

Chase Bright Steel Limited

53rd
Annual Report
2012-2013

Chase Bright Steel Limited

BOARD OF DIRECTORS

Shri Avinash Jajodia (Chairman & Managing Director)

Shri N. G. Khaitan

Shri P. L. Dabral

Shri K. S. Shikari

Smt. Manju Devi Jajodia

Auditors:

Messrs A. J. Mehta & Associates

Chartered Accountants

Mumbai

Registered Office & Works:

R-237, TTC Industrial Area,

MIDC, Rabale

Navi Mumbai - 400 701.

NOTE

Conveyance from Thane station to the place of meeting and back will be made available for shareholders desirous of attending the meeting, provided such shareholders notify their intention at least one week in advance to Ms. Sampada Sakpal in writing at the company's registered office address. Company's representative having a banner with the name of the company shall be waiting outside Thane station (East) near Anand Talkies and shall leave the station at 10.00 a.m. sharp for the place of meeting.

NOTICE

Notice is hereby given that the 53rd Annual General Meeting of the Members of **Chase Bright Steel Limited**, shall be held at the Thana Manufacturers' Association, TMA House, P-6 Main Road, Wagle Industrial Estate, Thane – 400604, at 11.00 a.m. on Monday 30th September, 2013 to transact the following business:

1. To receive, consider, and adopt the Audited Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss for the year ended on that date, along with the Reports of the Directors and Auditors thereon.
2. To appoint Shri K. S. Shikari as a Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

“RESOLVED THAT the retiring auditors, M/s A. J. Mehta & Associates Chartered Accountants (Registration No. 106179W), who being eligible, offer themselves for re-appointment be and are hereby re-appointed as auditors of the company, to hold office until the conclusion of the next Annual General Meeting on such remuneration and out of pocket expenses as may be mutually agreed between the Board of Directors and the Auditors in connection with the audit of Accounts of the Company for the year ending 31st March, 2014.

By Order of the Board,

Place: Mumbai
Date: 25th May, 2013

Avinash Jajodia
Chairman & Managing Director

Registered Office:
R-237, TTC Industrial Area
MIDC, Rabale, Navi Mumbai – 400701.

Notes :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF SELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The instrument appointing a Proxy should be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
3. The Register of Members and Share transfer Books of the Company will remain closed from Wednesday, 25th September, 2013 to Monday, 30th September, 2013 (both days inclusive).
4. Members /proxies should bring the attendance slip duly filled in for attending the meeting.
5. Members desiring any information as regard Accounts are requested to write to the Company by 25th September, 2013, so as to enable the Management to keep the information ready.

By Order of the Board,

Place: Mumbai
Date: 25th May, 2013
Registered Office:
R-237, TTC Industrial Area
MIDC, Rabale, Navi Mumbai – 400701.

Avinash Jajodia
Chairman & Managing Director

Chase Bright Steel Limited

DIRECTORS' REPORT

To,
The Members,

Your directors have pleasure in presenting the 53rd Annual Report on the business and operations of your company together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2013.

1. FINANCIAL RESULTS

Your Company's performance for the financial year ending 31st March 2013 is stated below:

Particular	For the year ended on March 31, 2013 ₹	For the year ended on March 31, 2012 ₹
Profit before tax	70,87,667	1,12,75,845
Less: Provision for tax	22,75,000	43,50,000
Less: Deferred Tax	54,947	(52,770)
Net profit for the year after tax	47,57,720	69,78,615
Less: Losses brought down from earlier year	(57,79,077)	(1,27,57,692)
Balance Losses carried to Balance Sheet	(10,21,357)	(57,79,077)

2. WORKING

The company's performance has not been very encouraging as compared to last year. Although turnover has been stable, profit margins have been under severe pressure resulting in reduction in profit for the year. The Company's export, in particular, has been affected due to global slowdown and weak sentiments in the automobile industry and general engineering sector. The current year looks grim as compared to last year unless there is marked improvement in the global and Indian economies.

3. DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Shri K. S. Shikari, retires by rotation, and offers himself for re-appointment.

None of the directors are disqualified from being appointed or from holding office as Directors, as stipulated under section 274 of the Companies Act, 1956.

4. PARTICULARS OF EMPLOYEE

During the year under review the Company had no employees whose particulars are required to be mentioned pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the rules there under.

5. AUDIT OBSERVATION

As regards observation of the Auditors, attention is drawn towards the notes forming part of the financial statements which is self-explanatory.

6. AUDITORS

M/s. A. J. Mehta & Associates, Chartered Accountants, present auditors of the Company retire at the forth coming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from the retiring Auditors to the effect that their appointment, if carried out, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Members are requested to appoint them as Auditors.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 after due enquiry and on the basis of the information from the operating management and relying upon the report of the Auditors, regarding compliance with Accounting Standards, the Directors confirm that;

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with appropriate explanation relating to material departures.
- b. the accounting policies have been consistently applied and are reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that year.
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. the annual accounts have been prepared on a going concern basis.

8. PARTICULARS OF ENERGY CONSUMPTION, FOREIGN EXCHANGE AND OUTGOINGS

As required under 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 the relevant information is given below;

CONSERVATION OF ENERGY

The Company's operations involve low energy consumption. Wherever possible, energy conservation measures are being implemented.

RESEARCH AND DEVELOPMENT

The Company has no specific Research and Development Programme.

FOREIGN EXCHANGE EARNINGS/OUTGOINGS.

Foreign Exchange earning through Export aggregate to ₹ 576.83 lakhs (Previous Year ₹ 989.64 lakhs). Particulars of foreign Exchange earned and utilized during the year is given in notes forming part of the financial statements .

Chase Bright Steel Limited

9. LISTING AGREEMENT COMPLIANCE

The Company's securities is listed at The Stock Exchange, Mumbai. The outstanding listing fee payable to the stock exchanges as on March 31, 2013 ₹ Nil.

10. COMPLIANCE CERTIFICATE

In accordance with requirement of Section 383A of the Companies Act, 1956, Certificate from a Practising Company Secretary, is enclosed certifying that all secretarial compliance in respect of the Company for the year ended March 31, 2013 have been complied with and is Marked as Annexure - 'A'

11. ACKNOWLEDGEMENT

Your Directors would like to place on record the sincere thanks for the valuable assistance and co-operation received from various agencies of the Government as well as from the Company's Bankers, Shareholders and other business associates. Your directors also wish to place on record their appreciation for the committed services of all the employees of the company.

For & On behalf of the Board

Avinash Jajodia

Chairman & Managing Director

Place : Mumbai

Date : 25th May, 2013

COMPLIANCE CERTIFICATE

To,
The Members,
Chase Bright Steel Limited

I have examined the registers, records, books and papers of **Chase Bright Steel Limited**, having its registered office at R-237, TTC Industrial Area, MIDC, Rabale, Navi-Mumbai - 400701 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, 2013. 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' to this certificate, as per the provisions and the rules made there under 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, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company is a Public Limited Company and hence comments are not required.
4. The Board of Directors duly met Four times on 24.04.2012, 14.08.2012, 08.11.2012 and 29.01.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 24th September, 2012 to 29th September, 2012 during the year under scrutiny in accordance with the provisions of Section 154 of the Companies Act, 1956.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 29th September, 2012 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.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loan to its directors and/or persons or firms or companies referred in the Section 295 of the Act.
9. No contracts were entered during the year attracting the provisions of Section 297 of the Act.
10. The company has made necessary entries in the Register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government, as the case may be.
12. The Company did not issue any duplicate share certificates during the financial year under scrutiny.

