results of operation during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

C. : FIXED ASSETS :

- i. The Gross Block of fixed assets are shown at cost which includes taxes, duties and preoperative expenses. Cost of Fixed Assets has been reduced to the extent of Excise Duty under Capital Cenvat Scheme, Service Tax & VAT where such credit is availed.
- ii. Capital work in progress is shown at cost and includes the amount of capital work in progress, advances for capital goods.
- iii. All the preoperative expenditure including interest on borrowing for the project/ item, incurred on capital work in progress or on fixed assets upto the date of installation of the individual item as taken by the company is capitalized and added on pro-rata basis to the cost of respective fixed Assets.

D. : DEPRECIATION:

The company provides depreciation on Straight Line method on (a) Plant and Machinery and (b) Vehicles, whereas on (a) Building (b) Furniture and Fixtures and (c) computer, depreciation is provided on Written Down Value Method, at the rates and manner specified in Schedule XIV of the Companies Act, 1956.

E. : INVENTORIES :

Raw materials, Work in Progress and finished goods are valued at lower of cost or net realisable value. Stores & spare parts are stated at cost. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'First-in-First-Out method'.

F. : SALES :

Sales includes sales value of goods, Excise duty but excludes VAT/CST, trade discount & other taxes and material returned/rejected and the Operational income includes job charges income.

G. : RAW MATERIAL CONSUMPTION :

Raw Material Consumed includes interest expenses for late payment to suppliers.

H. : EXCISE / CUSTOM DUTIES:

Excise Duty on manufactured goods remaining in the inventory is included as a part of valuation of finished goods. The customs duty on raw materials, stores, spares & components is accounted on clearance thereof.

I. : FOREIGN CURRENCY TRANSACTIONS :

- (a) Foreign currency transaction are accounted at the exchange rate prevailing on the date of transaction. Monetary items related to foreign currency transaction remaining unsettled at the end of the year are translated at year end rates. Any exchange gain or loss arising out of the subsequent fluctuation are accounted for in the Profit and Loss Account.
- (b) In respect of forward contracts assigned to the foreign currency assets/liabilities as at Balance Sheet date, the proportionate premium/discount for the period up to the date of Balance sheet is recognized in the Profit and Loss account. The exchange difference measured by the exchange rate between the inception of the forward contract and date of balance sheet is applied on foreign currency amount of the forward contract.

J. : TREATMENT OF RETIREMENT BENEFITS :

Company contributes to group gratuity policy with Life Insurance Corporation of India as per actuarial valuation as on the Balance Sheet date for future payment of Gratuity to employees. Company's contributions paid/payable during the year to Provident Fund are charged to the Profit & Loss Account. Privilege leave is accounted for accrual basis.

K. : DEFERRED REVENUE EXPENSES AND PUBLIC ISSUE EXPENSES :

Public Issue Expenses and Preliminary expenses are amortized over a period of 5 years.

L. : BORROWING COSTS:

Borrowing Costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. Exchange difference arising from foreign currency term loan borrowing beyond adjustment to interest cost is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

M. : TAXATION:

Income-tax expense comprises current tax and deferred tax charge or credit. Tax on income for the current period is determined on financial year basis computed in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assessment/appeal.

N. : DEFERRED TAXATION:

The deferred tax charge or credit is recognised using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets/ liabilities are reviewed as at each Balance Sheet date based on development during the year and available case laws, to reassess realisation/liabilities.



Q. : INVESTMENT:

Investments are stated at cost. Diminution in the value, if any, which is of permanent nature is provided for.

P. : IMPAIRMENT OF ASSETS:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Q. : PROVISION AND CONTINGENT LIABILITIES :

- (a) Provisions are recognized when the present obligation of a past event gives rise to a probable outflow, embodying economic benefits on settlement, and the amount of obligation can be reliably estimated.
- (b) Contingent Liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved.
- (c) Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

R. : Accounting policies not specifically referred to are consistent with generally accepted accounting practices.

- 2. (a) In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of the business. There is no contingent liability other than stated above and provisions for all known liabilities are adequate. Some of accounts of creditors, debtors and loans & advances including squared up accounts are subject to confirmation from the respective parties and necessary adjustments and/or proper classification thereof, if any, will be made on its reconciliation and/or settlement.
- (b) The company is in the process to fill the post of Company Secretary.

