



STEEL STRIPS GROUP

Steel Strips Wheels Limited

Wheeling Towards Excellence

ANNUAL REPORT

exploring
possibilities

ISO 9002, QS 9000 & TS-16949 Certified Company

2016-17

CORPORATE

Information

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REGD. OFFICE

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

WORKS

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

HEAD OFFICE

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

REGISTRAR & TRANSFER AGENTS

Link Intime India Pvt. Ltd.
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-1
Near PVR Naraina, New Delhi-110028

BOARD OF DIRECTORS

Sh. Rajender Kumar Garg, Chairman
Sh. Dheeraj Garg, Managing Director
Sh. Andra Veetil Unnikrishnan, Dy. Managing Director
Sh. Manohar Lal Jain, Executive Director
Ms. Jaspreet Takhar
Sh. Madan Mohan Chopra, AVSM (Retd.)
Sh. Chanakya Chaudhary
Sh. Sudhanshu Shekhar Jha
Sh. Sukhbir Singh Grewal
Sh. Surinder Kumar Bansal

COMPANY SECRETARY

Sh. Shaman Jindal

CHIEF FINANCIAL OFFICER

Sh. Naveen Sorot

BANKERS / INSTITUTIONS

AXIS Bank Ltd.
Bank of Baroda
DBS Bank
DEG, Germany
Export Import Bank of India
Federal Bank
HDFC Bank
ICICI Bank Ltd.
Punjab National Bank
State Bank of India
Tata Capital Financial Services
United Bank of India
Yes Bank

AUDITORS

M/s S.C. Dewan & Co.
Chartered Accountants
SCO 90, 1st Floor, Swastik Vihar
Panchkula.

STEEL STRIPS WHEELS LIMITED

STEEL STRIPS WHEELS LIMITED (CIN: L27107PB1985PLC006159)

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

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of Steel Strips Wheels Limited ("Company") will be held as scheduled below:

Day & Date	: Thursday, 28th day of September, 2017
Time	: 11.00 A. M.
Venue	: Company's Regd. Office at Village Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, Distt. S.A.S Nagar, Mohali (Punjab)

to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year 2016-17.
3. To appoint a Director in place of Sh. Manohar Lal Jain (DIN: 00034591), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s AKR & Associates, Chartered Accountants (Firm Registration No. 021179N), be and is hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s S. C. Dewan & Co., Chartered Accountants (Firm Registration No. 000934N), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 36th Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM, if so required under the Act) at such remuneration plus applicable taxes, out of pocket expenses, traveling expenses, etc; as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, as amended from time to time and on the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, Ms. Jaspreet Takhar (DIN:00318883), who holds the office of Independent Director of the Company up to 30.09.2017 and who has submitted a declaration that she meets the criteria of Independence as provided in Section 149 (6) of the "Act" and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her re-appointment for the second term as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company for a period of three years from 01.10.2017 to 30.09.2020 and shall not be liable to retire by rotation."

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

"RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company at the 28th Annual General Meeting of the Company held on September 30, 2014 and Pursuant to the provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, if any and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) to borrow any sum or sums of money, from time to time, for the purpose of the business of the Company, from any Indian or Foreign Bank(s), Financial Institution(s) and/or any other Indian or foreign lending institutions or Persons, firms, bodies corporate or any other persons, on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Banker in the ordinary course of Business), exceed the aggregate of the "Paid up" Share Capital of the Company and its free reserves, provided that the total amount up to which the money can be borrowed by the Board of Directors, shall not exceed the sum of INR 2000.00 Crores (Indian Rupees Two thousand Crore Only) at any time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby severally authorized to do all such acts, deeds matters and things, as it may, in its absolute discretion deem necessary, proper or requisite."

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

"RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company at the 28th Annual General Meeting of the Company held on September 30, 2014 and Pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, if any, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create mortgage/hypothecation/ pledge and /or charge in addition to the existing mortgages/ hypothecations/pledges and/or charges/ created/to be created by the Company, in such form and manner and with such ranking and on such terms as the Board may determine in the interest of the company, on all or any of the movable and /or immovable properties, current and/or fixed assets of the company, both present and future and/or any other assets or properties, either tangible or intangible of the company and/or the whole of the undertaking(s) or any part of the undertaking(s) of the Company, in favour of lender (s), Agent (s) and Trustee (s) for securing the borrowings of the company availed/to be availed by the Company by way of loans, working capital facilities, debentures or any other securities or debt instrument or otherwise, in foreign currency or in Indian Currency, from any Indian or Foreign Bank (s), Financial Institution (s) and/or any other Indian or foreign lending institutions or Persons, firms, bodies corporate or any other lender, from time to time, up to the limits approved or as may be approved by the shareholders under Section 180 (1) (c) of the Act, along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and any other money payable by the Company including any increase as result of devaluation/revaluation/fluctuation in the rate of exchange.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents/deeds writings/papers/agreements as may be required and do all such acts, deeds matters and things, as it may, in its absolute discretion deem necessary, proper or requisite."

By Order of the Board of Directors

Place: Chandigarh
Date: 11.08.2017

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

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 and rules made thereunder, relating to the Special business to be transacted at the Meeting is annexed hereto. The relevant details of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") of the Company are also annexed.
2. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy so appointed need not be a member of the Company. The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM. A Proxy form for the "AGM" is enclosed.**
A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **22.09.2017 to 28.09.2017** (both days inclusive) for the purpose of Annual General Meeting and for determining the names of members entitled to dividend, if declared at this meeting.
7. The dividend, as recommended by the Board of Directors, if declared at this Annual General Meeting will be paid within a period of 30 days from the date of declaration, to those members whose name will appear on the register of members/depository records as at the closing hours of business on **21.09.2017**.
8. Reserve Bank of India has introduced National Electronic Clearing Service (NECS) to facilitate credit of dividend directly to the shareholder's bank account. This facility eliminates loss of dividend warrants sent by post due to pilferage in transit, delay in receipt of dividend warrants and ensures quick credit of the dividend. Members holding shares in electronic form may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already

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registered against their respective folios for payment of dividend are requested to write to Company/ Registrar and Transfer Agents of the Company.

9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their De-mat accounts. Members holding shares in physical form are requested to advise any change in their address along with Pin code number immediately to the Company/ Registrar and Transfer Agents of the Company.

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

Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) unless any member has requested for a physical copy of the report. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 are being sent by the permitted mode.

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

Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.sswlindia.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (9.00 am to 5.00 pm) on working days.

10. The Company is maintaining the "INVESTORS SERVICE CELL" at its Head Office at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019.
11. Members having any queries relating to Annual Report are requested to send their queries at least seven days before the date of the Meeting.
12. Members can inspect the register of directors and key managerial personnel and their shareholding, required to be maintained under Section 170 of the Companies Act, 2013 and register of contracts or arrangements in which the directors are interested, to be maintained under Section 189 of the Companies Act, 2013 during the course of the meeting at the venue.
13. This year the Unpaid/Unclaimed Dividend for the financial year 2009-10 shall be transferred to the "INVESTORS EDUCATION AND PROTECTION FUND" (IEPF). The due date of such transfer is 5th November, 2017. Members who have not encashed their dividends are requested to claim the dividend from the Company immediately.

As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF Authority. The Company has sent notice to all the members whose Dividends are lying unpaid / unclaimed against their name for seven consecutive years or more. Members are requested to claim the same on or before 4th November, 2017. In case the dividends are not claimed by the said date, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies) Rules 2012, the company has uploaded the details of unpaid and unclaimed amounts lying with the company as on 30th September, 2016 (date of Last Annual General Meeting) on the website of the Company (www.sswlindia.com) and also on the website of the Ministry of Corporate Affairs.

14. M/s Link Intime India Pvt. Limited, at 44 Community Center, 2nd Floor, Naraina Industrial Area, Phase-I , Near PVR Naraina, New Delhi – 110028 are acting as the common agency to carry out the Dematerialization and physical transfer of shares. The shareholders are requested to send the shares for transfer at the above-mentioned address of the Registrar.

15. **Voting through electronic means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and as per Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and any amendment thereto, the Company is pleased to provide members, a facility to exercise their right to vote on the resolutions proposed to be passed in the 31st Annual General Meeting (AGM) by electronic means through remote e-voting services provided by Central Depository (Services) India Limited (CDSL). It may be noted that this e-voting facility is optional.

Since the Company is providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the said meeting. The facility for voting through polling paper shall be made available at the AGM and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through polling paper. The shareholders can opt for only

one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, votes casted through remote e-voting will be considered final and voting through physical ballot will not be considered. The members who have cast their votes by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

Steps for remote e-voting

- (i) **The remote e-voting period begins on September 25, 2017 at 9.00 a.m. and will end on September 27, 2017 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as **on the cut-off date i.e. September 21, 2017**, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. The members are requested to note that once vote on a resolution is cast electronically, he shall not be allowed to change it subsequently.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the remote e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in de-mat form and had logged on to www.evotingindia.com and voted on an earlier remote e-voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below

	For Members holding shares in De-mat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both de-mat share holders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your de-mat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in de-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the de-mat holders for remote e-voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the Company i.e. **"Steel Strips Wheels Limited"/ "Electronic Voting Sequence Number"** of Steel Strips Wheels Limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If De-mat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android, Apple and Windows based mobiles. The m-Voting app can be downloaded from Google Play Store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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- (xx) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. **21.09.2017**, may follow the same instructions as mentioned above for remote e-voting. **The Voting rights of the members shall be in proportion to their shares in the paid up capital of the Company as on the cut off date i.e. 21.09.2017. A person whose name is recorded in the Register of members or in the Register of Beneficial owners maintained by the Depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the said meeting. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.**
- (xxii) In case of any queries or issues regarding e-voting, members may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. Further Mr. Wenceslaus Furtado Deputy Manager having address i.e. Central Depository Services (India) Limited 16th Floor, P. J. Towers, Dalal Street Fort, Mumbai - 400 001, email id: helpdesk.evoting@cdslindia.com and contact number 18002005533, is responsible to address the grievances connected with facility for voting by electronic means.
- (xxiii) The Board of Directors has appointed Mr. Sushil K. Sikka, Practicing Company Secretary (Membership No. 4241 and C.P.No. 3582) proprietor of S.K.Sikka & Associates, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. He has communicated his willingness to be appointed and will be available for same purpose.
- (xxiv) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than forty eight hours of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- (xxv) The Chairman or any director or the person authorized by him in writing, shall forthwith on receipt of the consolidated Scrutinizer's Report declare the results of voting within 48 hours of the conclusion of this AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sswlindia.com and on the website of CDSL immediately after the result is declared by the Chairman and shall also be communicated to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.
- Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e 28th September, 2017.
16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office (i.e Village Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, Distt. Mohali, Punjab) and Head office (i.e SCO 49-50, Sector 26, Madhya Marg, Chandigarh) of the Company during normal business hours (9.00 am to 5.00 pm) on all working days upto and including the date of AGM of the Company.

By Order of the Board of Directors

Place: Chandigarh
Date: 11.08.2017

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

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 4

This explanatory statement is provided though strictly not required as per Section 102 of the Companies Act, 2013.

The Companies Act, 2013("Act") was notified effective 1st April, 2014. Section 139 of the Act lays down the criteria for appointment and mandatory rotation of statutory auditors. As per the provisions of Section 139 of the Act and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years. The Rules also lay down the transitional period that can be served by the existing auditors depending on the number of consecutive years for which an audit firm has been functioning as auditor in the same company. The incumbent auditors, M/s S. C. Dewan & Co., Chartered Accountants (Firm Registration No. 000934N), have served the Company for over 10 years before the Act was notified and will be completing the maximum number of transitional period 3 years at the ensuing 31st Annual General Meeting.

The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on 11th August, 2017, proposed the



appointment of M/s AKR & Associates., Chartered Accountants (Firm Registration No. 021179N) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this 31st AGM till the conclusion of the 36th AGM to be held in the year 2022 (subject to ratification of their appointment at every AGM, if so required under the Act). M/s AKR & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Resolution mentioned at item No. 4 of the accompanying Notice, for the approval of Shareholders of the company as an ordinary resolution.

None of the Directors or Key Managerial Personnel (KMP) of the company or their respective relatives are concerned or interested, financially or otherwise in the Resolution mentioned at item no. 4 of the accompanying Notice.

ITEM NO. 5

At the 29th Annual General Meeting held on 30th September, 2015, Members of the Company had appointed Ms. Jaspreet Takhar (DIN:00318883), as an Independent Director of the Company not liable to retire by rotation. Her current term as Independent Director shall expire on 30.09.2017. As per Section 149(10) of the Companies Act, 2013 ("Act") an Independent Director shall be eligible for re-appointment for a second term of up to 5 years on passing a Special Resolution by the shareholders of the Company.

Since her current term of appointment as an Independent Director will expire on 30th day of September, 2017, your Board, based on the recommendation of Nomination and Remuneration Committee and her performance evaluation and after reviewing confirmation of Independence received from her, recommends the re-appointment of Ms. Jaspreet Takhar for a second term of three years commencing from 01.10.2017 to 30.09.2020. The notice in writing proposing her re-appointment as Independent Director of the Company along with the deposit of requisite amount under Section 160 of the Act, have been received from the members of the Company. The Company has already received requisite consent from the said Director pursuant to the provisions of Section 152 of the Companies Act, 2013.

She has given a declaration to the Board that she meets the criteria of independence as provided under section 149 (6) of the Act. In the opinion of the Board, Ms. Jaspreet Takhar, who is proposed to be appointed for the second term as Independent Director of the Company for a period of 3 years commencing from 01.10.2017 to 30.09.2020, fulfill all the conditions specified in the Act and Rules framed thereunder for appointment as Independent Director and she is independent of the Management. She is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and she has given her consent to act as a Director.

The terms and conditions of re-appointment of the above Director along with the performance evaluation report shall be open for inspection by the Members at the registered office of the Company during normal business hours on any working day.

Your Board recommends the Special Resolution as set out in Item No. 5 for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Ms. Jaspreet Takhar (whose re-appointment is proposed in the resolution) is in any way concerned or interested, financially or otherwise in the resolution mentioned at Item No.5 of the accompanying notice.

ITEM NO. 6 & 7

Members of the Company in their Annual General Meeting held on 30th September, 2014, authorized the Board of Directors of the company to borrow any sum or sums of money, from time to time, for the purpose of the business of the Company, from any Indian or Foreign Bank (s), Financial Institution (s) and/or any other Indian or foreign lending institutions or Persons, firms, bodies corporate, or any other person on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, for an amount not exceeding Rs.1000.00 Crore (Indian Rupees One Thousand Crore Only). However in view of the company's business expansion, the Company would require, from time to time, additional funds to meet the existing and future financial requirements of the Company. It is therefore proposed that the existing borrowing limits of INR Rs. 1000.00 Crore (Indian Rupees One Thousand Crore Only) be increased to INR 2000.00 Crore (Indian Rupees Two thousand Crore Only).

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 the Board of Directors of a Company cannot, except with the consent of Members of the Company in the General Meeting by way of a special resolution, borrow any sum or sums of money from time to time for the purposes of business of the Company, if the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) exceeds the aggregate of the Paid-up Share Capital of the Company and its Free Reserves.

Since the proposed borrowing powers exceed the limit of aggregate of paid up capital and free reserves of the Company, the approval of shareholders of the Company is required, in compliance with the provisions of Section 180(1)(c) of the Companies Act, 2013.

To secure such borrowings, the Company would have to mortgage/charge/ hypothecate the assets and properties of the Company, both present and future, as may be required by lenders etc., which requires shareholders' approval under section 180 (1)(a) of the Companies Act, 2013.

Therefore your Board recommends the resolutions as set out in Item No. 's 6 & 7 as Special Resolutions for your approval.

None of the Directors or the Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise in the resolutions mentioned at Item Nos. 6 & 7 at the accompanying notice.

By Order of the Board of Directors

Place: Chandigarh
Date: 11.08.2017

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

Details of Director's seeking Appointment/Re-appointment at the Annual General Meeting.

Name of Director and DIN	Sh. Manohar Lal Jain (DIN NO. 00034591)	Ms. Jaspreet Takhar (DIN NO. 00318883)
Age	62 years	58 years
Qualification	FCS, FCA.	Master of Architect
Expertise	He is associated with the Group for a period of more than three decades. He has vast experience in finance, legal and taxation	She has been actively involved in teaching and research in architecture.
Terms and Conditions of Re-appointment	As per the resolution passed by the Shareholders of the company at the Annual General Meeting held on 30th September, 2015, Sh. Manohar Lal Jain , was appointed as an Executive Director of the company for a period of 5 years w.e.f. 01.07.2015 liable to retire by rotation.	Propose to re-appoint as Independent Director for second term for a period of three years from 01.10.2017 to 30.09.2020 and shall not liable to retire by rotation.
Remuneration last drawn	Rs. 47.44 lacs during 2016 - 17. For details, please refer Corporate Governance Report section of the Annual Report 2016 -17.	Paid sitting fee for attending Board Meeting. For details, please refer Corporate Governance Report section of the Annual Report 2016- 17.
Remuneration proposed to be paid	As per existing terms and conditions	As per existing terms and conditions
Date of First Appointment on the Board	August 01, 2013	March 30, 2015
Shareholding in the Company	21853 equity shares as on 31.03.2017	NIL
Relationship with other Director/Key Managerial Personal	NIL	NIL
Number of meetings of the Board attended during the financial year	8	3
Directorships held in other companies	Steel Strips Industries Ltd Malwa Chemtex Udyog Ltd Indlon Chemicals Ltd. S.S. Credits Pvt. Ltd Steel Strips Holdings Pvt. Ltd Munak Financiers Pvt. Ltd Munak Investments Pvt. Ltd S.J. Mercantile Pvt. Ltd Chandigarh Developers Pvt. Ltd DHG Marketing Pvt. Ltd Steel Strips Financiers Pvt. Ltd	NIL
Memberships/chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	NIL	NIL

DIRECTORS'

REPORT

To

The Members,

Your Directors are pleased to present the 31st Annual Report together with audited financial statements of the Company for the financial year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

(Rs.in Millions)

S No	Particulars	2016-17	2015-16
A)	Gross Sales	14819.42	13197.98
B)	Other Income	193.96	188.37
C)	Gross Income (A+B)	15013.38	13386.35
D)	Total Expenditures (excl Finance Cost, depreciation and amortization)	13177.51	11745.06
E)	Earnings before Interest and Depreciation (C-D)	1835.87	1641.29
F)	Interest & Financial Charges	417.08	430.35
G)	Earnings before Depreciation and amortization (E-F)	1418.79	1210.94
H)	Depreciation and other w/ off	479.02	420.61
I)	Earnings after Depreciation (G-H)	939.77	790.33
J)	Add/(Less): Prior Period Adjustment (net)	11.33	0.17
K)	Profit Before Tax (I-J)	951.10	790.50
L)	Income tax (net of MAT credit entitlement)	129.58	36.21
M)	Deferred Tax Liability/(Assets)	111.17	142.48
N)	Profit after tax for the year (K-L-M)	710.35	611.81

FINANCIAL PERFORMANCE

The Gross Income for the year under review increased by 12.15% to Rs. 15013.38 million as compared to Rs. 13386.35 million in FY 2015-16. In terms of Number of wheels, the Company has achieved sale of 14.20 million wheels rims during FY 2016-17 against sale of 13.17 million wheels rims during the previous year, showing an increase of 7.82 %. Your Company expects to see higher growth in the coming years.

The Earnings Before Interest, Depreciation and Tax (EBIDTA) increased to Rs.1835.87 million in FY 2016-17 from Rs. 1641.29 million in 2015-16, registering a growth of 11.86 %.

The Depreciation and other amortization have increased to Rs. 479.02 million in FY 2016-17 from Rs. 420.61million in FY 2015-16.

Profit before tax during the year under review has increased to Rs. 951.10 million from Rs. 790.50 million in FY 2015-16 recording a growth of 20.32%. The profit after tax have also increased to Rs. 710.35 million from Rs.611.81 million, showing a growth of 16.11%.

TRANSFER TO RESERVES

Your Company proposes to transfer an amount of Rs. 611.81 million to the General Reserve out of the amount available for appropriation.

DIVIDEND

The Board, in its meeting held on May 29, 2017, has recommended a final dividend of Rs. 3.00 (30%) per equity share of Rs. 10/- each (previous year Rs. 3.00 per equity share including interim dividend of Rs.1.50 per equity share) for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting. The total cash outflow on account of dividend, if approved by the shareholders for the Current year will amount to Rs.56.17 million (including Dividend Distribution Tax of Rs 9.50 million) as against Rs. 55.59 million (including Dividend Distribution Tax of Rs 9.40 million) in the previous year, which represents 7.91% of the Profit After Tax earned during the year.

SHARE CAPITAL

During the year under review, the company has made the following allotments of equity shares:

- 209525 equity shares of Rs. 10/- each on 10th June, 2016, at a price of Rs. 640/- per equity share i.e. at a premium of Rs. 630/- per equity share on preferential allotment basis through private placement to Kalink Co. Ltd., a non promoter foreign body corporate.

STEEL STRIPS WHEELS LIMITED

- 53375 equity shares of Rs. 10/- each on 2nd July, 2016 and 11450 equity shares of Rs. 10/- each on 26th August, 2016 to the employees of the company, upon exercise of options by them under "Steel Strips Wheels Limited - Employee Stock Option Scheme, 2014" ("ESOS 2014") at an exercise price of Rs. 100/- each.

Besides above, your company has also allotted 22750 equity shares of Rs. 10/- each on 13th May, 2017 upon exercise of options by the employees of the Company under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2014" ("ESOS 2014") at an exercise price of Rs. 100/- each.

Consequent to the allotment of above stated shares, the issued and paid up Equity Share Capital of the Company increased from Rs. 152591700 (divided into 15259170 Equity Shares of Rs. 10/- each) to Rs. 155562700 (divided into 15556270 equity shares of Rs. 10/- each) as on the date of this report.

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

EMPLOYEE STOCK OPTION SCHEME

During the year under review, there were no material changes in the existing Employee Stock Option Schemes {i.e Steel Strips Wheels Limited-Employee Stock Option Scheme, 2014 (ESOS 2014) and Steel Strips Wheels Limited- Employee Stock Option Scheme (ESOS 2016)} of the Company and the Schemes are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The applicable details/disclosures as stipulated under SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015 with regard to "ESOS 2014" and "ESOS 2016" have been uploaded on the website of the Company under the web-link: <http://www.sswlindia.com/pages/disclosureregardingesos.htm>.

The Company has received a certificate from the Auditors of the Company that the Schemes i.e. "ESOS 2014" and "ESOS 2016" have been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolution passed by the members in their EGM held on 27/02/2015 and AGM held on 30/09/2016 respectively. The certificate would be placed at the Annual General Meeting for inspection by members.

NATURE OF BUSINESS

During the year, there has been no change in the nature of business of your Company.

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis report for the year under review, as stipulated under SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

HEALTH, SAFETY AND ENVIRONMENT PROTECTION

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

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

HUMAN RESOURCES DEVELOPMENT

Your Company has continuously adopted structures that help in attracting best external talent and promote internal talent to take higher roles and responsibilities. Your Company's people centric focus is providing an open work environment fostering continuous improvement and development among the employees of the company. Your Company provides a holistic environment where employees get opportunities to realize their potential. Company's performance driven culture helps and motivates employees to excel in their respective areas and progress within the organization.

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

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

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

During the financial year 2016-17, the Company has not received any complaint on sexual harassment.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consists of optimum number of Executive and Non- Executive Directors including Independent Directors who have wide and varied experience in the field of business, finance, education, industry, commerce and administration. Independent Directors provide their

Declarations confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Listing Regulations.

Pursuant to provisions of Section 152 of the Companies Act, 2013, Sh. Manohar Lal Jain, Executive Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment for your approval.