Chase Bright Steel Limited

13. The company has:
 - i. delivered all the certificates on lodgments thereof for transfer of shares in accordance with the provisions of the Act.
 - ii. not deposited any amount in a separate bank account as no dividend was declared during the year.
 - iii. not posted warrants to any member of the Company as no dividend was declared during the financial year.
 - iv. No amounts unpaid in dividend account, nor any application money due for refund, nor any matured debentures and the interest accrued thereon which has remained unclaimed or unpaid for a period of seven years and hence transferring of the same to the Investors Education and Protection Fund does not arise.
 - v. Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of additional directors, alternate directors or directors to fill casual vacancy during the period under scrutiny.
15. The Company has appointed one Whole-time Director during the financial year under review and complied with the provisions of the Act in respect thereof. The Company has not appointed any new Managing Director/ Manager during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such other authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued shares/debentures/other securities during the financial year.
20. The Company has not bought back shares during the financial year under scrutiny.
21. The Company has not redeemed any preference shares during the financial year under scrutiny.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58A read with Companies (Acceptance of Deposit) Rules, 1975 during the financial year.
24. The amount borrowed by the Company from Directors, Members and others during the financial year ending 31st March, 2013 is within the borrowing limits of the company
25. The Company has not made any Loans and Investments, or given guarantees or provided securities to other bodies corporate during the financial year 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 not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. As explained to us there was no prosecution initiated against or show cause notice received by the company for alleged offences under the Act and no fines, penalties or any other punishments was imposed on the Company during the financial year under scrutiny.
32. The Company has not received any security from its employees during the year under scrutiny.
33. The company is regular in depositing both the Employees and Employers Provident Fund Contribution with prescribed authorities pursuant to Section 418 of the Act.

Leena Agrawal & Co.

Practicing Company Secretaries

Proprietress

Mem. No.: 6607

C.P. No.: 7030

Place: Mumbai

Date: 25th May, 2013

ANNEXURE A:

Registers as maintained by the Company are:

1. Register of Charges u/s 143.
2. Register of Members u/s 150.
3. Attendance Register for General Meetings u/s 174.
4. Minutes Books of General Meeting and Board Meetings u/s 193.
5. Attendance Register for Board Meetings u/s 287.
6. Register of Contracts u/s 301.
7. Register of Directors u/s 303.
8. Register of Directors' Shareholding u/s 307.
9. Register of Investments u/s 372.
10. Register of Share Transfer.
11. Register of Accounts.

ANNEXURE 'B'

Sr. No	Form No. / Return	Filing under Section	For	Date of Filing	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee Yes/No
1	Form 32	303(2)	Cessation of Executive Chairman	3rd September, 2012	No	Yes
2	Form 25C	269(2)	Return of Appointment of Whole Time Director	27th October, 2012	Yes	—
3	Form 23	192	Registration of Resolutions	22nd October, 2012	Yes	—
4	Form 66 - Compliance Certificate	383A	For the year ended 31st March, 2012	22nd October, 2012	Yes	—
5	Form 20B - Annual Return	159	As on the date of the Annual General Meeting held on 29th September, 2012.	27th November, 2012	Yes	—
6.	Form 23AC & 23ACA - Balance Sheet and Profit & loss Account	220	For the year ended 31st March, 2012	5th December, 2012	Yes	—
7	Form 23C	233B(2)	Appointment of Cost Auditor for the year 2011-12	27th December, 2012	No	Yes
8	Form 23C	233B(2)	Appointment of Cost Auditor for the year 2012-13	27th December, 2012	No	Yes

Leena Agrawal & Co.
Practicing Company Secretaries
Leena Agrawal
Proprietress
M.No.: 6607
C.P.No.: 7030

Place : Mumbai
Date : 25th May, 2013

INDEPENDENT AUDITORS' REPORT

To,
The Members,
CHASE BRIGHT STEEL LTD.

Report on the Financial Statements

1. We have audited the accompanying financial statements of CHASE BRIGHT STEEL LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies use and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2013;

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- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 7. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in item of sub-section (4A) of section 227 of the Act (hereinafter referred to as "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us we give in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the Order.
- 8. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Accounts.
 - d. In our opinion, the Balance sheet, the statement of Profit and Loss, and the Cash Flow Statement dealt with by the report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For A. J. MEHTA & ASSOCIATES
Chartered Accountants
Firm Registration No. 106179W

(ATUL MEHTA)

Proprietor

Membership No.: 36959

Place : Mumbai
Dated : 25th May, 2013

ANNEXURE TO INDEPENDENT AUDITORS' REPORT**Referred in Paragraph (7) of the Auditors Report of even date to the member of Chase Bright Steel Limited on the financial statements for the year ended March 31, 2013.**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to phase programme designed to cover all the items over a period, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.
- (c) In our opinion, and according to the information and explanation given to us, a substantial part of its fixed assets has not been disposed off by the Company during the year.
- (ii) (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of account
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, Clauses (b), (c) and (d) of paragraph 4(iii) of the Order are not applicable.
- (b) The company has taken loans from nine parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 389.29 lakhs and the year end balance of loans taken from such parties was ₹ 531.35 lakhs.
- (c) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions for such loans, are not, prima facie, prejudicial to the interest of the Company.
- (d) The Company is regular in repaying the principal amounts as stipulated.
- (iv) In our opinion, and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books of records of the Company,

Chase Bright Steel Limited

and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in internal control system.

- (v) (a) On the basis of the audit procedures performed by us and according to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements are exceeding the value of ₹ 5,00,000 in respect of any party during the year have been made at prices / rates which are reasonable having regard to the prevailing market price / rates at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public and consequently the directives issued by the Reserve Bank of India, the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed thereunder are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of section (1) of section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, sales tax, wealth-tax. Service tax, custom duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at March 31, 2013 for a period of more than six months from the date they became payable except Income-tax dues of ₹ 8.21 lakhs and NMMC Cess of ₹ 18.09 lakhs.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) As on March 31, 2013, the accumulated losses of the Company are not more than 50% of its net worth. The Company has not incurred cash losses during the year ended on that date and in the immediately preceding financial year.

- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. Further, the Company has not issued any debentures and hence clause 4 (xi) of the Order, to that extent, is not applicable.
- (xii) In our opinion and according to 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. Therefore the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanation given us, the proceeds from term loans availed were, prima facie, applied by the Company during the year for the purpose for which the loans were obtained.
- (xvii) According to the Cash Flow Statement and records examined by us and according to the information and explanations given to us, on overall basis, funds raised on short term basis have, prima facie, has not been used during the year for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- (xix) The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- (xx) The Company has not raised any money by way of public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the and explanations given to us, we have neither came across any instance material fraud on or by the Company has been noticed or reported during the year, nor have been informed of any such case by the Management.

For A. J. MEHTA & ASSOCIATES

Chartered Accountants

Firm Registration No. 106179W

(ATUL MEHTA)

Proprietor

Membership No.: 36959

Place : Mumbai

Dated : 25th May, 2013

Chase Bright Steel Limited

BALANCE SHEET AS AT MARCH 31, 2013

	Notes	As at March 31, 2013 ₹	As at March 31, 2012 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds :			
Share Capital	3	1,69,50,000	1,69,50,000
Reserves and Surplus	4	4,94,643	(42,63,077)
		1,74,44,643	1,26,86,923
Non-current Liabilities			
(a) Long Term Borrowings	5	4,26,03,901	2,43,60,526
(b) Long-term provisions	6	27,75,370	25,05,278
		4,53,79,271	2,68,65,804
Current Liabilities			
(a) Short Term Borrowings	7	2,51,35,000	3,10,75,000
(b) Trade payables	8	8,63,12,891	10,03,56,791
(c) Other current liabilities	9	3,71,16,080	2,68,09,972
(d) Short-term provisions	10	12,031	42,54,060
		14,85,76,002	16,24,95,823
	Total	21,13,99,916	20,20,48,550
ASSETS			
Non-current Assets			
(a) Fixed assets			
(i) Tangible assets	11	1,63,17,622	1,68,94,136
(b) Non-current Investments	12	5,580	5,580
(c) Deferred tax assets (net)	13	17,74,593	18,29,540
(d) Long-term loans and advances	14	9,16,853	8,82,996
(e) Trade receivables	15	1,33,19,023	10,09,374
		3,23,33,671	2,06,21,626
Current Assets			
(a) Inventories	16	9,32,82,856	8,75,91,852
(b) Trade receivables	17	6,61,40,784	7,14,88,816
(c) Cash and bank balances	18	20,48,990	34,12,847
(d) Short-term loans and advances	19	1,75,93,615	1,89,33,409
		17,90,66,245	18,14,26,924
	Total	21,13,99,916	20,20,48,550
The Notes form an integral part of these financial statements			
As per our report even date For A. J. MEHTA & ASSOCIATES Chartered Accountants Firm Registration No. 106179W Atul J. Mehta Proprietor Membership No.: 36959 Place : Mumbai Dated : May 25, 2013		For and on behalf of the Board of Directors Avinash Jajodia Chairman & Managing Director N. G. Khaitan P. L. Dabral K. S. Shikari Manju Devi Jajodia } Directors Place : Mumbai Dated : May 25, 2013	

