



STEEL STRIPS GROUP

Steel Strips Wheels Limited

*Wheeling Towards Excellence*

# ANNUAL REPORT

exploring  
possibilities

ISO 9002, QS 9000 & TS-16949 Certified Company

**2017-18**



# CORPORATE

## Information

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### REGD. OFFICE

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

### WORKS

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

### HEAD OFFICE

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

### REGISTRAR & TRANSFER AGENTS

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

### BOARD OF DIRECTORS

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

### COMPANY SECRETARY

Sh. Shaman Jindal

### CHIEF FINANCIAL OFFICER

Sh. Naveen Sorot

### BANKERS / INSTITUTIONS

AXIS Bank Ltd.  
Bank of Baroda  
Canara Bank  
DEG, Germany  
Export-Import Bank of India  
HDFC Bank  
ICICI Bank Ltd.  
Punjab National Bank  
State Bank of India  
Tata capital Financial Services  
United Bank of India  
Yes Bank  
Syndicate Bank

### AUDITORS

M/s AKR & Associates  
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 32nd Annual General Meeting of the Members of Steel Strips Wheels Limited ("Company") will be held as scheduled below:

Day & Date : Friday, 28th day of September, 2018  
Time : 11.00 A. M.  
Venue : Company's Regd. Office at  
Village Somalheri/Lehli, P.O. Dappar,  
Tehsil Derabassi, Distt. S.A.S Nagar, Mohali (Punjab)

to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year 2017-18.
3. To appoint a Director in place of Sh. Rajinder Kumar Garg (DIN: 00034827), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (the Rules) (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities, in granting such approvals, permissions and sanctions and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the consent of the members of the Company be and is hereby accorded for the re-appointment of Sh. Andra Veetil Unnikrishnan (DIN:02498195), as Deputy Managing Director of the Company, whose office shall be liable to retire by rotation, for a period of five years with effect from 1st January, 2019, on the following terms and conditions and remuneration as recommended by the members of the Nomination and Remuneration Committee:

- A) **Basic Salary:** Rs. 2,50,000/- Per month with such increments as may be decided by the Nomination and Remuneration Committee from time to time subject to a ceiling of Rs. 3,20,000/- Per month.
- B) **House Rent Allowance :** 35% of basic salary
- C) **Special Allowance :** Rs. 1,25,000/- per month
- D) **Other Perquisites:**

In addition to the above, the Deputy Managing Director shall also be eligible for the following perquisites which shall not be included for computation of the ceiling as specified in para (A to C) above:

- a) One Company maintained Car with driver for use exclusively for Company's business.
- b) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company, to the extent these either singly or taken together are not taxable under the Income-tax Act, 1961.
- c) Gratuity shall be payable at a rate not exceeding half-a-month's salary for each completed year as per provisions of the Gratuity Act and as per Company Rule.
- d) Leave and encashment of leave as per Rules of the Company.

RESOLVED FURTHER THAT in the event of losses or inadequate profits in any financial year during the term of office of Sh. Andra Veetil Unnikrishnan as Deputy Managing Director, the aforesaid salary and all other benefits and other remuneration/ perquisites, mentioned above, be paid to Sh. Andra Veetil Unnikrishnan as minimum remuneration, subject to ceiling laid down in Schedule V to the Companies Act, 2013, as amended/modified or re-enacted from time to time.

RESOLVED FURTHER THAT the above remuneration payable to the Deputy Managing Director shall be subject to such conditions or modifications as may be required or imposed by the Central Government or any other authority with the liberty to the Board of Directors to alter and vary the terms and conditions of his appointment within maximum permissible limits in accordance with schedule V to the Companies Act, 2013 or any amendment thereof as may be made from time to time.



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RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to take such steps and to do all acts, deeds, matters and things as may be considered necessary to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file forms, documents, return, application etc. with the Registrar of Companies and /or appropriate authorities, wherever required and to do all such acts & deeds, as may be required in this regard."

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 Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and the applicable provisions of the Companies Act, 2013 and relevant Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members of the Company, be and is hereby accorded for the continuation of the Directorship of Sh. Rajinder Kumar Garg (DIN: 00034827), Chairman and Non-Executive Director of the Company (who will attain the age of 75 years on 18th August, 2018) w.e.f 1st April, 2019 till the date he retires by rotation in terms of Section 152 of the Companies Act, 2013.

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

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

"RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and the applicable provisions of the Companies Act, 2013 and relevant Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company, be and is hereby accorded for the continuation of the Directorship of Sh. Madan Mohan Chopra (DIN: 00036367), aged 85 years, as Non-Executive Independent Director of the Company, to hold the office till the expiry of his present term of office, i.e. up to 30th September, 2019, on the existing terms and conditions.

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

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

"RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and the applicable provisions of the Companies Act, 2013 and relevant Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company, be and is hereby accorded for the continuation of the Directorship of Sh. Sudhanshu Shekhar Jha (DIN:01489603), aged 75 years, as Non-Executive Independent Director of the Company, to hold the office till the expiry of his present term of office, i.e up to 30th September, 2019, on the existing terms and conditions.

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

By Order of the Board of Directors

Place: Chandigarh  
Date: 14.08.2018

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

**NOTES:**

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 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/ continuation of appointment at this Annual General Meeting ("AGM") of the Company are also annexed.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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.

## STEEL STRIPS WHEELS LIMITED

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4. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting. Route map of the venue of the Meeting (including prominent land mark) is annexed to the notice.
  5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
  6. The Register of Members and Share Transfer Books of the Company will remain closed from **22.09.2018 to 28.09.2018** (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 **21.09.2018**.
  8. Reserve Bank of India has introduced National Electronic Clearing Service (NECS) to facilitate credit of dividend directly to the shareholder's bank account. This facility eliminates loss of dividend warrants sent by post due to pilferage in transit, delay in receipt of dividend warrants and ensures quick credit of the dividend. Members holding shares in electronic form may note the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to Company/ Registrar and Transfer Agents of the Company.
  9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their De-mat accounts. Members holding shares in physical form are requested to advise any change in their address along with Pin code number and proof immediately to the Company/ Registrar and Transfer Agents of the Company.

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

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

Electronic copy of the Annual Report for 2017-18 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 2017-18 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 32nd Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website [www.sswlindia.com](http://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 2010-11 shall be transferred to the "INVESTORS EDUCATION AND PROTECTION FUND" (IEPF). The due date of such transfer is 5th November, 2018. 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, 2018. In case the dividends are not claimed by the said date, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF. It may also be noted that unpaid/unclaimed dividend for the financial year 2009-10 has been transferred by the Company to IEPF Authority.





The Members/Claimants whose shares and unclaimed dividends have been transferred to IEPF may claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in 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 28th September, 2017 (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 32nd 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, 2018 at 9.00 a.m. and will end on September 27, 2018 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, 2018**, 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:

<b>For Members holding shares in De-mat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both de-mat shareholders 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 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 Details the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the 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.

## STEEL STRIPS WHEELS LIMITED

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- (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.
- (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](http://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](mailto: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](mailto: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. **21.09.2018**, 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. 21.09.2018. 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). Further Mr. Wenceslaus Furtado Deputy Manager having address i.e. Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compound, N.M. Joshi Marg, Lower Parel, East Mumbai 400013 email id: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and contact number 1800225533 or 022-23023333, 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](http://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, 2018.



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 up to and including the date of AGM of the Company.

By Order of the Board of Directors

Place: Chandigarh  
Date: 14.08.2018

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

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

##### **ITEM NO. 4**

Sh. Andra Veetil Unnikrishnan was appointed as Deputy Managing Director of the Company for a period of five years w.e.f. 01.01.2009. The Shareholders of the Company in their meeting held on 30.09.2013 had approved the re- appointment of Sh. Andra Veetil Unnikrishnan as Deputy Managing Director of the Company for a period of 5 years w.e.f. 01.01.2014 and the present term of his office as Deputy Managing Director is liable to expire on 31.12.2018.

Sh. Andra Veetil Unnikrishnan, 63 years of age (date of Birth: 05.06.1955) is a qualified B.A. He is associated with the Group since 1980 and has held various portfolios since then. He has been actively involved, in the overall management of the operation of the Company and putting up appropriate systems and processes for bringing improvement in each of the functions of the Company. He has played a pivotal role in the growth of the Company's business. His association with Company is favorable and necessary for the Company for its continual growth.

Keeping in view his performance and contribution to the growth of the Company as a whole, the Nomination and Remuneration Committee in its meeting held on 16.07.2018 recommended the re-appointment of Sh. Andra Veetil Unnikrishnan as Deputy Managing Director of the Company for a further period of five years w.e.f. 01.01.2019. The term of his office shall be liable to determination by retirement of Director by rotation. The Board of Directors in their meeting held on 14.08.2018 approved the re-appointment subject to the approval of members of the Company in the ensuing Annual General Meeting.

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

The Board recommends the Ordinary Resolution as set out in Item No. 4 for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Sh. Andra Veetil Unnikrishnan (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. 4 of the accompanying notice.

##### **ITEM NO. 5**

SEBI vide its notification dated 9th May, 2018 has notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which shall come into force with effect from 1st April, 2019 (Save as otherwise specifically provided for in the said regulations). Pursuant to the provisions of Regulation 17(1A) of said Regulations, with effect from 1st April, 2019, No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

Sh. Rajinder Kumar Garg (DIN: 00034827), Chairman and Non-Executive Director of the Company, will attain the age of 75 years on 18.08.2018 and accordingly his continuation as Chairman and Non-Executive Director of the Company shall require approval of shareholders by way of special resolution.