Pursuant to the Members' approval at the 29th Annual General Meeting held on September 30, 2015, Ms. Jaspreet Takhar was appointed as Non Executive- Independent Director of the Company with effect from 30.03.2015 to 30.09.2017. Special Resolution seeking members' approval for re-appointing her as Independent Director for the second term of 3 years from expiry of her current term i.e. from 01.10.2017 to 30.09.2020, forms part of the Notice of the ensuing Annual General Meeting. Your Company has received notice in writing along with requisite amount pursuant to Section 160 of Companies Act, 2013, proposing her appointment for the second term and based on the recommendation of Nomination and Remuneration Committee and her performance evaluation, your Board recommends her appointment for the second term of 3 years upon expiry of her current term w.e.f. 01.10.2017 to 30.09.2020.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Sh. Dheeraj Garg, Managing Director, Sh. Andra Veetil Unnikrishnan, Deputy Managing Director, Sh. Manohar Lal Jain, Executive Director, Sh. Naveen Sorot, Chief Financial Officer and Sh. Shaman Jindal, Company Secretary. There has been no change in the key managerial personnel during the year under review.

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

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

DEPOSITS FROM PUBLIC

The company has not accepted any deposits from public during the financial year 2016-17 and, as such, no amount on account of principal or interest on deposit from public was outstanding as on the date of this report.

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

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

INTERNAL FINANCIAL CONTROL

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

INTERNAL CONTROL SYSTEMS

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

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

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

AUDIT COMMITTEE AND OTHER COMMITTEES OF THE BOARD

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In compliance with the requirements under Section 177(9) & (10) of the Companies Act, 2013 and in accordance with Regulation 22 of SEBI (LODR) Regulations, 2015, the company has adopted a vigil mechanism named "Whistle Blower Policy" for Directors and Employees to report their genuine concerns and to provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases. The details of Whistle Blower Policy is explained in the Corporate Governance Report and is also posted on the website of the company. (Website link: <http://www.sswlindia.com/pages/whistleblower.htm>)

During the year, no person was denied access to the Audit Committee.

NUMBER OF MEETINGS OF THE BOARD

During the year, nine (9) Board Meetings were convened and held, details of which are given in the Corporate Governance Report that forms

STEEL STRIPS WHEELS LIMITED

part of this Annual Report. The Intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e interval between two meetings did not exceed 120 days.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 (5) of the Companies Act, 2013, (hereinafter referred as "Act") and based on the representations, information and explanations received from the management, your directors hereby confirm that:

- in the preparation of the annual accounts for the financial year 2016-17, the applicable accounting standards have been followed and there are no material departures;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have submitted their declaration that they meet the criteria of Independence as provided in Sub Section (6) of Section 149 of the Companies Act, 2013. Further, there has been no change in the circumstances which may affect their status as Independent Director during the year.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act, 2013, are covered under Corporate Governance Report which forms part of this Report.

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

The Statutory Auditors and/or Secretarial Auditors of the Company have not reported any offence involving fraud which is being or has been committed against the company by officers or employees to the Audit Committee or to the Board of Directors or to the Central Government under section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

STATUTORY AUDITORS AND THEIR REPORT

M/s. S. C. Dewan & Co, Chartered Accountants, [Firm's Registration No. 000934N] the Statutory Auditors of your Company, hold office up to the conclusion of the forthcoming Annual General Meeting (AGM) of the Company. M/s. S. C. Dewan & Co have been auditor of the Company for more than 10 years and will complete permissible maximum number of 3 consecutive years after the commencement of the Companies Act 2013, as statutory auditors at the forthcoming AGM. As such, pursuant to the provisions of Section 139(2) of the Companies Act 2013 read with Rule 6 of Companies (Audit and Auditors) Rules 2014, the Audit Committee recommended the appointment of M/s AKR & Associates, Chartered Accountants (Firm Registration No. 021179N) as Statutory Auditor of the Company in place of the incumbent auditor whose term will expire at the conclusion of this AGM. M/s AKR & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act and relevant Rules prescribed there under and have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Your Board recommends the appointment of M/s AKR & Associates, Chartered Accountants as Statutory Auditor for a term of five years from the conclusion of the forthcoming Annual General Meeting until the conclusion of the Annual General Meeting for the financial year 2021-22 subject to ratification by members at every Annual General Meeting if so required under the act and to fix their remuneration.

Auditors' Report is self explanatory and does not contain any qualification, reservations or adverse remarks or disclaimers in their report for the financial year ended March 31, 2017, and therefore, needs no comments. The board of directors places on record its sincere appreciation for the valuable services rendered by M/s S. C. Dewan & Co.

SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Sushil K. Sikka, a practicing Company Secretary (Membership No. 4241 and CP No. 3582), proprietor of S. K. Sikka & Associates, to undertake the Secretarial Audit of the Company and the Secretarial Audit Report is being attached with the Directors Report as an Annexure, which is self explanatory and does not contain any qualification, reservations or adverse remarks or disclaimers, hence needs no comments.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There have been no loans, guarantees and investments made by the Company under Section 186 of the Companies Act, 2013 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2016-17.

PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, disclosure in form AOC-2 is not required.

All Related Party Transactions were placed before the Audit Committee for their prior approval in accordance with the requirements of the applicable provisions of Companies Act and Listing Regulations. The transactions entered into pursuant to such approval are placed periodically before the Audit Committee.

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

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

Disclosure as required under AS 18 has been made in Note 27 of the Notes to the financial statements.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

MATERIAL CHANGES AND COMMITMENT, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR 2016-17 AND THE DATE OF THIS REPORT

No material changes and commitment, affecting the financial position of the company, has occurred between the end of the Financial year 2016-17 of the company and the date of this report except the following:-

Your company has allotted 22750 equity shares of Rs. 10/- each on 13th May, 2017 upon exercise of options by the employees of the Company to whom options were granted under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2014" ("ESOS 2014") at an exercise price of Rs. 100/- each.

As on 31.03.2017, the issued and paid up Equity Share Capital of the Company was Rs. 155335200 (divided into 15533520 Equity Shares of Rs. 10/- each) and consequent to the allotment of above stated shares, the issued and paid up Equity Share Capital of the Company increased to Rs. 155562700 (divided into 15556270 Equity Shares of Rs. 10/- each) as on the date of this report.

On 16th May, 2017, your Company has granted 26500 options convertible into equal number of equity shares of Rs. 10/- each at an exercise price of Rs. 200/- each to the eligible employees, as per the terms and conditions of the Company's Employee Stock Option Scheme titled as "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2016".

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

A Statement giving details of conservation of energy/technology absorption and foreign exchange earnings and outgo in terms of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, forms part of this report and is annexed herewith as **Annexure A**

BUSINESS RISK MANAGEMENT

Pursuant to the requirement of Regulation 21 of SEBI (LODR) Regulations, 2015, your Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

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

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

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In compliance to Section 135 and in consonance with Schedule VII of the Companies Act, 2013, the company has constituted a Corporate Social Responsibility Committee and also framed a Corporate Social Responsibility Policy and the same is posted on the website of the company at <http://www.sswlindia.com/pages/csr-policy.htm>.

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

BOARD EVALUATION

In compliance with the provisions of Section 134 (3) (p) of the Companies Act, 2013 read with Rule 8 (4) of the Companies (Accounts) Rules, 2014, the Listing Regulations and recent Guidance note on Board evaluation issued by SEBI, the Board carried out a formal annual evaluation

of its own performance, and that of its committees and individual directors.

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

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

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

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 is enclosed as **Annexure C** in the prescribed form MGT-9 and forms part of this Report.

PARTICULARS OF REMUNERATION OF DIRECTORS/KMP'S/EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure D** to this report. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

INSURANCE

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

INDUSTRIAL RELATIONS WITH THE PERSONNEL OF THE COMPANY

The company has continued to maintain cordial and harmonious relations with its employees at all levels. As a result of it, the company is thriving to achieve growth and greater heights in the times to come.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Date: 11.08.2017
Place: Chandigarh

Rajender Kumar Garg
Chairman
(DIN: 00034827)

ANNEXURE-A

TO THE DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

A CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy

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

As a part of continuous process, the company adopts all suitable measures to conserve energy. This includes periodical check-ups, preventive maintenance and calibration of all electrical instruments & machineries as well as energy audit by independent agencies to improve energy performance. The company has taken steps for optimizing HVAC load to reduce overall power consumption. The company has also initiated the process to change all Hydraulic Motors with Servo Motors and replacement of all Electrical panel with PLC system, which will lead to substantial saving of energy.

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

- procured electric power from the open market (Solar/Biogas) on routine bidding basis.
- installed UPS to provide DC consistent power sources.

(iii) The Capital investment on energy conservation equipment

Planned to spend approx. Rs. 3.00 Crore in coming years.

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

Your Company deploys State of the Art Technology. As a result, the products developed and designed are accepted by its various customers in India and abroad. Your company has extended its Technical Collaboration Agreement with M/s Ring Techs Co. Ltd of Japan (a world renowned Steel Wheel manufacturing company). The Company had also entered into an agreement during the financial year 2015-16, with Kalink Co. Ltd, a South Korea based Foreign Company for setting up an Alloy Wheel manufacturing facility in Mehsana, Gujarat. Kalink Co. Ltd is a renowned expert in the Alloy Wheel manufacturing technology and is having well established Alloy Wheel Manufacturing facility in Korea and China and presently its customers are mainly located at U.S.A., Europe and Japan.

Your Company is increasingly devoting resources for process improvement, cost efficiencies and quality improvements.

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

Your Company has made efforts towards:-

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

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

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

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

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

The company had entered into an Agreement with Kalink Co. Limited for providing technical assistance services to establish and operate Company's Alloy wheel manufacturing plant at Mehsana, Gujarat.

(b) **The year of import**

2016-17

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

Yes

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

Not applicable

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

(Rs. in lacs)

Particulars	Year Ended 31.03.2017 (Amount in Rs.)	Year ended 31.03.2016 (Amount in Rs.)
Capital	621.30	Nil
Recurring	371.75	332.84
Total	993.05	332.84
Total R & D Expenditure as a percentage of Turnover	0.74%	0.28%

C **Foreign Exchange Earnings and Outgo :**

(Rs. in lacs)

Particulars	Year Ended 31.03.2017 (Amount in Rs.)	Year ended 31.03.2016 (Amount in Rs.)
The Foreign exchange earned in terms of actual inflows during the year	15060.16	14092.80
The Foreign exchange outgo during the year in terms of actual outflows	24557.53	15352.49

For and on behalf of the Board

Date: 11.08.2017
Place: Chandigarh

Rajender Kumar Garg
Chairman
(DIN: 00034827)

ANNEXURE-B

TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.	The Company believes in Corporate excellence and social welfare. This corporate philosophy is the force for integrating Corporate Social Responsibility (CSR) into Company's values, culture, operation and business decisions at all levels of the organization. Being a responsible corporate citizen, the company has a value system of giving back to society and improving life of the people and the surrounding environment. The Company believes that the Corporate strategy which embraces social developments an integral part of the business activities ensure long term sustainability of business enterprises. With this belief, the company is committed to conduct its business in a socially responsible, ethical and environment friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. As part of CSR initiatives, the Company, during the financial year 2016-17, had amongst other activities, undertaken projects in the areas of promoting education, sanitation and making available safe drinking water, Swach Bharat ensuring environment sustainability and protection of flora. The Company has spent Rs. 113.16 lacs on these projects. These projects are in accordance with Schedule VII of the Companies Act, 2013. Overview of the projects or programmes For the Promotion of education, the Company has supported Schools at Moonak Distt. Sangrur (Pb) namely Govt. Senior Secondary School (Boys), Govt. Senior Secondary School (Girls), Bhagat Ravidas Govt. Primary School, Govt. Primary Girls School and ITI Moonak by renovating, modernizing and providing basic amenities and also bus transport facility to the students living in the vicinity and surrounding areas of these schools. At Govt. Senior Secondary School (Boys) the Company has installed D.G. Set, computers and video conferencing facilities and interactive panel for students for imparting them knowledge through satellite classes from high end faculty and was also constructing a hall for mid day meal. At Govt. Senior Secondary School (Girls), the company had contributed towards installation of RO , water coolers, computers and construction work. At Govt. Primary Girls School, the company has installed computers. The Company has also contributed in Company run School set up in Jamshedpur and has spent for sanitation and making available safe drinking water and for ensuring environment sustainability in Jamshedpur near its manufacturing unit. The Company has also contributed to Bharat Prakash Foundation towards implementation of its project to provide safe drinking water to various anganwadis located in Chandigarh. For protection of flora and promotion of environment sustainability and cleanliness the company has contributed dustbins, wooden carts, tree guards, development of park and also a tractor for maintenance and development of the same at Moonak under Swach Bharat initiative of Central Govt.. The Company's CSR policy has been uploaded on the website of the Company under the web-link: http://www.sswlindia.com/pages/csr-policy.htm
2.	The Composition of the CSR Committee	(i) Sh. S.S.Grewal, Chairman (ii) Sh. Andra Veetil Unnikrishnan, member (iii) Sh. Manohar Lal Jain, member
3.	Average Net Profit of the Company for last three financial years	Rs.5,624.11 lacs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 112.48 lacs
5.	Details of CSR spend during the financial year: (a) Total amount spent for the financial year (b) Amount unspent, if any	Rs. 113.16 lacs Nil

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

(Rs. in lacs)

S.No	CSR Project or Activity identified	Sector in Which the Project is covered	Projects or programmes: (i) Local area or other (ii) Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) Project or Programswise	Amount spent on the projects or programs sub- heads: (i) Direct expenditure on projects or programs (ii) Overheads	Cumulative Expenditure up to the reporting period	Amount spent Direct or through implementing agency*
1.	Renovation and modernization of Govt. Senior Secondary School (Boys), Govt. Senior Secondary School (Girls), Bhagat Ravidas Govt. Primary School, Govt. Primary Girls School and Industrial Training Institute (Women) situated at Moonak and to provide transport facilities for the students	Promotion of Education	Moonak , Distt. Sangrur (Punjab)	Rs. 75.50	Rs. 75.51	Rs. 75.51	Direct
2.	Company run School	Promotion of Education	Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 10.00	Rs. 9.96	Rs. 9.96	Direct
3.	Safe drinking water	Making available safe drinking water	Chandigarh (UT) Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 0.77 Rs. 1.25	Rs. 0.77 Rs. 1.36	Rs. 0.77 Rs. 1.36	Implementing Agency* Direct
4.	Cleaning and repairing of village drains	Sanitation	Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 2.26	Rs. 2.46	Rs. 2.46	Direct
5.	Tree Guards and park development	Environment Sustainability	Moonak , Distt. Sangrur (Punjab)	Rs. 5.00	Rs. 4.97	Rs. 4.97	Direct
6.	Cleanliness	Swachh Bharat	Moonak , Distt. Sangrur (Punjab) Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 15.50	Rs. 14.00 Rs. 1.93	Rs. 14.00 Rs. 1.93	Direct Direct
7.	Financial Help to MBBS Student	Promotion of Education	Moonak , Distt. Sangrur (Punjab)	Rs. 2.20	Rs. 2.20	Rs. 2.20	Direct
	Total			Rs.112.48	Rs. 113.16	Rs. 113.16	

Details of implementing agencies

(i) *Expenditure incurred through Bharat Prakash Foundation.

- Bharat Prakash Foundation is a registered charitable trust engaged in various charitable activities and is having a charitable record of more than three years in carrying out charitable activities.

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

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

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

Place : Chandigarh
Date : 11.08.2017

Andra Veetil Unnikrishnan
(Deputy Managing Director)

Sukhbir Singh Grewal
(Chairman CSR committee)

ANNEXURE-C**TO THE DIRECTORS' REPORT****Form No. MGT-9**

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2017
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L27107PB1985PLC006159
ii) Registration Date	28th February 1985
iii) Name of the Company	Steel Strips Wheels Limited
iv) Category / Sub-Category of the Company	Public Limited Company having Share Capital
v) Address of the Registered office and contact details	Village Somalheri/Lehli P.O.Dappar Tehsil Derabassi, District SAS Nagar (Mohali), Punjab-140506. Ph. No. 0172-2793112
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. 44, Community Center, 2nd Floor, Naraina Industrial Area, Phase- I, Near PVR Naraina, New Delhi - 110 028 Ph. No. 011- 41410592,93

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES.

S. No	Name and address of the company	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	applicable section
1	NIL	-	-	-	-

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

i. Category-wise Shareholding.

Category of Shareholders	No of shares held at the beginning of the Year (As on 01.04.2016)				No of shares held at the end of the Year (As on 31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	5315561	-	5315561	34.84	5315561	-	5315561	34.22	(0.62)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	3711922	1250	3713172	24.33	3811871	1250	3813121	24.55	0.22
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	9027483	1250	9028733	59.17	9127432	1250	9128682	58.77	(0.40)
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total(A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A)=(A) (1)+(A)(2)	9027483	1250	9028733	59.17	9127432	1250	9128682	58.77	(0.40)
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	10300	10300	0.07	30000	10300	40300	0.26	0.19
b) Banks/FI	46357	1450	47807	0.31	51421	1450	52871	0.34	0.03
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Company	-	-	-	-	-	-	-	-	-
g) Foreign Institutional/Portfolio Investor	27300	-	27300	0.18	20922	-	20922	0.13	(0.05)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify) UTI	-	100	100	0.00	-	100	100	0.00	-
Sub Total(B) (1)	73657	11850	85507	0.56	102343	11850	114193	0.73	0.17
B2 Non-Institution									
a) Bodies Corporate									
i) Indian	2807472	4950	2812422	18.43	2723072	4950	2728022	17.56	(0.87)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) individual shareholders holding nominal capital up to Rs. 1 lakh	1356527	492268	1848795	12.11	1319276	483111	1802387	11.60	(0.51)
ii) individual shareholders holding nominal share capital in excess of Rs. 1 lakh	74704	-	74704	0.49	154475	-	154475	0.99	0.50
c) other (Specify)									
Trusts	1000	-	1000	0.01	1000	-	1000	0.01	-
Directors & their Relatives	66868	-	66868	0.44	36963	-	36963	0.24	(0.20)
Foreign Body Corporate	850000	377000	1227000	8.04	1059525	377000	1436525	9.25	1.21
Non Resident Indian	25917	-	25917	0.17	56879	-	56879	0.37	0.20
Clearing Members	32656	-	32656	0.21	19706	-	19706	0.13	(0.08)
Hindu Undivided Family	55168	400	55568	0.37	54288	400	54688	0.35	(0.02)
Sub Total (B)(2)	5270312	874618	6144930	40.27	5425184	865461	6290645	40.50	0.23
(B) Total Public shareholding (B)=(B)(1)+(B)(2)	5343969	886468	6230437	40.83	5527527	877311	6404838	41.23	0.40
(c) Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A)+(B)+(C)	14371452	887718	15259170	100.00	14654959	878561	15533520	100.00	-

STEEL STRIPS WHEELS LIMITED

ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the Year (As on 01.04.2016)			Shareholding at the end of the Year (As on 31.03.2017)			
		No. of Shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	% change in shareholding during the year.
1	Sh. R.K.Garg	292571	1.92	-	292571	1.88	-	(0.04)
2	Smt. Sunena Garg	3500	0.02	-	3500	0.02	-	-
3	Sh. Dheeraj Garg	4640228	30.41	-	4640228	29.87	20.28	(0.54)
4	Ms. Priya Garg	379262	2.49	-	379262	2.44	-	(0.05)
5	SAB Industries Ltd.	1324187	8.68	37.76	1324187	8.53	37.76	(0.15)
6	SAB Udyog Ltd.	1142582	7.49	-	1142582	7.36	-	(0.13)
7	Chandigarh Developers Pvt. Ltd.	469183	3.07	-	569132	3.67	-	0.60
8	Malwa Chemtex Udyog Ltd.	385000	2.52	-	385000	2.48	-	(0.04)
9	DHG Marketing Pvt. Ltd.	365000	2.39	-	365000	2.35	100.00	(0.04)
10	Steel Strips Financiers Pvt. Ltd.	20000	0.13	-	20000	0.13	-	-
11	*Munak International Pvt. Ltd	2250	0.02	-	2250	0.02	-	-
12	S. S. Credits Pvt. Ltd.	1600	0.01	-	1600	0.01	-	-
13	*S. J. Mercantile Pvt. Ltd. (Earlier known as S. A Holdings Pvt. Ltd.)	1250	0.01	-	1250	0.01	-	-
14	*Steel Strips Leasing Ltd (now known as Steel Strips Industries Ltd)	500	0.01	-	500	0.00	-	(0.01)
15	Malwa Holdings Pvt. Ltd.	400	0.00	-	400	0.00	-	-
16	Munak Investments Pvt. Ltd.	400	0.00	-	400	0.00	-	-
17	*Munak Financiers Pvt. Ltd.	400	0.00	-	400	0.00	-	-
18	*Steel Strips Ltd	300	0.00	-	300	0.00	-	-
19	Steel Strips Holdings Pvt. Ltd.	120	0.00	-	120	0.00	-	-
	Total	9028733	59.17	5.54	9128682	58.77	19.78	(0.4)

- (i) *Steel Strips Leasing Ltd (now known as Steel Strips Industries Ltd), Munak Financiers P. Ltd, Steel Strips Ltd and S.A. Holdings P. Ltd (now known as S.J. Mercantile P. Ltd) have sold 500, 400, 300 and 50 shares (totaling 1250 shares) respectively long back, but not yet lodged by the purchasers in public category with the company. These shares are still standing in the name of above stated promoters in physical forms in member register.

Further as per our member register, Munak International Pvt. Ltd (MIPL) is holding 2250 shares. However out of this 50 shares have already been sold by MIPL long back, however the same is still outstanding in its name.

- (ii) During the financial year 2016-17, the company has allotted 2,09,525 equity shares under preferential allotment and 64825 equity shares under Employee Stock Option Scheme, consequently paid up capital of the company has been increased from Rs.15,25,91,700/- to Rs.15,53,35,200/-. Therefore % of shareholding of certain promoters slightly reduced as on 31.03.2017, even if there is no sale/purchase made by certain above mentioned promoters.

iii) Change in Promoters' shareholding (Please specify if there is no change)

S.No.	Name of the Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Chandigarh Developers Pvt. Ltd.				
	At the beginning of the Year	469183	3.07	469183	3.07
	Market Purchase on 05.05.2016	75000	0.49	544183	3.56
	Market Purchase on 03.06.2016	24949	0.16	569132	3.72
	At the end of the year	569132	3.67	569132	3.67

There is no change in other Promoters Shareholding during the Financial Year 2016-17

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

S.No	Name of the Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Tata Steel Ltd				
	At the Beginning of the year	1155856	7.57	1155856	7.57
	Increase/decrease in shareholding during the year 2016-17	(68884)	(0.44)	1086972	7.00
	At the End of the Year	1086972	7.00	1086972	7.00
2	Sumitomo Metal Industries Ltd.				
	At the Beginning of the year	850000	5.57	850000	5.57
	Increase/decrease in shareholding during the year 2016-17	-	-	850000	5.47
	At the End of the Year	850000	5.47	850000	5.47
3	Priya Tools Pvt. Ltd.				
	At the Beginning of the year	526874	3.45	526874	3.45
	Increase/decrease in shareholding during the year 2016-17	-	-	526874	3.39
	At the End of the Year	526874	3.39	526874	3.39
4	Bloomen Flora Ltd.				
	At the Beginning of the year	489316	3.21	489316	3.21
	Increase/decrease in shareholding during the year 2016-17	-	-	489316	3.15
	At the End of the Year	489316	3.15	489316	3.15
5	SCM Fintrade Pvt. Ltd.				
	At the Beginning of the year	487691	3.20	487691	3.20
	Increase/decrease in shareholding during the year 2016-17	-	-	487691	3.14
	At the End of the year	487691	3.14	487691	3.14
6	GS Global Corp				
	At the Beginning of the year	377000	2.47	377000	2.47
	Increase/decrease in shareholding during the year 2016-17	-	-	377000	2.43
	At the End of the Year	377000	2.43	377000	2.43
7	Kalink Co. Ltd#				
	At the Beginning of the year	-	-	-	-
	Increase/decrease in shareholding during the year 2016-17	209525	1.35	209525	1.35
	At the End of the Year	209525	1.35	209525	1.35
8	Amrit Sagar Mittal#				
	At the Beginning of the year	-	-	-	-
	Increase/decrease in shareholding during the year 2016-17	111933	0.72	111933	0.72
	At the End of the Year	111933	0.72	111933	0.72

S.No	Name of the Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shareS of the Company
9	General Insurance Corporation of India				
	At the Beginning of the year	44502	0.29	44502	0.29
	Increase/decrease in shareholding during the year 2016-17	-	-	44502	0.29
	At the End of the Year	44502	0.29	44502	0.29
10	BOI Axa Trustee Services Pvt. Ltd.#				
	At the Beginning of the year	-	-	-	-
	Increase/decrease in shareholding during the year 2016-17	30000	0.19	30000	0.19
	At the End of the Year	30000	0.19	30000	0.19
11	Globeflex Emerging Markets Small Cap, L.P.*				
	At the Beginning of the year	27300	0.18	27300	0.18
	Increase/decrease in shareholding during the year 2016-17	(27300)	(0.18)	--	
	At the End of the Year	0.00	0.00	0.00	0.00
12	Shruti Lodha*				
	At the Beginning of the year	25000	0.16	25000	0.16
	Increase/decrease in shareholding during the year 2016-17	(25000)	(0.16)	-	-
	At the End of the Year	0.00	0.00	0.00	0.00
13	Angel Sarawgi*				
	At the Beginning of the year	17018	0.11	17018	0.11
	Increase/decrease in shareholding during the year 2016-17	(13518)	(0.09)	3500	0.02
	At the End of the Year	3500	0.02	3500	0.02

Notes:

*ceased to be in the list of top 10 shareholders as on 31.03.2017. The same has been reflected above since shareholders were one of the top 10 shareholders as on 01.04.2016.