Annual Report 2012-2013

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2013

	Notes	For the Year ended 31-Mar-2013 ₹	For the Year ended 31-Mar-2012 ₹
INCOME			
Revenue from Operations (Gross)		45,32,00,370	44,74,83,272
Less: Excise Duty		4,43,39,668	3,47,46,611
Revenue from Operations (net)	20	40,88,60,702	41,27,36,661
Other Income	21	9,91,226	2,33,650
Total Revenue		40,98,51,928	41,29,70,311
Expenses			
Cost of Materials Consumed	22	32,65,92,266	34,35,44,719
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-trade	23	1,18,01,139	(19,95,282)
Employee Benefit Expenses	24	1,40,69,123	1,23,67,022
Finance Costs	25	66,04,158	53,24,859
Depreciation and Amortization Expenses	26	22,01,399	22,56,246
Other Expenses	27	4,14,96,176	4,01,96,902
Total Expenses		40,27,64,261	40,16,94,466
Profit Before Exceptional and Extraordinary Items and Tax		70,87,667	1,12,75,845
Exceptional Items		—	—
Profit before Extraordinary Items		70,87,667	1,12,75,845
Extraordinary Items		—	—
Profit before Tax		70,87,667	1,12,75,845
Less : Tax Expenses			
- Current Tax		22,75,000	43,50,000
- Deferred Tax Liability / (Assets) (Net)		54,947	(52,770)
Profit / (Loss) for the Year		47,57,720	69,78,615
Earning per equity share (nominal value of share ₹ 10 (Previous Year ₹ 10 each))			
Basic and Diluted on the basis of profit from continuing business (₹)	30	2.84	4.17
Basic and Diluted on the basis of total profit for the year (₹)	30	2.84	4.17
Number of equity shares used in computing Earnings per share (Basic and Diluted)		16,75,000	16,75,000
The Notes form an integral part of these financial statement			
As per our report even date For A. J. MEHTA & ASSOCIATES Chartered Accountants Firm Registration No. 106179W Atul J. Mehta Proprietor Membership No.: 36959		For and on behalf of the Board of Directors Avinash Jajodia Chairman & Managing Director N. G. Khaitan P. L. Dabral K. S. Shikari Manju Devi Jajodia } Directors	
Place : Mumbai Dated : May 25, 2013		Place : Mumbai Dated : May 25, 2013	

Chase Bright Steel Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Pursuant to amendment to clause 32 of the listing agreement)

	2012-2013		2011-2012
	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax & extraordinary items		7,087,667	1,12,75,845
Adjusted for :			
Depreciation	22,01,399		22,56,246
Effect of Exchange Rate Change	1,53,902		(1,50,753)
Financial Charges	66,04,158		53,24,859
Interest received	(28,745)		(28,071)
		89,30,714	74,02,281
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES		1,60,18,381	1,86,78,126
Adjusted for :			
CHANGES IN -			
Trade and Other Receivables	(56,55,680)		(74,13,600)
Inventories	(56,91,004)		(1,05,14,765)
Trade Payable	(97,35,159)		(14,72,674)
		(2,10,81,843)	(1,94,01,039)
CASH GENERATED FROM OPERATIONS		(50,63,462)	(7,22,913)
Direct Taxes paid	65,17,029		12,69,781
Effect of Exchange Rate Change	1,53,902		(1,50,753)
		66,70,931	
NET CASH FROM OPERATING ACTIVITIES		(A) (1,17,34,393)	(18,41,941)
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Additions to Fixed Assets	(16,24,885)		(19,73,302)
Interest Received	28,745		28,071
NET CASH USED IN INVESTING ACTIVITIES		(B) (15,96,140)	(19,45,231)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Unsecured Loans	(53,21,541)		1,00,60,365
Proceeds From Secured Loans	2,38,92,375		14,12,652
Interest Paid	(66,04,158)		(53,24,859)
Increase in Capital due to shares to be Issued to shareholders of erstwhile CASPL	—		—
NET CASH USED IN FINANCING ACTIVITIES		(C) 1,19,66,676	61,48,158
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(13,63,857)	23,60,986
Cash and Cash Equivalents at beginning of the year		34,12,847	10,51,861
Cash and Cash Equivalents at the end of the year		20,48,990	34,12,847

As per our report even date
For **A.J. MEHTA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 106179W
Atul J. Mehta
Proprietor
Membership No.: 36959
Place : Mumbai
Dated : May 25, 2013

For and on behalf of the Board of Directors
Avinash Jajodia Chairman &
Managing Director
N. G. Khaitan
P. L. Dabral
K. S. Shikari } Directors
Manju Devi Jajodia
Place : Mumbai
Dated : May 25, 2013

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note – 1 : CORPORATE INFORMATION

Chase Bright Steel Ltd. is a Public Company incorporated in India in the year 1959 under the Companies Act, 1956 and having its registered office in Mumbai, Maharashtra. The shares of the Company are listed on the Bombay Stock Exchange. The Company is engaged in manufacture of bright bars made of mild steel, alloy steel and stainless steel etc.

Note – 2 : SIGNIFICANT ACCOUNTING POLICIES

i) Basis for preparation of Financial Statements :

The Financial Statements have been prepared to comply within all materials with the Notified accounting standard by Companies (accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those use in the previous year.

ii) Method of Accounting :

The Financial Statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairments is made.

iii) Tangible Fixed Assets and Capital Work in Progress :

a) Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Such Fixed Assets except leasehold land have been valued at cost less depreciation. Leasehold Land has been shown at its Original Cost.

b) Impairment Loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

iv) Depreciation / Amortisation :

Except for items on which 100% depreciation rates are applicable, depreciation is provided using Written down method as per the useful lives of the assets estimated by the management or at the rates prescribed in Schedule XIV of the Companies Act, 1956. Assets valuing less than ₹ 5,000/- are depreciated at the rate of 100% in the year of acquisition. Depreciation in respect of addition to / deletion from the Fixed Assets, provided on the pro-rata basis with reference to the date of additions to / deletion from the assets.

v) Excise Duty :

a) The excise duty is paid / provided on Bright Steel Bars manufactured during the year. The same has been included in the valuation of closing inventory of finished goods.