A brief justification for the Continuation of Directorship as Chairman and Non-Executive Director of the Company with effect from 1st April, 2019 is as under:

Sh. Rajinder Kumar Garg is a promoter of the Company. He has wide and varied experience in business development operations. He started his carrier in the government service and entered his own business in the year 1975. He is an industrialist and is a technocrat with more than four decades of rich experience in the industrial field including Steel, Acrylics Fibre, Automotive wheels rims, civil constructions and other allied activities. The Company is benefitted from his vast experience in the various industrial fields and his contribution towards the growth of the Company.

Keeping in view of the above the Nomination and Remuneration Committee in its meeting held on 16.07.2018 recommended the Continuation of Directorship of Sh. Rajinder Kumar Garg, Chairman and Non-Executive Director of the Company, till the date he retires by rotation in terms of Section 152 of the Companies Act, 2013. The Board of Directors in their meeting held on 14.08.2018 approved the Continuation of Directorship subject to the approval of members of the Company in the ensuing Annual General Meeting.

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

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



# STEEL STRIPS WHEELS LIMITED

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None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Sh. Rajinder Kumar Garg (whose re-appointment is proposed in the resolution) and Sh. Dheeraj Garg, Managing Director of the Company (relative) 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

Sh. Madan Mohan Chopra (DIN: 00036367), aged 85 years (date of birth 28th March, 1933) and Sh. Sudhanshu Shekhar Jha (DIN: 01489603), aged 75 years (date of birth 03rd February, 1943) were re-appointed as Non-Executive Independent Directors of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a second term of three years commencing from 01.10.2016 to 30.09.2019.

In compliance to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (effective from 1st April, 2019), Sh. Madan Mohan Chopra and Sh. Sudhanshu Shekhar Jha, Non-Executive Independent Directors of the Company shall require approval of shareholders by way of special resolution for the continuation of their directorship.

A brief justification for the Continuation of their Directorship as Independent Non-Executive Directors of the Company with effect from 1st April, 2019 is as under:

Sh. Madan Mohan Chopra is associated with Company since the year 1994. He has held various prestigious positions in Indian Navy. After retiring from Navy, he has functioned in advisory capacities to many big corporate and was also the Executive Director of M/s Bombay dyeing & Mfg. Co. Limited. He is the president of the Governing Board of Delhi Public School Society and Chairman of National Bravery Award Commission. He has been guiding the Company to streamline procedures, ensure better coordination and faster decision making.

Sh. Sudhanshu Shekhar Jha is associated with the Company since the year 2005. He is M.Sc. Physics from Patna University. He served as a Lecturer in Physics in constituent colleges of Magadh and Patna University. Thereafter he passed the examination conducted by UPSC and joined Indian Customs and Excise Service w.e.f. 09.11.1967. He served in various Capacities and retired as Chief Commissioner of Central Excise Customs. Presently he is engaged in Social work relating to rural development. He has played an important role in guiding the Company towards incorporating and adopting good corporate practice.

The Company has been immensely benefitted by their independent views and judgements in the board deliberations and the Board of Directors of the Company is of the opinion that their association with the Company will be beneficial and in the best interest of the Company.

Accordingly, the Nomination and Remuneration Committee in its meeting held on 16.07.2018, recommended the Continuation of Directorship of Sh. Madan Mohan Chopra and Sh. Sudhanshu Shekhar Jha, as Independent Non-Executive Directors of the Company, who has attained the age of more than 75 years, to hold the office till the expiry of their present term of office, i.e up to 30.09.2019, on the existing terms and conditions. The Board of Directors in their meeting held on 14.08.2018 has approved their Continuation of Directorship, subject to the approval of members of the Company in the ensuing Annual General Meeting.

The Company has also received necessary declarations from Sh. Madan Mohan Chopra and Sh. Sudhanshu Shekhar Jha that they meet the criteria of independence as prescribed under the Companies Act, 2013 and the Listing Regulations, presently applicable. Further, they have also confirmed that they are not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013.

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

The Board recommends the resolutions as set out in Item Nos. 6 & 7 as Special Resolutions for your approval.

None of the Directors or the Key Managerial Personnel of the Company or their relatives except Sh. Madan Mohan Chopra and Sh. Sudhanshu Shekhar Jha (whose re-appointment is proposed in the resolution) is in any way concerned or interested financially or otherwise in the resolutions mentioned at item No's 6 & 7 at the accompanying Notice.

By Order of the Board of Directors

Place: Chandigarh  
Date: 14.08.2018

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



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

<b>Name of Director and DIN</b>	Sh. Rajinder Kumar Garg (DIN: 00034827)	Sh. Andra Veetil Unnikrishnan (DIN No. 02498195)	Sh. Madan Mohan Chopra (DIN No. 00036367)	Sh. Sudhanshu Shekhar Jha(DIN No. 01489603)
<b>Age</b>	74 years (18.08.1943)	63 years (05.06.1955)	85 years (28.03.1933)	75 years (03.02.1943)
<b>Qualification</b>	B.E (Civil)	B.A	B.A (Hons), LLB and MBA	M.SC. Physics M. Phil (Social Science) M.D.P. (Pub. Admn)
<b>Expertise</b>	He is a promoter of the company. He has wide and varied experience in business development operations. He started his carrier in the government service and entered his own business in the year 1975. He is an industrialist and is a technocrat with more than four decades of rich experience in the industrial field including Steel, Acrylics Fibre, Automotive wheels rims, civil constructions and other allied activities. The Company is benefitted from his vast experience in the various industrial fields and his contribution towards the growth of the Company.	He is associated with the Group since 1980 and has held various portfolios since then. He has been actively involved, in the overall management of the operation of the company and putting up appropriate systems and processes for bringing improvement in each of the functions of the Company. He has played a pivotal role in the growth of the Company's business.	He is associated with Company since the year 1994. He has held various prestigious positions in Indian Navy. After retiring from Navy, he has functioned in advisory capacities to many big corporate and was also the Executive Director of M/s Bombay dyeing & Mfg. Co. Limited. He is the president of the Governing Board of Delhi Public School Society and Chairman of National Bravery Award Commission. He has been guiding the Company to streamline procedures, ensure better coordination and faster decision making.	He is associated with the Company since the year 2005. He is M.Sc. Physics from Patna University. He served as a Lecturer in Physics in constituent colleges of Magadh and Patna University. Thereafter he passed the examination conducted by UPSC and joined Indian Customs and Excise Service w.e.f. 09.11.1967. He served in various Capacities and retired as Chief Commissioner of Central Excise Customs. Presently he is engaged in Social work relating to rural development. He has played an important role in guiding the Company towards incorporating and adopting good corporate practice.
<b>Terms and Conditions of Re-appointment</b>	As per the terms of his appointment he is liable to retire by rotation pursuant to provision of Section 152 of the Companies Act, 2013 and being eligible offers himself for re-appointment. Pursuant to the recommendation of the Nomination and Remuneration Committee and in compliance to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (effective 01.04.2019), the Board in its meeting held on 14.08.2018, proposed to seek approval of the members for the continuation of office of directorship of Sh. Rajinder Kumar Garg, who will attain the age of 75 years on 18.08.2018, as the Chairman and Non-Executive Director, w.e.f. 1st April, 2019 till the date he retires by rotation in terms of Section 152 of the Companies Act, 2013.	The Shareholders of the Company in their meeting held on 30.09.2013 had approved the re - appointment of Sh. Andra Veetil Unnikrishnan as Deputy Managing Director of the Company for a period of 5 years w.e.f. 01.01.2014 and the present term of his office as Deputy Managing Director is liable to expire on 31.12.2018. As per the terms of re - appointment, he is liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013. For detailed terms and conditions of his re - appointment please refer item No. 4 of the Notice and explanatory statement of this ensuing 32nd AGM.	He was appointed as Non-Executive Independent Director for a second term of three years commencing from 01.10.2016 to 30.09.2019. Pursuant to the recommendation of the Nomination and Remuneration Committee and in compliance to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (effective 01.04.2019), the Board in its meeting held on 14.08.2018, proposed to seek approval of the members, for the continuation of office of directorship of Sh. Madan Mohan Chopra, aged 85 years as the Non-Executive Independent Director, to hold the office till the expiry of his present term of office, i.e up to 30.09.2019, on the existing terms and conditions.	He was appointed as Non-Executive Independent Director for a second term of three years commencing from 01.10.2016 to 30.09.2019. Pursuant to the recommendation of the Nomination and Remuneration Committee and in compliance to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (effective 01.04.2019), the Board in its meeting held on 14.08.2018, proposed to seek approval of the members, for the continuation of office of directorship of Sh. Sudhanshu Shekhar Jha, aged 75 years as the Non-Executive Independent Director, to hold the office till the expiry of his present term of office, i.e up to 30.09.2019, on the existing terms and conditions.
<b>Remuneration last drawn</b>	Paid sitting fee for attending Board Meeting. For more details please refer Corporate Governance Report section of the Annual Report 2017-18.	Rs. 45.98 lacs during 2017 - 18. For more details please refer Corporate Governance Report section of the Annual Report 2017-18.	Paid sitting fee for attending Board Meeting. For more details please refer Corporate Governance Report section of the Annual Report 2017-18.	Paid sitting fee for attending Board Meeting/Audit Committee Meeting. For more details please refer Corporate Governance Report section of the Annual Report 2017-18.