Not in the list of top ten shareholders as on 01.04.2016. The same has been reflected above since shareholders were one of the top ten shareholders as on 31.03.2017.

The above details are given as on 31 March, 2017. The Company is listed and 94.34% shareholding is in dematerialized form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holdings by top ten shareholders are due to market operations.

During the financial year 2016-17, the company has allotted 2,09,525 equity shares under preferential allotment and 64825 equity shares under Employee Stock Option Scheme, consequently paid up capital of the company has been increased from Rs. 15,25,91,700/- to Rs. 15,53,35,200/-. Therefore % of shareholding of certain aforementioned shareholders slightly reduced as on 31.03.2017, even if there is no sale/purchase made by certain above mentioned shareholders.

v) Shareholding of Directors and Key Managerial Personnel.

S.No.	Name of the Director	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Sh. R.K.Garg				
	At the beginning of the year	292571	1.92	292571	1.92
	Date wise Increase/Decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Nil	Nil	292571	1.88
	At the end of the Year.	292571	1.88	292571	1.88

S.No.	Name of the Director	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2.	Sh. Dheeraj Garg				
	At the beginning of the year	4640228	30.41	4640228	30.41
	Date wise Increase/Decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Nil	Nil	4640228	29.87
	At the end of the Year.	4640228	29.87	4640228	29.87
3.	Sh. Andra Veetil Unnikrishnan				
	At the beginning of the year	17500	0.11	17500	0.11
	Sale of Shares in open market dated: 23/08/2016	(12390)	(0.08)	5110	0.03
	At the end of the Year.	5110	0.03	5110	0.03
4.	Sh. Manohar Lal Jain				
	At the beginning of the year	31000	0.20	31000	0.20
	Sale of Shares in open market dated:				
	17-08-2016	(2000)	(0.01)	29000	0.19
	29-08-2016	(1000)	(0.01)	28000	0.18
	06-09-2016	(1000)	(0.01)	27000	0.17
	19-09-2016	(333)	-	26667	0.17
	23-09-2016	(667)	-	26000	0.17
	09-12-2016	(151)	-	25849	0.17
	16-01-2017	(850)	(0.01)	24999	0.16
	21-02-2017	(1000)	(0.01)	23999	0.15
	17-03-2017	(646)	(0.01)	23353	0.14
	21-03-2017	(500)	-	22853	0.14
	22-03-2017	(500)	-	22353	0.14
	27-03-2017	(500)	-	21853	0.14
	At the end of the year	21853	0.14	21853	0.14
5	Sh Madan Mohan Chopra				
	At the beginning of the year	10000	0.07	10000	0.07
	Date wise Increase/Decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the Year.	10000	0.06	10000	0.06

Ms. Jaspreet Takhar, Sh. Sudhanshu Shekhar Jha, Sh. Surinder Kumar Bansal, Sh. Sukhbir Singh Grewal and Sh. Chanakya Choudhary, Directors of the company, did not hold any shares during the financial year 2016-17.

Name of the Key Managerial Personnel

	Name of the KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Sh. Naveen Sorot (CFO)				
	At the beginning of the year	0	0.00	0	0.00
	Allotment of 1250 shares on 02-07-2016 under ESOS	1250	0.01	1250	0.01
	Sale of Shares in open market dated:08-08-2016	(1250)	(0.01)	-	-
	At the end of the Year.	0	0.00	0	0.00
2	Sh. Shaman Jindal (Company Secretary)				
	At the beginning of the year	0	0.00	0.00	0.00
	Allotment of 1250 shares on 02-07-2016 under ESOS	1250	0.01	1250	0.01
	Sale of Shares in open market dated:09-08-2016	(1250)	(0.01)	-	-
	At the end of the Year.	0	0.00	0	0.00

V. INDEBTEDNESS

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

(Rs. in crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01-04-2016)				
i) Principal Amount	226.93	124.88	-	351.81
i) Interest due but not paid	-	-	-	-
ii) Interest accrued but not due	0.48	-	-	0.48
Total (i+ii+iii)	227.41	124.88	-	352.29
Change in Indebtedness during the financial year				
• Addition	289.72	6.70	-	296.42
• Reduction	(61.95)	(12.08)	-	(74.03)
Net Change	227.77	(5.38)	-	222.39
Indebtedness at the end of the financial year (31-03-2017)				
i) Principal Amount	454.70	119.50	-	574.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	454.70	119.50	-	574.20

STEEL STRIPS WHEELS LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in lacs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Sh. Dheeraj Garg Managing Director (MD)	Sh. Andra Veetil Unnikrishnan Deputy Managing Director (DMD)	Sh. Manohar Lal Jain Executive Director (ED)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the - Income tax Act, 1961	28.80	42.38	43.78	114.96
	(b) Value of perquisites u/s 17(2) Income -tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961.	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of Profit - Others, specify	511.87 -	- -	- -	511.87 -
5	Others, please Specify : Provident fund	2.16	3.60	3.66	9.42
	Total (A)	542.83	45.98	47.44	636.25
	Ceiling as per the Act		Rs 1194.23lac (being 11% of Net profit of the company as calculated as per the provisions of Section 198 of the Companies Act, 2013).		

B. Remuneration to other Directors:

1. Independent Directors

(Rs. in lacs)

Sr. No.	Name of Directors	Particulars of Remuneration(fee for attending Board/Committee, Commission, Other Specify)	Total Amount
1	Sh. Sukhbir Singh Grewal	Fee for Attending Board Meeting & Audit Committee Meeting	1.50
2.	Sh. Sudhanshu Shekhar Jha	Fee for Attending Board Meeting & Audit Committee Meeting	1.60
3.	Sh. Surinder Kumar Bansal	Fee for Attending Board Meeting & Audit Committee Meeting	0.90
4.	Sh.Madan Mohan Chopra	Fee for Attending Board Meeting	1.00
5.	Ms. Jaspreet Takhar	Fee for Attending Board Meeting	0.60
	Total (1)		5.60

2. Other Non Executive Directors

(Rs. in lacs)

Sr. No.	Name of Directors	Particulars of Remuneration(fee for attending Board/Committee, Commission, Other Specify)	Total Amount
1.	Sh. Rajender Kumar Garg	Fee for Attending Board Meeting	1.00
2.	Sh. Chanakya Chaudhary	Fee for Attending Board Meeting	0.20
	Total (2)		1.20
	Total (B) = (1+2)		6.80
	Total Managerial Remuneration		643.05 lacs
	Overall Ceiling as per the Act		Rs 1194.23 lacs (being 11% of Net profit of the company)

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

(Rs. in lacs)

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		Sh. Naveen Sorot CFO	Sh. Shaman Jindal Company Secretary	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23.87	20.08	43.95
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961.	0	0	0
2	Stock Options	3.76	3.76	7.52
3	Sweat Equity	0	0	0
4	Commission			
	- as% of Profit	0	0	0
	- Others, specify	0	0	0
5	Others, please Specify : Provident Fund	1.37	1.51	2.88
	Total	29.00	25.35	54.35

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE:

There were no penalties / punishment / compounding of offences for the year ending March 31, 2017.

For and on behalf of the Board

Date: 11.08.2017
Place: Chandigarh

Rajender Kumar Garg
Chairman
(DIN: 00034827)

ANNEXURE-D

TO THE DIRECTORS' REPORT

PARTICULARS OF REMUNERATION

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

(a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Executive Directors	Ratio of Median Remuneration
Mr. Dheeraj Garg	240.60
Mr. Andra Veetil Unnikrishnan	20.38
Mr. Manohar Lal Jain	21.02

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

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

Name of Person	% increase in remuneration
Mr. Dheeraj Garg (MD)	12.65
Mr. Andra Veetil Unnikrishnan (DMD)	27.40
Mr. Manohar Lal Jain (ED)	83.45
Mr. Naveen Sorot (CFO)	17.08
Mr. Shaman Jindal (CS)	36.73

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

27.90%

(d) the number of permanent employees on the rolls of company:

As on 31.03.2017, the company had 2105 permanent employees on the rolls of the Company.

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

Average increase in remuneration is 9% for employees other than Key Managerial Personnel and 17.65% for Key Managerial Personnel.

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

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

for and on behalf of the Board

Date: 11.08.2017
Place: Chandigarh

Rajender Kumar Garg
Chairman
(DIN: 00034827)

SECRETARIAL

AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

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

To,
The Members,
Steel Strips Wheels Limited

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

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31 March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance mechanism in place to the extent, in the manner and subject to other reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2017 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period) and**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period)**
- (6) Apprentices Act, 1961 (7) Employment Exchange (Compulsory Notification of Vacancies Act, 1959) (8) Industrial Employment (Standing Orders) Act, 1956 (9) Minimum Wages Act, 1948 (10) Payment of Bonus Act, 1965 (11) Payment of Wages Act, 1936 (12) Motor Vehicle Act, 1988 (13) The Water (Prevention & Control of Pollution) Act, 1974 (14) The Water (Prevention & Control of Pollution) Cess Act, 1977 (15) The Central Excise Act, 1944 (16) Employees' State Insurance Act, 1948 (17) Employees' Provident Fund & Misc. Provisions Act, 1952 (18) Central Sales Tax Act, 1956 & Punjab VAT Act, 2005 (19) Air (Prevention & Control of Pollution) Act, 1981 (20) Payment of Gratuity Act, 1972 (21) Indian Electricity Act, 1910 & Rules 1956 (22) Hazardous Waste (Management & Handling) Rules 1989 under EP Act, 1986 (23) Explosive Act, 1884 and Rules made thereunder (24) Industrial Development & Regulation Act, 1951 (25) Contract Labour Regulation & Abolition Act, 1971

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

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

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

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

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

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

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

- (i) Allotted 209525 equity shares of Rs. 10/- each on 10th June, 2016, at a price of Rs. 640/- per equity share i.e. at a premium of Rs. 630/- per equity share on preferential allotment basis through private placement to Kalink Co. Ltd., a non promoter foreign body corporate.
- (ii) Allotted 53375 equity shares of Rs. 10/- each on 2nd July, 2016 and 11450 equity shares of Rs. 10/- each on 26th August, 2016 to the employees of the company, upon exercise of options by them under "Steel Strips Wheels Limited - Employee Stock Option Scheme, 2014" ("ESOS 2014") at an exercise price of Rs. 100/- each.

I further report that during the audit period, the Company has taken approval of shareholders for the following major events:

- (i) Re-appointment of Sh. Madan Mohan Chopra, Sh. Surinder Kumar Bansal, Sh. Sukhbir Singh Grewal and Sh. Sudhanshu Shekhar Jha as Independent Non Executive Directors for a second term of three years w.e.f 01.10.2016 to 31.09.2019.
- (ii) To create, issue, offer and grant up to 1,00,000 Options to Employees of the company exercisable into equal number of equity shares under Steel Strips Wheels Limited-Employee Stock Option Scheme 2016 ("ESOS 2016") under section 62 (1)(b) of Companies Act, 2013.

Place: Chandigarh
Date :11.08.2017

(Sushil K Sikka)
Company Secretary
FCS 4241
CP 3582

**The Members
Steel Strips Wheels Limited**

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

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

Place: Chandigarh
Date :11.08.2017

(Sushil K Sikka)
Company Secretary
FCS 4241
CP 3582

CORPORATE

GOVERNANCE

A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance.

BOARD OF DIRECTORS

The Board of Directors of the Company is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board consists of optimum combination of Executive and Non- Executive Directors including Independent Directors who have wide and varied experience in the field of business, finance, education, industry, commerce and administration.

- (i) **Composition and Category of the Directors:** As on March 31, 2017, the Company's Board consists of ten (10) Directors. Of the ten Directors, Seven (7) (i.e. 70%) are Non Executive Directors, of which Five (5) are Independent Directors, including one Woman Independent Director, one is Nominee Director of Tata Steel Limited (Equity investor) and one is Non-Executive Chairman belonging to promoter category. The Composition of the Board is in conformity with Regulation 17 of SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ("Act"). Apart from receiving directors sitting fee and dividend declared by the Company on the shares held if any, none of the Non-Executive / Independent Directors has any other material pecuniary relationship or transaction with the Company.
- (ii) None of the Directors on the board holds directorships in more than ten public companies. Further, none of them is a member of more than ten committees (considering only Audit and Stakeholders' Relationship Committee) or act as a chairperson of more than five committees across all the public limited companies (listed or unlisted) in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2017 have been made by the directors.
- (iii) Independent directors are Non-Executive Directors as defined under Regulation 16 (1) (b) of SEBI Listing Regulations, read with Section 149 (6) of the Act. The maximum tenure of the Independent Directors is in compliance with the Act and clarifications/circulars issued by the Ministry of Corporate Affairs. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16 (1) (b) of the SEBI Listing Regulations read with Section 149 (6) of the Act.
- (iv) None of the Independent Directors of the Company is acting as an Independent Director in more than seven listed companies.
- (v) None of the Whole Time Directors of the Company/or any director of the Company acting as Whole Time Director in any listed Company serves as an Independent Director in more than 3 listed companies.
- (vi) Nine Board Meetings were held during the year and gap between two meetings did not exceed one hundred twenty days (120) as stipulated under Regulation 17(2) of SEBI Listing Regulations, Secretarial Standards and under the Act. The said nine Board meetings were held on 28.04.2016, 30.05.2016, 10.06.2016, 02.07.2016, 27.07.2016, 26.08.2016, 15.10.2016, 24.01.2017 and 13.02.2017. The necessary quorum was present at all the meetings and in case of any exigency/urgency, resolutions were passed by circulation.
- (vii) The names and categories of the directors on the Board, their attendance at Board Meetings held during the year and the last Annual General Meeting and the number of Directorships and Committee chairmanships / memberships held by them in other Public Companies as on March 31, 2017 is given herein below. Other Directorships do not include directorships of Private Limited Companies, foreign companies, and companies under Section 8 of the Act. Chairmanships/ Memberships of Board Committees shall include only Audit and Stakeholders Relationship Committees:-

STEEL STRIPS WHEELS LIMITED

Name of Director and Designation	DIN No.	Category	No. of Board meetings during the year 2016-17		Whether attended last AGM held on 30 th September, 2016	No. of Directorships in other Public companies		No. of Committee positions held in other public companies	
			Held	Attended		Chairman	Member	Chairman	Member
Sh. Rajender Kumar Garg, (Chairman)	00034827	Promoter - Non-Executive Director	9	5	No	3	2	-	-
Sh. Dheeraj Garg (M.D)	00034926	Promoter – Executive Director	9	8	No	-	1	-	-
Sh. Andra Veetil Unnikrishnan Dy. Managing Director	02498195	Whole time Director	9	5	No	-	-	-	-
Sh. Manohar Lal Jain Executive Director	00034591	Whole Time Director	9	8	Yes	-	3	-	-
Sh. Madan Mohan Chopra Director	00036367	Independent Non-Executive Director	9	5	No	-	2	1	1
Sh. Surinder Kumar Bansal Director	00165583	Independent Non-Executive Director	9	3	Yes	-	1	-	-
Sh. Sukhbir Singh Grewal Director	00031001	Independent Non-Executive Director	9	6	Yes	-	-	-	-
Sh. Sudhanshu Shekhar Jha Director	01489603	Independent Non-Executive Director	9	6	No	-	-	-	-
Ms. Jaspreet Takhar Director	00318883	Independent Non-Executive Director	9	3	No	-	-	-	-
Sh. Chanakya Chaudhary Director	02139568	Nominee of Tata Steel Ltd (equity investor). Non – Executive Director	9	3	No	-	2	-	-

- (viii) During the year 2016-17, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- (ix) The terms and conditions of appointment of independent directors are disclosed on the website of the Company.
- (x) The Board periodically reviews compliance reports pertaining to all laws applicable to the Company. Steps are taken to rectify instances of non-compliance, if any.
- (xi) Sh. Rajender Kumar Garg (Chairman & Non Executive Director) and Sh. Dheeraj Garg (Managing Director) are related to each other and belong to the promoter category. None of the other directors of the Company are in any way related to each other.
- (xii) Details of number of Equity Shares of the company held by the Directors (Executive and Non Executive) as on 31.03.2017 are given below:

(a) Executive Director

Name of the Director	Designation	No of Shares held	Percentage
Sh. Dheeraj Garg	Managing Director	4640228	29.87%
Sh. Andra Veetil Unnikrishnan	Deputy Managing Director	5110	0.03%
Sh. Manohar Lal Jain	Executive Director	21853	0.14%

(b) Non-Executive Directors

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

Note:- The Company has not issued any Convertible Securities/Instruments.

SELECTION AND APPOINTMENT OF NEW DIRECTORS ON THE BOARD

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

SELECTION CRITERIA OF BOARD MEMBERS

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

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

FAMILIARIZATION PROGRAM OF INDEPENDENT DIRECTORS

Independent Directors of the Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

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

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

A detailed Appointment Letter incorporating the role, rights, duties and responsibilities, remuneration and performance evaluation process, insurance cover and obligations on disclosures, is also issued to the Independent Directors. Terms and conditions of appointment are also disclosed on the website of the Company.

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

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

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

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

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act and Rules framed thereunder.

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

STEEL STRIPS WHEELS LIMITED

Five audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days (120). The dates on which the said meetings were held are 28.04.2016, 27.07.2016, 26.08.2016, 15.10.2016, and 13.02.2017 and the necessary quorum was present at all the meetings.

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

Name of Chairperson & Members	Category	Meetings Attended
Sh. Surinder Kumar Bansal, Chairman	Independent Non-Executive Director	3
Sh. Sukhbir Singh Grewal, Member	Independent Non-Executive Director	3
Sh. Sudhanshu Shekhar Jha, Member	Independent Non-Executive Director	4
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director	5

The Company Secretary acts as the Secretary of Audit Committee.

The previous Annual General Meeting of the Company was held on 30th September, 2016 and was attended by Sh. Surinder Kumar Bansal, Chairman of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

Terms of reference of the Nomination and Remuneration Committee include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy, relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of the Directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors.

During the year, three meetings of Nomination and Remuneration Committee were held, i.e. on 11.04.2016, 15.07.2016 and 12.08.2016

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

Name of Chairperson & Members	Category	Meetings attended
Sh. Sukhbir Singh Grewal , Chairman	Independent , Non Executive Director	3
Sh. Surinder Kumar Bansal , Member	Independent , Non Executive Director	3
Sh. Sudhanshu Shekhar Jha, Member	Independent , Non Executive Director	3

Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee evaluates the performance of Independent Directors on the basis of the following criteria:

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

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

Remuneration Policy:

The remuneration policy is formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the company. Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The Nomination and Remuneration Policy of the Company is given as an Annexure- I and forms part of this Annual Report.

Remuneration paid to directors during the financial year 2016-17

(i) Remuneration paid to Managing Directors and Executive Directors

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

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

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

Details of Remuneration paid to Managing Director (MD), Deputy Managing Director (Dy. MD) and Executive Director (ED) during the year 2016-17:-

(Rs. in lacs)

Particulars	Sh. Dheeraj Garg MD	Sh. Andra Veetil Unnikrishnan, Dy. MD	Sh. Manohar Lal Jain ED
Basic Salary	18.00	30.00	30.51
House Rent Allowance	10.80	10.50	10.68
Special Allowance	Nil	1.73	2.52
Reimbursement of Medical Expenses	Nil	0.15	0.07
Perquisites	Nil	Nil	Nil
Contribution to Provident Fund	2.16	3.60	3.66
Stock options	Nil	Nil	Nil
Commissions	511.87	Nil	Nil
Total	542.83	45.98	47.44
Date of Original appointment	29/04/1993	01/01/2009	01/08/2013
Date of Appointment/Re-appointment	01/06/2015	01/01/2014	01/07/2015
Tenure Up to	30/05/2020	31/12/2018	30/06/2020

(ii) Remuneration paid to Non-Executive Directors:-

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

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

Details of sitting fee paid to the Non-Executive Directors during the year 2016-17 are as follows:-

Name of Director	Dates on which Board Meetings were held									Sitting fee (in Rs.)
	28-Apr-2016	30-May-2016	10-Jun-2016	02-Jul-2016	27-Jul-2016	26-Aug-2016	15-Oct-2016	24-Jan-2017	13-Feb-2017	
Sh. Rajender Kumar Garg	-	✓	✓	✓	-	✓	-	✓	-	1,00,000
Sh. Madan Mohan Chopra	✓	-	-	✓	-	-	✓	✓	✓	1,00,000
Sh. Sukhbir Singh Grewal	-	✓	✓	✓	✓	✓	-	✓	-	1,20,000
Sh. Sudhanshu Shekhar Jha	✓	✓	-	✓	✓	✓	-	-	✓	1,20,000
Sh. Surinder Kumar Bansal	✓	-	-	-	-	-	✓	-	✓	60,000
Ms. Jaspreet Takhar	-	✓	✓	-	✓	-	-	-	-	60,000
Sh. Chanakya Chaudhary	✓	-	-	-	-	-	✓	-	✓	20,000

Name of Directors	Dates on which Audit Committee Meetings were held					Sitting fee (in Rs.)
	28-Apr-2016	27-Jul-2016	26-Aug-2016	15-Oct-2016	13-Feb-2017	
Sh. Surinder Kumar Bansal	✓	-	-	✓	✓	30,000
Sh. Sudhanshu Shekhar Jha	✓	✓	✓	-	✓	40,000
Sh. Sukhbir Singh Grewal	-	✓	✓	✓	-	30,000

STEEL STRIPS WHEELS LIMITED

Service Contracts, notice period, severance fees:

Sh. Dheeraj Garg has been re-appointed as Managing Director from June 1, 2015 till May 30, 2020, is liable to retire by rotation and his status continues.

Sh. Andra Veetil Unnikrishnan has been re-appointed as an Executive Director (Deputy Managing Director) from January 1, 2014 till December 31, 2018 is liable to retire by rotation and his status continues.

Sh. Manohar Lal Jain has been appointed as an Executive Director from July 1, 2015 till June 30, 2020 is liable to retire by rotation and his status continues.