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- b) The excise duty is paid / provided on Bright Steel Bars manufactured during the year. The same has been included in the valuation of closing inventory of finished goods. Cenvat credit available on Raw Materials, Fuel and Packing materials, stores, spares and capital goods and Service Tax credits on services availed are accounted for by reducing purchase cost of the related materials or the expenses respectively.

vi) Investments :

- a) Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.
- b) Current Investments are carried at lower of the cost and fair value determined on an individual investment basis.
- c) Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

vii) Inventories :

Inventories are valued at Lower of the Cost and estimated Net Realisable Value. Cost comprises of all costs of purchases including transport and other charges, if any including the excise duty and sales tax incurred in bringing the inventories to their present location and condition. The Cost is arrived at on weighted average cost basis. Due allowance is estimated and made for defective and obsolete items, wherever considered necessary.

viii) Revenue Recognition :

- a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- b) Revenue from Sale of Goods is recognised when the significant risks and rewards of ownership of the good have passed to the buyer. Sales are net of Excise Duty / Sales Tax / Value Added Tax.
- c) Export incentives under "Duty Entitlement Pass Book Scheme" and "Duty Drawback Scheme" are accounted in the year of export.
- d) Interest revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

ix) Foreign Currency Transactions

- a) All the transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions.
- b) Foreign Currency monetary assets and liabilities outstanding at the close of the year are converted in Indian Currency at the exchange rates prevailing on the Balance Sheet date. The resultant gain or loss is accounted for during the year.
- c) In respect of forward exchange contracts entered into towards hedge of foreign currency risks, the difference between the forward rates and the exchange rate at the inception of the contract is recognised as income or expenditure over the life of the contract. Further, the exchange differences arising on such contracts are recognised

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

as income or expenditure along with exchange difference on the underlying assets / liabilities. Profit or loss on cancellation / renewals of forward contracts is recognised for during the year.

x) Employees Benefits :

- a) Retirement benefits in form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- b) The Company has defined benefit gratuity plan. Every employee who has completed five years or more of services get gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of detailed actuarial report.

xi) Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such assets upto the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

xii) Taxation :

- a) Tax expense comprises current and deferred taxes. Current Income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India.
- b) Deferred income taxes reflects the impact of current year timing difference between the taxable income and accounting income for the year and reversal of timing difference of earlier years.
- c) Deferred tax is measured based on the tax rates and the tax laws enacted or subsidiary enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to taxes on income levied by same governing taxation law. In situation where the company has unabsorbed depreciation or carried forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.
- d) At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- e) Provision for current income-tax / wealth-tax is computed as per 'Total Income' returnable under the Income-tax Act, 1961 taking into account available deductions and exemptions.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**xiii) Provisions and contingent liabilities and contingent assets :**

- a) A provision is recognised when an enterprise has a present obligation as result of past event. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimates require to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimates.
- b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may or may not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements

xiv) Earnings per share :

- a) Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of any equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013 ₹	As at March 31, 2012 ₹
NOTE - 3 : SHARE CAPITAL		
Authorised :		
19,00,000 (Previous Year 19,00,000) Equity Shares of ₹ 10/- each	1,90,00,000	1,90,00,000
1,00,000 (Previous Year 1,00,000) - 15% Redeemable Preference Shares of ₹ 10/- each	10,00,000	10,00,000
	2,00,00,000	20,00,000
Issued :		
16,75,000 (Previous Year - 16,75,000) Equity Shares of ₹ 10/- each fully paid up	1,67,50,000	1,67,50,000
1,00,000 (Previous Year - 1,00,000) 15% Redeemable Preference shares of ₹ 10/- each fully paid up)	10,00,000	10,00,000
	1,77,50,000	1,77,50,000
Subscribed :		
16,75,000 (Previous Year - 16,75,000) Equity Shares of ₹ 10/- each fully paid up (Of the above, 11,25,000 equity shares of ₹ 10/- each were allotted as per the Scheme of Amalgamation Chase Atherton Steel Pvt. Ltd. with the Company.)	1,67,50,000	1,67,50,000
1,00,000 (Previous Year - 1,00,000) 15% Redeemable Preference Shares of ₹ 10/- each	1,00,000	10,00,000
Less: 80,000 Preference Shares redeemed	800,000	8,00,000
	2,00,000	2,00,000
	1,69,50,000	1,69,50,000

a) Reconciliation of the shares outstanding at the beginning and at the end of the Reporting Period

	As at 31-03-2013		As at 31-03-2012	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the year	16,75,000	1,67,50,000	16,75,000	1,67,50,000
Issued during the year - Bonus	—	—	—	—
Issued during the year - ESOP	—	—	—	—
Outstanding at the end of the year	16,75,000	1,67,50,000	16,75,000	1,67,50,000
Preference Shares				
At the beginning of the year	20,000	2,00,000	20,000	2,00,000
Issued during the year	—	—	—	—
Redeemed/bought back during the year	—	—	—	—
Outstanding at the end of the year	20,000	2,00,000	20,000	2,00,000

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

b) Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share.

Each holder of the Equity Shares is entitled to one vote per share held.

Dividend, if any, proposed by the Board of Directors will be subject to the approval of the Shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.

In the even off liquidation of the Company, the holders of the Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Terms / Rights attached to 15% Redeemable Preference Shares

The Company has only one class of preference shares having a par value of ₹ 10/- per share. The said shares are non cumulative in nature.

Dividend, if any, proposed by the Board of Directors will be subject to the approval of the Shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.

In the even off liquidation of the Company, the holders of the preference Shares will be entitled to receive amounts to the extent of their holding in the company before any distribution of remaining assets of the Company to the Equity Shareholders of the Company.

Arrears of Redeemable Cumulative Preference Shares Dividend – ₹ 3,08,750/- (Previous year - ₹ 3,08,750/-).

The Balance 20,000 - 15% Preference Shares of ₹ 10 each are yet to be redeemed. The time for redemption was extended upto 10.05.1999 vide resolution passed at the Board Meeting of the Company held on 16.07.1991. Further extension is being sought for.

c) Shares held by holding / ultimate holding company and / or their subsidiaries / Associates

There are no shares held by holding / ultimate holding company and / or their subsidiaries / Associates.

d) Details of Shareholders holding more than 5% of each class of shares issued by the Company

Name of the Shareholder	As at 31-03-2013		As at 31-03-2012	
	Nos.	% of Share-holding	Nos.	% of Share-holding
Equity Shares				
M/s. Swan Investment & Trading Pvt. Ltd.	1,05,850	6.32%	1,05,850	6.32%
Shri Avinash Jajodia	10,03,001	59.88%	4,86,590	29.05%
Shri Alok Jajodia	—	0.00%	5,16,411	30.83%
Preference Shares				
Life Insurance Corporation of India	8,745	43.73%	8,745	43.73%
The New India Assurance Co. Ltd.	11,255	56.28%	11,255	56.28%

e) Terms of Securities issued with conversion option into Equity / Preference Shares

There are no securities issued with conversion option into equity / preference shares

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE - 4 : RESERVES AND SURPLUS

	As at 31-Mar-2013 ₹	As at 31-Mar-2012 ₹
Capital Redemption Reserve		
As per last Balance Sheet	8,00,000	800,000
	8,00,000	8,00,000
Securities Premium Account		
As per last Balance Sheet	4,50,000	4,50,000
	4,50,000	4,50,000
Capital Cash Subsidy Reserve		
As per last Balance Sheet	2,66,000	2,66,000
	2,66,000	2,66,000
Surplus		
Opening Balance	(57,79,077)	(127,57,692)
Add : Profit for the year	47,57,720	69,78,615
Closing Balance	(10,21,357)	(57,79,077)
Total Reserves and Surplus	4,94,643	(42,63,077)

NOTE - 5 : LONG TERM BORROWINGS

Term Loans (Secured)		
From HDFC Bank (Secured) - Loan 1	2,11,068	4,64,863
From HDFC Bank (Secured) - Loan 2	17,455	0
From HDFC Bank (Secured) - Loan 3	13,192	0
From HDFC Bank (Secured) - Loan 4	13,192	0
From Kotak Mahindra Prime Ltd. (Secured) -Loan 1	90,053	1,63,877
From Kotak Mahindra Prime Ltd. (Secured) - Loan 2	1,40,076	2,54,917
From Kotak Mahindra Prime Ltd. (Secured) - Loan 3	1,35,728	2,47,092
From Kotak Mahindra Prime Ltd. (Secured) - Loan 4	3,63,949	6,62,557
From Kotak Mahindra Prime Ltd. (Secured) - Loan 5	2,75,463	5,01,472
From Kotak Mahindra Prime Ltd. (Secured) - Loan 6	1,54,950	2,82,077
From Religare Finvest Ltd. (Secured) - Loan 3	2,38,31,796	0
Amount C / F...	2,52,46,922	25,76,855

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31-Mar-2013 ₹	As at 31-Mar-2012 ₹
Amount B / F...	2,52,46,922	25,76,855
Term Loans (Unsecured)		
From Religare Finvest Ltd. - Loan 1	0	5,48,671
From Religare Finvest Ltd. - Loan 2	11,88,229	0
From Directors	0	78,00,000
From Other Corporates	1,52,50,000	1,34,35,000
Loans from Corporates (Including from Associates - ₹ 1,00,00,000/- – Previous Year - ₹ 1,34,35,000/-)		
From Others	9,18,750	0
	4,26,03,901	2,43,60,526

Terms and Conditions of the Secured Loans**Term Loan from HDFC Bank - Loan 1**

The Loan is secured by hypothecation of Motor Car and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 36 equated Monthly Installments (EMI) of ₹ 24,630/- each commencing from January 2012 and ending on December 2014. The rate of interest being 11.90% p.a.