## STEEL STRIPS WHEELS LIMITED

<b>Remuneration proposed to be paid</b>	As per existing terms and conditions.	Please refer item No. 4 of the Notice and explanatory statement of this ensuing 32nd AGM.	As per existing terms and conditions.	As per existing terms and conditions.
<b>Date of First Appointment on the Board</b>	28.02.1985	01.01.2009	28.11.1994	22.08.2005
<b>Shareholding in the Company</b>	292571 equity shares as on 31.03.2018	1612 equity shares as on 31.03.2018	10000 equity shares as on 31.03.2018	NIL
<b>Relationship with other Director/Key Managerial Personal</b>	He is related to Sh. Dheeraj Garg, Managing Director of the Company`	Not related to any Director or Key Managerial Personnel of the Company.	Not related to any Director or Key Managerial Personnel of the Company.	Not related to any Director or Key Managerial Personnel of the Company.
<b>Number of meetings of the Board attended during the financial year</b>	Please refer Corporate Governance Report section of the Annual Report 2017 - 18.	Please refer Corporate Governance Report Section of the Annual Report 2017 - 18.	Please refer Corporate Governance Report section of the Annual Report 2017-18.	Please refer Corporate Governance Report section of the Annual Report 2017-18.
<b>Directorships held in other companies</b>	SAB Industries Ltd., Steel Strips Ltd., Steel Strips Infrastructures Ltd., Indian Acrylics Ltd., Indlon Chemicals Ltd., SAB Developers Pvt. Ltd.	NIL	Steel Strips Ltd., Indian Acrylics Ltd	NIL
<b>Memberships/chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)</b>	NIL	NIL	<b>Chairman</b> Indian Acrylics Ltd.- Audit Committee <b>Member</b> Steel Strips Ltd. -Audit Committee	NIL

# BOARD'S REPORT

To  
The Members,

Your Directors are pleased to present the 32nd Annual Report together with audited financial statements of the Company for the financial year ended 31st March, 2018.

## FINANCIAL HIGHLIGHTS

		(Rs. in Millions)	
S No	Particulars	2017-18	2016-17
A)	Revenue from Operations*	15571.58	14802.38
B)	Other Income	134.45	184.30
C)	Total Income (A+B)	15706.03	14986.68
D)	Total Expenditures (excl Finance Cost, depreciation and amortization)	13569.24	13154.03
E)	Profit before interest, depreciation and amortization	2136.79	1832.65
F)	Interest & Financial Charges	639.41	505.64
G)	Depreciation and amortization	525.74	479.02
H)	Profit before tax and Exceptional Item	971.64	847.99
I)	Exceptional Item	0.88	(11.32)
J)	<b>Profit before tax</b>	<b>970.76</b>	<b>859.31</b>
K)	<b>Tax expense</b>		
	Current tax	43.31	199.31
	Deferred tax	176.54	103.17
L)	<b>Profit after tax</b>	<b>750.91</b>	<b>556.83</b>
M)	Other Comprehensive Income (Net of Tax)	6.59	(3.47)
N)	<b>Total Comprehensive Income for the period (L+M)</b>	<b>757.50</b>	<b>553.36</b>

\*According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the year ended 31st March, 2017 was reported inclusive of excise duty. Goods and Service Tax ("GST") has been implemented w.e.f 1st July, 2017 which replaces Excise duty and other input taxes. As per Ind AS 18, the revenue for the year ended 31st March, 2018 is reported net of GST.

## FINANCIAL PERFORMANCE

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2017, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. The financial statements for the year ended 31st March, 2017 have been restated in accordance with Ind AS for comparative information.

The total income for the year under review increased by 4.80% to Rs. 15706.03 million as compared to Rs. 14986.68 million in FY 2016-17. As stated above, revenue for the year ended 31st March, 2017 is inclusive of excise duty whereas due to implementation of GST (which replaces excise duty and other input taxes) w.e.f. 1st July, 2017, the revenue for the year ended 31st March, 2018 is net of GST.

If the revenue amount is shown net of excise duty, total income for the year under review would be Rs.15316.36 million as compared to Rs. 13483.90 million in FY 2016-17, showing a growth of 13.59% as per the following details:

		Rs. In Millions	
Particulars	2017-18	2016-17	
Revenue from Operations	15571.58	14802.38	
Less Excise duty	(389.67)	(1502.78)	
Net Revenue from Operations	15181.91	13299.60	
Other Income	134.45	184.30	
Total Income	15316.36	13483.90	

In terms of Number of wheels, the Company has achieved sale of 14.49 million wheel rims during FY 2017-18 against sale of 14.20 million wheel rims during the previous year, showing an increase of 2.04%. Your Company expects to see higher growth in the coming years.

The Earnings Before Interest, Depreciation and Tax (EBIDTA) increased to Rs.2136.79 million in FY 2017-18 from Rs.1832.65 million in FY 2016-17, registering a growth of 16.60 %.

# STEEL STRIPS WHEELS LIMITED

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The Depreciation and other amortization have increased to Rs. 525.74 million in FY 2017-18 from Rs. 479.02 million in FY 2016-17.

Profit before tax during the year under review has increased to Rs. 970.76 million from Rs. 859.31 million in FY 2016-17 recording a growth of 12.97%. The profit after tax have also increased to Rs. 750.91 million from Rs. 556.83 million, showing a growth of 34.85%.

## TRANSFER TO RESERVES

Your Company proposes to transfer an amount of Rs. 556.83 million to the General Reserve out of the amount available for appropriation.

## DIVIDEND

The Board, in its meeting held on 26th May, 2018, has recommended a final dividend of Rs. 4.00 (40%) per equity share of Rs. 10/- each (previous year Rs. 3.00 per equity share) for the financial year ended 31st March, 2018. 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. 75.13 million (including Dividend Distribution Tax of Rs.12.81 million) as against Rs. 56.17 million (including Dividend Distribution Tax of Rs.9.50 million) in the previous year, which represents 10.01% of the Profit After Tax earned during the year.

## SHARE CAPITAL

During the year under review, the Company has 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.

Beside above, the Company has also allotted 24000 Equity Shares of Rs. 10/- each on 28th July, 2018 upon exercise of options by the employees of the Company under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2016" ("ESOS 2016") at an exercise price of Rs. 200/- each.

Consequent to the allotment of above stated shares, the issued and paid up Equity Share Capital of the Company increased from Rs. 155335200/- (divided into 15533520 Equity Shares of Rs. 10/- each) to Rs.155802700/- (divided into 15580270 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.

## ALLOTMENT OF WARRANTS

Pursuant to the approval of members of the Company, in the Extra Ordinary General Meeting held on 12th May 2018, the Board of Directors of the Company, in their meeting held on 26th May, 2018, had allotted 7,50,000 Convertible Warrants ("Warrants") on preferential basis to Smt. Sunena Garg, at a price of Rs. 1162/- per warrant, with a right to warrant holder to apply for and get allotted one equity share of face value of Rs. 10/- each at a premium of Rs. 1152/- for each warrant, within a period of 18 months from the date of allotment of warrants.

Smt. Sunena Garg belongs to promoter category and is relative of Sh. R. K. Garg (Chairman and Non-Executive Director & Promoter of the Company) and Sh. Dheeraj Garg (Managing Director & Promoter of the Company).

## EMPLOYEE STOCK OPTION SCHEME

During the year under review, the Employee Compensation Committee (ECC) of the Company, in its meeting held on 16th May, 2017 has granted 26500 Stock Options to eligible employees of the Company under Steel Strips Wheels Limited - Employee Stock Option Scheme, 2016 (ESOS 2016). Each stock option is exercisable into equivalent number of equity shares of Rs. 10/- each.

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/disclosure regarding esos.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 27th February, 2015 and AGM held on 30th September, 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 the Company.

## CORPORATE GOVERNANCE

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





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## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is presented in a separate Section forming part of this Annual Report.

### HEALTH, SAFETY AND ENVIRONMENT PROTECTION

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

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

### HUMAN RESOURCES DEVELOPMENT

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

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

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

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

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

During the financial year 2017-18, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, and Rules framed thereunder (including any amendment thereof) Sh. R. K. Garg, Non-Executive Director (Chairman) 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.

During the year, there has been no change in the composition of Board of Directors of the Company. However, Sh. Sukhbir Singh Grewal, Non-Executive Independent Director of the Company ceased to be Director w.e.f. 21st July, 2018 due to his death. The Board of Directors place on record their deep appreciation for his invaluable guidance and assistance received during the tenure as a Director and Member / Chairman of various Committee of the Board of Directors of the Company.

Sh. Andra Veetil Unnikrishnan was re-appointed as Deputy Managing Director of the Company by the shareholders of the Company in their 27th Annual General Meeting held on 30th September, 2013 for a period of 5 years w.e.f 1st January, 2014. The term of his office is due to expire on 31st December, 2018. On the basis of recommendation of the Nomination and Remuneration Committee and his performance evaluation, the Board of Directors of the Company, in their meeting held 14th August, 2018, subject to the approval of members in this forthcoming Annual General Meeting, approved the re-appointment of Sh. Andra Veetil Unnikrishnan as Deputy Managing Director for another period of five years (commencing from 1st January, 2019) post completion of his present term. The term of his office shall be liable to determination by retirement of directors by rotation.