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

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

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

Details of Stock Options issued/granted to the Directors:

The Company has not issued/granted stock options to any of its Directors (Executive and Non Executive) during the year under review. However, Employee Compensation Committee of the Company in its meeting held on 16-05-2017, has granted 3500 Stock Options to Sh. A.V.Unnikrishnan, Deputy Managing Director of the Company under Steel Strips Wheels Limited Employee Stock Option Scheme, 2016 (ESOS 2016) scheme of the Company exercisable into equivalent number of equity shares of Rs. 10/- each at an exercise price of Rs. 200/- each . He is entitled to exercise his options to convert the same into equivalent number of equity shares after the expiry of one year from the date of grant and Exercise period will expire on completion of 5 years from the respective date of grant.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act.

The broad terms of reference of the stakeholders' relationship committee are as under:

- (I) To consider and resolve the grievances of the Security holders of the company including redressal of investors complaint such as transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc. and all other securities- holders related matters and to ensure expeditious share transfer and demat process undertaken by the Registrar and Transfer Agents and to recommend measures for overall improvement in the quality of investor services.

During the year, one (1) meeting of Stakeholders Relationship Committee was held, i.e. on 11.04.2016.

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

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

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

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

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

- (iii) Detail of shareholders' complaints received and redressed:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	1	1	-

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

Terms of reference of the CSR Committee includes:-

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

During the year, two meetings of Corporate Social Responsibility Committee were held, i.e. on 07.04.2016 and 08.12.2016.

The composition of the Corporate Social Responsibility Committee and details of the meetings attended by its members are given below:-

Name of Chairperson & Members	Category	Meetings Attended
Sh. Sukhbir Singh Grewal, Chairman	Independent, Non -Executive Director	2
Sh. Andra Veetil Unnikrishnan, Member	Non Independent, Executive Director	2
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director	2

EMPLOYEE COMPENSATION COMMITTEE

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

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

During the year, one meeting of Employee Compensation Committee was held i.e. on 12.08.2016.

Composition of the committee is as follows:-

Name of Chairperson & Members	Category	Meetings Attended
Sh. Sukhbir Singh Grewal, Chairman	Independent, Non Executive Director	1
Sh. Surinder Kumar Bansal, Member	Independent, Non Executive Director	1
Sh. Sudhanshu Shekhar Jha, Member	Independent, Non Executive Director	1

RISK MANAGEMENT COMMITTEE

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

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

The Company has constituted a Risk Management Committee. The main functions of committee are as under:

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

During the year no meeting of Risk Management Committee was held.

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The composition of the risk management committee and details of its members are given below:

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

SUB-COMMITTEE

The Sub- Committee of Board of Directors has been constituted to review un-audited Financial Results. The composition of the Sub-Committee is given below:

Name of Chairperson & Members	Category
Sh. Dheeraj Garg, Chairman	Managing Director
Sh. Sukhbir Singh Grewal, Member	Independent, Non –Executive Director
Sh. Sudhanshu Shekhar Jha, Member	Independent, Non – Executive Director
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director

During the year, no meeting of Sub- Committee was held.

SHARE TRANSFER COMMITTEE

The Share Transfer Committee approves and expedites the process of share transfers reviewed by the Company. The Committee met 25 times during the year. No transfer of shares and no request for de-mat of shares is pending. All the shares received for transfer have been transferred within the time period prescribed.

Name of Chairperson & Members	Category	Meetings Attended
Sh. Surinder Kumar Bansal , Chairman	Independent , Non –Executive Director	7
Sh. Manohar Lal Jain , Member	Non -Independent, Executive Director	25
Sh. Sukhbir Singh Grewal, Member	Independent , Non –Executive Director	25
*Sh. Andra Veetil Unnikrishnan, Member	Non -Independent, Executive Director	23

* Sh. Andra Veetil Unnikrishnan was appointed as a member of share transfer committee on 28-04-2016.

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

FINANCE COMMITTEE

The Company has a Finance Committee for borrowing funds, not exceeding Rs. 1000 crore and also to create security on the assets of the Company.

During the year, ten meetings of the Finance Committee were held i.e. on 28.06.2016, 30.06.2016, 16.08.2016, 30.09.2016, 27.10.2016, 09.12.2016, 12.01.2017, 03.02.2017, 08.02.2017 and 15.03.2017.

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

Name of Chairperson & Members	Category	Meetings Attended
Sh. Dheeraj Garg , Chairman	Non Independent, Executive Director	4
Sh. Andra Veetil Unnikrishnan, Member	Non Independent, Executive Director	8
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director	10

INDEPENDENT DIRECTORS MEETING

Independent Directors are regularly updated on performance of the business of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors i.e Sh. Sukhbir Singh Grewal, Sh. Surinder Kumar Bansal, Sh. Sudhanshu Shekhar Jha, Sh. Madan Mohan Chopra & Ms. Jaspreet Takhar met on **30th March, 2017** without the attendance of Non-Independent Directors and members of Management of the Company and inter alia discussed:

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

GENERAL BODY MEETINGS

Date and venue of last three Annual General Meetings:

Details of Meeting	Date of Meeting	Time of Meeting	Venue of Meeting
28th Annual General Meeting (2013 -14)	30.09.2014	11.00 A.M	Village Somalheri/Lehli, P.O.Dappar, Tehsil Derabassi, Distt. Mohali, (Pb).
29th Annual General Meeting (2014 -15)	30.09.2015	11.00 A.M	- Do -
30th Annual General Meeting (2015 -16)	30.09.2016	11.00 A.M	- Do -

Special Resolution in the previous three Annual General Meeting

At the AGM held on 30th day of September, 2016, five special resolutions were passed as follows:

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

At the AGM held on 30th day of September, 2015, three special resolutions were passed as follows:

- Re- appointment of Sh. Dheeraj Garg (DIN: 00034926), as Managing Director of the Company for a period of five years w.e.f. 01.06.2015.
- Appointment of Sh. Manohar Lal Jain (DIN: 00034591), as Executive Director of the Company for a period of five years w.e.f. 01.07.2015.
- To raise funds not exceeding Rs. 100 crore through an issue of equity shares by way of Qualified Institutional Placements.

At the AGM held on 30th day of September, 2014, five special resolutions were passed as follows:

- To approve borrowing limits
- To authorize Board of Directors to create security on the properties of the company to secure financial facilities taken by the Company.
- To alter Articles of Association of the Company.
- To change in terms of appointment of Sh. Dheeraj Garg, Managing Director (DIN: 00034926), to be liable to determination by retirement of Directors by rotation.
- To change in terms of appointment of Sh. Andra Veetil Unnikrishnan, Deputy Managing Director (DIN: 02498195), to be liable to determination by retirement of Directors by rotation.

During the year 2016-17, one Extra Ordinary General Meeting was held on 28.05.2016 for seeking shareholders approval to create, offer, issue and allot up to 2,10,000 Equity Shares of the face value of Rs. 10/- each, fully paid up, for cash, on preferential basis through private placement ("Preferential Issue"), at a price of Rs. 640/- (Rupees Six Hundred Forty only) per equity share to Kalink Co. Ltd.

POSTAL BALLOT

No Postal Ballot was conducted during the year under review.

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MEANS OF COMMUNICATION

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

GENERAL SHAREHOLDER INFORMATION

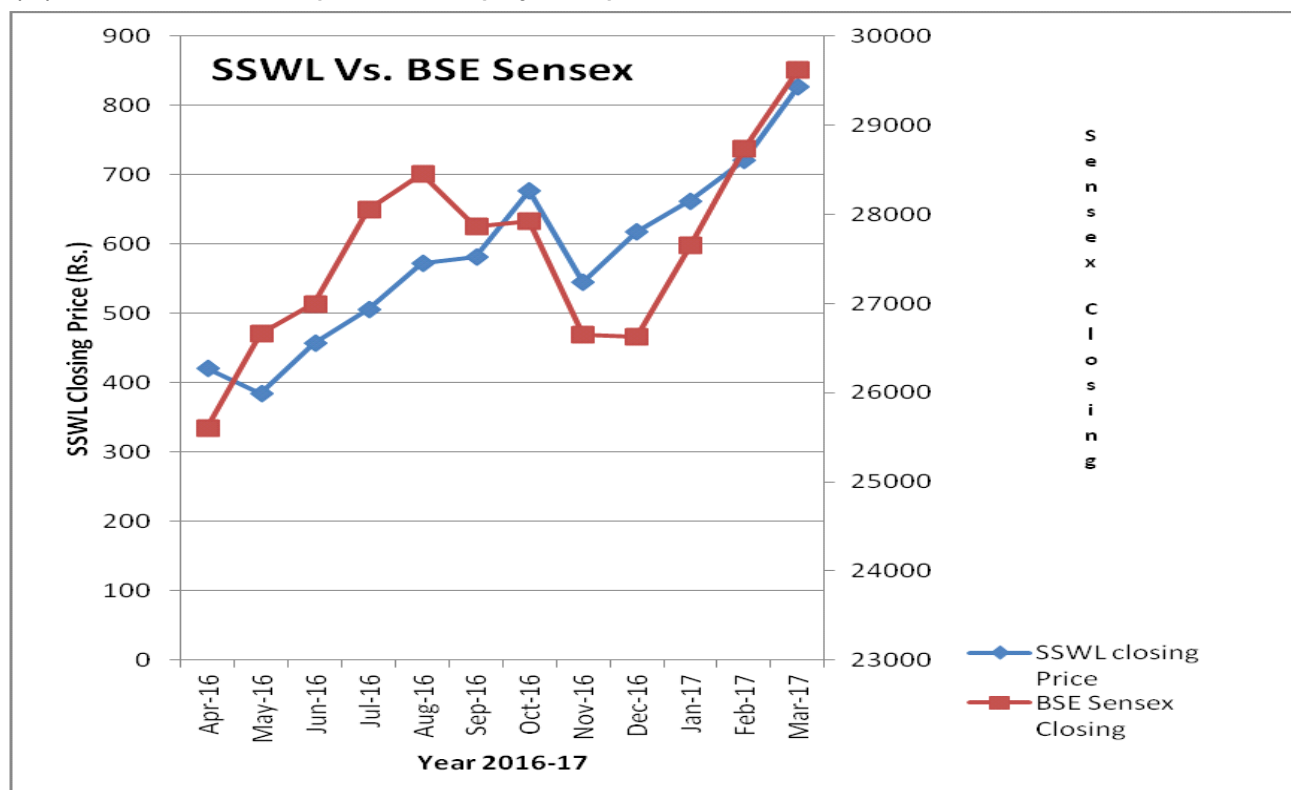
(i) Annual General Meeting for FY 2016-17 Date Time Venue	28th September 2017 11.00 AM Vill. Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, District Mohali (Pb.)
(ii) Financial Year	1st April to 31st March
(iii) Year Ending	31st March, 2017
(iv) Financial Calendar (tentative) Results for quarter ending June 2017 Results for quarter ending Sept. 2017 Results for quarter ending Dec. 2017 Results for quarter ending March 2018	2nd week of August, 2017 2nd week of November, 2017 2nd week of February, 2018 Last week of May, 2018
(v) Book Closure date	22-09-2017 to 28-09-2017 (both days inclusive)
(vi) Dividend Payment date	October 2017.
(vii) Name and Address of Stock Exchange at which Company's securities are Listed	(a) BSE Ltd (BSE) , Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 (b) National Stock Exchange of India Limited (NSE) , Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400051
(viii) Listing fee	The Company has paid listing fees to both the above stated Stock Exchanges and there is no outstanding payment as on date.
(ix) Stock Code BSE Ltd (BSE) National Stock Exchange of India Limited (NSE)	513262 SSWL
(x) ISIN No. of the Company's shares in De-mat form	INE802C01017 (with NSDL and CDSL).

(xi) Stock Market Price Data

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

Bombay Stock Exchange (BSE)			National Stock Exchange of India Limited (NSE)	
Month	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2016	436.10	343.80	436.00	341.00
May 2016	430.10	379.25	434.00	378.15
June 2016	466.10	388.00	467.70	385.15
July 2016	551.30	460.00	552.00	460.00
Aug 2016	593.90	490.50	592.40	489.00
Sept 2016	618.90	560.00	617.75	554.05
Oct 2016	775.00	595.00	778.25	600.05
Nov 2016	686.85	481.40	688.05	480.00
Dec 2016	649.00	548.00	650.00	546.95
Jan 2017	710.00	616.25	711.85	616.00
Feb 2017	735.00	660.00	734.40	659.00
Mar 2017	842.00	685.00	844.00	685.00

(xii) Performance of Share price of the company in comparison to the BSE Sensex:-



(xiii) Registrar and Transfer Agents

Name and address:

Link Intime India Pvt. Ltd.
44, Community Center, 2nd Floor, Naraina Industrial Area,
Phase- I, Near PVR Naraina, New Delhi - 110 028
Phone Number: 011-41410592, 93, 94
Fax Number: 011-41410591
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in

(xiv) Place for acceptance of Documents:

Documents will be accepted at:

- (i) Link Intime India Pvt. Ltd.
44, Community Center, 2nd Floor,
Naraina Industrial Area, Phase- I, Near PVR Naraina,
New Delhi - 110 028
- (ii) Steel Strips Wheels Limited
SCO 49-50, Sector 26, Madhya Marg,
Chandigarh- 160019

(xv) Share Transfer System

94.34% of the Equity Shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regard transfer of shares held in physical form, the transfer document can be lodged with the Registrar and Transfer Agents i.e. Link Intime India Pvt. Ltd.

Transfer of shares in physical form is normally processed within 12 to 15 days from the date of receipt if the documents are complete in all respect.

STEEL STRIPS WHEELS LIMITED

(xvi) Distribution of Shareholding

(a) Class-wise Distribution of Equity Shares as on 31st March, 2017

Shares/Debentures Holding of Nominal Value	Number of Shares	% age of Total
Up to 5000	1244623	8.01
5001 - 10000	248660	1.60
10001 - 20000	235452	1.52
20001 - 30000	105913	0.68
30001 - 40000	50674	0.33
40001 - 50000	52914	0.34
50001 - 100000	164862	1.06
100001 and above	13430422	86.46
Total	15533520	100.00

(b) Shareholding Pattern as on 31st March, 2017

S.No	Particulars	No. of Shares	Percentage
1.	Promoter and Promoter Group	9128682	58.77
2.	Mutual Funds/UTI/Financial Institutions, Banks & Foreign Institutional Investors /Foreign Portfolio Investor	114193	0.73
3.	Foreign Bodies Corporate Indian Body Corporate	1436525 2728022	9.25 17.56
4.	Individuals	1956862	12.59
5.	Any other : Non Residents Clearing Members HUF Trust Directors & their Relatives	56879 19706 54688 1000 36963	0.37 0.13 0.35 0.01 0.24
	Total	15533520	100.00

(xvii) Dematerialization of shares and Liquidity

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

As on 31-03-2017 there were 13132 shareholders of the Company. Out of these 9565 shareholders were holding 14654959 (94.34%) equity shares in the dematerialized form and rest of them i.e. 3567 shareholders were holding 878561 (5.66%) equity shares in physical form.

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

The company has not issued any GDR/ADR or warrants or any Convertible instruments.

(xix) Corporate Identification No.: L27107PB1985PLC006159

(xx) Plant Location:

- Village Somalheri/Lehli,
P.O. Dappar, Tehsil Dera Bassi, District Mohali (Pb.)
- Plot no. A-10, SIPCOT Industrial Growth Centre,
Vallam Village, Sriperumbudur, Tamil Nadu
- Plot No. 733, 734, 735, 747
Mouza Jojobera, P. O. & P. S. Chhota Govindpur, East Singhbhum
District Jamshedpur, Jharkhand
- Plot No. 77, 78, 136 B, 394,
Village - Matroli/Tejpura, Taluka - Jotana, District - Mehsana, Gujarat, India
- Village - Muria, P.O Kolabira Thana No. 150,
District Seraikela - Kharsawan (Jharkhand) Pin - 833 220

(xxi) **Address for Correspondence:**

To the Registrar & Share Transfer Agents	To the Company (Corporate Office)
Link Intime India Pvt. Ltd. 44, Community Center, 2nd Floor, Naraina Industrial Area, Phase- I, Near PVR Naraina, New Delhi – 110 028 Phone Number : 011 -41410592,93,94 Fax Number : 011 -41410591 Email: delhi@linkintime.co.in Contact Persons : Sh. V. M. Joshi Sh. Swapan Nasker	Steel Strips Wheels Limited S.C.O 49-50, Sector 26 Madhya Marg, Chandigarh -160019 Phone No.: 0172 - 2793112 Email ID: mljain@sswllindia.com : shamanjindal@sswllindia.com Contact Person: Sh. Manohar Lal Jain Sh. Shaman Jindal

DISCLOSURES

(i) Related Party Transactions

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

- (ii) No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.
- (iii) The Company has adopted a Vigil Mechanism/Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report their genuine concerns. No personnel have been denied access to the audit committee. This mechanism provides for adequate safeguards against victimization of director (s) /employee (s) or any other person, who avail the said mechanism and also provides for direct access to the Ethics Counselor/Chairman of the audit committee in exceptional cases. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the 'Vigil Mechanism Whistle Blower Policy' uploaded at the website of the Company. (web link:-<http://www.sswllindia.com/pages/whistleblower.htm>).
- (iv) The Company has complied with all the mandatory requirements as applicable to it along with the compliance with the requirements of Part-C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations.
- (v) The Company is in compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations.
- (vi) The company has not adopted any alternative accounting treatment prescribed differently from the Accounting standard laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- (vii) **Disclosure on Commodity price risk or foreign exchange risk and hedging activities:**

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

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

STEEL STRIPS WHEELS LIMITED

CODE OF CONDUCT

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The said Code of Conduct is uploaded on the website of the Company. (web link: http://www.sswlindia.com/pages/code_conduct.htm).

The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31 March, 2017. The Annual Report of the Company contains a Declaration by the Managing Director in terms of SEBI (LODR) Regulations, 2015 based on the affirmations received from the Members of the Board and Senior Management personnel.

INSIDER TRADING

The Company has in place a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said codes are uploaded on the website of the company.

Web link for Code of Conduct for Prevention of Insider Trading is http://sswlindia.com/pages/code_insider_trading.htm.

Web link for Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is http://sswlindia.com/pages/code_unpublished_price.htm.

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

AUDIT FOR RECONCILIATION OF SHARE CAPITAL

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

CEO/CFO CERTIFICATION

The Managing Director, Deputy Managing Director and Chief Financial Officer of the Company have certified to the Board that all the requirements of Regulation 17(8) of the SEBI (LODR) Regulations, 2015, inter alia, dealing with the review of financial statements and cash flow statement for the year ended 31.03.2017, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit Committee have been duly complied with.

CONSTITUENTS OF RELATED PARTIES.

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

Group Companies:

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

Individuals:

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

Hindu Undivided Family (HUF):

R. K. Garg & Sons (HUF)

Trust

Hans Raj Trust

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has been paying Dividend regularly from the last nineteen years (except for the year 2008-09), starting from the year 1996-97. Some amount of the dividend remain unclaimed in the "Unpaid Dividend Accounts" being maintained by the Company with HDFC Bank limited, Sector 8, Chandigarh and Yes Bank Ltd, Worli Branch, Nehru Centre, 4th floor, Discovery of India, Dr. A.B.Road, Worli, Mumbai - 400018.



In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 and other applicable provisions, if any of the Act, all unclaimed/unpaid dividends upto the year 2007-08 has been transferred to the "Investor Education and Protection Fund". Further, the unpaid dividend for the year 2009-10 shall be transferred in the Investor Education and Protection Fund. The due date for such transfer is 5th November, 2017 as per applicable provisions of the Act.

For and on behalf of the Board of Directors

Place: Chandigarh
Date : 11/08/2017

Rajender Kumar Garg
Chairman
DIN:00034827

AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE

To
The Members of Steel Strips Wheels Limited

We have examined the compliance of the conditions of Corporate Governance by Steel Strips Wheels Limited ("Company") for the year ended on 31st March 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

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

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 S. C. Dewan & Co.
Chartered Accountants
Firm Registration No:000934N

Place : Chandigarh
Date : 11/08/2017

(S.C.DEWAN)
Partner
M. No. 15678

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

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

I confirm that the Company has in respect of the year ended 31st March, 2017, received from its Board members as well as Senior Management Personnel, a declaration in compliance with the Code of Conduct as applicable to them.

For Steel Strips Wheels Limited

Place:Chandigarh
Date : 11/08/2017

Dheeraj Garg
Managing Director
Din:00034926

NOMINATION AND REMUNERATION POLICY

Annexure -I

1. PREAMBLE

The Company strongly believes that human resources which manage the other resources have infinite potential, and therefore, their development is the key to organisational effectiveness. We commit ourselves to integrate human resources with organisational growth and development for mutual benefit.

The Board of Directors (the "Board") of the Company, in compliance with Section 178 and other applicable provisions of the Companies Act, 2013 (the "Act") read with the applicable rules thereto and the provisions of the Listing Agreement as amended from time to time, has adopted/approved the Nomination and Remuneration Policy framed by the Nomination and Remuneration Committee ("Committee").

2. INTENT OF THE POLICY

The main intent of the policy is to enhance the competencies of the Board by :-

- identifying the person who are qualified to become directors and who may be appointed as KMP and at Senior Management level of the company,
- recommend to the board for their appointment and removal and
- carry out evaluation of every director's performance
- formulate the criteria for determining qualifications, positive attributes and independence of a Director and
- recommend to the Board the remuneration to be paid to the directors, Key Managerial Personnel and Senior Management.

3. DEFINITIONS

- "**Act**" means The Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- "**Board**" means Board of Directors of the Company.
- "**Directors**" means Directors of the Company.
- "**Key Managerial Personnel**" means:
 - Chief Executive Officer or the Managing Director or the Manager ;
 - Whole-Time Director ;
 - Chief Financial Officer;
 - Company Secretary ; and
 - Such other officers as may be prescribed.
- "**Senior Management**" means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

4. BOARD DIVERSITY

This Policy sets out the approach to have diversity on the Board of the Company in terms of thought, experience, knowledge, perspective and gender.

As per the provisions of the Companies Act, 2013, and Listing Agreement as amended from time to time, the composition of the Board shall have an optimum combination of Executive and Non Executive Directors, with not less than fifty percent of the Board of Directors comprising Non-Executive Directors.

When the Chairman of the Board is a non-executive director, at least one-third of the Board shall comprise independent directors and in case the Company does not have a regular non-executive Chairman or in case the regular non-executive Chairman is a promoter of the Company, at least half of the Board shall comprise of independent directors.

The Committee will lead the process for recommending the appointments of Directors to the Board. All the appointments will be based on the skills, diverse experience, independence and knowledge which the Board as a whole requires to be effective.

The Board shall have at least one Board member who has accounting or related financial management expertise and at least one Woman Director. Additionally the Board may consider appointment of experts from various specialized fields such as finance, law, corporate strategy, marketing and business development, international business, operations management etc. so as to bring diversified skill sets on board or succeed any outgoing director with the same expertise.

5. ESSENCE OF THE POLICY

The role of the Committee shall be in accordance with the applicable provisions of the Act and listing agreements including the followings:-

A. Appointment of Directors :-

While recommending a candidate for appointment as Director of the company, the Nomination and Remuneration Committee has to ensure with regard to:-

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law; professional qualifications, expertise and experience in specific area of business;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, leadership skills, pioneering mindset.
- Considering any other matters, as may be requested by the Board.

B. Appointment of KMP and Senior Management and other employees

The Company has an organisational chart displaying the position of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the company is to match the requirements prescribed in the organisational chart of the Company.

C. Remuneration of Directors, KMPs and Senior Management:-

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management.

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

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

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

Remuneration to Non Executive/Independent Director:

- (i) Remuneration/commission : remuneration/commission shall be fixed as per the limits mentioned in the Act, subject to approval from the shareholders as applicable.
- (ii) Sitting Fee : the Non executive/Independent directors shall receive remuneration by way of fees for attending meetings of board or committee thereof. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Govt. from time to time.
- (iii) Stock Options : An independent Directors shall not be entitled to any stock option of the company.

D. Term/Tenure/Notice period/Severance fees

a) Managing Director/Executive Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term, and which shall be done with the approval of the shareholders of the Company.