Term Loan from HDFC Bank - Loan 2

The Loan is secured by hypothecation of Motor Byke and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 24 equated Monthly Installments (EMI) of ₹ 2,657/- each commencing from November 2012 and ending on October 2014. The rate of interest being 19.35% p.a.

Term Loan from HDFC Bank - Loan 3

The Loan is secured by hypothecation of Motor Byke and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 24 equated Monthly Installments (EMI) of ₹ 2,008/- each commencing from November 2012 and ending on October 2014. The rate of interest being 19.35% p. a.

Term Loan from HDFC Bank - Loan 4

The Loan is secured by hypothecation of Motor Byke and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 24 equated Monthly Installments (EMI) of ₹ 2,008/- each commencing from November 2012 and ending on October 2014. The rate of interest being 19.35% p. a.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Term Loan from Kotak Mahindra Prime Ltd. - Loan 1**

The Loan is secured by hypothecation of Motor Car and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 36 equated Monthly Installments (EMI) of ₹ 8,343/- each commencing from April 2012 and ending on March 2015. The rate of interest being 19.84% p.a.

Term Loan from Kotak Mahindra Prime Ltd. - Loan 2

The Loan is secured by hypothecation of Motor Car and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 36 equated Monthly Installments (EMI) of ₹ 12,978/- each commencing from April 2012 and ending on March 2015. The rate of interest being 19.84% p.a.

Term Loan from Kotak Mahindra Prime Ltd. - Loan 3

The Loan is secured by hypothecation of Motor Car and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 36 equated Monthly Installments (EMI) of ₹ 12,570/- each commencing from April 2012 and ending on March 2015. The rate of interest being 19.84% p.a.

Term Loan from Kotak Mahindra Prime Ltd. - Loan 4

The Loan is secured by hypothecation of Motor Car and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 36 equated Monthly Installments (EMI) of ₹ 33,706/- each commencing from April 2012 and ending on March 2015. The rate of interest being 19.84% p.a.

Term Loan from Kotak Mahindra Prime Ltd. - Loan 5

The Loan is secured by hypothecation of Motor Car and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 36 equated Monthly Installments (EMI) of ₹ 25,511/- each commencing from April 2012 and ending on March 2015. The rate of interest being 19.84% p.a.

Term Loan from Kotak Mahindra Prime Ltd. - Loan 6

The Loan is secured by hypothecation of Motor Car and with Company being the main borrower and one of the directors being co-borrower

The loan is repayable in 36 equated Monthly Installments (EMI) of ₹ 14,350/- each commencing from April 2012 and ending on March 2015. The rate of interest being 19.84% p.a.

Term Loan from Religare Finvest Ltd. - Loan 3

The Loan is secured by Mortgage of Company's property - Land and Building at R-237, TTC, MIDC Rabale, Navi Mumbai and with Company being the main borrower and two of the directors being co-borrowers.

The loan is repayable in 120 equated Monthly Installments (EMI) of ₹ 4,03,337/- each commencing from April 2014 and ending on March 2023. The rate of interest being 15.00% p.a.

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Terms and Conditions of the Unsecured Loans**Term Loan from Religare Finvest Ltd. - Loan 1**

The Loan is unsecured with Company being the main borrower and two of the directors being co-borrowers.

The loan is repayable in Monthly Installments (MI) of ₹ 1,96,445/- (8 installments), of ₹ 1,10,156/- (8 installments) and of ₹ 60,586/- (8 installments) each commencing from January 2012 and ending on December 2013. The rate of interest being 21.25% p.a.

Term Loan from Religare Finvest Ltd. - Loan 2

The Loan is unsecured with Company being the main borrower and two of the directors being co-borrowers.

The loan is repayable in Monthly Installments (MI) of ₹ 2,66,330/- (8 installments), of ₹ 1,84,800/- (8 installments) and of ₹ 92,400/- (8 installments) each commencing from March 2013 and ending on February 2015. The rate of interest being 20.35% p.a.

Term Loan from Other Corporates

Loan from Sujata Trading Pvt. Ltd. (₹ 52,50,000/- – previous year ₹ 50,00,000/-) is repayable in 6 quarterly installments of ₹ 8,75,000/- each commencing from September 2014 and ending on December 2015. The said loan is interest free.

Term Loan from Others

Loan from Mrs. Rajnidevi Jajodia (₹ 45,93,750/- – previous year ₹ 45,00,000/-) is repayable in 6 quarterly installments of ₹ 9,18,750/- each commencing from March 2013 and ending on June 2014. The said loan is interest free.

	As at 31-Mar-2013 ₹	As at 31-Mar-2012 ₹
NOTE - 6 : LONG TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Leave Encashment	10,49,872	—
Provision for Gratuity	17,25,498	25,05,278
	27,75,370	25,05,278
NOTE - 7 : SHORT TERM BORROWINGS		
Loans from Directors	1,55,60,000	1,65,00,000
Loans from Corporates (Including from Associates - ₹ 87,75,000/- – Previous Year ₹ 27,75,000/-)	95,75,000	1,00,75,000
Loan from Others (Including from Associates - Nil - Previous Year ₹ 45,00,000/-)	—	45,00,000
	2,51,35,000	3,10,75,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31-Mar-2013 ₹	As at 31-Mar-2012 ₹
NOTE - 8 : TRADE PAYABLES		
Trade Payables	8,63,12,891	10,03,56,791
	8,63,12,891	10,03,56,791
NOTE - 9 : OTHER CURRENT LIABILITIES		
a) Current maturities of long term debts	89,70,239	27,02,780
b) Interest accrued but not due on borrowings	4,10,637	6,420
c) Interest accrued and due on borrowings	5,89,681	20,78,760
d) Statutory Dues Payable	1,05,29,114	70,88,893
e) Advances from Customers	56,58,673	41,09,731
f) Overdrawn Bank Balances	3,09,310	38,93,146
g) Salary / Wages payable	21,46,442	13,68,157
h) Others Payables	85,01,984	55,62,085
	3,71,16,080	2,68,09,972
NOTE - 10 : SHORT TERM PROVISIONS		
Other Provisions		
Provision for Taxation (Net of Advance tax paid - ₹ 1,41,67,969/- Previous year - ₹ 76,50,940/-)	12,031	42,54,060
	12,031	42,54,060

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE - 11 : FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK			
	As at April 01, 2012	Additions/ (Deduction) during the yr.	Deductions / (Adjustments)	As at March 31, 2013	As at April 01, 2012	Charge For the Year	Disposals during the Year	As at March 31, 2013	As at March 31, 2012
Tangible Assets									
Lease hold Lands	31,04,734	—	—	31,04,734	—	—	—	31,04,734	31,04,734
Factory Building	95,45,233	93,366	—	96,38,599	49,41,976	4,66,894	—	42,29,729	46,03,257
Plant & Machinery	1,02,55,060	11,00,250	—	1,13,55,310	50,69,650	7,40,029	—	55,45,631	51,85,410
Electric Installation	4,48,201	—	—	4,48,201	3,28,387	16,666	—	1,03,148	1,19,814
Furniture & Fixture	3,31,281	—	—	3,31,281	64,959	16,858	—	2,49,464	2,66,322
Office Equipments	5,92,323	1,45,864	—	7,38,187	2,71,114	61,357	—	4,05,716	3,21,209
Computers	3,97,193	48,960	—	4,46,153	3,60,954	23,757	—	61,442	36,239
Motor Cars	70,40,569	2,36,445	—	72,77,014	37,83,418	8,75,838	—	26,17,758	32,57,151
	3,17,14,594	16,24,885	—	3,33,39,479	1,48,20,458	22,01,399	—	1,70,21,857	1,63,17,622
As at March 31, 2012	2,97,41,292	19,73,302	—	3,17,14,594	1,25,64,212	22,56,246	—	1,48,20,458	1,68,94,136
									1,71,77,080