SEBI vide its notification dated 9th May, 2018 has notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which shall come into force with effect from 1st April, 2019 (Save as otherwise specifically provided for in the said Regulations). Pursuant to the provisions of Regulation 17(1A) of said Regulations, with effect from 1st April, 2019, No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person."

Keeping in view of the above and on the basis of recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 14<sup>th</sup> August, 2018, proposed to seek consent of the members by way of special resolution for continuation of office of directorship of:-

# STEEL STRIPS WHEELS LIMITED

- Sh. R. K. Garg (who will attain the age of age 75 years on 18<sup>th</sup> August, 2018), Non-Executive Director (Chairman) of the Company w.e.f. 1st April, 2019 till the date he retires by rotation in terms of Section 152 of the Companies Act, 2013, and
- Sh. Madan Mohan Chopra (age 85 years), Non-Executive Independent Director of the Company, for the remaining period of his current tenure of appointment i.e up to 30<sup>th</sup> September, 2019 and
- Sh. Sudhanshu Shekhar Jha (age 75 years), Non-Executive Independent Director of the Company, for the remaining period of his current tenure of appointment i.e up to 30<sup>th</sup> September, 2019.

The Board recommends the continuation of the office of directorship of the above stated Directors of the Company for your approval.

The Notice of the ensuing 32nd Annual General Meeting includes the proposal for re-appointment/ continuation of appointment of Directors and justification thereof, their brief resume, the nature of expertise, names of Companies in which they hold Directorships, Committee Memberships/ Chairmanships, their shareholding in the Company etc.,

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 within the meaning of Section 73 and 74 of the Companies Act, 2013 and Rules framed thereunder (including any amendments thereof) during the financial year 2017-18 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.

## **CREDIT RATING**

During the year under review, the Company has obtained credit rating from India Rating and Research Private limited (a Fitch Group Company). The agency has assigned IND A-/ Stable/IND A2+ grade credit rating to the Company. The rating reflects the Company's dominant market position in India, long track record of successful operations, strong corporate governance practices, financial flexibility and conservative financial policies.

## **INTERNAL FINANCIAL CONTROL**

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

## **INTERNAL CONTROL SYSTEMS**

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

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

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

## **MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and rules made thereunder. Therefore the Company has not maintained cost records.

## **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 Annual Report.



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## **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 (Listing Obligations and Disclosure Requirements) 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 detail 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, five (5) Board Meetings were convened and held, details of which are given in the Corporate Governance Report that forms 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. The Company has complied with Secretarial Standards on the meeting of Board of Directors and General Meetings.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134 (5) of the Companies Act, 2013 and based on the representations, information and explanations received from the management, the Directors of the Company hereby confirm that:

- in the preparation of the annual accounts for the financial year 2017-18, 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 2017-18;
- 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 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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, is available on the website of the Company under the link [http://www.sswlindia.com/pages/nomination\\_remuneration.htm](http://www.sswlindia.com/pages/nomination_remuneration.htm). The salient feature of the policy is set out in the Corporate Governance Report which forms the part of this Annual 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 AKR & Associates was appointed as Statutory Auditor of the Company by the Shareholders in their Annual General Meeting held on 28th September, 2017 till the conclusion of the 36th Annual General Meeting of the Company to be held in the year 2022 (subject to the ratification of their appointment at every AGM, if so required under the Act).

The requirement relating to ratification of Auditors by the members of the Company at every AGM has been dispensed with by the Companies Amendment Act, 2017 vide Notification No. S.O.1833 (E) dated 7th May, 2018. Pursuant to the said amendment, during the five-year term of appointment/re-appointment of Statutory Auditors, ratification of the appointment /re-appointment by the members in the Annual General Meeting is not required. Accordingly, business item of ratification of re-appointment of Statutory Auditors is not included in the Notice of the ensuing 32nd Annual General Meeting of the Company.

Auditors' Report is self explanatory and does not contain any qualification, reservations or adverse remarks or disclaimers in their report for the financial year ended 31st March, 2018, and therefore, needs no comments and forms part of this Annual Report. The board of directors places on record its sincere appreciation for the valuable services rendered by M/s AKR & Associates.

# STEEL STRIPS WHEELS LIMITED

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## 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 in Form No. MR-3 is being attached with the Board's 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 Rules framed thereunder (including any amendments thereof) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2017-18.

## 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. Accordingly, disclosure in form AOC-2 is not required.

The related party transactions undertaken by the Company during the year under review were in compliance with the provisions set out in the Companies Act, 2013 read with the rules issued thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee, during the Financial year 2017-18, has approved Related Party transaction along with granting omnibus approval in line with the policy of the Company on materiality of Related Party Transactions and dealing with related party transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force).

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 under the link: <http://www.sswlindia.com/pages/relatedpartytransaction.htm>.

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

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

## MATERIAL CHANGES AND COMMITMENT, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR 2017-18 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 2017-18 of the Company and the date of this report except the following:-

- Allotment of 24000 equity shares of Rs. 10/- each on 28th July, 2018 upon exercise of options by the employees of the Company to whom options were granted under "Steel Strips Wheels Limited-Employee Stock Option Scheme, 2016" ("ESOS 2016") at an exercise price of Rs. 200/- each.

## 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 (Listing Obligations and Disclosure Requirements) 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 and Rules framed thereunder (including any amendment thereof), the Company has constituted a Corporate Social Responsibility Committee and also framed a Corporate Social Responsibility Policy and the same is 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, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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 fulfilment of key responsibilities, governance issues, effectiveness of control system in identifying material risks and reporting of material violations of policies and law, Board Structure and composition, experience and competencies, establishment and delineation of responsibilities to committees, frequency of meetings, circulation of agenda of the meetings, recording of minutes, adherence to law, Board culture and dynamics, Quality of relationship between Board and Management, efficacy of communication with external stakeholders, etc.,

The Board and the Nomination and Remuneration Committee (NRC) of the Company evaluated the performance of individual directors based on criteria such as qualifications, experience, knowledge and competency, fulfilment 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 fulfilment 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.

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

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

The information required under Section 197(12) of the 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 Companies Act, 2013, the said annexure is open for inspection at the Registered Office of the Company and has been uploaded on the website of the Company at [www.sswlindia.com](http://www.sswlindia.com). Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

#### **INSURANCE**

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

#### **INDUSTRIAL RELATIONS WITH THE PERSONNEL OF THE COMPANY**

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

#### **ACKNOWLEDGEMENT**

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

For and on behalf of the Board

Date: 14.08.2018  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
(DIN: 00034827)



# ANNEXURE-A

## TO THE BOARDS' REPORT

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

### A. CONSERVATION OF ENERGY

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

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

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

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

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

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

During the year under review, the Company has spent Rs. 15.00 lacs for the said purpose.

### B. TECHNOLOGY ABSORPTION

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

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

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

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

The Company has made efforts towards:-

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

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

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

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

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

During the year 2017-18, the Company has not imported any technology. However during the financial year 2015-16, the Company had entered into agreement with Kalink Co. Ltd for setting up an alloy wheel manufacturing facility in Mehsana, Gujarat and the technology for the said purpose was imported during the financial year 2016-17.

**(b) The year of import**

Not Applicable for the financial year 2017-18, however technology was imported during the financial year 2016-17 under the above stated agreement with Kalink Co. Ltd.

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

Not Applicable for the financial year 2017-18, however the technology imported during the financial year 2016-17 was fully absorbed in the year 2016-17.

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

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

(Rs. In lacs)

Particulars	Year Ended 31.03.2018 (Amount in Rs.)	Year ended 31.03.2017 (Amount in Rs.)
Capital	3240.86	621.30
Recurring	415.72	371.75
Total	3656.58	993.05
Total R & D Expenditure as a percentage of Turnover	2.34%	0.67%

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Rs. In lacs)

Particulars	Year Ended 31.03.2018 (Amount in Rs.)	Year ended 31.03.2017 (Amount in Rs.)
The Foreign exchange earned in terms of actual inflows during the year	13526.81	15060.16
The Foreign exchange outgo during the year in terms of actual outflows	13539.61	24557.53

For and on behalf of the Board

Date: 14.08.2018  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN: 00034827