Services of the Managing Director and Executive Director may be terminated by either party by giving one month notice. No severance fee will be paid.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

STEEL STRIPS WHEELS LIMITED

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

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

E. Evaluation

The Committee shall carry out the evaluation of performance of every Director at least once in a year, on the basis of following factors:

a) Performance evaluation of Directors:

- Attendance and participation at Board or Committee Meetings
- Contribution and initiatives taken at Board or Committee Meetings
- Adherence to Code of conduct of the company
- Safeguarding of the confidential information and of Interest of Whistle blowers under Vigil Mechanism
- Compliance with policies and disclosure of interest
- Rendering of Independent and unbiased opinion
- Guidance/support to management outside Board/Committee meetings

Independent Directors may also consider the aforesaid criteria for the evaluation of the performance of Non- Independent directors and may consider the following factors for evaluation of the performance of the Board as whole and their committee at their separate meeting:-

(b) Performance evaluation of Board and Committees:

- Effectiveness of Board processes, information and functioning
- Degree of fulfilment of key responsibilities
- Effectiveness of control system in identifying material risks and reporting of material violations of policies and law
- Board Structure and composition
- Establishment and delineation of responsibilities to committees
- Frequency of meetings
- Adherence to law
- Board culture and dynamics
- Quality of relationship between Board and Management
- Efficacy of communication with external stakeholders.

The performance evaluation of Independent Directors shall be done based on the above criteria by the entire Board of Directors, excluding the Director being evaluated.

F. Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

G. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6. AMENDMENT(S) TO THE NOMINATION AND REMUNERATION POLICY

Any amendment(s) thereto can be reviewed or done by the Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee, as deemed fit from time to time. In case of any modifications, amendments or inconsistencies with the Act, the provisions of the Act and the rules made thereunder would prevail over the Policy.

MANAGEMENT

DISCUSSION & ANALYSIS

Management Discussion & Analysis

Economic growth of around 7½% makes India the fastest-growing G20 economy. The acceleration of structural reforms, the move towards a rule-based policy framework and low commodity prices have provided a strong growth impetus. Recent deregulation measures and efforts to improve the ease of doing business have boosted foreign investment. A comprehensive tax reform would promote inclusive growth. Timely and effective implementation of the Goods and Services Tax would support competitiveness, investment and economic growth. Government's plans to reduce the corporate income tax rate and broaden the base will serve the same objectives. These two on-going reforms have been designed to be revenue-neutral while India needs to raise additional tax revenue to meet social and physical infrastructure needs. Property and personal income taxes, which are paid by very few people, could be reformed to raise more revenue, promote social justice and empower sub-national governments to better respond to local needs. Ensuring clarity and certainty in tax legislation and employing more skilled tax officers would strengthen the tax administration and make the system fairer and more effective.

The main driving forces for growth in FY18 are listed below:

- Increased government spending in infrastructure
- Pick up in private investment
- Good monsoon
- Expected surge in consumer spending with pent up demand being satiated
- The Goods and Services Tax (GST)

The economic outlook of the Indian economy looks positive with the country expected to grow at more than 7.5% in FY18 before moving past the 8% trajectory in FY19. Certain threats, however, prevail in terms of upside risk to inflation, increasing global commodity prices especially crude oil prices, slower growth in investment and credit, rising bad loans issue and uncertain trade prospects with appreciating rupee and uncertain global economic conditions. Globally, protectionism adopted by the US and higher interest rates by the Fed, revival in European countries and higher growth in China causing diversion of funds from India could counter the prospective growth story of the country, going ahead. Bypassing the risk of slowdown post-demonetization, the Indian economy is estimated to grow at 7.1% in FY17 according to the CSO. This number would be met in our view if there is no revision in the growth number for 9M-FY17 put out by the CSO at around 7% as Q4 growth would be in the same range. However, this growth rate would still be lower compared with the impressive 7.9% growth recorded in FY16. The GDP growth of FY17 is expected to be supported by the agriculture growth of 4.4% vis-à-vis 0.8% growth in FY16 and capped by estimated subdued growth in industry (5.8% as against 8.2% in FY16) and services (7.9% compared to 9.8% growth in FY16)

Auto Industry & Segment Analysis

The Indian auto industry is one of the largest in the world. The industry accounts for 7.1% of the country's Gross Domestic Product (GDP). The Two Wheelers segment (2W) with 81% market share is the leader of the Indian Automobile market owing to a growing middle class and young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector. The overall Passenger Vehicle (PV) segment has 13% market share.

In addition, several initiatives by the Government of India and the major automobile players in the Indian market are expected to make India a leader in the 2W and Four Wheeler (4W) market in the world by 2020.

The Indian auto industry is expected to be the world's third largest by 2018 behind China and the US and will account for more than 5% of global vehicle sales as per global research. It is also expected to become the fourth largest automobiles producer globally by 2020 after China, US and Japan (India is currently world's second largest two-wheeler manufacturer)

The automobile industry plays a significant role as it has employed 9 million people and includes approximately 5% of world's total employment in manufacturing unit. Production of world's automobile industry has spread across three major regions that includes North America, Europe and Asia. World's automobile Industry has undergone major restructuring and India has become a leading player along with nations like China, South Korea, beside the giant Japan.

Policy Initiatives

The Government of India encourages foreign investment in the automobile sector and allows 100 per cent FDI under the automatic route.

Some of the major initiatives taken by the Government of India are:

- The Government of India plans to introduce a new Green Urban Transport Scheme with a central assistance of about Rs 25,000 crore (US\$ 3.75 billion), aimed at boosting the growth of urban transport along low carbon path for substantial reduction in pollution, and providing a framework for funding urban mobility projects at National, State and City level with minimum recourse to budgetary support by encouraging innovative financing of projects.
- Government of India aims to make automobiles manufacturing the main driver of 'Make in India' initiative, as it expects passenger vehicles market to triple to 9.4 million units by 2026, as highlighted in the Auto Mission Plan (AMP) 2016-26.
- The Government plans to promote eco-friendly cars in the country i.e. CNG based vehicle, hybrid vehicle, and electric vehicle and also made mandatory of 5 per cent ethanol blending in petrol.
- The government has formulated a Scheme for Faster Adoption and Manufacturing of Electric and Hybrid Vehicles in India, under the National Electric Mobility Mission 2020 to encourage the progressive induction of reliable, affordable and efficient electric and hybrid vehicles in the country.

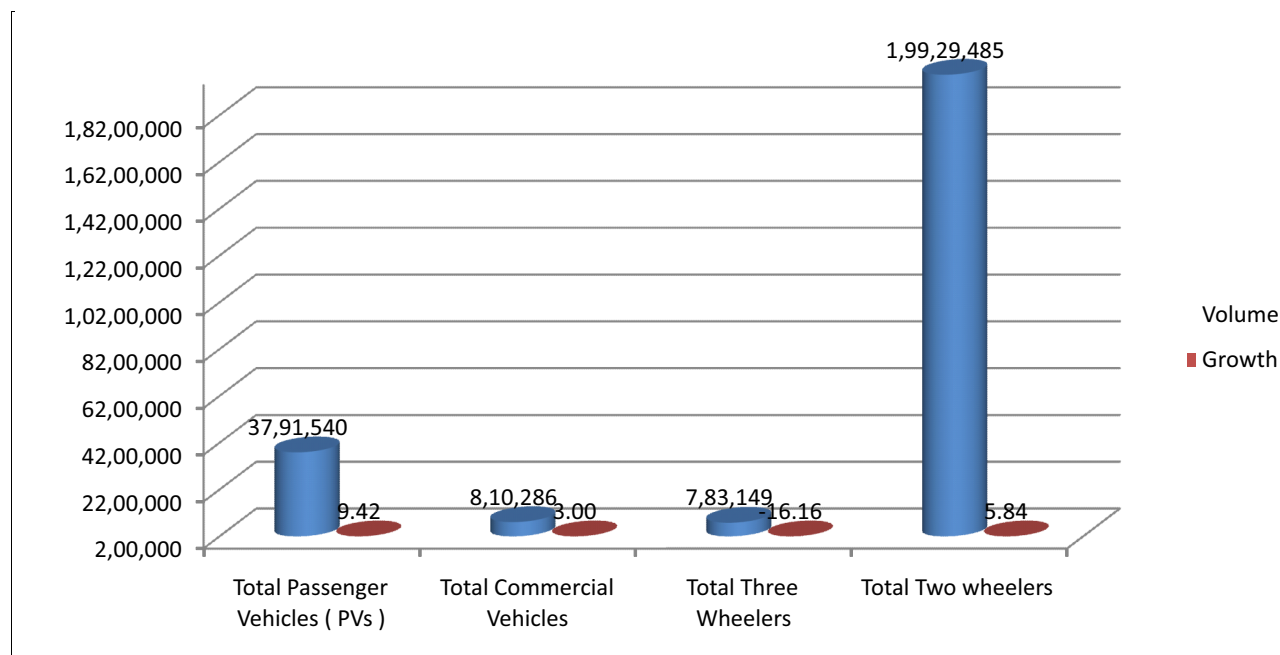
KEY HIGH GROWTH POTENTIAL FOR SSWL

Your company has taken extremely balanced view to extend the commercial vehicle wheel & enter into Alloy wheel segment with both the new plants starting to give output in FY 17-18. The growth matrix for alloy wheel segment is huge with revenue potential of close to Rs.500 Crore in first phase and additional Rs.300 Crore in the second phase. The company has done a foreign collaboration to take advantage of the leading technology to compete and offer best in class product to customer to ensure we make similar inroads as we have benchmarked in steel wheel business. The passenger car alloy wheel will have a revenue potential of close to Rs.2500-3000 Crore in FY19-20 and the setup being engaged by SSWL is ripe to take advantage of the growth and transitional shift in wheel industry.

The extension of commercial wheel segment will cater to Domestic as well as a global CV market which has an annual revenue potential of close to Rs.400 Crore. This gives us opportunity to gain large wallet share of existing customers based upon our past track record. SSWL sees itself the leader in domestic CV segment wheel supplies by FY 18-19 and will explore all global opportunities to make its mark. The global revenue potential of CV wheel market is \$ 2Bn annually and this will remain the focus area to target better and sustainable financial goals for your company.

Auto sector grew modestly in FY 16-17 based a huge new launches and had a good year with passenger car segment growth of 9.4%. The segment has various hits and misses among the large player which was dominated by the factor of new launches to keep the customer with the brand. The FY 17-18 brings in fresh challenges due the factor of base but the steady income growth and best interest rates in last 5 years for borrowing and funding the vehicle has made the purchase much more affordable. The segment is expected to show a growth of high single digit with base case of close to 8% growth in FY 17-18.

The Commercial vehicle segment ended with a 3% growth in FY 16-17 with a major change of BS-III to BS-IV technology implementation happening in FY 17-18. There can be initial glitches for adoption of technology but eventually the infrastructure driven growth in the country can give a decent 5-7% growth in FY 17-18 for the segment. A major policy push of removing the old trucks of more than 15 years old life will give a big boost to replacement demand and can easily give growth potential of 12-15% if made mandatory with slew of incentives to revive the fleet.



The two & three wheeler market had a decent year of growth given the large impact of demonetization. 2 wheeler segment is at a very high bases but still managed to claw a growth of 5.8% for the FY 16-17. We expect this segment to give mid single digit growth rate due to now

becoming a mature market. The penetration is still low given the poor income bracket of India. Government push on self employment and growing employment opportunities in rural area will aid growth to the sector in coming years.

Exports of the automobiles had a bad year as a whole in FY 16-17 when the segment saw a decline in export volumes of 4.5%. The passenger car saw excellent growth of 16% with a lot of manufacturing bases of international players shifting to India and this is setting up base for a very large play for global players to continue to move manufacturing business to India. The commercial vehicle segment saw growth of 5% in export shipments with leading players making the reach of domestic products globally to compete in emerging markets. 2&3 wheelers had bad year for export shipments with a contraction of volumes to the tune of 6% & 33%. Both segments are not able to generate global interest due to limited product range due to focus on mass market concept.

Sectoral Outlook

- **Passenger Vehicle Segment:**

The year has begun with heavy reform in FY 16-17 and a factor of GST implementation in the country. The policy framework makes the system efficient and brings in productivity led gains for the country. The GST implementation has the potential to generate huge employment opportunity among the field of finance and can generate multi layered growth scenario for the country and increasing visibility of car OEMs will ensure the depth of markets are being explored and AUTO majors are putting best foot forward to target. We expect auto industry's to consolidate further in FY 17-18 and we expect the volume growth to pick up meaningfully in FY17 backed by a) decline in ownership cost (fuel price drop and interest cost reduction), b) benign inflation, c) pick-up in economic activities and d) big thrust on infrastructure investment. We estimate these factors to drive domestic passenger vehicle and commercial vehicle volume CAGR of 14% and 19% over the next three years.

- **Commercial Vehicle Segment:**

We expect M&HCV (goods) volume and tonnage CAGR of 15% over the next three years due to infrastructure spending push, better freighter profitability, GST-led warehousing rejig, pick-up in construction trucks demand (coal/bauxite mining and RMC trucks), obsolescence of old trucks due to rising entry restrictions in major cities and customer-driven switch to younger fleet. We also expect buses volume CAGR of 15% on renewed focus on urban transportation by entire country. Current shift to higher tonnage vehicle and fast replacement demand is expected to continue and is driven by poor operating economics of old trucks and lower tonnage vehicle. Replacement demand is also aided by the restriction imposed by large customers and enforcement of entry norms in New Delhi (population of 60k trucks) on vehicle age to improve the supply chain efficiency and city's air quality respectively.

- **Tractor Segment**

Top eight states of India contributing 75% of the domestic tractor volume is down by >25% since the last seven months cumulatively, impacted by hail storm, deficient monsoon in 2014 and lower farm profitability on agri commodity price drop. Since all these uncertain events bunched up in FY 2015 and impacted industry tractor volume. Early signs of normal monsoon will most likely to revive the demand from 2HFY17. Further, revival of non-farm usage segment and replacement cycle (purchased in FY08-10) is likely to bring volume back with a vengeance in FY18. We expect 10% tractor segment CAGR for all the players for coming 3 three years.

Export Outlook

India's exports grew at its fastest pace in five years by 4.7% to \$274.65 billion during the financial year 2016-17, despite the demonetization drive that slowed domestic economic activity since November. In March, exports grew a whopping 27.6% to \$29.23 billion after clocking a 17.5% jump in February. Shipment of petroleum products jumped 69% while engineering goods were up 47%. Imports grew even faster at 45.3% to \$39.67 billion in March as crude oil imports doubled while gold imports grew a eye-popping 329%. Exports last grew at a brisk pace of 21.8% in 2011-12, but shipments were down in three out of four years till 2015-16. If we believe the pace of March 2017, the exports may reach at \$ 330-360Billion. We expect the Indian export competitiveness to improve with a lot of international manufacturers setting up India as a manufacturing hub and India will gain popularity amongst global manufacturing leads to make a space for itself.

During the last fiscal year, automotive manufacturers in India cumulatively shipped out 7,58, 830 cars to various international markets. This figure marks a year-on-year growth rate of 16%, as compared to the corresponding figure of 6,53,053 units shipped in FY 2015-16. Motorcycle exports, however, declined in 2016-17 at 20,25,529 units as against 22,10,615 units in 2015-16, down 8.37 percent.

Your company achieved a volume of 13.94 lacs wheels in FY 16-17 as against a volume of 15.13 lacs wheels in FY 15-16. The main driver for contraction was the impact of Russian currency on export competitiveness. Your company is focusing in major EU markets to gain hold of this part of the world to target sustainable 10% growth model. We are expecting the alloy wheel exports to give push to the export revenue and the same will start from H2 for in FY 17-18. The export order book is firmly in place with close to 30% booking of the capacity. We are extremely confident that FY 17-18, the export segment will turnaround the contraction phase. The new commercial wheel plant will also give a lot of thrust to the segment where your company was not present due to capacity constraints. The FY 17-18 will be flat in terms of exports and we are expecting 17-20% revenue growth in exports segment from FY 18-19 being guided by Alloy & commercial wheel segment.

STEEL STRIPS WHEELS LIMITED

Financial Analysis

Gross revenues stood at Rs. 15013.38 million in FY 2016-17 as compared to Rs. 13386.35 million in FY 2015-16. The company performed in line with industry standards and we are expecting the growth in revenue to be on track for 15-20% growth. The volume growth for the company stood life high and we are expecting this trend to continue and the 2 new plants add a lot of performance muscle for the company. We are expecting great advantage with the new plants to make in roads to global locations. The Profit after Tax for FY 2016-17 stood at is Rs.710.35 million as compared to Rs.611.81 million this trend is expected to continue with addition of newer platforms to the company.

Performance analysis

In FY 16-17, the automobile industry stabilized itself from the policy changes of demonetization and handled the policy changes bravely to end the year in growth. Various segment of automobile industry had to witness wild swings due to policy changes but the industry took shorter than expected time period to revive from demonetization impact of broad automobile sector.

The passenger car segment for the industry grew at 10% in FY 16-17 on the back of record new variants coming into market to grab the market share. The industry saw some blips during demonetization and grew smartly after the impact got absorbed in a quarter and is going is strong since then. SSWL grew 6% in car segment with growth lagging the industry factor due to transformation into alloy wheels and SSWL is not geared up to cater to both segments to maintain high single digit volume growth.

The commercial vehicle segment grew slowly at 3% pace due to the major change of BS III to BS IV changeover which had major changes in production plans of all the large automotive players. The industry is going through transition and it will take 1-2 quarter to get back on rails to catch up the replacement demand of the industry. SSWL grew 5.3% for the segment and we expect a lot of out performance in this segment due to a lot of development coming to mass production and getting converted into volumes there by giving a push to market share of the company.

The 3 wheeler industry faced severe competition from E rickshaw, which is extremely unorganized and unregulated. The sector de-grew by 16%. We expect this trend to continue but the rate of slowdown may decelerate as base has fallen to lower levels. This has opened up opportunities for us for catering to E-Rickshaw players gain volume access.

The 2 wheeler industry grew at close to 5% as base is increasing and the user base is also saturating and now replacement demand will also cater growth at mid single digit rates. SSWL grew by 7% there by outperforming the industry with greater penetration into individual customer. SSWL is trying to add 2 major customers to the portfolio in FY 17-18 to give push to the growth factor in this segment.

The tractor industry grew at 18% in FY 16-17 with a push from normal rainfalls push the acreage sowing and government push for infrastructure pushing the alternate use of the tractor. SSWL grew at 30% during the year there by outperforming the industry by grabbing better market share. We are expecting 2 more orders from existing customers to reinforce larger market share in FY 17-18. The consistent performance is giving SSWL an edge to grab larger market share.

Domestic Sales Forecast for FY 2017-2018 by SIAM

The Society of Indian Automotive Manufacturers (SIAM) forecast a 7 to 9% growth for the domestic passenger vehicle sales in the financial year 2017-18, expecting support from 7th pay commission payout and better rabi output. The normal monsoon will ensure steady rural income supporting the 2&3 wheeler segment. In the two-wheeler segment, SIAM expects motorcycles sales to grow moderately in 2017-18 with demand in economy and executive sub-segments likely to revive gradually once the cash situation improves. The overall commercial vehicle segment is expected to grow by 4-6% while that of three-wheeler sales is likely to post a low single digit growth. Overall, while ease in borrowing cost, remonetisation and much improvement in general sentiment are positives for 2017-18. The key concerns are increasing commodity prices, high vehicle finance rates and ad-hoc changes in policy environment that could affect profitability of OEMs.

As your company is moving forward in this year with 2 new plants to capture Alloy wheel and higher share of business in commercial wheel segment. The situation is ripe for capturing growing opportunity and SSWL will be able to take full advantage of technical expertise to penetrate more and successfully prove our strength in both the segments. As a strategy the company has decided to go aggressively toward export territories for its Alloy and commercial wheel segment we are extremely hopeful that we put minimum 40-50% utilization in first year of mass production in the month of March 2018 run rate.

RISK MANAGEMENT FRAMEWORK

As a growing entity, SSWL is exposed to risks as well as opportunities in equal measure. Recognizing this, the Company has a robust Risk Management framework, that allows the organization to take certain risks in order to be competitive and to mitigate other risks to drive sustainable results.

By identifying and proactively addressing risks and opportunities, stakeholder value is protected at all times.

The following table gives the key risk faced by Company:

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

INTERNAL CONTROLS AND THEIR ADEQUACY

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

SEGMENT REPORTING

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

DISCLAIMER

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

For and on behalf of the Board of Directors

Place: Chandigarh
Date : 11/08/2017

Rajender Kumar Garg
Chairman
DIN:00034827

INDEPENDENT AUDITORS'

REPORT

S. C. Dewan & Co.

CHARTERED ACCOUNTANTS

SCO 90, 1st Floor, Swastik Vihar, Panchkula-134 109

To the Members of
Steel Strips Wheels Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Steel Strips Wheels Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

STEEL STRIPS WHEELS LIMITED

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March 2017**, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on **31st March 2017** and taken on record by the Board of Directors, none of the directors is disqualified as on **31st March 2017** from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B;
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. The company has provided the requisite disclosures in its financial statements as to holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with books of accounts maintained by the Company.

For S. C. Dewan & Co.
Chartered Accountants
Firm's Registration No.: 000934N

Place: New Delhi
Date: 29 May 2017

per **S. C. Dewan & Co.**
Partner
Membership No.: 015678

Annexure A to the Independent Auditors' Report of even date to the members of Steel Strips Wheels Limited, on the financial statements for the year ended 31st March 2017

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years 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 verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the said Order are not applicable to the company.
- (iv) The Company has not granted any loan or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provisions of clauses 3(iv) of the said Order are not applicable to the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the said Order are not applicable to the company.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs)	Amount Paid Under Protest (Rs)	Period to which the amount relates	Forum where dispute is pending
INCOME TAX	TDS	97,850.00	Nil	2007-08	ACIT TDS
INCOME TAX	TDS	65,290.00	Nil	2009-10	ACIT TDS

- (viii) In our opinion, the Company has not defaulted in repayment of dues to any financial institution or bank or Government or to debenture-holders during the year.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Money raised by way of term loans were applied for the purposes for which those are raised.
- (x) No fraud on or by the Company has been noticed or reported during the period covered by our audit.
- (xi) The Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) As the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it, the provision of clause 3(xii) of the order are not applicable to the company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The detail of such related party transactions have been disclosed in the financial statements as required under accounting standards (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment of shares during the year. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

STEEL STRIPS WHEELS LIMITED

- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the company.

For S.C. Dewan & Co
Chartered Accountants
Firm's Registration No.: 000934N

per **S.C.Dewan**
Partner
Membership No.: 015678

Place : New Delhi
Date : 29 May 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditor's Report of even date to the members of Steel Strips Wheels Limited on the standalone financial statements for the year ended 31st March, 2017

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

1. We have audited the internal financial controls over financial reporting of Steel Strips Wheels Limited ("the company") as of March 31st 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of internal financial control over financial reporting (the "Guidance Notes") and the standards on auditing deemed to be prescribed under section 143(10) of the act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the guidance notes require that we comply with ethical requirements and planned and performed the audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls system over financial reporting, assessing the risks that material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedure selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal financial controls over financial reporting

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

Inherent Limitation of Internal financial controls over financial reporting

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

Opinion

8. In our opinion, the company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017 based on the internal financial controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

9. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered accountants of India, as specified under Section 143(10) of the Act, the financial statements of STEEL STRIPS WHEELS LIMITED, which comprise the balance Sheet as at March 31st, 2017, and the related 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, and our report dated 29th May 2017 expressed an unqualified opinion.