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013 ₹	As at March 31, 2012 ₹
NOTE - 12 : NON CURRENT INVESTMENTS		
Investment in Unquoted Equity Instruments (At Cost)		
166 Shares of the Bombay Mercantile Co. Op. Bank Ltd. @ ₹ 30/- per share	4,980	4,980
12 Shares of Steel Chamber Kalamboli Business and Office Premises Co. Op. Soc. Ltd.	600	600
	5,580	5,580
Aggregate of Unquoted Investments - Cost	5,580	5,580
NOTE - 13 : DEFERRED TAX ASSETS / (LIABILITIES)		
Deferred Tax Assets		
Depreciation	2,09,479	1,96,155
Others	15,65,114	16,33,385
	17,74,593	18,29,540
Deferred Tax Liabilities	—	—
Net Deferred Tax Assets	17,74,593	18,29,540
NOTE - 14 : LONG TERM LOANS AND ADVANCES		
Security Deposits		
(Unsecured considered good)	9,16,853	8,82,996
	9,16,853	8,82,996
NOTE - 15 : TRADE RECEIVABLES		
(Unsecured, considered good unless stated otherwise)		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered doubtful	10,09,374	10,09,374
Considered good	1,23,09,649	—
	1,33,19,023	10,09,374
Less : Provision for Doubtful Debt	—	—
	1,33,19,023	10,09,374
Other Trade Receivables	—	—
	—	—
	1,33,19,023	10,09,374

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013 ₹	As at March 31, 2012 ₹
NOTE - 16 : INVENTORIES		
(Valued at lower of the cost and net realisable value unless stated otherwise)		
Raw Materials (Including in transit ₹ 58,91,820/- – Previous year - ₹ 33,28,792/-)	4,71,61,719	2,96,69,576
Work in Progress	3,89,99,168	5,13,48,816
Finished Goods	71,21,969	65,73,460
	9,32,82,856	8,75,91,852
NOTE - 17 : TRADE RECEIVABLE		
(Unsecured, considered good unless stated otherwise)		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	89,89,241	2,45,05,532
Other Trade Receivables		
Unsecured, considered good	5,71,51,543	4,69,83,284
	6,61,40,784	7,14,88,816
NOTE - 18 : CASH AND BANK BALANCES		
Cash and Cash Equivalents		
(i) Balances with banks in current accounts	4,23,159	28,41,326
(ii) Cheques / drafts on hand	1,47,076	43,000
(iii) Cash on hand	14,78,755	5,28,521
	20,48,990	34,12,847
Note - 19 : SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good unless stated otherwise)		
a) Advances to suppliers	8,33,693	8,46,490
b) Loans to advances to employees	6,84,498	8,74,951
c) Prepaid expenses	4,12,648	4,20,696
d) Interest Receivable	23,468	25,264
e) Export Incentives receivable	3,44,180	4,96,789
f) Balance with Government Authorities (Excise/Service Tax/VAT-including refund receivable)	1,50,19,604	1,62,03,827
g) Loans and advances to others	2,75,524	65,392
	1,75,93,615	1,89,33,409

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the Year ended March 31, 2013 ₹	For the Year ended March 31, 2012 ₹
NOTE - 20 : REVENUE FROM OPERATIONS		
Sale of Products		
Domestic	37,42,33,223	32,29,71,945
Exports	6,32,23,198	10,60,11,778
Other Operating Revenues		
Job Work / Processing Income	1,40,23,788	1,46,67,285
Export Incentives	17,20,161	38,32,264
Revenues from Operations (Gross)	45,32,00,370	44,74,83,272
Less : Excise Duty	4,43,39,668	3,47,46,611
Revenues from Operations (Net)	40,88,60,702	41,27,36,661
Sale of Products		
Bright Bars	43,44,10,421	42,59,13,209
Scrap	30,46,000	30,70,514
	43,74,56,421	42,89,83,723
NOTE - 21 : OTHER INCOME		
Exchange Difference	—	1,50,753
Interest Income on Deposits (TDS ₹ 2,608/- – Previous Year ₹ 2,807/-)	28,745	28,071
Sundry Balances written off	9,56,886	—
Other Income	5,595	54,826
	9,91,226	2,33,650
NOTE - 22 : COST OF RAW MATERIALS CONSUMED		
Inventory at the beginning of the year	2,96,69,576	2,11,50,093
Add: Purchases	34,45,96,034	35,20,64,202
	37,42,65,610	37,32,14,295
Less : Raw Materials sold during the year	5,11,625	—
	37,37,53,985	37,32,14,295
Less: Inventory at the end of the year	4,71,61,719	2,96,69,576
Cost of Raw Materials Consumed	32,65,92,266	34,35,44,719
Details of Raw Materials Consumed		
Wire Rods	32,65,92,266	34,35,44,719
	32,65,92,266	34,35,44,719
Details of Inventories of Raw Materials		
Wire Rods	4,71,61,719	2,96,69,576
	4,71,61,719	2,96,69,576

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
NOTE - 23 : (INCREASE) / DECREASE IN INVENTORIES		
Inventories at the end of the year		
Work in Progress	3,89,99,168	5,13,48,816
Finished Goods	71,21,969	65,73,460
	4,61,21,137	5,79,22,276
Inventories at the beginning of the year		
Work in Progress	5,13,48,816	4,87,77,492
Finished Goods	65,73,460	71,49,502
	5,79,22,276	5,59,26,994
	1,18,01,139	(19,95,282)
NOTE - 24 : EMPLOYEES BENEFIT EXPENSES		
Salaries, Wages, Bonus, Ex-gratia etc.	1,16,50,857	96,35,891
Contribution to Provident and Other Funds	15,44,470	15,81,869
Gratuity paid during the year	0	14,625
Provision for Gratuity	4,20,220	6,46,470
Workman and Staff Welfare Expenses	4,53,576	4,88,167
	1,40,69,123	1,23,67,022
NOTE - 25 : FINANCE COSTS		
Interest :		
Fixed Period Loans	13,10,317	4,36,157
Others	52,93,841	48,88,702
	66,04,158	53,24,859
NOTE - 26 : DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of Tangible Assets	22,01,399	22,56,246
Amortisation of Intangible Assets	—	—
	22,01,399	22,56,246

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
NOTE - 27 : OTHER EXPENSES		
Job Work / Processing Charges Paid	43,71,192	45,35,373
Acid, Chemicals, Stores, Spares and Loose Tools Consumed	82,33,694	91,55,197
NMMC Cess Paid	7,37,935	6,69,124
Power, Fuel and Water Charges	57,82,889	47,62,167
Transport, Octroi, Forwarding & Clearing Charges	47,34,550	49,51,204
Repairs and Maintenance		
To Plant & Machinery	41,44,589	14,79,620
To Building	2,85,294	103,819
To Electrical	95,983	2,56,836
To Others	3,29,449	1,65,422
Insurance Charges	6,60,517	6,04,148
Rent, Rates and Taxes	1,19,177	1,56,711
Directors' Remuneration and Perquisites	34,16,814	41,34,368
Exchange Difference	1,53,902	0
Bank Charges	81,272	127,371
Temporary Shed Charges (Hire Charges)	94,192	0
Crane Hire Charges	10,630	10,275
Advertisement and Business Promotion Expenses	4,16,851	5,89,012
Directors' Travelling Expenses	25,77,868	14,48,697
Travelling Expenses - Others	0	4,332
Conveyance Expenses and Allowance	2,80,664	2,54,511
Communication Expenses	3,89,532	4,13,721
Membership and Subscription	1,86,859	1,76,354
Motor Car Expenses	4,88,344	6,45,221
Service Charges	30,440	1,57,866
Printing and Stationery	87,842	95,569
Legal and Professional Charges	21,03,146	11,52,430
Commission and Brokerage	5,75,169	4,87,913
Security Charges	66,484	0
Miscellaneous, General and Administrative Expenses	5,34,248	3,42,302
Auditors' Remuneration (Net of Service Tax) (Refer Note No. 28)	3,70,000	1,90,000
VAT Audit Fees	23,000	20,000