# ANNEXURE-B

## TO THE BOARDS' REPORT

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

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	<p>The Company believes in Corporate excellence and social welfare. This corporate philosophy is the force for integrating Corporate Social Responsibility (CSR) into Company's values, culture, operation and business decisions at all levels of the organization. Being a responsible corporate citizen, the Company has a value system of giving back to society and improving life of the people and the surrounding environment.</p> <p>The Company believes that the Corporate strategy which embraces social developments an integral part of the business activities ensure long term sustainability of business enterprises. With this belief, the Company is committed to conduct its business in a socially responsible, ethical and environment friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.</p> <p>As part of CSR initiatives, the Company, during the financial year 2017-18, had amongst other activities, undertaken projects in the areas of promoting education, sanitation and making available safe drinking water, Swach Bharat ensuring environment sustainability, animal welfare and safety. The Company has spent Rs. 164.21 lacs on these projects. These projects are in accordance with Schedule VII of the Companies Act, 2013.</p> <p><b>Overview of the projects or programmes</b></p> <p>For the Promotion of education, the Company has supported Schools at Moonak Distt. Sangrur (Pb) namely Govt. Senior Secondary School (Boys), Govt. Senior Secondary School (Girls), Bhagat Ravidas Govt. Primary School, Govt. Primary Girls School and ITI Moonak by renovating, modernizing and providing basic amenities and construction of Mid day Meal Hall in Govt. Senior Secondary School for Boys at Moonak</p> <p>The Company has also contributed in Company run School set up in Jamshedpur.</p> <p>In addition to the above, the Company has also contributed towards the following:</p> <ul style="list-style-type: none"> <li>- Sanitation and making available safe drinking water at Jamshedpur.</li> <li>- Environment sustainability and development of park</li> <li>- Cleanliness</li> <li>- Installation CCTV Cameras for safety and surveillance at various places at Moonak</li> <li>- Promotion of sports at Moonak.</li> <li>- Promotion of education the Company has made initiative in providing financial assistance/fee payments of the needy students.</li> <li>- Contribution to Gaushalla for animal welfare and</li> <li>- Contribution to a charitable eye hospital for eye care for needy patients.</li> </ul> <p>The Company's CSR policy has been uploaded on the website of the Company under the web-link: <a href="http://www.sswlindia.com/pages/csr-policy.htm">http://www.sswlindia.com/pages/csr-policy.htm</a></p>
2.	The Composition of the CSR Committee	<ul style="list-style-type: none"> <li>(i) *Sh. S. S. Grewal, Chairman</li> <li>(ii) * Sh. Sudhanshu Shekhar Jha, Chairman</li> <li>(iii) Sh. Andra Veetil Unnikrishnan, Member</li> <li>(iv) Sh. Manohar Lal Jain, Member</li> </ul>
3.	Average Net Profit of the Company for last three financial years	Rs. 8195.67 lacs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 163.91 lacs
5.	Details of CSR spend during the financial year: (a) Total amount spent for the financial year (b) Amount unspent, if any	Rs. 164.21 lacs Nil



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

(Rs. in lacs)

S. No	CSR Project or Activity identified	Sector in Which the Project is covered	Projects or programmes: (i) Local area or other (ii) Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the projects or programs sub-heads: (i) Direct expenditure on projects or programs (ii)Overheads	Cumulative Expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	For the promotion of education by renovation and modernization of Schools, and construction of Mid day Meal in Govt. Senior Secondary School for Boys	Promotion of Education	Moonak , Distt. Sangrur (Punjab)	Rs. 63.90	Rs. 63.28	Rs. 63.28	Direct
2.	Company run School	Promotion of Education	Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 9.50	Rs. 11.48	Rs. 11.48	Direct
3.	Park Development	Environment Sustainability	Moonak , Distt. Sangrur (Punjab)	Rs. 70.50	Rs. 70.55	Rs. 70.55	Direct
4.	Safe drinking water- Water to villagers	making available safe drinking water	Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 0.75	Rs. 0.68	Rs. 0.68	Direct
5.	Cleanliness-Cleaning of Roads	Sanitation and Swach Bharat	Moonak , Distt. Sangrur (Punjab) Jamshedpur Distt. East Singhbhum (Jharkhand)	Rs. 4.00	Rs. 0.57 Rs. 2.52	Rs. 0.57 Rs. 2.52	Direct
6.	Promotion of sports	Promotion of sports	Moonak , Distt. Sangrur (Punjab)	Rs. 0.15	Rs. 0.14	Rs. 0.14	Direct
7.	Installation of CCTV Camerassafety and surveillance	Other	Moonak , Distt. Sangrur (Punjab)	Rs. 3.50	Rs. 3.38	Rs. 3.38	Direct
8.	Financial Assistance/ Fee payment of the needy students	Promotion of Education	Moonak , Distt. Sangrur (Punjab)	Rs. 7.65	Rs. 7.61	Rs. 7.61	Direct
9.	Donation to Gaushalla	Animal Welfare	Moonak , Distt. Sangrur (Punjab)	Rs. 2.00	Rs. 2.00	Rs. 2.00	Direct
10.	Donation to Charitable Eye Hospital	Health Care	Tohana, Fatehabad, Haryana	Rs. 2.00	Rs. 2.00	Rs. 2.00	Direct
	<b>Total</b>			<b>Rs.163.95</b>	<b>Rs.164.21</b>	<b>Rs.164.21</b>	

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

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

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

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

Date: 14.08.2018  
Place: Chandigarh

Andra Veetil Unnikrishnan  
(Deputy Managing Director)

Sudhanshu Shekhar Jha  
(Chairman CSR Committee)

# ANNEXURE-C

## TO THE BOARDS' REPORT

Form No.MGT-9

**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31.03.2018**  
**[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 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 01.04.2017				No of shares held at the end of the Year As on 31.03.2018				%change year
	De-mat	Physical	Total Shares	% of Total Shares	De-mat	Physical	Total Shares	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	5315561	-	5315561	34.22	5015561	-	5015561	32.24	(1.98)
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corporate	3811871	1250	3813121	24.55	3947965	1250	3949215	25.39	0.84
e) Banks/FI	-	-	-	-					
f) Any Other	-	-	-	-					
<b>Sub-Total (A)(1):</b>	<b>9127432</b>	<b>1250</b>	<b>9128682</b>	<b>58.77</b>	<b>8963526</b>	<b>1250</b>	<b>8964776</b>	<b>57.63</b>	<b>(1.14)</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total(A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A)=(A) (1)+(A)(2)</b>	<b>9127432</b>	<b>1250</b>	<b>9128682</b>	<b>58.77</b>	<b>8963526</b>	<b>1250</b>	<b>8964776</b>	<b>57.63</b>	<b>(1.14)</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/UTI	30000	10400	40400	0.26	315613	750	316363	2.04	1.78
b) Banks/FI	51421	1450	52871	0.34	79747	1450	81197	0.52	0.18
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt,	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Company	-	-	-	-	-	-	-	-	-
g) Foreign Institutional/ Portfolio Investor	20922	-	20922	0.13	91943	-	91943	0.59	0.46
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total(B) (1)</b>	<b>102343</b>	<b>11850</b>	<b>114193</b>	<b>0.73</b>	<b>487303</b>	<b>2200</b>	<b>489503</b>	<b>3.15</b>	<b>2.42</b>
<b>B2 Non-Institution</b>									
<b>a) Bodies Corporate</b>									
(i) Indian	2723072	4950	2728022	17.56	2753570	2900	2756470	17.72	0.16
(ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
(i) individual shareholders holding nominal share capital up to Rs.1 lakh	1334386	483111	1817479	11.70	1396616	308261	1704877	10.96	(0.74)
(ii) individual shareholders holding nominal share capital in excess of Rs. 1 lakh	176328	-	176328	1.13	280540	-	280540	1.81	0.68
<b>c) other (Specify)</b>									
Trusts	1000	-	1000	0.01	2061	-	2061	0.01	0.00
Foreign Body Corporate	1059525	377000	1436525	9.25	1059525	-	1059525	6.81	(2.44)
Non Resident Indian	56879	-	56879	0.37	69171	-	69171	0.44	0.07
Clearing Members	19706	-	19706	0.13	12183	-	12183	0.08	(0.05)
Hindu Undivided Family	54288	400	54688	0.35	51301	300	51601	0.33	(0.02)
Investor Education & Protection fund authority	-	-	-	-	165563	-	165563	1.06	1.06
<b>Sub Total (B)(2)</b>	<b>5425184</b>	<b>865461</b>	<b>6290645</b>	<b>40.50</b>	<b>5790530</b>	<b>311461</b>	<b>6101991</b>	<b>39.22</b>	<b>(1.28)</b>
<b>(B)Total Public shareholding(B)=(B)(1)+(B)(2)</b>	<b>5527527</b>	<b>877311</b>	<b>6404838</b>	<b>41.23</b>	<b>6277833</b>	<b>313661</b>	<b>6591494</b>	<b>42.37</b>	<b>1.14</b>
<b>(c) Shares held by Custodians for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A)+(B)+(C)</b>	<b>14654959</b>	<b>878561</b>	<b>15533520</b>	<b>100.00</b>	<b>15241359</b>	<b>314911</b>	<b>15556270</b>	<b>100.00</b>	<b>-</b>

## STEEL STRIPS WHEELS LIMITED

### ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the Year (As on 01.04.2017)			Shareholding at the end of the Year (As on 31.03.2018)			
		No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total shares*	No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total shares	% change in shareholding during the year*
1	Sh. R. K. Garg	292571	1.88	-	292571	1.88	-	-
2	Smt. Sunena Garg	3500	0.02	-	3500	0.02	-	-
3	Sh. Dheeraj Garg	4640228	29.87	6.06	4640228	29.83	12.43	(0.04)
4	Ms. Priya Garg	379262	2.44	-	79262	0.51	-	(1.93)
5	SAB Industries Ltd.	1324187	8.53	3.22	1324187	8.52	3.86	(0.01)
6	SAB Udyog Ltd.	1142582	7.36	-	1142582	7.35	-	(0.01)
7	Chandigarh Developers Pvt. Ltd.	569132	3.67	-	569132	3.66	-	(0.01)
8	Malwa Chemtex Udyog Ltd.	385000	2.48	-	385000	2.47	-	(0.01)
9	DHG Marketing Pvt. Ltd.	365000	2.35	2.35	501094	3.22	2.35	0.87
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	0.00	-	500	0.00	-	-
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	-	-
	<b>Total</b>	<b>9128682</b>	<b>58.77</b>	<b>11.63</b>	<b>8964776</b>	<b>57.63</b>	<b>18.64</b>	<b>(1.14)</b>