For S.C. Dewan & Co
Chartered Accountants
Firm's Registration No.: 000934N

Place : New Delhi
Date : 29 May 2017

per **S.C.Dewan**
Partner
Membership No.: 015678

STEEL STRIPS WHEELS LIMITED

BALANCE SHEET

As at 31st March, 2017

(₹ in lacs)

PARTICULARS	Notes	AS AT March 31st, 2017	AS AT March 31st, 2016
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds :			
a) Share Capital	1	1,553.35	1,525.92
b) Reserves and Surplus	2	52,581.97	44,380.50
c) Money Received against Share Warrants		-	-
2) Share Application Money Pending allotment		-	-
3) Non Current Liabilities			
a) Long Term Borrowings	3	48,977.83	27,546.16
b) Deferred Tax Liability (Net)	4	4,397.04	3,982.73
c) Other Long Term Liabilities		-	-
d) Long Term Provisions	5	1,058.09	849.07
4) Current Liabilities			
a) Short Term Borrowings	6	39,476.58	32,176.13
b) Trade Payables	7	14,915.12	12,743.86
c) Other Current Liabilities	8	10,006.03	9,268.83
d) Short Term Provisions	9	288.72	408.21
TOTAL		1,73,254.73	1,32,881.41
II. ASSETS			
1) Non Current Assets			
a) Fixed Assets	10		
i) Tangible Assets		1,15,897.57	1,07,103.75
ii) Intangible Assets		447.84	447.17
Less : Depreciation		1,16,345.41	1,07,550.92
Net Block		41,863.28	37,100.41
iii) Capital Work in Progress		74,482.13	70,450.52
iv) Intangible Assets Under Development		35,235.84	5,168.44
TOTAL		1,09,717.97	75,618.96
b) Non Current Investments	11	21.41	16.82
c) Deferred Tax Assets (Net)		-	-
d) Long Term Loans and Advances	12	3,029.64	3,119.49
e) Other Non Current Assets		-	-
2) Current Assets			
a) Current Investments		-	-
b) Inventories	13	17,703.57	14,823.51
c) Trade Receivables	14	20,455.18	16,918.76
d) Cash and Cash Equivalents	15	12,072.94	12,180.07
e) Short Term Loan & Advances	16	9,849.93	9,913.24
f) other Current Assets	17	404.09	290.55
TOTAL		1,73,254.73	1,32,881.41
Contingent Liabilities & Commitments	26		
Other Notes to Financial Statement	27		
Significant Accounting Policies	28 (1&2)		

As per our report of even date

FOR S.C.Dewan & Co.

Chartered Accountants

ICAI Firm Registration Number: 000934N

per S. C. Dewan

Partner

Membership Number : 015678

For and on behalf of Board

Dheeraj Garg

Managing Director

Andra Veetil Unnikrishnan

Dy. Managing Director

Surinder Kumar Bansal

Sudhanshu Shekhar Jha

Madan Mohan Chopra

Chanakya Chaudhary

Directors

Place: New Delhi

Dated: 29th May, 2017

Shaman Jindal

Company Secretary

Manohar Lal Jain

Executive Director

Naveen Sorot

CFO

STATEMENT OF PROFIT & LOSS ACCOUNT

For the year ended 31st March, 2017

(₹ in lacs)

PARTICULARS	Notes	For the Year Ended March 31st, 2017	For the Year Ended March 31st, 2016
INCOME			
I. Revenue From Operations	18	1,33,166.45	1,18,188.81
II. Other Income	19	1,939.60	1,883.66
III. TOTAL REVENUE (I + II)		1,35,106.05	1,20,072.47
IV. EXPENSES			
a) Cost of Material Consumed	20	79,942.94	69,724.88
b) Purchase of Stock in trade		-	-
c) Changes in inventories of :-	21		
i) Finished goods & Scrap		135.78	154.68
ii) Work in progress		(323.04)	255.00
iii) Stock in Trade		-	-
d) Employees' Benefits Expenses	22	11,830.85	10,349.82
e) Finance Cost	23	4,170.84	4,303.51
f) Depreciation & Amortization expenses	10	4,790.17	4,206.11
g) Other Expenses	24	25,160.78	23,175.22
TOTAL EXPENSES		1,25,708.32	1,12,169.22
V. PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX		9,397.73	7,903.25
VI. EXCEPTIONAL ITEMS			
Prior Period Income		116.77	5.63
Prior Period Expenses		3.52	3.88
VII. PROFIT BEFORE EXTRAORDINARY ITEMS & TAX		9,510.98	7,905.00
VIII. EXTRAORDINARY ITEMS		-	-
PROFIT BEFORE TAX		9,510.98	7,905.00
IX. LESS : TAX EXPENSES			
A) CURRENT TAX			
- Current Tax		2,038.50	1,687.05
- Less : Mat Credit Entitlement		(742.73)	(1,247.80)
NET CURRENT TAX		1,295.77	439.25
B) DEFERRED TAX			
Prior years tax Adjustments		1,111.65	1,424.83
		-	(77.20)
TOTAL TAXES		2,407.42	1,786.88
X. NET PROFIT CARRIED TO BALANCE SHEET		7,103.56	6,118.11
Earnings per Equity Share	25		
Basic (Nominal value of shares Rs.10 each)		45.90	40.09
Diluted (Nominal value of shares Rs.10 each)		45.81	39.91
Other Notes to Financial Statement	27(1-6)		
Significant Accounting Policies	28(1&2)		

As per our report of even date

FOR S.C.Dewan & Co.

Chartered Accountants

ICAI Firm Registration Number: 000934N

per S. C. Dewan

Partner

Membership Number : 015678

For and on behalf of Board

Dheeraj Garg

Managing Director

Andra Veetil Unnikrishnan

Dy. Managing Director

Surinder Kumar Bansal

Sudhanshu Shekhar Jha

Madan Mohan Chopra

Chanakya Chaudhary

Directors

Place: New Delhi

Dated: 29th May, 2017

Shaman Jindal

Company Secretary

Manohar Lal Jain

Executive Director

Naveen Sorot

CFO

STEEL STRIPS WHEELS LIMITED

CASH FLOW STATEMENT

For the year ended 31st March, 2017

(₹ in lacs)

S. No. Particulars	For the Year Ended March 31st, 2017		For the Year Ended March 31st, 2016	
A. Cash Inflow/ (Outflow) from Operating activities				
Profit before tax		9,510.98		7,905.00
Depreciation	4,790.17		4,206.11	
Miscellaneous expenses written off				
Bad debts written off	0.02		-	
(Profit)/ Loss on sale of assets	(63.27)		(74.87)	
(Profit)/ Loss on sale of investments	(0.51)		-	
Expense on employee Stock Option Scheme	-		204.05	
Interest received	(1,259.86)		(1,068.12)	
Effect of Exchange Rate Change	(103.77)		627.19	
Financial charges paid	4,170.84	7,533.62	2,823.07	6,717.43
Operating profit before working capital changes		17,044.60		14,622.43
Adjustment for				
- (Increase)/ decrease in inventory	(2,880.06)		(1,019.52)	
- (Increase)/ decrease in trade and other receivables	(3,651.22)		(509.07)	
- Increase/ (decrease) in trade payables	2,781.03	(3,750.25)	(3,265.60)	(4,794.19)
Cash inflow from operating activities		13,294.35		9,828.24
Taxes paid		1,993.11		362.05
Net cash from / (used) in operating activities		11,301.24		9,466.19
B Cash flows from/ (used) in Investing Activities				
Purchase of fixed assets	(38,867.85)		(11,450.23)	
Exchange fluctuation in Fixed assets/CWIP	(57.91)		929.05	
Sale of fixed assets	36.58		286.65	
Sale of investments	-		-	
Investment in mutual fund	(4.59)		13.42	
Profit on sale of investments / Assets	63.78		74.87	
Interest received	1,259.86		1,068.12	
Net cash from / (used) in investing activities		(37,570.13)		(9,078.12)
C Cash flows from/ (used) in Financing Activities				
Proceeds from issue of equity shares incl premium	1,556.99		-	
Decrease in Employee Stock option outstanding	(151.17)			
Proceeds from long term borrowings	28,926.79		8,749.92	
Proceeds(payment) from/(of)long term Provisions/Short Term Provisions	89.53		(115.90)	
Repayment of long term borrowings (net of fluctuation)	(5,480.37)		(4,597.06)	
Changes in working capital loans/short term borrowings	5,413.13		4,665.30	
(increase)/Decrease in Long/short Term Loan and Advances	153.16		(3,191.52)	
Dividend paid	(280.44)		(284.64)	
Financial charges paid	(4,067.07)		(3,450.27)	
Net cash from / (used) in financing activities		26,160.55		1,775.83
Net increase/(decrease) in cash and cash equivalents		(108.34)		2,163.91
Cash and cash equivalents as at April 1, 2016		12,146.36		9,982.45
Cash and cash equivalents as at March 31, 2017		12,038.01		12,146.36

AUDITORS' CERTIFICATE

We have verified the attached Cash Flow Statement of M/s Steel Strips Wheels Limited derived from audited financial statements and the books & records maintained by the Company for the year ended 31st March, 2017 and found the same in agreement therewith.

As per our report of even date

FOR S.C.Dewan & Co.

Chartered Accountants

ICAI Firm Registration Number: 000934N

per S. C. Dewan

Partner

Membership Number : 015678

For and on behalf of Board

Dheeraj Garg
Managing Director

Andra Veetil Unnikrishnan
Dy. Managing Director

Manohar Lal Jain
Executive Director

Naveen Sorot
CFO

Surinder Kumar Bansal
Sudhanshu Shekhar Jha
Madan Mohan Chopra
Chanakya Chaudhary
Directors

Place: New Delhi
Dated: 29th May, 2017

Shaman Jindal
Company Secretary

Notes on Financial Statements for the year ended 31st March, 2017

The previous year figures have been regrouped / reclassified wherever necessary to confirm the current year presentation

NOTE 1. SHARE CAPITAL

(₹ in lacs)

PARTICULARS	AS AT March 31st, 2017	AS AT March 31st, 2016
Authorised Capital		
1,90,00,000(Previous year 1,90,00,000) Equity Shares of Rs.10/-each	1,900.00	1,900.00
12,00,000 (Previous Year 12,00,000) Preference shares of Rs. 145/- each * Optionally Convertible cummulative or Non Cummulative	1,740.00	1,740.00
Issued , Subscribed and Paid Up Capital		
15,533,520(Previous Year 1,52,59,170) Equity Shares of Rs.10/-each	1,553.35	1,525.92
TOTAL	1,553.35	1,525.92

1.1 The reconciliation of number of shares outstanding is set out below :

Particulars	AS AT March 31st, 2017 No. of Shares	AS AT March 31st, 2016 No. of Shares
Equity Shares at the beginning of the year	15,259,170	15,259,170
Add: Shares issued	274,350	-
Less : Shares Cancelled	-	-
Equity Shares at the end of the year	15,533,520	15,259,170

1.2 The Company has issued only one class of shares i.e. equity shares of Rs. 10/- per share. All equity shares rank pari passu and carry equal rights with respect to voting and dividend. The dividend proposed by the board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

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

1.3 The details of Shareholders holding more than 5% shares.

Name of the Share Holder	March 31st, 2017		March 31st, 2016	
	No. of Shares	% held	No. of Shares	% held
MR. DHEERAJ GARG	46,40,228	29.87	46,40,228	30.41
SAB INDUSTRIES LIMITED	13,24,187	8.52	13,24,187	8.68
SAB UDYOG LIMITED	11,42,582	7.36	11,42,582	7.49
TATA STEEL LIMITED	10,86,972	7.00	11,55,856	7.57
SUMITOMO METAL INDUSTRIES LIMITED	8,50,000	5.47	8,50,000	5.57

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

1.4 Share Reserved for Issue under Options outstanding as at the end of the year on unissued share capital

As on 31st March 2017, 35175 (Previous Year 100,000), Employee Stock Options were outstanding under the "Steel Strips wheels Limited Employee Stock Option Scheme 2014" of the Company. Each option would entitle the holder thereof to subscribe one equity share of Rs. 10/- each at an exercise price of Rs. 100/- per share of the company.

During the year 2016-17, Shareholders of the Company, in their Annual General Meeting held on 30.09.2016, authorized the Company to create, offer, issue and grant, in one or more tranches, upto 1,00,000 options to the employees of the Company under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2016" ("ESOS 2016"). Each option would entitle the holder thereof to subscribe one equity shares of Rs. 10/- each at an exercise price of Rs. 200/- per share of the Company. The said options are yet to be granted till 31st March 2017.

Steel Strips Wheels Limited, Employee Stock Option Scheme 2014

The Company has established an Employee Stock Option Scheme (ESOS) as "Steel Strips Wheels Limited Employee Stock Option Scheme 2014(ESOS 2014)" in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which was approved by the board of Directors and subsequently by shareholders of the Company in their Extra ordinary General meeting dated 27.02.2015. The Company had granted 1,50,000 options to employees. The exercise price was Rs. 100 per share. Date of grant was 02.03.2015 and vesting period was one year from the date of grant. Exercise period for the option was within 4 years from the date of grant of the options. However during the financial year 2015-16, 50,000 options were forfeited under this "ESOS 2014" and 64825 options have been exercised by the option holders and consequently equivalent number of shares have been issued in 2016-17. As on 31st March 2017, 35,175 Employee Stock Option were outstanding under "ESOS 2014".

Steel Strips Wheels Limited- Employee Stock Option Scheme, 2016 (ESOS 2016)

During the year 2016-17, shareholders of the company, in their Annual General Meeting held on 30.09.2016, authorized the company to create, offer, issue and grant, in one or more tranches, up to 1,00,000 options to the employees of the company under "Steel Strips Wheels Limited- Employee Stock Option Scheme, 2016" ("ESOS 2016"). Each option would entitle the holder thereof to subscribe one equity share of Rs. 10/- each at an exercise price of Rs. 200/- per share of the company. All the options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 4 (four) years from the respective date of grant of options as may be determined by Employee Compensation Committee (ECC). Exercise period would commence from the date of vesting and will expire on completion of 5 years from the respective date of grant of options or such other shorter period as may be decided by the ECC from time to time. The said options are not yet granted till 31st March, 2017.

2) The Number and Weighted average exercise price of Stock Options are as follows:

Particulars	ESOS 2014			
	Year Ended 31st March 2017		Year Ended 31st March 2016	
	Options	Weighted average Exercise Price	Options	Weighted average Exercise Price
	Number	Amount	Number	Amount
Outstanding at the Beginning of the year	100000	100	150000	100
Granted Options	0	0	0	0
Forfeited during the year	Nil	Nil	50000	100
Exercised during the year	64825	100	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of year	35175	100	100000	100
Exercisable at the end of the year	35175	100	100000	100
Weighted average share price in respect of options exercised during the year	-	578.57	Not Applicable	Not applicable
Weighted average remaining contractual life (in years)	4 years(w.e.f. from 02.03.2015)	4 years(w.e.f. from 02.03.2015)	4 years(w.e.f. from 02.03.2015)	4 years(wef from 02.03.2015)

Under ESOS 2016, the Compny has not yet granted any option to the eligible employees of the company as on 31st March, 2017

3. Impact of Fair Valuation Method on Net Profit under EPS

In March 2005, the Institute of Chartered Accountants of India has issued a guidance note on "Accounting for Employees Share based payments" applicable to Employee based share plan, the grant date in respect of which falls on or after April 1, 2005. The said guidance notes requires the Pro-forma Disclosers of the impact of fair value method of accounting of Employee Stock Compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note the impact on the reported net profit and earning per share would be as follows: (₹ in Lacs)

Particulars		for the Year Ended March 31st, 2017	for the Year Ended March 31st, 2016
Profit as Reported	A	7,103.56	6,118.11
Add: Employee Stock Compensation under Intrinsic Value Method	B	-	204.05
Less: Employee Stock Compensation under Fair Value Method	C	-	(231.33)
Pro-forma Profit	(A+B-C)	7,103.56	6,090.84
Earning per share:			
Basic		In ₹	In ₹
- As Reported		45.90	40.09
- As Proforma		45.90	39.92
Diluted			
- As Reported		45.81	39.91
- As Proforma		45.81	39.73

Notes on Financial Statements for the year ended 31st March, 2017

4 Weighted Average fair value of options granted during the year is NIL. (Previous year NIL) per option.

5 The fair Value of the Options, is estimated on the date of grant using the black- scholes model with the following significant assumptions

Particulars	ESOS 2014 (2016 - 17)	ESOS 2014 (2015-16)
Weighted Average Risk free interest rates (in %)	No option was granted during the year.	No option was granted during the year.
Weighted Average Expected life		
Weighted Average Volatility (in %)		
Weighted Average Dividend Yield (%)		
Weighted Average Exercise price		
Weighted Average Share Price		
The Price of the underlying share in market at the time of Option grant		
Weighted Average Fair Value of the Options		

The volatility of the options is based on the historical volatility of the share price applicable to the total expected life of each option.

1.5 No Shares out of the issued , subscribed and paid up Share Capital were allotted as Bonus Shares in the last five years by capitalization of Securities Premium Reserves

1.6 No Shares out of the issued , subscribed and paid up Share Capital were allotted in the last five years pursuant to the various scheme of amalgamation without payment being received in cash.

NOTE 2. Reserves & Surplus

₹ in lacs

PARTICULARS	AS AT March 31st, 2017	AS AT March 31st, 2016
Share Forfeiture Reserve	59.10	59.10
Assistance under PATSER Scheme	50.00	50.00
Capital Subsidy	27.95	27.95
Securities Premium Reserve	13,022.80	11,493.28
Capital Revaluation Reserve	5,280.65	5,280.64
Share Options Outstanding Account		
Employee Stock Options Outstanding		
As per Last Balance sheet	233.20	349.80
Addition during the Year	-	-
Deduction during the Year	151.17	116.60
Closing Balance	82.03	233.20
Deferred Employee Compensation Expenses		
As per Last Balance sheet	-	-
Addition during the Year	-	(320.65)
Deduction during the Year	-	320.65
Closing Balance	-	-
General Reserve		
As per Last Balance Sheet	18,535.81	14,595.38
Add: Transfer from Profit & Loss	6,118.11	3,940.43
Closing Balance	24,653.92	18,535.81
Profit and Loss account (Carried over from P&L)		
As per Last Balance Sheet	8,700.51	6,807.46
Add: Profit for the year	7,103.56	6,118.11
Less : Appropriations		
Dividend (for FY 2015-16)	233.00	228.89
Divided Distribution Tax on Interim dividend	47.43	55.75
Transfer to other Reserves	6,118.12	3,940.43
Closing Balance	9,405.52	8,700.51
TOTAL	52,581.97	44,380.50

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 3. LONG TERM BORROWINGS

(₹ in lacs)

PARTICULARS	As at March 31st, 2017			As at March 31st, 2016		
	Current	Non Current		Current	Non Current	
SECURED						
Loans from Banks						
- Rupee Term Loans	2,504.55	20,158.41	20,158.41	1,020.00	8,290.65	8,290.65
- Foreign Currency Term Loan	4,462.66	17,515.28	17,515.28	3,828.90	8,080.92	8,080.92
- From NBFC	446.94	337.65	337.65	685.53	787.43	787.43
VEHICLE LOAN FROM BANKS	7.60	36.73	36.73	-	-	-
UN-SECURED						
- Buyer Credit for Capital Goods - Long Term	-	1,155.96	1,155.96	-	485.93	485.92
- Payables for Capital Goods - Long Term	-	9,773.80	9,773.80	-	9,901.24	9,901.24
TOTAL	7,421.75	48,977.83	48,977.83	5,534.43	27,546.16	27,546.16

Securities and Terms of Repayments for Secured Long Term Borrowings

1) Nature of Securities

a) Rupee Term Loans/ Foreign Currency Term Loan/ NBFC

Term Loans from banks, financial institutions and others are secured / to be secured by equitable mortgage created/ to be created by deposit of title deeds of the Company's immovable properties for Dappar(In Punjab),Oragadam(In Chennai) & Seraikella(In Jharkhand) in addition to the deed of hypothecation charging Company's moveable properties, both present and future and second charge created / to be created on raw materials, semi-finished goods, consumable stores, finished goods and book debts etc on paripassu basis. However in regard to loan taken from HDFC Bank for Mehsana (Gujarat) project, the said loan will be secured (first charge) through equitable mortgage by deposit of title deeds of the Company's immovable properties situated at Mehsana (in Gujarat) and Second pari passu charge on all other immovable properties , movable properties and current assets situated at Dappar(In Punjab),Oragadam(In Chennai) unit, & Seraikella (In Jharkhand).

All secured loans are further secured by personal guarantee of Chairman & Director and/ or Managing Director of the Company.

b) Vehicle loans are secured against the Hypothecation of vehicle to lender

2) Terms of Repayments

Maturity Profile of Secured Term Loans are as below :

₹ in lacs

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Term Loans - Current Year	7,414.15	8,788.34	7,607.53	7,402.20	6,412.19
Term Loans - Previous Year	5,534.43	6,339.24	6,321.93	3,438.30	3,008.30

NOTE 4. Deferred Tax Liability (Net)

₹ in lacs

PARTICULARS	AS AT March 31st, 2017	AS AT March 31st, 2016
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	5,094.38	3,982.73
Gross Deferred Tax Liabilities	5,094.38	3,982.73
Deferred Tax Assets		
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	697.34	-
Gross Deferred Tax Assets	697.34	-
Net Deferred Tax Liability	4,397.04	3,982.73

In compliance with AS 22 on Accounting for the Taxes on Income, a sum of ₹1111.66 lacs (previous Year ₹ 1424.83 lacs) has been considered as Net deferred tax liabilities in respect of timing difference for the year under consideration.

Deferred tax Assets will likely to be recovered from future taxable income.

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 5. Long Term Provisions

PARTICULARS	₹ in lacs	
	AS AT March 31st, 2017	AS AT March 31st, 2016
a) For employee benefits		
Provision for Gratuity	766.20	627.43
Provision for Leave Encashment	291.89	221.64
b) Others	-	-
Total	1,058.09	849.07

During the year Company has made a provision for accrued liability on account of Gratuity and leave encashment on the basis of actuarial valuation based on projected unit method as required by AS 15 (Revised 2005).

NOTE 6. Short Term Borrowings

PARTICULARS	₹ In lacs	
	AS AT March 31st, 2017	AS AT March 31st, 2016
SECURED		
- Loan repayable on demand		
- Rupee demand Loans from Banks	28,045.80	21,883.68
- Loan against Fixed Deposits	5,486.81	7,000.82
- Foreign Currency Loan		
- Buyers Credit loan for Raw Material from Banks	2,221.07	837.65
UN-SECURED		
- From Banks		
- Loan against Bills Receivables	3,722.90	1,953.98
- From Others		
- NBFC	-	500.00
TOTAL	39,476.58	32,176.13

Nature of Securities

Loan payable on Demand

1st pari passu charge by way of hypothecation of entire current asset constituted of raw materials, stock in process, finished goods, consumable stores, book debts, bills whether documentary or clean outstanding monies, receivables both present and future of the Company.

2nd pari-passu charge on entire moveable assets forming part of fixed/block assets of the Company both present and future situated at Village Dappar, Tehsil Derabassi, Distt. Mohali (Punjab), Orgadam, Chennai (Tamil Nadu) and Jamshedpur (Jharkhand)

Foreign Currency Loan

Buyer credit loans are secured by way of lien on non-funds based working capital limits and counter indemnity of the Company. All secured loans are further secured by personal guarantee of Chairman and Managing Director of the Company.