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
Sundry Debit / Credit Balances Written off	—	5,25,380
Bad Debts	—	16,53,191
Donation	1,11,102	10,500
Prior Period Expenses (Refer Note No. 29)	2,548	9,18,268
	4,14,96,176	4,01,96,902
NOTE - 28 : AUDITORS' REMUNERATION		
As Auditor		
For Audit	1,35,000	80,000
For Tax Audit	25,000	20,000
For Taxation Matter	1,20,000	40,000
For Certification and Other Matters	90,000	50,000
	3,70,000	1,90,000
NOTE - 29 : PRIOR PERIOD EXPENSES (NET OF INCOME)		
Expenses		
General Expenses	835	—
Listing Fees	5,500	—
Business Promotion Expenses	381	49,101
Directors' Travelling Expenses	—	93,400
MOT Charges paid to Excise Department	—	41,895
Interest to Others	—	9,50,000
	6,716	10,85,295
Income		
Water Charges	4,168	0
Rebate on purchase of Raw Materials	0	2,16,128
	4,168	2,16,128
Net Prior Period Expenses over Prior Period Income	2,548	8,69,167
NOTE - 30 : EARNINGS PER SHARE (EPS - BASIC AND DILUTED)		
Profit / (Loss) after tax for calculation of Basic and Diluted EPS	47,57,720	69,78,615
No. of shares used for calculation of Basic and Diluted EPS	16,75,000	16,75,000
Earning per Share - Basic and Diluted (Face value of ₹ 10/-)	2.84	4.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 31 :**Additional Information to the Financial Statements****(A) Contingent Liabilities –**

	Year ended March 31, 2013 ₹	Year ended March 31, 2012 ₹
Contingent Liabilities and Commitments		
i) On Import of 108 MT of Raw materials wherein the Hon'ble High Court, Delhi has asked Customs Authorities to adjudicate the matter	17,52,000	17,52,000
ii) Estimated amount of contracts remaining to be executed on capital account	Nil	Nil

- (B)** Arrears of Redeemable Cumulative Preference Shares Dividend – ₹ 3,08,750/- (Previous year – ₹ 3,08,750/-).
- (C)** Purchase of Raw Material viz 108 tonnes of steel was cleared by the company at a lower rate of duty i.e. at 75% (i.e. at pre- budget rate) against 175% (as increased by the budget proposal 1981) as per the orders passed by a division bench of the High Court at Delhi in the matter of a writ petition filed by the Company, challenging the validity of the budget proposal. As per the said orders, the Company has furnished a bond, till further order of the court. The said writ petition has been disposed off for adjudication by customs. There is a contingent liability of ₹ 17.52 lakhs (Previous Year ₹ 17.52 lakhs).
- (D)** The amounts of certain Sundry Debtors, Sundry Creditors, Advances and Lenders are subject to confirmations / reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.
- (E)** In the opinion of the Board of Directors, unless otherwise stated in the Balance Sheet, the current assets, loans and advances have value of realisation, in the ordinary course business, at least equal to the amount stated in the Balance Sheet.
- (F)** Unsecured Loans include that of the Directors and their Associates.
- (G)** The Company has not made provision for doubtful debts of ₹ 10,09,374/- (Previous year ₹ 10,09,374/-) as the Company is taking required steps for recovery of the amounts from the party.
- (H)** The sales-tax assessment of the Company has been finalised upto and including the accounting year 2007-2008.
- (I)** The Income-tax Assessments of the Company are completed upto March 31, 2010 (Assessment Year 2010-2011).
- (J)** Sundry Creditors include ₹ NIL (Previous Year ₹ NIL) due to Small Scale Industrial Undertakings (SSI's) to the extent such parties have been identified from the available information / documents with the company.

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- (K) As per the information available with the Company in response to the enquiries from all existing suppliers with whom the Company deals, none of the suppliers are registered under the Micro, Small and Medium Enterprises Development Act, 2006.
- (L) One of the creditors of the Company has filed legal case against the Company for recovery of dues. However, the same is being contested by the Company.
- (M) The Company has filed a legal case or is in the process of filing legal cases against various parties to recover amounts due from them.
- (O) The Company does not expect any shortfall on realisation of assets on aggregate basis, despite accumulated losses as on March 31, 2013.
- (P) Disclosures pursuant to Accounting Standard – 15 : Employees' Benefit

	2012-2013 ₹	2011-2012 ₹
A Defined Contribution Plan		
The Company has recognised the following amounts in the Profit & Loss Accounts for the year :		
1 Contribution to Employees' Provident Fund / Employees' Family Pension Fund	15,38,422	15,76,073
B Define Benefits Plan		
Net Assets / (Liability) recognized in the Balance Sheet		
A Funded Status		
a) Present Value of Defined Benefit Obligations	17,25,498	25,05,278
b) Fair Value of Plan Assets	24,39,933	25,05,278
c) Net Assets / (Liability) Recognised in the Balance Sheet	Nil	Nil
Total Expenses recognized in the statement of Profit & Loss A/c.		
A) Component of Employer Expenses		
a) Current Service Cost	2,90,332	2,39,463
b) Interest Cost	1,59,437	1,80,800
c) Expected Return on Plan Assets	(2,22,500)	2,14,200
d) Actuarial Losses / (Gains)	29,542	(2,02,365)
e) Actuarial Losses / (Gain) on Plan Assets	(2,21,230)	(2,14,024)
f) Total Expenses recognized in Statement of Profit & Loss A/c.	4,78,041	4,08,428
g) Short Term Compensated absences paid during the year charged to Profit & Loss A/c.	NIL	NIL
Reconciliation of Defined Benefit Obligation and Fair Value of Assets		
A Change in Defined Benefit of Obligations		
a) Present Value of DBO at beginning of the year	25,05,278	22,59,962
b) Current Service Cost	2,90,332	2,39,463

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	2012-2013 ₹	2011-2012 ₹
c) Interest Cost	1,59,437	1,80,800
d) Actual (Gains) / Losses	29,542	(11,659)
e) Benefits paid	(12,59,091)	(1,63,288)
f) Present value of DBO at the end of the year	17,25,498	25,05,278
B Change in the Fair Value of Assets		
a) Plan Assets at the beginning of the year	25,05,278	13,63,627
b) Adjustment to Opening Fair Value of Plan Assets	Nil	8,91,085
c) Expected Return on Plan Assets	2,22,500	2,14,200
d) Actual Company Contributions	11,92,476	4,13,678
e) Employees Contributions	NIL	NIL
f) Actuarial gains / (Losses) on Plan Assets	(2,21,230)	(2,14,024)
g) Benefits paid	(12,59,091)	(1,63,288)
h) Plan Assets at the end of year	24,39,933	25,05,278

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand factors in the employment markets.