- (i) \*The % of shares pledged/encumbered represents % of shares pledged/encumbered as a % of the total Shares of the Company.
- (ii) \*\*Steel Strips Leasing Ltd (now known as Steel Strips Industries Ltd), Munak Financiers P. Ltd, Steel Strips Ltd and S.A. Holdings P. Ltd (now known as S.J. Mercantile P. Ltd) have sold 500, 400, 300 and 50 shares (totaling 1250 shares) respectively long back, but not yet lodged by the purchasers in public category with the Company. These shares are still standing in the name of above stated promoters in physical forms in member register.
- Further as per our member register, Munak International Pvt. Ltd (MIPL) is holding 2250 shares. However out of this, 50 shares have already been sold by MIPL long back, however the same is still outstanding in its name.
- (iii) During the financial year 2017-18, the Company has allotted 22750 equity shares under Employee Stock Option Scheme 2014 (ESOS-2014), consequently paid up capital of the Company has been increased from Rs. 15,53,35,200/- to Rs. 15,55,62,700/-. Therefore % of shareholding of certain promoters slightly reduced as on 31.03.2018.

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	<b><u>Priya Garg</u></b>				
	<b>At the beginning of the Year</b>	<b>379262</b>	<b>2.44</b>	<b>379262</b>	<b>2.44</b>
	Market Sale on 06.06.2017	(300000)	(1.93)	79262	0.51
	<b>At the end of the year</b>	<b>79262</b>	<b>0.51</b>	<b>79262</b>	<b>0.51</b>
2	<b><u>DHG Marketing Pvt. Ltd.</u></b>				
	<b>At the beginning of the Year</b>	<b>365000</b>	<b>2.35</b>	<b>365000</b>	<b>2.35</b>
	Market Purchase on 19.10.2017	1000	0.01	366000	2.36
	Market Purchase on 22.11.2017	5137	0.03	371137	2.39
	Market Purchase on 23.11.2017	129957	0.83	501094	3.22
	<b>At the end of the year</b>	<b>501094</b>	<b>3.22</b>	<b>501094</b>	<b>3.22</b>

There is no change in other Promoters shareholding during FY 2017- 18.

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

S.No.	Name of the Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	<b><u>Tata Steel Ltd</u></b>				
	At the Beginning of the year	1086972	7.00	1086972	7.00
	Increase/decrease in shareholding during the year 2017-18	0	0.00	1086972	6.99
	<b>At the End of the Year</b>	<b>1086972</b>	<b>6.99</b>	<b>1086972</b>	<b>6.99</b>
2	<b><u>Sumitomo Metal Industries Ltd.</u></b>				
	At the Beginning of the year	850000	5.47	850000	5.47
	Increase/decrease in shareholding during the year 2017-18	0	0.00	850000	5.46
	<b>At the End of the Year</b>	<b>850000</b>	<b>5.46</b>	<b>850000</b>	<b>5.46</b>
3	<b><u>Priya Tools Pvt. Ltd.</u></b>				
	At the Beginning of the year	526874	3.45	526874	3.45
	Increase/decrease in shareholding during the year 2017-18	0	0.00	526874	3.39
	<b>At the End of the Year</b>	<b>526874</b>	<b>3.39</b>	<b>526874</b>	<b>3.39</b>

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4	<b><u>SCM Fintrade Pvt. Ltd.</u></b>				
	At the Beginning of the year	487691	3.14	487691	3.14
	Increase/decrease in shareholding during the year 2017-18	0	0.00	487691	3.14
	<b>At the End of the Year</b>	<b>487691</b>	<b>3.14</b>	<b>487691</b>	<b>3.14</b>
5	<b><u>Bloomen Flora Ltd.</u></b>				
	At the Beginning of the year	489316	3.15	489316	3.15
	Increase/decrease in shareholding during the year 2017-18 on:				
	12.05.2017	(1000)	(0.01)	488316	3.14
	19.05.2017	(1820)	(0.01)	486496	3.13
	<b>At the End of the Year</b>	<b>486496</b>	<b>3.13</b>	<b>486496</b>	<b>3.13</b>
6	<b><u>#Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Pure Value Fund</u></b>				
	At the Beginning of the year	0	0	0	0
	Increase/decrease in shareholding during the year 2017-18 on:				
	09.06.2017	297463	1.91	297463	1.91
	16.03.2018	3250	0.02	300713	1.93
	23.03.2018	10000	0.07	310713	2.00
	31.03.2018	4900	0.03	315613	2.03
	<b>At the End of the Year</b>	<b>315613</b>	<b>2.03</b>	<b>315613</b>	<b>2.03</b>
7	<b><u>Kalink Co. Ltd</u></b>				
	At the Beginning of the year	209525	1.35	209525	1.35
	Increase/decrease in shareholding during the year 2017-18 on:				
	08.12.2017	13015	0.08	222540	1.43
	26.01.2018	1383	0.01	223923	1.44
	02.02.2018	45352	0.29	269275	1.73
	<b>At the End of the Year</b>	<b>269275</b>	<b>1.73</b>	<b>269275</b>	<b>1.73</b>
8	<b><u>#Investor Education And Protection Fund Authority Ministry of Corporate Affairs</u></b>				
	At the Beginning of the year	0	0	0	0
	Increase/decrease in shareholding during the year 2017-18	165563	1.06	165563	1.06
	<b>At the End of the Year</b>	<b>165563</b>	<b>1.06</b>	<b>165563</b>	<b>1.06</b>
9	<b><u>Amrit Sagar Mittal</u></b>				
	At the Beginning of the year	111933	0.72	111933	0.72
	Increase/decrease in shareholding during the year 2017-18 on:				
	07.04.2017	17421	0.11	129354	0.83
	14.04.2017	320	0.00	129674	0.83
	21.04.2017	(7336)	(0.04)	122338	0.79
	28.04.2017	(1626)	(0.01)	120712	0.78
	09.06.2017	(786)	(0.01)	119926	0.77
	16.06.2017	(3017)	(0.02)	116909	0.75
	02.02.2018	(15865)	(0.10)	101044	0.65
	<b>At the End of the Year</b>	<b>101044</b>	<b>0.65</b>	<b>101044</b>	<b>0.65</b>

10	<b># Manisha Lodha</b> At the Beginning of the year Increase/decrease in shareholding during the year 2017 -18 on: 17.11.2017 01.12.2017 08.12.2017 29.12.2017 12.01.2018 09.02.2018 16.02.2018 23.02.2018	0 15000 34000 7500 10500 3000 3815 2185 (6000)	0 0.10 0.22 0.05 0.07 0.02 0.02 0.01 (0.04)	0 15000 49000 56500 67000 70000 73815 76000 70000	0 0.10 0.32 0.36 0.43 0.45 0.47 0.49 0.45
	<b>At the End of the Year</b>	<b>70000</b>	<b>0.45</b>	<b>70000</b>	<b>0.45</b>
11	<b>*General Insurance Corporation of India</b> At the Beginning of the year Increase/decrease in shareholding during the year 2017 -18	44502 0	0.29 0	44502 44502	0.29 0.28
	<b>At the End of the Year</b>	<b>44502</b>	<b>0.28</b>	<b>44502</b>	<b>0.28</b>
12	<b>*GS Global Corp.</b> At the Beginning of the year Increase/decrease in shareholding during the year 2017 -18	377000 (377000)	2.43 (2.43)	377000 0	2.43 0
	<b>At the End of the Year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
13	<b>*BOI AXA Trustee Services Pvt Ltd A/C BOI AXA Tax Advantage Fund</b> At the Beginning of the year Increase/decrease in shareholding during the year 2017-18 on: 07.04.2017 27.10.2017 03.11.2017	30000 1920 (8398) (23522)	0.19 0.01 (0.05) (0.15)	30000 31920 23522 0	0.19 0.20 0.15 0
	<b>At the End of the Year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

\*ceased to be in the list of top 10 shareholders as on 31.03.2018. The same has been reflected above since shareholders were one of the top 10 shareholders as on 01.04.2017.

# Not in the list of top ten shareholders as on 01.04. 2017.The same has been reflected above since shareholders were one of the top ten shareholders as on 31.03.2018.

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

During the financial year 2017-18, the Company has allotted 22750 equity shares under Employee Stock Option Scheme 2014 (ESOS-2014), consequently paid up capital of the Company has been increased from Rs. 155335200/- to Rs. 155562700/-. Therefore % of shareholding of certain aforementioned shareholders slightly reduced as on 31.03.2018.