3. As per Accounting Standard 15 "Employee Benefit", the disclosures as defined in the Accounting Standard are given below

	(Rs. In Lacs)
	Current Year
a) Defined contribution to Provident Fund	
Company contribution to Provident Fund	3.84
Company contribution to Pension Fund	8.49
b) Defined Benefit Plans - Gratuity (Funded)	
a) Assets recognised in the Balance Sheet	
i) Present Value of obligation at the beginning of the Period	12.29
Current Service Cost	2.81
Interest Cost	0.98
Actuarial (Gain)/Loss	0.22
Benefit Paid	-
Present Value of obligation as at year end	16.30
Less:	
ii) Fair Value of Plan Assets at the beginning of the Period	
Expected return on Plan Assets	0.75
Actuarial gain/(loss)	0.06
Employers' Contribution	18.83
Benefit Paid	-
Fair Value of Plan Assets as at year end	19.64
Amount recognised in the Balance Sheet	-
b) Expenses during the year	
Service Cost	2.81
Interest Cost	0.98
Expected return on Plan assets	(0.75)
Actuarial (Gain)/Loss	0.16
Total	3.20
c) Actual Return on plan assets	0.06
d) Break up of Plan Assets as a percentage of total Plan Assets	
(Percentage or Value)	
Insurer managed Funds	100%
e) Principal actuarial assumptions	
Rate of Discounting	8.00%
Expected return on Plan Assets	8.00%
Rate of increase in Salaries	5.00%
Attrition Rate	2.00%

(In absence of data of earlier year, Previous Year figures are not stated)

4. The company is contingently liable for the followings:-

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided are Rs. 37.80 Lacs (Previous Year Rs.6.20 lacs)
- (b) Bills discounted and reduced from debtors of Rs. 1363.89 Lacs (Previous Year Rs.834.35 Lacs).
- (c) Letter of credit issued by the bank of Rs. 900.00 Lacs (Previous Year Rs. NIL)



- (d) Bank Guarantee of Rs.42.74 Lacs (Previous Year Rs. NIL)
 (e) Disputed statutory Claims/levies for which the company has preferred appeal in respect of(excluding interest leviable if any) :
 Income tax liability of Rs. NIL (Previous Year Rs 11.50 Lacs)

5. Related Parties Disclosures as identified by the company & with whom transaction during the year has taken place :

(A) Particulars of Associates

<u>Name of the Related Parties</u>	<u>Nature of Relationship</u>
(i) Raajratna Metal Industries Ltd.	Associate Company
(ii) Raajratna Stock Holdings Pvt.Ltd.	Associate Company

(B) Key Management Personnel

<u>Name of the Related Parties</u>	<u>Nature of Relationship</u>
(i) Mr.A.K. Kataria	Chairman
(ii) Mr.Arvindkumar D. Sanghvi	Managing Director
(iii) Mr.Ugamraj M. Hundia	Joint Managing Director
(iv) Mr.Prakashraj S. Jain	Joint Managing Director
(v) Mr.Babulal S. Jain	Director
(vi) Mr.Chandresh V. Shah	Director
(vii) Mr.Ashwin A. Kataria	Director
(viii) Mr.Amol R. Dalal	Director
(ix) Mr.Pawankumar R. Murarka	Director
(x) Mr.Deepak U. Hundia	General Manager
(xi) Mr. Romitraj P. Jain	General Manager(Marketing)

(C) Transactions with Associates	<u>Current Year Amount (Rs.in Lacs)</u>	<u>Previous Year Amount (Rs.in Lacs)</u>
(i) Sale of Finished Goods	0.14	1.90
(ii) Purchase of Raw Material	0.00	592.35
(iii) Purchase of DEPB	0.00	31.53
(iv) Purchase of Consumable Stores	0.00	3.44
(v) Unsecured Loan taken	200.00	0.00
(vi) Unsecured Loan repaid	200.00	0.00
(vii) Interest Payment	22.37	9.40

(D) Details of Transactions relating to persons referred to in item (B) above

(i) Remuneration to Director	19.20	19.20
(ii) Salary	9.27	5.47
(iii) Director Meeting Fees	0.56	0.42

6) Basic Earnings Per Share

I. Net Profit as per Profit & Loss Account available for Equity Shareholders.	62756162	(22122799)
II. Number of equity shares of Rs.10/- each	4980000	3780000
III. Pro-rata Shares during the year	4144932	3780000
IV. Basic Earnings Per Share of Face value of share of Rs. 10/-each	15.14	(5.85)
v. Diluted Earnings Per Share of Face value of share of Rs. 10/-each	14.87	(5.85)

7. Segment Reporting:

The Company is engaged in manufacturing of single product i.e.Cold Rolled Stainless Strips/coils, and does not have other reportable Segment identifiable in accordance with Accounting Standard (AS)-17,issued by the Institute of Chartered Accountants of India.