NOTE 7. LONG TERM BORROWINGS

PARTICULARS	AS AT	
	March 31st, 2017	March 31st, 2016
Trade payables		
- Micro and Small Enterprises	292.11	72.54
- Others	14,623.01	12,671.32
TOTAL	14,915.12	12,743.86

Debit and Credit Balances in the accounts of suppliers and others are subject to confirmation and reconciliations

Detail of amounts outstanding to Micro & Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act 2006, based on available information with the Company is as under :

Principal amount due and remaining unpaid	292.11	72.54
Interest due on above and the unpaid interest	-	-
Interest Paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 8 Other Current Liabilities

PARTICULARS	₹ in lacs	
	AS AT March 31st, 2017	AS AT March 31st, 2016
-Current Maturities of Long Term Debts (Refer Note No. 3)	7,421.75	5,534.43
-Current Maturities of Capital Creditors	1,020.50	2,101.09
Interest Accrued But Not Due	-	47.80
Advances from Customers	66.92	49.05
Due to Directors	341.00	294.86
Other Payables		
a) Unclaimed Dividend	40.20	33.71
b) Taxes and duties payable	325.52	579.38
c) Excise duty on Finished Goods	90.19	95.02
d) Other Payables (incl. Salary, Bonus, PF , ESI payables)	699.95	533.49
Total	10,006.03	9,268.83

NOTE 9. Short Term Provisions

a) Provision for Employee benefits		
i) Provision for Gratuity	79.06	64.80
ii) Provision for Leave Encashment	35.39	26.91
b) Others provisions		
i) Provision for Wealth Tax	-	-
ii) Provision for Taxation (net of payments)	174.27	316.50
(Net of Advance tax & TDS of Rs. 1864.23 Lacs /- (Previous Year Rs.731.60 lcs)		
Total	288.72	408.21

The Board of Directors have recommended, subject to approval of shareholders, dividend of ₹3.00 per fully paid up equity shares of ₹ 10/- each, aggregating to ₹560.87 lacs including dividend distribution tax.

NOTE 10 Tangible & Intangible Fixed Assets

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01.04.2016	Additions	Deletions/ Adjustment	As at 31.03.2017	As at 01.04.2016	Retained Earning	For the Year	Deletions/ Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Tangible Assets :											
1) Land	11,228.42	3.03	-	11,231.45	115.74	-	12.06	-	127.80	11,103.65	11,112.68
2) Building	13,323.93	2,307.89	-	15,631.82	3,098.17	-	386.35	-	3,484.52	12,147.30	10,225.75
3) Plant & Equipments											
a) Plant & Equipments- General	66,300.38	4,326.13	-	70,626.51	25,015.39	-	2,980.40	-	27,995.79	42,630.73	41,284.98
b) Plant & equipments - R&D	403.95	-	-	403.95	312.61	-	8.47	-	321.08	82.86	91.33
c) Die Toolings - New Products R&D	1,521.29	663.17	53.49	2,130.97	595.32	-	145.57	17.44	723.45	1,407.51	925.87
d) Die Toolings -general	8,995.61	76.98	-	9,072.59	5,638.00	-	475.08	-	6,113.08	2,959.50	3,357.61
4) Furniture & Fixture	3,344.58	1,083.04	-	4,427.62	1,234.46	-	518.07	-	1,752.53	2,675.09	2,110.12
5) Motor Vehicle	1,347.75	344.49	10.39	1,681.85	570.51	-	138.03	9.86	698.68	983.18	777.25
6) Office Equipments											
a) Data Processing Equipments	626.49	41.35	-	667.84	462.64	-	46.87	-	509.51	158.33	163.84
b) Data Processing Equipments - R&D	11.35	11.62	-	22.97	8.95	-	1.30	-	10.25	12.72	2.40
Total Tangible Assets (A)	1,07,103.75	8,857.70	63.88	1,15,897.57	37,051.79	-	4,712.20	27.30	41,736.69	74,160.87	70,051.93
Intangible Assets :											
1) Packages & Software	447.17	0.67	-	447.84	48.61	-	77.97	-	126.58	321.26	398.56
2) Drawing & Copyrights	-	-	-	-	-	-	-	-	-	-	-
Total Intangible Assets (B)	447.17	0.67	-	447.84	48.61	-	77.97	-	126.58	321.26	398.56
TOTAL TANGIBLE AND INTANGIBLE ASSETS (A+B)	1,07,550.92	8,858.36	63.88	1,16,345.41	37,100.40	-	4,790.17	27.30	41,863.27	74,482.13	70,450.49
Previous Year	87,070.52	20,771.29	290.89	1,07,550.92	32,898.54	-	4,206.11	4.24	37,100.41	70,450.52	54,171.98
Capital work in Progress	-	-	-	-	-	-	-	-	-	35,235.84	5,168.44
Intangible Assets under development	-	-	-	-	-	-	-	-	-	-	-

Notes on Financial Statements for the year ended 31st March, 2017

Note 10(1)

- Land for Oragadam plant in Chennai is obtained on 99 years of lease basis from State Industrial Promotion corporation of Tamilnadu Limited(SIPCOT), a Government of Tamilnadu enterprises. The total cost of Lease hold land is amortised over a period of 99 years. Accordingly a sum of Rs. 12.06 Lacs (Previous year Rs. 12.09 Lacs) is amortised during the period.

Note 10 (2)

Preoperative Expenses/ Interest pending capitalization consist of expenses incurred /being incurred during implementation of project under installation of new fixed Assets. These will be capitalized with other fixed assets when project /fixed assets shall commence commercial production. Interest on term Loan of Rs. 1119.95 Lacs (Previous year 33.69 Lacs) has been capitalised during the year.

Note 10 (3)

No Assets of the Company is given on lease hold basis to outsiders.

Note 10 (4)

Addition in assets during the year also includes the reinstatement of Foreign currency term Loans.

Note 10 (5)

Addition in Intangible Assets mainly represents installation of SAP software in the Company & Others softwares.

Note 10 (6)

- Pursuant to applicability of Schedule II, of Companies Act 2013, with effect from 1st April 2014, Management has reassessed the useful life of tangible assets based on the internal and external technical evaluation. The Depreciation on fixed assets is provided on straight line method in accordance with applicable Schedule of the Companies Act, 2013.
- Residual values of assets have been considered at 5% of the original cost of the assets.
- Depreciation on assets carried at carrying amount as on 01.04.2014 and is depreciated as per Straight line method over the remaining useful life of the assets. Further the assets whose remaining useful life are nil, has been recognized in the opening balance of retained earnings. Refer the same as transitional provision of the Companies Act.
- The depreciation calculation is based on the balance useful lives of assets and shift working. Depreciation on assets used on double shift basis have been increase by 50% for that period and Depreciation on assets used in triple shift basis have been calculated on the basis of 100% for that period, Except for assets in respect of which no extra shift depreciation is permitted (indicated by NESD in Part C of the schedule).
- Management has reassessed the useful life of plant and machineries based on the internal and external technical evaluation which is different from useful life prescribed under the act. The reassessed useful life is tabulated as:

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

Note 10(7)

Unit Wise Depreciation /Amortisation during the Year as follows:

₹ in lacs

Particulars	Current Year					Previous Year			
	Dappar	Jamshedpur	Chennai	Seraikella	Total	Dappar	Jamshedpur	Chennai	Total
Depreciation	2,077.73	1,553.86	1,145.78	0.75	4,778.11	1,871.11	1,161.24	1,161.67	4,194.01
Amortization	-	-	12.06	-	12.06	-	-	12.09	12.09
Total	2,077.73	1,553.86	1,157.84	0.75	4,790.17	1,871.11	1,161.24	1,173.76	4,206.10

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 11. Non Current Investments

PARTICULARS	₹ in lacs	
	AS AT March 31st, 2017	AS AT March 31st, 2016
TRADE INVESTMENT		
OTHERS		
Investment in Equity Shares		
(Unquoted and valued at cost)		
112,500 (Previous year 1,12,500) Equity Shares of Rs. 10/- each of Nimbua Greenfield (Punjab) Limited.	15.33	11.25
40,767 (Previous year NIL) equity shares of Rs.10/- each of Echanda Urja Pvt. Limited		
Investment in Bonds & Mutual Funds		
(Quoted and valued at Net Realizable Value)		
Canara Robeco Capital protection oriented fund -Series 3	6.08	5.57
50000 units (SIP) (PY 50,000) units		
TOTAL	21.41	16.82

NOTE 12. Long Term Loans and Advances

PARTICULARS	₹ in lacs	
	AS AT March 31st, 2017	AS AT March 31st, 2016
(Unsecured - considered good except to the extent provided for)		
1) Capital Advances	1,650.84	2,077.32
2) Security Deposits	836.33	511.97
Total	2,487.17	2,589.30
3) Other Loan & advances		
i) Advances Recoverable in Cash or in Kind or for the value to be received (Incl. Doubtful Rs. 35 Lakh, Previous Year Rs.35 Lakh)	485.41	389.70
ii) Income tax Refundable of earlier years	92.06	175.50
GROSS Total	577.47	565.20
Less :- Provisions for Doubtful Advances(Other loan & advances)	35.00	35.00
Total	542.47	530.20
GRAND TOTAL	3,029.64	3,119.49

The Income Tax Assessment of the Company has been completed upto the Assessment year 2014-15 .There is no demand on Company. Therefore no provision has been made by the Company.

The Company has entered into an agreement for purchase of land admeasuring 304 kanals approx at village Bir Farozari, Distt. Panchkula, at cost of Rs.133.00 Lacs for setting up an auto component unit. The Land has not yet been registered in the name of Company . Pending the same , the advance of Rs. 35.00 Lacs paid by the Company has been shown as advances recoverable and being under legal suit, a provision for the same has been made.

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 13. Inventories

PARTICULARS	AS AT March 31st, 2017	₹ In lacs AS AT March 31st, 2016
(As taken, valued and certified by management)		
a) Raw material		
- Raw Material & Components in hand	6,611.92	6,457.22
- Raw Material & Components (in transit)	975.46	1,657.70
b) Work in Progress	1,335.45	1,012.42
c) Finished Goods	716.71	879.58
d) Stores & Spares	7,984.14	4,763.80
e) Scrap	79.89	52.79
Total	17,703.57	14,823.51

For valuation of inventories, please refer to Note 28 annexed with financial statement.

NOTE 14. Trade Receivables

(Unsecured, Considered Good unless Otherwise Stated)		
Debts Outstanding for a period exceeding six months	244.71	169.13
(Considered doubtful Rs. 56.64 lacs, Previous Year Rs. 15.84 lacs)		
Other Debts	20,267.11	16,765.48
Total	20,511.82	16,934.61
Less :- Provisions for Doubtful Debtors	56.64	15.85
Total	20,455.18	16,918.76

NOTE 15. Cash and cash equivalents

a) Balances with Scheduled Banks on :		
- Current accounts	1,289.06	765.59
- Dividend accounts	34.94	33.71
- Fixed Deposit/Margin Money Account	7,027.96	8,520.96
(Held under lien with bank) (Maturing within 12 months)		
b) Cheques in Hand	3,711.12	2,847.89
c) Cash in Hand	7.33	10.40
d) Current Account-Funds for CSR activities	2.54	1.52
Total	12,072.94	12,180.07

* As per Section 467(1), Disclosure of Specified Bank Notes have been mentioned in Note 27(6)

NOTE 16. Short Term Loans and Advances

(Unsecured - considered good except to the extent provided for)		
Others		
Advances Recoverable in Cash or in Kind (Short Term)	970.23	1,164.86
MAT Credit Entitlement	3,776.05	3,730.66
Balance with Excise Authorities	2,207.24	1,238.73
VAT Recoverable	2,896.41	3,778.99
Total	9,849.93	9,913.24
Less :- Provisions for Doubtful Advances	-	-
Total	9,849.93	9,913.24

As per the provision of Section 115JAA, MAT Credit receivable has been recognized as an asset to the extent there is convincing evidence that the Company will pay normal Income tax during the specified period. MAT credit is recognised as an assets in accordance with the recommendation contained in guidance note issued by Institute of Chartered Accountants of India. The said assets is created by the way of credit to the Profit and Loss account and shown as MAT credit Entitlement. The Company will review the same at each balance sheet date and write down the carrying amount of MAT credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

NOTE 17. Other Current Assets

Interest Accrued But Not Received	365.47	251.73
Prepaid Expenses	38.62	38.82
Total	404.09	290.55

In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount considered reasonably necessary.

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 18 : REVENUE FROM OPERATIONS

₹ in lacs		
PARTICULARS	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
SALES OF PRODUCTS		
DOMESTIC SALES :		
a) Manufactured Products	124,088.10	108,362.85
b) Scrap	10,997.78	8,537.96
TOTAL GROSS SALES	135,085.88	116,900.81
Less : Excise Duty	15,027.78	13,791.03
NET DOMESTIC SALES	120,058.10	103,109.78
c) Other Sales	-	34.08
EXPORT SALES:		
d) Manufactured Products	13,108.35	15,044.94
Total	133,166.45	118,188.81

The Company is in business of manufacture and sale of wheel rims and there is no other segment as per Accounting Standard (AS-17) dealing with the segment reporting

NOTE 19. Other Income

₹ in lacs		
PARTICULARS	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
- Interest Income	1,259.86	1,068.12
TDS Deducted Rs. 114.23 Lacs (PY Rs 110.55 Lacs)		
- Profit on Sale of Shares / Mutual Funds	0.51	-
- Profit on Sale of Assets	63.27	74.87
- Miscellaneous Income :		
a) Insurance claim received	40.31	30.95
b) Other incomes	471.88	709.71
	512.19	740.67
- Other Misc. incomes		
Balances Written Back/ Off (Net)	-	-
Provision for Doubtful Debts Written Back	-	-
Foreign Exchange Fluctuation-Gains	103.77	-
Total	1,939.60	1,883.66

NOTE 20

	FOR THE YEAR ENDED March 31st, 2017		FOR THE YEAR ENDED March 31st, 2016	
	%age of Consumption	Amount in Rs.	%age of Consumption	Amount in Rs.
Cost of Material Consumed				
Imported	3.85	3,074.12	3.51	2,449.82
Indigenous	96.15	76,868.82	96.49	67,275.06
Total	100.00	79,942.94	100.00	69,724.88

NOTE 21. Change in Inventories

₹ in lacs		
PARTICULARS	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
Of Finished Goods, Scrap, Stock-In-Process and Stock-In-Trade		
Opening Stocks :		
F.G.	879.58	1,048.47
Scrap	52.79	38.58
Stock-in-process	1,012.42	1,267.42
Closing Stocks :		
F.G.	716.71	879.58
Scrap	79.88	52.79
Stock-in-process	1,335.46	1,012.42
Net Change in Stock	(187.26)	409.68
Summary		
1) Change in Finished Goods & Scrap	135.78	154.68
2) Change in Work in Progress	(323.03)	255.00

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 22. Employees Benefit Expenses

PARTICULARS	₹ in lacs	
	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
Salaries, Wages, Bonus & Incentives etc.(Net)	10,469.70	9,041.17
Contribution to Provident and Other Funds	448.18	388.59
Workmen and Staff Welfare Expenses	738.69	567.06
Gratuity	174.28	148.95
Employee stock option scheme Share Expenses	-	204.05
Total	11,830.85	10,349.82

150000 No. of options exercisable into equivalent nos of equity shares of the face value of Rs 10 /- per share was granted under ESOS Scheme in FY 2014-15. The date of grant was 02.03.2015. Out of these options, 50000 options have been forfeited during FY 2015-16. Accordingly proportionate shares expenses have been booked for the period as Expenses.

The Company has a defined benefit gratuity and Earned Leave plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service and accumulation of EL for Staff is upto 60days and for Workers is 90 Days.

The Employee's gratuity fund scheme managed by a Trust (Life insurance corporation of India) is defined benefit plan. The Present Value of obligation is determined based on actuarial valuation using the projected unit credit method which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

Net employee benefit expenses (recognised in Employee Cost).

The following tables summarize the components of net benefit expense recognised in the Profit and Loss Account and the amounts recognised in the balance sheet.

a) Expenses recognised in Profit and Loss Account

(Amount in ₹ Lacs)

Particulars	Earned Leave 2016-2017	Gratuity 2016-2017	Earned Leave 2015-2016	Gratuity 2015-2016
Current service cost	134.90	119.43	102.86	92.28
Interest cost on benefit obligation	19.88	55.44	15.26	43.70
Expected Returns on plan assets	(2.60)	(25.77)	(2.26)	(19.18)
Net actuarial (gain)/ loss recognised in the period	(26.72)	31.27	(39.24)	10.95
Net benefit expenses recognised in the Profit and Loss a/c	125.46	180.37	76.62	127.75

b) Details of Amount to be recognised in the Balance sheet

(Amount in ₹ in Lacs)

Particulars	Earned Leave 2016-2017	Gratuity 2016-2017	Earned Leave 2015-2016	Gratuity 2015-2016
Present Value of obligations as on 31st March 2017	327.28	843.33	248.55	692.87
Fair Value of plan assets as on 31st March 2017	52.33	398.08	32.61	322.09
Funded status	(274.95)	(450.25)	(215.94)	(370.78)
Unrecognised actuarial (gains)/losses	-	-	-	-
Defined benefit obligation	(274.95)	(450.25)	(215.94)	(370.78)
Less: Unrecognised past service cost	-	-	-	-
Net asset/ (liability) recognised in the balance sheet	(274.95)	(450.25)	(215.94)	(370.78)

Note: The above plans are Funded.

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

c) Changes in present value of the defined benefit obligation are as follows:

₹ in lacs

Particulars	Earned Leave 2016-2017	Gratuity 2016-2017	Earned Leave 2015-2016	Gratuity 2015-2016
Opening defined benefit obligation	248.55	692.86	190.76	546.22
Interest cost	19.88	55.43	15.26	43.70
Past service cost	-	-	-	-
Current service cost	134.90	119.43	102.86	92.28
Benefit paid	(47.88)	(42.54)	(23.13)	(30.50)
Actuarial (gains)/ losses on obligation	(28.17)	23.15	(37.20)	41.16
Closing defined benefit obligation	327.28	848.33	248.55	692.86

d) Changes in the Fair Value of plan Assets

₹ in Lacs

Particulars	Earned Leave 2016-2017	Gratuity 2016-2017	Earned Leave 2015-2016	Gratuity 2015-2016
Fair Value of plan assets as at 1st April 2016	32.61	322.09	28.18	205.66
Acquisition adjustments	-	-	-	-
Expected returns on plan assets	2.61	25.76	2.26	19.18
Contributions	66.45	100.90	23.25	97.54
Benefit paid	(47.88)	(42.54)	(23.13)	(30.50)
Actuarial (gains)/ losses on plan assets	(1.46)	(8.13)	2.05	30.21
Fair Value of plan assets as at 31st March 2017	52.33	398.08	32.61	322.09

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2016-2017	2016-2017	2015-2016	2015-2016
	(%)	(%)	(%)	(%)
Discount rate	8	8	8	8
Expected Increase in Compensation cost	6	6	6	6
Attrition	10	10	10	10
Mortality basis	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult

Note:

The retirement age has been uniformly taken as 60 years(PY 60years).

The discount rates have been determined by reference to market yields as on 31st march 2016 on CG-Secs of currency and term consistent with those of liability obligations.

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 in the employment market. Level of price neutralization likely to be affected through periodic wages increase over the next 5 to 10 years.

NOTE 23 FINANCE COST

₹ in lacs

PARTICULARS	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
a) Interest Expenses		
i) Paid to Banks		
- on Term Loan	814.31	684.69
- on Working Capital Loan	2,364.84	2,113.67
- on Foreign Currency Loan	386.87	452.26
- On car loan	0.26	-
ii) Interest Others	103.42	199.66
b) Other borrowing Charges	501.14	226.06
c) Loss/(Gain) on Foreign Exchange Fluctuation	-	627.19
Total	4,170.84	4,303.51

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 24. Other Expenses

PARTICULARS	FOR THE YEAR ENDED		FOR THE YEAR ENDED	
	%age of Consumption	March 31st, 2017	%age of Consumption	March 31st, 2016
₹ in lacs				
Manufacturing Expenses				
Store Spares Consumed :				
Imported	8.75	837.76	7.43	641.57
Indigenous	91.25	8,734.26	92.57	7,996.12
-				
Other Misc. Manufacturing Exp		377.70		272.48
Power, Electricity & Water Charges (Net)		4,290.04		4,024.05
-Repair and Maintenance -Plant & Machinery		453.44		836.74
		14,693.20		13,770.96
Administrative & Selling Expenses				
Rent (Including Lease Rent)		347.12		221.92
Rates and Taxes		140.98		69.36
Insurance		199.65		167.78
Auditors' Remuneration		11.00		11.00
Advertisement, Publicity and Sales Promotion		1.61		3.49
Repairs & Renewals		170.46		129.80
Travel & Conveyance		580.14		568.89
Travel & Conveyance - Directors		27.81		17.27
Legal & Professional Charges		241.44		151.52
Bad debts written off		0.02		-
Electricity and Water Charges		15.40		9.34
Balances Written Back/ Off (Net)		2.36		5.41
Director's Sitting Fees		7.20		2.85
Loss due to change in Market Price of shares		-		0.31
Managerial Remuneration incl. commission of Whole time directors		636.25		543.68
Telephone & Communication Expenses		69.70		65.95
Vehicle Running, Repair & Maintenance		89.95		79.99
Miscellaneous Expenses *		824.97		538.05
		3366.06		2,586.61
* Miscellaneous Expenses also include expenses under the Corporate Social responsibilities under Section 135 of Companies Act 2013		113.16		81.56
Miscellaneous expenses also include political donations pursuant to section 182 of Companies Act, 2013.				
a) Shromani Akali Dal (SAD)		20.00		Nil
b) Indian National Congress (INC)		20.00		Nil
Selling and Distribution Expenses				
Business Promotion		32.16		20.31
Forwarding Expenses		6,310.07		5,801.36
Other Selling and Distribution Expenses		0.64		1.43
Rebates and Discounts		267.03		532.03
Royalty on Sales		119.87		129.67
		6,729.77		6,484.80
Research and Development Expenses				
Salaries , Wages and other allowances		321.31		293.12
Power & Fuel		22.35		25.09
Travelling and Conveyance		28.09		14.64
TOTAL		371.75		332.84
GRAND Total		25,160.78		23,175.22

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

NOTE 25. Earnings per share (EPS)

₹ in lacs

PARTICULARS	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
Basic		
Net Profit as per profit and loss account	7,103.56	6,118.11
Weighted average number of equity shares outstanding during the year	15,475,272	1,52,59,170
Earning per Share- Basic	45.90	40.09
Diluted		
Net Profit as per profit and loss account	7,103.56	6,118.12
Weighted average number of equity shares outstanding during the year	1,55,05,141	1,53,30,946
Earning per Share- Diluted	45.81	39.91
Nominal Value of Equity Share	10	10

NOTE 26. CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in lacs

PARTICULARS	AS AT March 31st, 2017	AS AT March 31st, 2016
A) CONTINGENT LIABILITIES		
Letter of Credit /Bank of Guarantee Outstanding for Import / Purchase of Raw materials , Spares and Plant and Machinery	1,738.79	3,335.07
B) COMMITMENTS		
Estimated amount of Contracts remaining to be executed on account of capital account and not provided for (net of advances)	16,482.62	30,366.73

NOTE 27. Other Notes to Financial Statement

1) Related Party Disclosure	
a) Key Managerial Personnel	Sh. Dheeraj Garg,(Managing Director) Sh. A.V Unnikrishnan-(Deputy Managing Director) Sh. M.L. Jain-(Executive Director) Sh. Naveen Sorot (CFO) Sh. Shaman Jindal (Company Secretary)
b) Relatives of the KMP	Sh. R.K Garg, Chairman Smt. Sunena Garg Ms. Priya Garg Mr. Rahul Jain
c) Enterprises over which key management personnel (KMP) are able to exercise significant control	SAB Industries Limited, SAB Udyog Limited, Malwa Chemtex Udyog Ltd., Steel Strips Financial Pvt. Ltd., Munak International Pvt. Ltd., S.S. Credits Pvt. Ltd., S.J. Mercantile Pvt. Ltd.,(Earlier known as S.A. Holding Pvt. Ltd.), Malwa Holdings Pvt. Ltd., Munak Investment Pvt. Ltd., Steel Strips Holding Pvt. Ltd., Chandigarh Developers Pvt. Limited, DHG Marketing Pvt. Ltd., Steel Strips Infrastructre Limited, Munak financiers Pvt. Ltd., Steel Strips Ltd. & Steel Strips Industries Limited (Earlier Known as Steel Strips Leasing Limited).