## STEEL STRIPS WHEELS LIMITED

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

S. No.	Name of the Director	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Sh. R. K. Garg</b>				
	At the beginning of the year	292571	1.88	292571	1.88
	Date wise Increase/Decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	-	-	292571	1.88
	<b>At the end of the Year</b>	<b>292571</b>	<b>1.88</b>	<b>292571</b>	<b>1.88</b>
2.	<b>Sh. Dheeraj Garg</b>				
	At the beginning of the year	4640228	29.87	4640228	29.83
	Date wise Increase/Decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	-	-	4640228	29.83
	<b>At the end of the Year</b>	<b>4640228</b>	<b>29.83</b>	<b>4640228</b>	<b>29.83</b>
3.	<b>Sh. Andra Veetil Unnikrishnan</b>				
	At the beginning of the year	5110	0.03	5110	0.03
	Increase/decrease in shareholding during the year 2017 -18, Sale of shares in open market on: 27.03.2018	(3498)	(0.02)	1612	0.01
	<b>At the end of the Year</b>	<b>1612</b>	<b>0.01</b>	<b>1612</b>	<b>0.01</b>
4.	<b>Sh. Manohar Lal Jain</b>				
	At the beginning of the year	21853	0.14	21853	0.14
	Increase/decrease in shareholding during the year 2017 -18 Sale of shares in open market on : 06 .04 .2017	(1 000)	(0.01)	20853	0.13
	<b>At the end of the Year</b>	<b>20853</b>	<b>0.13</b>	<b>20853</b>	<b>0.13</b>
5.	<b>Sh. Madan Mohan Chopra</b>				
	At the beginning of the year	10000	0.06	10000	0.06
	Date wise Increase/Decrease in shareholding during the year specifying he reason for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	-	-	-	-
	<b>At the end of the Year</b>	<b>10000</b>	<b>0.06</b>	<b>10000</b>	<b>0.06</b>

Ms. Jaspreet Takhar, Sh. Sudhanshu Shekhar Jha, Sh. Surinder Kumar Bansal, Sh. Sukhbir Singh Grewal and Sh. Chanakya Chaudhary, Directors of the Company, did not hold any shares during the financial year 2017-18.



### Name of the Key Managerial Personnel

	Name of the KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Sh. Naveen Sorot (CFO)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Allotment of 750 shares on 13.05.2017 under ESOS	750	0.005	750	0.005
	Sale of Shares in open market on : 22.06.2017	(340)	(0.002)	410	0.003
	23.06.2017	(391)	(0.003)	19	0.00
	<b>At the end of the Year</b>	<b>19</b>	<b>0.00</b>	<b>19</b>	<b>0.00</b>
2.	<b>Sh. Shaman Jindal ( Company Secretary)</b>				
	At the beginning of the year	0	0.00	0.00	0.00
	Allotment of 1250 shares on 13.05.2017 under ESOS	1250	0.01	1250	0.01
	Sale of Shares in open market on : 19.06.2017	(1250)	(0.01)	0	0
	<b>At the end of the Year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

### 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 (Amount in Rs.)
Indebtedness at the beginning of the financial year (01 -04 -2017)				
i) Principal Amount	453.97	103.74	-	557.71
i) Interest due but not paid	-	-	-	-
ii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>453.97</b>	<b>103.74</b>	<b>-</b>	<b>557.71</b>
Change in Indebtedness during the financial year				
• Addition	238.52	3.20	-	241.72
• Reduction (net of fluctuation)	(82.10)	-	-	(82.10)
<b>Net Change</b>	<b>156.42</b>	<b>3.20</b>	<b>-</b>	<b>159.62</b>
Indebtedness at the end of the financial year(31-03 -2018)				
i) Principal Amount	610.39	106.94	-	717.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>610.39</b>	<b>106.94</b>	<b>-</b>	<b>717.33</b>

## STEEL STRIPS WHEELS LIMITED

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in lac)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (In Rs)
		Sh. Dheeraj Garg (MD)	Sh. Andra Veetil Unnikrishnan (DMD)	Sh. Manohar Lal Jain (ED)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	28.80	42.38	45.57	116.75
	(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	485.47	-	-	485.47
	- Others, specify	-	-	-	-
5	Others, please Specify : Provident fund	2.16	3.60	3.82	9.58
	<b>Total (A)</b>	<b>516.43</b>	<b>45.98</b>	<b>49.39</b>	<b>611.80</b>
	Ceiling as per the Act	Rs. 1136.15 lac (being 11% of Net profit of the Company as calculated as per the provisions of Section 198 of the Companies Act, 2013.)			

#### B. Remuneration to other Directors:

##### 1. Independent Directors

(Rs. in lac)

Sr. No.	Name of Directors	Particulars of Remuneration(fee for attending Board/Committee, Commission, Other Specify)	Total Amount (In Rs.)
1	Sh. Sukhbir Singh Grewal	Fee for Attending Board Meeting & Audit Committee Meeting	1.10
2.	Sh. Sudhanshu Shekhar Jha	Fee for Attending Board Meeting & Audit Committee Meeting	0.80
3.	Sh. Surinder Kumar Bansal	Fee for Attending Board Meeting & Audit Committee Meeting	0.50
4.	Sh. Madan Mohan Chopra	Fee for Attending Board Meeting	0.40
5.	Ms. Jaspreet Takhar	Fee for Attending Board Meeting	0.40
	<b>Total (1)</b>		<b>3.20</b>

##### 2. Other Non Executive Directors

(Rs. in lac)

Sr. No.	Name of Directors	Particulars of Remuneration(fee for attending Board/Committee, Commission, Other Specify)	Total Amount (In Rs.)
1.	Sh. Rajinder Kumar Garg	Fee for Attending Board Meeting	0.60
2.	Sh. Chanakya Chaudhary	Fee for Attending Board Meeting	-
	<b>Total (2)</b>		<b>0.60</b>
	<b>Total (B) = (1+2)</b>		<b>3.80</b>
	<b>Total Managerial Remuneration</b>		<b>615.60</b>
	<b>Overall Ceiling as per the Act</b>	Rs. 1136.15 lac (being 11 % of Net profit of the Company)	



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

(Rs. in lac)

S. No	Particulars of Remuneration	Key Managerial Personnel		
		Sh. Naveen Sorot (Chief Financial Officer)	Sh. Shaman Jindal (Company Secretary)	Total Amount (In Rs.)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	25.49	21.40	46.89
	(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	5.96	9.94	15.90
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of Profit	0	0	0
	- Others specify			
5	Others, please Specify : Provident Fund	1.37	1.51	2.88
	<b>Total (A)</b>	<b>32.82</b>	<b>32.85</b>	<b>65.67</b>

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

There were no penalties / punishment / compounding of offences for the year ending 31st March, 2018.

For and on behalf of the Board

Date: 14.08.2018  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN: 00034827

# ANNEXURE-D

## TO THE BOARDS' REPORT

### PARTICULARS OF REMUNERATION

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

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

Executive Directors	Ratio of Median Remuneration
Mr. Dheeraj Garg	215.10
Mr. Andra Veetil Unnikrishnan	19.15
Mr. Manohar Lal Jain	20.57

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

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

Name of Person	% increase in remuneration
Mr. Dheeraj Garg (MD)	(4.86)
Mr. Andra Veetil Unnikrishnan (DMD)	-
Mr. Manohar Lal Jain	4.11
Mr. Naveen Sorot (CFO)	13.17
Mr. Shaman Jindal (CS)	29.58

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

6.42%

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

As on 31st March, 2018, the Company had 2511 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 7.9% for employees other than Key Managerial Personnel and (1.90%) 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: 14.08.2018  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN: 00034827



# SECRETARIAL

## AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[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 31st March, 2018, 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, 2018 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) Central Goods & Services Tax Act, 2017
- 20) Air (Prevention & Control of Pollution) Act, 1981
- 21) Payment of Gratuity Act, 1972
- 22) Indian Electricity Act, 1910 & Rules 1956
- 23) Hazardous Waste (Management & Handling) Rules 1989 under EP Act, 1986
- 24) Explosive Act, 1884 and Rules made thereunder.
- 25) Industrial Development & Regulation Act, 1951
- 26) Contract Labour Regulation & Abolition Act, 1971

# STEEL STRIPS WHEELS LIMITED

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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 (BSE) 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 22750 equity shares of Rs. 10/- each on 13th May, 2017 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.
- (ii) Granted 26500 Stock Options to eligible employees of the Company under Steel Strips Wheels Limited- Employee Stock Option Scheme, 2016 (ESOS 2016) on 16.05.2017. Each stock option is exercisable into equivalent number of equity shares of Rs. 10/- 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 Ms. Jaspreet Takhar (DIN: 00318883) as an Independent Non-Executive Directors for a second term of three years w.e.f 01.10.2017 to 31.09.2020.
- (ii) To enhance borrowings limit of the Company to Rs. 2000.00 Crore.
- (iii) To authorize Board of Directors to create security on assets of the Company.