8. Deferred Tax Liability / (Asset) at the year end comprise timing difference on account of :

	<u>(Rs in Lacs)</u>	
Deferred Tax Liabilities:-		
Depreciation	322.59	363.04
Deffered Tax Assets:-		
Expenditure	0.00	(3.16)
	<u>322.59</u>	<u>359.88</u>

9. The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act and as required by Schedule VI of the Companies Act,1956 have not been given.



10. Additional information pursuant to the provisions of paragraph 3 & 4 (c) (d) of part II of schedule VI of the Companies Act, 1956. To the extent applicable and certified by the management.

i) Licenced & Installed Capacity & Production		2009-2010		2008-2009	
a) Licenced Capacity		Not Applicable		Not Applicable	
b) Installed Capacity (Annualised and as assessed by the management)	Unit	Quantity		Quantity	
Cold Rolled S.S.Coils/ S.S. Strips	MT	30000		24000	
c) Production					
Cold Rolled S.S.Coils/ S.S. Strips					
Own	Kgs.	23987440		11184785	
Job Work	Kgs.	449503		571253	
Total	Kgs.	24436943		11756038	
ii) Details of Raw Materials consumed :-					
		CURRENT YEAR		PREVIOUS YEAR	
Items	Unit	QTY.	RS.	QTY.	RS.
Hot Rolled S.S.Coils	Kgs.	26200923	1941835589	12267238	1105228683
iii) Details of Stocks-Finished Goods - Cold Rolled S. S. Coils/S.S. Strips					
a) Opening Stocks	Kgs.	126662	12582981	197589	25252164
b) Closing Stocks	Kgs.	197514	20365378	126662	12582981
iv) Sales-Cold Rolled S.S.Coils/S.S.Strips					
Own	Kgs.	23916588	2213418309	11255712	1261910092
Scrap & Other Sales			23185515		27259947
Job Work	Kgs.	449503	6259166	571253	7198608
Total Sales		24366091	2242862990	11826965	1296368647
v) C.I.F.Value of Import					
- Raw Materials	Rs.		12770221		143856936
vi) Earning in Foreign Exchange					
- F.O.B. Value of Export	Rs.		4344115		17974748
vii) Expenditure in Foreign Currency					
- Interest	Rs.		6302564		NIL
- Travelling	Rs.		NIL		63700
viii) Composition of Raw Material and Stores and spares					
		% of RS.		% of RS.	
		Consumption		Consumption	
(a) Raw Material					
- Imported (C.I.F. Amount)		0.66	12770221	13.02	143856936
- Indigenous		99.34	1929065368	86.98	961371747
		100.00	1941835589	100.00	1105228683
(b) Stores and Spare Parts					
- Indigenous		100	58855592	100	28408299



11) STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT,1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE	
I. REGISTRATION DETAILS	
Registration No.	0 4 - 1 4 3 8 3 State Code 0 4
Balance Sheet	3 1 0 3 2 0 1 0
	Date Month Year
II. CAPITAL RAISED DURING THE YEAR -RS. in 000	
Public Issue	N I L Right Issue N I L
Bonus Issue	N I L Private Placement (Excluding Share Premium Amount) 1 2 0 0 0
III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS-Rs. in 000	
Total Liabilities	9 2 9 3 6 8 Total Assets 9 2 9 3 6 8
SOURCES OF FUNDS	
Paid-up Capital	4 9 7 4 8 Reserves and Surplus 2 3 5 4 5 6
Share Warrant	1 2 7 5 0 Unsecured Loans 1 7 4 3 7 3
Secured Loans	4 2 4 7 8 2 Deferred Tax Liability 3 2 2 5 9
APPLICATION OF FUNDS	
Net Fixed Assets	3 6 6 2 2 8 Investments 3 2 2
Net Current Assets	5 6 2 7 1 3 Misc. Expenditure 1 0 5
Accumulated Losses	N I L
IV. PERFORMANCE OF COMPANY - Rs. in 000	
Turnover and other Income	2 2 7 8 1 9 7 Total Expenditure 2 2 0 7 0 5 8
Profit Before Tax	7 1 1 3 9 Profit After Tax 6 2 7 6 3
Earning Per Share (in Rs.)	1 5 . 1 4 Dividend Rate % 1 0
V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)	
Item Code No. (ITC Code)	Product Description
7220	C O L D R O L L E D S T A I N L E S S S T E E L S T R I P S / C O I L S