Notes on Financial Statements for the year ended 31st March, 2017

₹ in lacs

Related Party Disclosures	Key management Personnel (KMP)	Relatives of KMP	Enterprises over which KMP are able to exercise significant influences	Total for the Current Year 2016-17	Previous Year 2015-16
INCOME					
Sale of Material/Goods/ Others (Net of Discount)	-	-	-	-	-
Sale of Fixed Asset	-	-	-	-	-
Rendering of Services	-	-	-	-	-
Dividend Income	-	-	-	-	-
EXPENDITURE					
Purchase of Goods	-	-	-	-	-
Purchase of Fixed Asset	-	-	-	-	-
Receiving of Services	-	-	-	-	-
Lease Line Charges	-	-	5.30	5.30	5.64
Donation Paid	-	-	-	-	-
Rent Paid	-	-	28.92	28.92	4.58
Sitting Fee *	-	1.00	-	1.00	0.45
Hire Charges	-	-	-	-	-
Remuneration incl. commission	690.60	-	-	690.60	586.99
Dividend Paid	70.08	10.21	57.19	137.48	315.01
OTHERS					
Equity Contribution	-	-	-	-	-
Loans Granted	-	-	-	-	-
Loans Received	-	-	-	-	-
Outstanding Payables	-	-	-	-	-
Outstanding Receivables	-	-	-	-	-
Outstanding Guarantees	-	-	-	-	-
Total	760.68	11.21	91.41	863.30	912.67

Note 27 (2)

₹ in lacs

B) Expenditure in Foreign Currency :	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
Raw Material	1,657.30	2,554.88
Machinery stores	866.35	1,724.70
Capital goods	16,879.44	5,171.94
Technical Know-how fee	43.42	141.01
Foreign Travel-Directors	5.05	2.50
-Staff & Others	57.82	63.04
Other Expenditure	5,048.15	5,694.42
F.O.B. Value of Exports	12,652.79	14,503.66
Earnings in Foreign Exchange	15,060.16	14,092.80
Note 27(3)		
C) Payment to Auditors		
Statutory Audit Fee	7.00	7.00
Tax Audit Fee	2.00	2.00
Certificate Charges	2.00	2.00
Out of Pocket Exp.	-	-
Total	11.00	11.00
* Service Tax has not been included in above being Cenvatable.		
Note 27(4)		
D) Prior Period adjustment comprises of the following Expenses		
Focus marketing credit	2.13	3.67
Professional charges	-	-
Stores and other Expenses	1.39	0.03
Raw material Expenses	-	0.18
Total	3.52	3.88
Income		
Focus marketing credit	1.38	5.63
Income Tax Refund	109.21	-
Balances W/O	6.18	-
Total	116.77	5.63

STEEL STRIPS WHEELS LIMITED

Notes on Financial Statements for the year ended 31st March, 2017

Note 27(5)

E) Details of Provision as per the Requirement of AS 29 (Provision, Contingent Liabilities and Contingent Assets) ₹ in lacs

Particulars	Opening 01-04-2016	Provision Made	Amount used	Amount Reversed	Closing 31-03-2017
Gratuity	692.87	198.01	42.55	-	848.33
Leave encashment	248.55	110.79	32.06	-	327.28
Doubt Full debts	50.84	40.80	-	-	91.64
Others	1,445.26	1,514.87	1,028.30	-	1,931.83
Dividend & Dividend distribution Tax	284.64	280.44	284.64	-	280.44
Income tax	1,687.05	2,038.50	1,687.05	-	2,038.50
MAT Credit Entitlement	3,730.65	742.73	697.34	-	3,776.04

NOTE 27 (6)

Details of Specified Bank Notes(SBN) held and transacted during the period from 8th November 2016 to 30th December 2016

Particulars	SBN	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	14.16	13.62	27.78
(+) Permitted receipts	-	18.97	18.97
(-) Permitted Payments	-	26.18	26.18
(-) Amount Deposited in Bank	14.16	-	14.16
Closing Cash in hand as on 31.12.2016	-	6.41	6.41

NOTE 27(7)

SEGMENT REPORTING

A) PRIMARY SEGMENT (BUSINESS SEGMENT)

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. The Company's Operation predominantly comprise of only one segment i.e Automotive Wheels. In view of the same, separate segmental information is not required to be given as per the requirements of Accounting Standard 17.

B) SECONDARY SEGMENT (GEOGRAPHICAL SEGMENT)

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments.

PARTICULARS	FOR THE YEAR ENDED March 31st, 2017	FOR THE YEAR ENDED March 31st, 2016
GROSS SALE REVENUE BY GEOGRAPHICAL SEGMENT		
WITHIN INDIA	1,35,085.88	1,16,934.89
OUTSIDE INDIA	13,108.35	15,044.94
TOTAL	1,48,194.23	1,31,979.83

The Company has common fixed assets, other assets and liabilities for domestic as well as overseas market. Hence, separate figures for assets and liabilities have not been furnished.

NOTE 27 (8)

F) Research and Development Expenses

₹ in lacs

Particulars	For the Year Ended March 31st, 2017	For the Year Ended March 31st, 2016
Revenue Expenditure: (for the year)		
Staff Cost	321.31	293.12
Travelling & Conveyance	28.09	14.64
Power & fuel Expenses	22.35	25.09
Total Revenue Expenditure	371.75	332.85
Capital Expenditure: (Upto the year)		
Plant & Machinery	403.95	403.95
Tools & Dies	2,130.97	1,521.29
EDP Equipments	22.97	11.35
Total Capital Expenditure	2,557.89	1,936.59
TOTAL	2,929.64	2,269.43

NOTE 27 (9)

G) REMUNERATIONS OF WHOLE TIME DIRECTORS

₹ in lacs

Particulars	For the Year Ended March 31st, 2017	For the Year Ended March 31st, 2016
a) Managing Director Remuneration :		
Salary and Allowances	28.80	28.80
Contribution to Provident Fund	2.16	2.16
Commission on Profit	511.87	450.92
Total	542.83	481.88
b) Whole Time Director Remuneration		
Salary and Allowances	86.16	57.06
Employee Stock Options	-	-
Contribution to Provident Fund	7.26	4.74
Total	93.42	61.80

As per our report of even date
FOR S.C.Dewan & Co.
Chartered Accountants
 ICAI Firm Registration Number: 000934N
 per S. C. Dewan
Partner
 Membership Number : 015678
 Place: New Delhi
 Dated: 29th May, 2017

Shaman Jindal
Company Secretary

Dheeraj Garg
Managing Director

Andra Veetil Unnikrishnan
Dy. Managing Director

Manohar Lal Jain
Executive Director

For and on behalf of Board

Naveen Sorot
CFO

Surinder Kumar Bansal
 Sudhanshu Shekhar Jha
 Madan Mohan Chopra
 Chanakya Chaudhary
Directors

Notes on Financial Statement for the year ended 31st March 2017.

NOTE 28 (1) & (2). Significant Accounting Policies

1) CORPORATE INFORMATION

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

2) BASIS OF PREPARATION

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) and mandatory Accounting Standards of Companies Act, 2013 as amended from time to time. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered wherever applicable except to the extent where compliance with other statutory promulgations overrides the same requiring a different treatment. The financial statements have been prepared under the historical cost convention on accrual basis.

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

Note 28(2)

SIGNIFICANT ACCOUNTING POLICIES

1) USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, as at the date of the financial statements. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Uncertainties about these estimates and assumptions could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in the future periods.

2) PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet and Statement of Profit and Loss are prepared and presented in the format prescribed in the schedule III of the Companies Act, 2013("the Act"). The disclosure requirements are presented as per the Companies (Accounting Standards) rules 2006, read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of Companies Act, 2013.

3) REVENUE RECOGNITION

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

A. SALE OF GOODS

Revenue from sale of goods is recognized when the significant risks and rewards of ownership in the goods are transferred to the buyer of goods as per the terms of contracts, the Company retains no effective control of the goods transferred to a degree usually associated with the ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. The Company collects Central Sales tax and value added taxes(VAT) on the behalf of the Government and therefore these are not economic flowing to the Company. Hence they are excluded from Revenue. Excise duty deducted from revenue (Gross) is the amount that is included in the revenue(Gross) and not the entire amount of liability arising during the year.

B. INTEREST INCOME

Interest from bank is recognized on time proportion basis taking into account the amount outstanding and applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss account.

C. OTHER INCOME

(i) Dividend Income is accounted in the period in which the right to receive the same is established.

(ii) Insurance claim is recognized on acceptance of claim by Insurance Company.

(iii) Vat Subsidy (granted in the state of Jharkhand) has been accounted on the basis of 50% of the Net VAT paid per annum up to a maximum of 75% of the total fixed capital investment for different duration. The subsidy is as per Mega Incentive Policy of Jharkhand Government. As per policy, industry with investment above Rs.50 crore are eligible for following incentives:

* 75%/50% of the VAT/CST paid up to maximum of 75% of cost of project (Net of land/building) within 7 years whichever is earlier.

4) RECOGNITION OF EXPENSES

All Expenses are recognized on accrual basis.

A. COST OF MATERIAL CONSUMED AND CHANGE IN INVENTORIES

Cost of material consumed is primarily comprised of landed cost of direct materials and supplies consumed in the manufacture of product including the effect of changes in the finished goods, Work in progress and Scrap material.

B. EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses comprises of Salaries, wages, bonus and incentives, employee welfare expenses, share options and statutory contributions such as Provident funds, ESI, gratuity etc.

C. OTHER EXPENSES

Other Expenses comprises of Manufacturing expenses, Administrative Expenses, Selling and distribution expenses and Research and development expense.

- (i) Manufacturing Expenses includes expenses such as consumption of stores and spares, power consumed, repairs to plant and machinery and other direct expenses related to production of goods etc.
- (ii) Administrative Expenses includes expenses like Rent (including lease rent), Insurance charges, Rates fees and taxes, auditor's remunerations, advertisements expenses, other repairs, travelling expenses of staff, Managerial commissions, telephone and telex etc.
- (iii) Selling and Distribution Expenses include business promotion, Freight charges on dispatches to customers, rebate and discounts, royalties on sales etc.
- (iv) Research and Development Expenses

a) Revenue Expenses

A research and development expense comprises revenue expenses on research are expensed under the respective head of accounts in the period in which it is occurred.

b) Development Expenses

Development expenditure on new products is capitalized as intangible assets so that it will amortized over the useful life of the assets. If all of the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The Company has intention to complete the intangible asset and use or sell it.
- The Company has ability to use or sell the intangible asset.
- The manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

The Company has ability to measure the expenditure attributable to the intangible asset during its development reliably.

Other development costs that do not meet above criteria are expensed in the period in which they are incurred.

5) EXTRAORDINARY AND EXCEPTIONAL ITEMS

Income or expenses that arise from events or transactions that clearly differs from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external events beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and are disclosed as such.

Item of income or expense pertaining to ordinary activities of Company that demands separate disclosure considering the size, type or incidence, to improve understanding of the performance of the Company are classified as an exceptional item and accordingly disclosed in the notes to accounts.

6) INVENTORIES

- A. Raw materials lying at Factory and job workers have been valued lower of weighted average cost or net realizable value. However these items are considered to be realizable at cost if the finished products in which they will be used are expected to be sold at or above cost.
- B. Stocks in process have been valued at lower of cost or net realizable value. Cost includes raw material cost plus proportionate of conversion cost (based on normal capacity of production) comprising of direct materials; direct labour, power consumed, and other overheads directly associated with production process.
- C. Finished goods lying at factory have been valued at lower of weighted average cost or net realizable value. Cost includes related overheads and excise duty paid/payable on such goods.
- D. Scrap has been valued at net realizable value.

STEEL STRIPS WHEELS LIMITED

E. Stores and Spares have been valued at weight average cost.

(Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated cost necessary to make the sale)

7) TANGIBLE FIXED ASSETS

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

Subsequent expenditure related to item of fixed asset is added to its book value only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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

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

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

Tangible Assets not ready for the intended use on the date of the balance Sheet are disclosed as "capital work in progress". (Also refer to policy on leases, borrowing costs, impairment of assets and foreign currency transactions infra.)

8) DEPRECIATION / AMORTIZATION ON TANGIBLE FIXED ASSETS

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

A. OWNED ASSETS

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

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

B. LEASED ASSETS

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

9) INTANGIBLE ASSETS AND AMORTIZATION

Intangible assets are stated at original cost net of tax/duty credit availed, if any, less accumulated amortization and cumulative impairment. Intangible assets are recognized when it is probable that the future economic benefits are attributable to the asset will flow to the enterprise and the cost of asset can be measured reliably. Intangible assets are amortized over their useful life.

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

10) IMPAIRMENT OF ASSETS

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

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

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

11) TRANSACTIONS IN FOREIGN CURRENCY

A. INITIAL RECOGNITION

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the applicable exchange rate on date of the transaction.

B. CONVERSION

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

C. EXCHANGE DIFFERENCES

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Exchange differences relating to acquisition of imported fixed assets are adjusted in the carrying cost of the respective Fixed Assets.

D. FORWARD EXCHANGE CONTRACTS NOT INTENDED FOR TRADING OR SPECULATION PURPOSES

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

Gain or loss on contracts relating to acquisition of imported Fixed Assets is adjusted to the carrying cost of Fixed Assets.

12) BORROWING COST

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

All other borrowing costs are recognized as expenses in the period in which they are incurred.

13) EMPLOYEE BENEFITS

A. SHORT TERM EMPLOYEE BENEFITS

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefit likes salaries, wages, short term compensated absence etc. and the expected cost of bonus, and ex-gratia is recognized in the period in which the employee renders the related services.

B. POST EMPLOYMENT BENEFITS

(i) DEFINED CONTRIBUTION PLANS

(Provident fund, family pension fund and employee state insurance scheme)

STEEL STRIPS WHEELS LIMITED

As per the employee Provident funds and misc provisions Act 1952, all employee of the Company are entitled to receive benefits under the provident fund and family pension fund which is defined contribution plan. These contributions are made to the funds administrated and managed by Government of India. In addition some employee of the Company are covered under employee state insurance scheme Act 1948 which is also defined contribution schemes recognized and administered by Government of India.

The Company's contributions to these schemes are recognized as expense in profit and loss account during the period in which the employee renders the related service

(ii) DEFINED BENEFIT PLANS

a) GRATUITY

The company provides for gratuity obligations through a defined benefits retirement plan ('The Gratuity Plan') covering all employees. The present value of the obligation under such Defined benefits plan is determined based on actuarial valuation using the Project Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation. The obligation is measured at the present value of the estimated cash flows. The discount rate used for determining the present value of the defined obligation under defined benefit plan, is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized in profit and loss account as and when determined.

The company makes annual contribution to LIC for the gratuity plan in respect of all the employees' liability on the basis of actuarial valuation done by the LIC. The company also provides for additional liability, in case of excess contribution, determined by the independent actuary based on actuarial valuation using the Project Unit Credit method as compared to actuarial valuation determined by LIC and vice versa

b) LEAVE LIABILITY

The Company provides for the liability at the year end on account of unavailed earned leave as per the actuarial valuation.

The leave encashment liability is covered through a policy taken from Life Insurance Corporation of India. The contribution towards premium of the policy is charged to revenue every year.

Actuarial gain or losses are recognized immediately in the statement of profit and loss.

The interest element in the actuarial valuation of defined benefits plans, which comprises the implicit interest cost and the impact of the changes in discount rate, is classified under finance costs. The balance charge is recognized as employee benefit expenses in the statement of profit and loss account

C. LONG TERM EMPLOYEE BENEFITS

The obligation for long term employee benefits such as long term compensated absences, long service award etc are recognized in the similar manner as in the case of defined benefit plans as mention in (ii).

D. EMPLOYEE TERMINATION BENEFITS

Termination benefits such as compensation under voluntary retirement cum pension scheme are recognized as expense in the period in which they are incurred.

14) INVESTMENTS

A. CURRENT INVESTMENTS

Investments, which are readily realizable and are intended to be held for not more than one year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.

B. LONG TERM INVESTMENTS

Long-term investments including unquoted shares are carried at cost after providing diminution in value, if such diminution is other than temporary in nature. However mutual funds investments are valued at its net realizable value.

Purchase and sale of investments are recognized based on the trade date accounting.

15) LEASES

A. FINANCE LEASE

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

B. OPERATING LEASE

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

16) SEGMENT REPORTING

A. IDENTIFICATION OF SEGMENTS

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

B. SEGMENT ACCOUNTING POLICIES

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

17) ACCOUNTING FOR TAXES ON INCOME

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

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

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

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

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

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

18) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions for expenses are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) The Company has a present obligation as a result of a past event
- (ii) A probable outflow of resources is expected to settle the obligation and
- (iii) The amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- (ii) A present obligation arising from past events, when no reliable estimate is possible.
- (iii) A possible obligation arising from past events where the probability of outflow of resources is not remote.

However contingent assets are neither recognized, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

STEEL STRIPS WHEELS LIMITED

19) EARNING PER SHARE

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

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.

20) CASH AND CASH EQUIVALENTS

Cash and cash equivalents balances include cash in hand, fixed deposits, margin money deposits, earmarked balances with banks and other bank balances such as dividend accounts, which have restrictions on repatriation.

21) EMPLOYEE STOCK OPTION SCHEME.

Stock Options granted to employee under the Stock option scheme are accounted at intrinsic value as per the accounting treatment prescribed by the Securities and Exchange Board of India (Employee stock Option scheme and Employee Stock purchase Scheme) Guidelines 1999 and Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. Accordingly the excess of market price, determined as per the guidelines and guidance note, of underlying equity shares (market value), over the exercise price of the options is recognized as deferred stock compensation expenses as is charged to the statement of profit and loss account on straight line basis over the vesting period of the options. The amortized portion of the cost is shown under share holder funds.

Auditors' Report

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

For and on behalf of Board

FOR S.C.Dewan & Co.
Chartered Accountants
ICAI Firm Registration Number: 000934N
per S. C. Dewan
Partner
Membership Number : 015678
Place: New Delhi
Dated: 29th May, 2017

Shaman Jindal
Company Secretary

Dheeraj Garg
Managing Director
Andra Veetil Unnikrishnan
Dy. Managing Director
Manohar Lal Jain
Executive Director

Naveen Sorot
CFO

Surinder Kumar Bansal
Sudhanshu Shekhar Jha
Madan Mohan Chopra
Chanakya Chaudhary
Directors

STEEL STRIPS WHEELS LIMITED

Form No.MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L27107PB1985PLC006159
 Name of the Company : Steel Strips Wheels Limited
 Registered Office : Village Somalheri/Lehli P.O.Dappar, Tehsil Derabassi, Distt. S.A.S Nagar (Mohali), Punjab

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID
I/We, being the member(s) of shares of the above named Company, hereby appoint		
Name :	E-mail Id:	Address:
Signature , or failing him		
Name :	E-mail Id:	Address:
Signature , or failing him		
Name :	E-mail Id:	Address:
Signature , or failing him		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on Thursday, 28th day of September, 2017 at 11:00 a.m. at Regd. Office of the Company at Village Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, Distt. S.A.S Nagar, Mohali (Punjab), and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

Ordinary Business	Resolution(s)
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon
2.	To declare a Dividend on Equity Shares for the financial year 2016-17
3.	To appoint a Director in place of Sh. Manohar Lal Jain (DIN: 00034591), who retires by rotation and being eligible, offers himself for re-appointment
4.	To appoint Statutory Auditors and to fix their remuneration

Special Business

5.	To re-appoint Ms. Jaspreet Takhar (DIN 00318883) as an Independent Director
6.	Approve to enhance Borrowing Limits to Rs. 2000 crores
7.	To authorise Board of Directors to create Security on the assets of the company.

Signed this _____ day of _____ 2017

Signature of Shareholder

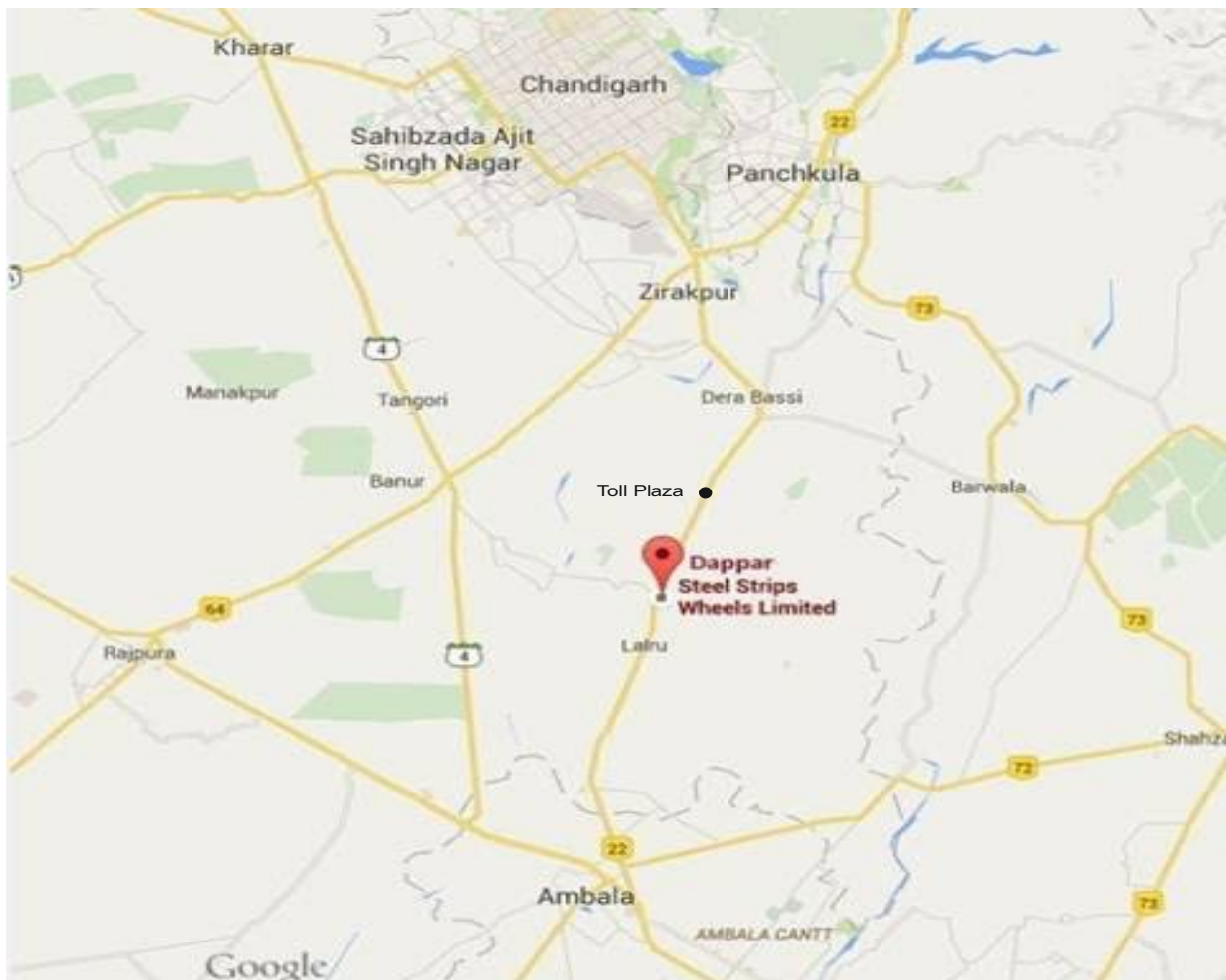
Signature of Proxy holder

Please
affix
Revenue
Stamp of
appropriate
value

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- The proxy need not be a member of the Company

Courier /Regd. Post
Location Map of Annual General Meeting



STEEL STRIPS GROUP

Steel Strips Wheels Limited
Wheeling Towards Excellence

STEEL STRIPS GROUP

SCO 49-50, Sector-26, Madhya Marg,
Chandigarh -160 019 (INDIA)
Tel: +91(172) 2793112, 2792385,
Fax: +91(172) 2794834, 2790887
Website: www.sswlindia.com
CIN: L27107PB1985PLC006159