(Q) Earnings in Foreign Currency (on accrual basis)

	Year ended March 31, 2013 ₹	Year ended March 31, 2012 ₹
a) FOB value of export of manufactured goods	5,76,82,506	9,89,63,994

(R) CIF Value of Imports and Expenditure in Foreign Currency (on accrual basis)

	Year ended March 31, 2013 ₹	Year ended March 31, 2012 ₹
a) C. I. F. Value of Imports	NIL	NIL
b) Expenditure in Foreign Currencies (on accrual basis)		
Travelling Expenses	4,46,305	2,87,051

(S) Details of Raw-Materials / Intermediates Consumed :

	2012-2013		2011-2012	
	Quantity MT	Value ₹	Quantity MT	Value ₹
Wire Rods	5,423	32,65,92,266	5,350	34,35,44,719

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(T) Value of Imported and Indigenous Consumption :

	2012-2013		2011-2012	
	%	Value ₹	%	Value ₹
A. Raw Materials :				
Imported	NIL	NIL	NIL	NIL
Indigenous	100.00	32,65,92,266	100.00	34,35,44,719
	100.00	32,65,92,266	100.00	34,35,44,719
B. Stores, Spares and Loose Tools				
Imported	NIL	NIL	NIL	NIL
Indigenous	100.00	82,33,694	100.00	91,55,197
	100.00	82,33,694	100.00	91,55,197

(U) TAXATION :

(i) Deferred taxation

	Accumulated As at March 31, 2012 ₹	Charge / Credit during the Year ₹	Accumulated As at March 31, 2013 ₹
Deferred Tax Liability	Nil	Nil	Nil
1. Depreciation / Others	Nil	Nil	Nil
TOTAL (A)	Nil	Nil	Nil
Deferred Tax Assets on account of:			
1. Depreciation	1,96,155	13,324	2,09,479
2. Employees' benefits / Expenses Under Section 43B / 40(ia)	16,33,385	(68,271)	15,65,114
TOTAL (B)	18,29,540	(54,947)	17,74,593
Net Deferred Tax Liability / (Assets) (A-B)	(18,29,540)	54,947	(17,74,593)

- ii) The Deferred Tax Liability (Net) for the year of ₹ 54,947/- (Previous Year Deferred Tax Assets ₹ 52,770/-) is reduced from to the Current Year's profit (Previous year added to the Profit) and reduced from the balance in Deferred Tax Assets (Previous Year - added to the Deferred Tax Assets).

(V) Segment Reporting as per AS 17:-

Primary Segment :

The Company operates only one primary segment viz. manufacture and sale of Bright Bars and has entire turnover from sale of Bright Bars and / or processing of Bright Bars.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Secondary Segment:

Details as per Geographic region:

	For the Year ended March 31, 2013 ₹	For the Year ended March 31, 2012 ₹
India	33,33,82,185	29,28,71,812
Germany	38,65,593	2,38,44,099
Iran	18,75,418	1,45,45,919
Israel	Nil	33,95,488
South Africa	2,63,19,316	3,50,10,626
Turkey	87,10,983	1,06,16,709
Poland	Nil	51,86,082
Slovenia	Nil	49,63,899
Morocco	1,89,63,258	38,02,478

(W) Related Party Information

Disclosures in respect of related parties (as defined in Accounting Standard 18), with whom transactions have taken place during the year given below:

1) Relationship

- a) Enterprise where control of Key Management Personnel and / or their relatives exists.
 1. Rose Investments Pvt. Ltd.
 2. Avanti Traders Pvt. Ltd.
 3. Abhishek Chemicals Pvt. Ltd.
 4. Himatsingka Chemicals Pvt. Ltd.
 5. Swan Silver Wares Pvt. Ltd.
- b) Key Management Personnel
 1. Shri Alok Kumar Jajodia – Executive Chairman (till 15-06-2012)
 2. Shri Avinash Jajodia – Chairman and Managing Director (from 14-08-2012)
 3. Smt. Manjudevi Jajodia – Whole-time Director (from 01-09-2012)
- c) Relative of Key Management Personnel
Smt. Rajnidevi Jajodia

Note : Related Party relationship is as identified by the company and relied upon by the auditors.

Chase Bright Steel Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2) Transaction with Related Parties

Particulars	Related Parties Referred in 1(a) above	Related Parties Referred in 1(b) above	Related Parties Referred in 1(c) above	Total
	₹	₹	₹	₹
Expenses	24,23,175 (22,13,771)	56,51,537 (62,11,326)	2,25,000 (9,00,000)	82,99,712 (93,25,097)
Income received	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Finance received (Including interest payable)	1,31,00,000 (51,00,000)	2,31,10,000 (95,00,000)	93,750 (NIL)	3,63,03,750 (1,46,00,000)
Finance Repaid (excluding interest paid)	1,05,35,000 (23,25,000)	3,18,50,000 (65,50,000)	NIL (NIL)	4,23,85,000 (88,75,000)
Amount receivable	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Loan Amount Payable (Including Interest payable)	1,87,75,000 (1,62,10,000)	1,55,60,000 (2,43,00,000)	45,93,750 (45,00,000)	3,89,28,750 (4,50,10,000)
Other Amounts Payable	4,24,616 (22,42,056)	9,97,021 (3,16,005)	Nil (8,10,000)	14,21,637 (33,68,061)

The figures in brackets are for previous year.

(X) Disclosures in respect of Derivative Instruments :

- There are no derivative instrument like Forward Exchange Contracts etc. outstanding at the end of the year as on March 31, 2013 and at the end of the year as on March 31, 2012
- The foreign currency exposures that are not hedged by a derivative instrument are as follows :

Details	Currency	Amount outstanding as on March 31, 2013	
Export Debtors	USD	78,369	₹ 42,62,439
Advance from Customers.	USD	6,634	3,60,819
Details	Currency	Amount outstanding as on March 31, 2012	
Export Debtors	USD	74,470	₹ 38,09,634
Advance from Customers.	USD	6,634	₹ 3,39,372

Chase Bright Steel Limited

Regd. Office : R-237, TTC Industrial Area, MIDC, Rabale, Navi Mumbai - 400 701.

PROXY FORM

I/We.....of
in the district ofbeing a member/members of the above
named Company, hereby appoint Mr./Mrs.....of
in the district ofOr failing him/her Mr./Mrs.....of
..... in the district of

as my/our proxy to attend and vote for me/us and on my/our behalf at the Fifty Third Annual General Meeting of the Company to be held at 11.00 a.m. on Monday, 30th September, 2013 at the premises of Thana Manufacturers' Association, TMA House, P-6 Main Road, Wagle Industrial Estate, Thane - 400 604 and any adjournment thereof.

As witness my/our hands this day of 2013.

Signature.....

Affix a
Revenue
Stamp

Registered Folio.....

No of Shares held.....

Note : The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the Scheduled time for holding the meeting.

Chase Bright Steel Limited

Regd. Office : R-237, TTC Industrial Area, MIDC, Rabale, Navi Mumbai - 400 701.

ATTENDANCE SLIP

(Please complete the Attendance Slip and hand it over at the entrance of the Meeting Hall).

I hereby record my attendance at the Fifty Third Annual General Meeting of the Company being held on September 30, 2013.

Member's/Proxy's name (In Block Letters)

Signature of the Shareholder/Proxy

Registered Folio No.....

No. of Shares held.....

Book-Post

If undelivered, please return to :

Chase Bright Steel Ltd.

R-237, TTC Industrial Area, MIDC,
Rabale, Navi Mumbai - 400 701.



CHASE BRIGHT STEEL LTD



FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the company	CHASE BRIGHT STEEL LIMITED
2	Annual financial statements for the year ended	31 ST MARCH 2013
3	Type of Audit observation Un-qualified / Matter of Emphasis	Nil
4	Frequency of observation Whether appeared first time...../ repetitive...../ s ince how long period	The Company is in the regime of no audit qualifications
5	To be signed by- <input type="checkbox"/> Managing Director <input type="checkbox"/> Auditor of the company	<p>For CHASE BRIGHT STEEL LTD.</p> <p><i>[Signature]</i> MANAGING DIRECTOR</p> <p>For A.J. MEHTA & ASSOCIATES Chartered Accountants Firm Registration No. 106179W</p> <p><i>[Signature]</i> ATUL MEHTA PROPRIETOR Membership No. 36959</p>

A.J. MEHTA & ASSOCIATES
Shahviri, 1st. Floor. Office. 2 & 3
37/41 R.S. Sapre Road (Picket Road),
Kalbadevi Mumbai - 400 002