12. Corresponding figures of the previous year have been regrouped and/or re-arranged wherever necessary to confirm to this year's figures. Figures in brackets relates to previous year.
Signature to the Schedule 1 to 15

As per our even date report
FOR MEHTA LODHA & CO.
CHARTERED ACCOUNTANTS

PRAKASH D. SHAH
PARTNER

A. K. KATARIA

CHAIRMAN

ARVIND D. SANGHVI

MANAGING DIRECTOR

PRAKASHRAJ S. JAIN

JOINT MANAGING DIRECTOR

UGAMRAJ M. HUNDIA

JOINT MANAGING DIRECTOR

PLACE : AHMEDABAD
DATE : 29th May, 2010

PLACE : AHMEDABAD
DATE : 29th May, 2010



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2010

Particulars	Year Ended 31 st March 2010 Rs.	Year Ended 31 st March 2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax & extra-ordinary items	71138845	(26190234)
Adjusted for		
- Depreciation	62082189	41634421
- Loss / (Profit) on sale of fixed assests	232598	131879
- Financial Expenses	67666769	61136193
- Preliminary and Public issue expenses written off	29980	17614
	<u>130011536</u>	<u>102920107</u>
Operating profit before working capital charges :	201150381	76729873
Changes in:-		
- Trade & others receivables	(243834390)	70629480
- Inventories	(261725368)	(43852346)
- Trade and other payables	229950412	47036235
	<u>(275609346)</u>	<u>73813369</u>
Cash generated from operations :	(74458965)	150543242
- Direct taxes paid/payable	(6137908)	(155000)
Cash flow before extra-ordinary items :	(80596873)	150388242
Extra-ordinary items-Prior period adjustment	(6683)	(567675)
NET CASH FROM OPERATING ACTIVITIES	A (80603556)	<u>149820567</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Investment	(11300)	0
Purchase of fixed assets and change in Capital Work in Progress	(27938496)	(53418233)
Sale of fixed assets	1093724	65000
Preliminary Expenses	(74901)	(75000)
NET CASH USED IN INVESTING ACTIVITIES	B (26930973)	<u>(53428233)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Share Capital	61200000	1000
Proceeds from Warrants	12750000	0
Proceeds from borrowings	100950191	(19444557)
Financial Expenses paid	(67666769)	(61136193)
Dividend and Dividend Tax Paid	0	(4422411)
NET CASH USED IN FINANCING ACTIVITIES	C 107233422	<u>(85002161)</u>
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	(301107)	11390173
OPENING CASH & CASH EQUIVALENTS	<u>25692692</u>	<u>14302519</u>
CLOSING CASH & CASH EQUIVALENTS	25391585	<u>25692692</u>

Notes:

(1) Figures in brackets indicates outflows.

(2) The figures of the previous year have been regrouped and rearranged wherever necessary.

As per our even date report
FOR MEHTA LODHA & CO.
CHARTERED ACCOUNTANTS

A. K. KATARIA

CHAIRMAN

ARVIND D. SANGHVI

MANAGING DIRECTOR

PRAKASH D. SHAH
PARTNER

PRAKASHRAJ S. JAIN

JOINT MANAGING DIRECTOR

UGAMRAJ M. HUNDIA

JOINT MANAGING DIRECTOR

PLACE : AHMEDABAD
DATE : 29th May, 2010

PLACE : AHMEDABAD
DATE : 29th May, 2010

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REALSTRIPS LTD.

Registered Office : 401-402, "Florence", Opp. Ashram Road Post Office, Ashram Road, Ahmedabad - 380 009.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL. JOINT HOLDERS MAY TAKE ADDITIONAL SLIP ON REQUEST. (FOLIO NO., DP ID*, CLIENT ID* & NAME OF THE SHAREHOLDER/ JOINT HOLDERS/ PROXY IN BLOCK LETTERS IS TO BE FURNISHED BELOW.)

Shareholder's Name	DP ID*	Client ID*	Folio	No. of shares held

I hereby record my presence at the **19th ANNUAL GENERAL MEETING** of the company to be held on Saturday, 25th September 2010 at 5.00 p.m. at – Chanakya Hall, Hotel Nalanda, Mithakhali Six Road, Ahmedabad – 380 006 and at any adjournment thereof.

Signature of the Shareholder or Proxy _____

- Notes:
1. Only Shareholder of the company or their Proxies will be allowed to attend the Meeting.
 2. Shareholders/Proxy holders are requested to bring the Attendance Slip with them when they come to the Meeting and hand it over at the entrance after affixing their signature on it.
 3. Shareholders are requested to advice, indicating their Folio Nos. DPID*, Client ID*, the change in their address, if any, to the Registrar & Share Transfer Agents, M/s MCS Limited, 101, Shatdal Complex, 1st Floor, Opp Bata Show Room, Ashram Road, Ahmedabad - 380 009.
- * Applicable for the investors holding their shares in Electronic (Demat) Form.



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(Folio No., DP ID*, Client ID* & Name of the Shareholder/ Joint holders/ Proxy IN BLOCK LETTERS is to be furnished below.)

PROXY FORM

DP ID*	Client ID*	Folio	No. of shares held

I/We _____ of _____
in the District of _____ being a Member / Members of **Real Strips Limited**,
hereby appoint Shri _____
of _____ in the District of _____
or failing him Shri _____ or _____
in the District of _____ or failing him Shri _____
_____ of _____
in the District of _____ as my /our proxy to vote for me/us on my/our behalf at the
19th ANNUAL GENERAL MEETING of the company to be held on Saturday, 25th September 2010 at 5.00 p.m. at -Chanakya
Hall, Hotel Nalanda , Mithakhali Six Road, Ahmedabad - 380 006 and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2010.

Signature _____

Affix
Revenue
Stamp
here

Note: The Proxy must be deposited at the registered office of the Company not less than 48 hours before the time for holding of the aforesaid meeting.

* Applicable for the investors holding their shares in Electronic (Demat) Form.



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NATIONAL ELECTRONIC CLEARING SERVICES (NECS) MANDATE FORM

Dear Investor,

As the COMPANY INTENDS TO PAY DIVIDEND THROUGH NECS, for that you are requested to give the details as required and sent to our R & T M/s MCS Limited, Ahmedabad.

FOR REAL STRIPS LTD.

AUTHORIZED SIGNATORY

To
The Branch Manager
MCS Limited
Unit: Real Strips Limited
101, Shatdal Complex, 1st floor,
Opp. Bata Show Room
Ashram Road, Ahmedabad 380 009
Contact No: (079) 2658-1296, 2658-2878

Dear Sir,

FORM FOR NATIONAL ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill-in, the information in CAPITAL LETTERS and in ENGLISH ONLY

For shares held in physical form

FOR OFFICE USE ONLY

NECS REF. NO : _____

Master Folio No:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

For shares held in electronic form:

DP ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Client ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Name of Sole/First Holder

Bank Name & Branch

MICR Code

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank.) Please attach a Xerox copy of a cheque or a duly cancelled cheque for ensuring accuracy of the bank name, Branch name & code number)

Account type

Saving

Current

C.C.

(Please tick)

Account No. (as appearing in the cheque book)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Effective date of this mandate (DD/MM/YY)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I, hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness of information supplied as above, the company/its registrar viz. M/s MCS Limited will not be held responsible. I agree to avail the NECS facility provided by RBI, as and when implemented by RBI/Real Strips Limited.

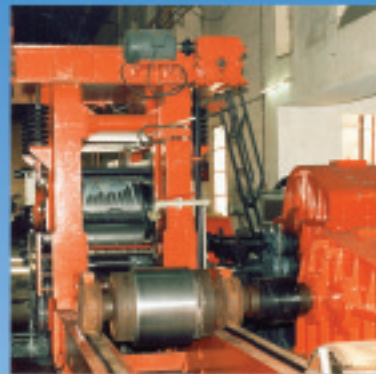
I, further undertake to inform the Company any change in the Bank/Branch and account number. I further agree not to hold company responsible for any delay in NECS in transit to credit my entitlement for Dividend. I also agree and understand that the decision of the Company regarding implementation/non-implementation of NECS shall final and binding on me.

Place : _____

Date : _____

(Signature of Sole/First Holder)

1. Whenever the shares in the given folio are entirely dematerialized, then NECS mandate form will stand rescinded.
2. For shares held in dematerialized mode nomination is required to be filed with the Depository Participant in their prescribed form.



BOOK-POST

TO

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