Place:Chandigarh  
Date: 14.08.2018

Sushil K Sikka  
Company Secretary  
FCS 4241  
CP 3582

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The Members  
Steel Strips Wheels Limited

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

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

Place:Chandigarh  
Date: 14.08.2018

Sushil K Sikka  
Company Secretary  
FCS 4241  
CP 3582

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# CORPORATE

# GOVERNANCE

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

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

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

## **BOARD OF DIRECTORS**

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

- (i) **Composition and Category of the Directors:** As on 31.03.2018, 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 Nominee Director [Nominated by Tata Steel Limited (Equity investor)] and one 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 31.03.2018 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 from time to time. 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 is acting as Whole Time Director in any listed Company or serves as an Independent Director in more than 3 listed Companies.
- (vi) Five Board Meetings were held during the year and gap between two meetings did not exceed one hundred twenty days (120) as stipulated under Regulation 17(2) of SEBI Listing Regulations, Secretarial Standards and under the Act. The said five Board meetings were held on 13.05.2017, 29.05.2017, 11.08.2017, 08.11.2017 and 14.02.2018. 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 at the last Annual General Meeting and the number of Directorships and Committee Chairmanships / Memberships held by them in other Public Companies as on 31.03.2018 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 2017-18		Whether attended last AGM held on 28.09.2017	No. of Directorships in other Public companies		No. of Committee positions held in other public companies	
			Held	Attended		Chairman	Member	Chairman	Member
Sh. Rajinder Kumar Garg,(Chairman)	00034827	Promoter . Non . Executive Director	5	3	No	3	2	-	-
Sh. Dheeraj Garg (M.D)	00034926	Promoter – Executive Director	5	5	No	-	1	-	2
Sh. Andra Veetil Unnikrishnan Dy. Managing Director	02498195	Whole Time Director	5	4	No	-	-	-	-
Sh. Manohar Lal Jain Executive Director	00034591	Whole Time Director	5	5	Yes	-	3	-	-
Sh. Madan Mohan Chopra Director	00036367	Independent Non-Executive Director	5	2	No	-	2	1	1
Sh. Surinder Kumar Bansal Director	00165583	Independent Non-Executive Director	5	1	Yes	-	1	-	-
*Sh. Sukhbir Singh Grewal Director	00031001	Independent Non-Executive Director	5	4	Yes	-	-	-	-
Sh. Sudhanshu Shekhar Jha Director	01489603	Independent Non-Executive Director	5	3	No	-	-	-	-
Ms. Jaspreet Takhar Director	00318883	Independent Non-Executive Director	5	2	No	-	-	-	-
Sh. Chanakya Chaudhary Director	02139568	Nominee of Tata Steel Ltd (equity investor). Non – Executive Director	5	1	No	-	2	-	-

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

- (viii) During the year 2017-18, 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 under the link <http://www.sswlindia.com/pages/terms.htm>
- (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) The Board has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.
- (xii) Sh. Rajinder Kumar Garg (Chairman & Non Executive Director) and Sh. Dheeraj Garg (Managing Director) are related to each other and belong to the promoter category. None of the other directors of the Company are in any way related to each other.
- (xiii) Details of number of Equity Shares of the Company held by the Directors (Executive and Non Executive as on 31.03.2018 are given below:

**(a) Executive Directors**

Name of the Director	Designation	No of Shares held	Percentage
Sh. Dheeraj Garg	Managing Director	4640228	29.83%
Sh. Andra Veetil Unnikrishnan	Deputy Managing Director	1612	0.01%
Sh. Manohar Lal Jain	Executive Director	20853	0.13%

**(b) Non-Executive Directors**

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

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



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

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

## **SELECTION CRITERIA OF BOARD MEMBERS**

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

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

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

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

## STEEL STRIPS WHEELS LIMITED

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

- (i) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to :
  - (a) Matters required being included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transaction;
  - (g) Modified opinion(s) in the draft audit report;
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the whistle blower mechanism;
- (xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Valuation of undertakings or assets of the company, wherever, it is necessary;
- (xxi) Reviewing management discussion and analysis of financial condition and results of operations;
- (xxii) Reviewing statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (xxiii) Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
- (xxiv) Reviewing internal audit reports relating to internal control weaknesses;
- (xxv) Reviewing the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- (xxvi) Reviewing statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

Four AC meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days (120). The dates on which the said meetings were held are 29.05.2017, 11.08.2017, 08.11.2017, and 14.02.2018 and the necessary quorum was present at all the meetings.

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

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

\*Sh. Sukhbir Singh Grewal, Ceased to be Director of the Company and Member of the AC due to his sad demise on 21.07.2018 and Sh. Madan Mohan Chopra was appointed as Member of the AC w.e.f. 14.08.2018.

The Company Secretary acts as the Secretary of AC.

The previous Annual General Meeting of the Company was held on 28.09.2017 and was attended by Sh. Surinder Kumar Bansal, Chairman of the AC.

#### **NOMINATION AND REMUNERATION COMMITTEE**

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

The Board of Directors of the Company at its meeting held on 26.05.2018, in view of amendment caused to the Companies Act, 2013, by way of notification of certain provisions of Companies (Amendment Act, 2017) by the Ministry of Corporate Affairs w.e.f. 07.05.2018 have revised the terms of reference of NRC of the Board of Directors of the Company.

The revised terms of reference of the NRC include:

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

During the year, two meetings of NRC were held, i.e. on 11.04.2017 and 29.06.2017.

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

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

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

Sh. Sukhbir Singh Grewal, Chairman of NRC was present at the Annual General Meeting held on 28.09.2017.

#### **Performance evaluation criteria for Independent Directors**

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

- Qualifications
- Experience
- Knowledge and Competency.
- Fulfilment 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 fulfilment 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

## STEEL STRIPS WHEELS LIMITED

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

### **Nomination and Remuneration Policy:**

The nomination and remuneration policy ("Policy") is formulated by the NRC and approved by the Board of Directors of the Company. The Policy of the Company has been uploaded on the website of the Company under the web link [http://www.sswlindia.com/pages/nominations\\_remuneration.htm](http://www.sswlindia.com/pages/nominations_remuneration.htm).

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

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

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

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

### **Remuneration paid to directors during the financial year 2017-18**

#### **(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 as calculated under Section 198 of the Act, inclusive of fixed component of the salary (variable component) to its Managing Director.

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

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

Details of Remuneration paid to Managing Director (MD), Deputy Managing Director (Dy. MD) and Executive Director (ED) during the year 2017-18:-

Particulars	Sh. Dheeraj Garg MD	Sh. Andra Veetil Unnikrishnan Dy. MD	Sh. Manohar Lal Jain ED
Basic Salary	18.00	30.00	31.80
House Rent Allowance	10.80	10.50	11.13
Special Allowance	Nil	1.73	2.52
Reimbursement of Medical Expenses	Nil	0.15	0.12
Perquisites	Nil	Nil	Nil
Contribution to Provident Fund	2.16	3.60	3.82
Stock options	Nil	Nil	Nil
Commissions	485.47	Nil	Nil
<b>Total</b>	<b>516.43</b>	<b>45.98</b>	<b>49.39</b>
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. Sh. Chanakya Chaudhary, a Non Executive Director of the Company, nominated by Tata Steel Limited (Equity investor), is not entitled to get any sitting fee for attending the Board Meeting of the Company, as per the policy of Tata Steel Limited.

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



Details of sitting fee paid to the Non-Executive Directors during the year 2017-18 are as follows:-

Name of Director	Dates on which Board Meetings were held					Sitting fee (in Rs.)
	13.05.2017	29.05.2017	11.08.2017	08.11.2017	14.02.2018	
Sh. Rajinder Kumar Garg	√	-	√	-	√	60,000
Sh. Madan Mohan Chopra	-	√	-	-	√	40,000
Sh. Sukhbir Singh Grewal	√	-	√	√	√	80,000
Sh. Sudhanshu Shekhar Jha	√	√	-	√	-	60,000
Sh. Surinder Kumar Bansal	-	√	-	-	-	20,000
Ms. Jaspreet Takhar	√	-	√	-	-	40,000

Name of Directors	Dates on which Audit Committee Meetings were held				Sitting fee (in Rs.)
	29.05.2017	11.08.2017	08.11.2017	14.02.2018	
Sh. Surinder Kumar Bansal	√	√	-	√	30,000
Sh. Sudhanshu Shekhar Jha	√	-	√	-	20,000
Sh. Sukhbir Singh Grewal	-	√	√	√	30,000

**Service contracts, notice period, severance fees**

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

Sh. Andra Veetil Unnikrishnan has been re-appointed as an Executive Director (Deputy Managing Director) from 01.01.2014 till 31.12. 2018 is liable to retire by rotation and his status continues.

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

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

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

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

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

The Company has not issued/granted stock options to any of its Independent/Nominee/ Non Executive Directors during the year under review. On 16.05.2017, the Employee Compensation Committee of the Company had 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) 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 within a period of 5 years from the date of grant.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

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

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

- (I) To consider and resolve the grievances of the Security holders of the Company including complaints relating to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc. and to recommend measures for overall improvement in the quality of investor services.

During the year, one meeting of SRC was held, i.e. on 11.04.2017.

## STEEL STRIPS WHEELS LIMITED

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

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

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Member of the SRC due to his sad demise on 21.07.2018 and Sh. Sudhanshu Shekhar Jha was appointed as Member of the SRC w.e.f. 14.08.2018.

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

(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@sswllindia.com  
 shamanjindal@sswllindia.com

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

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	3	2	1

### Compliance Certificates

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

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

### **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

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

Terms of reference of the CSR Committee includes:-

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

During the year, six meetings of CSR were held, i.e. on 11.04.2017, 20.05.2017, 30.05.2017, 01.08.2017, 10.10.2017 and 10.01.2018.

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

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

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Chairman of the CSR due to his sad demise on 21.07.2018 and Sh. Sudhanshu Shekhar Jha was appointed as Chairman of the CSR w.e.f. 14.08.2018.

### **EMPLOYEE COMPENSATION COMMITTEE**

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

- I. The quantum of option to be granted under ESOS Scheme(s) to employee.
- ii. The conditions under which option vested in employee may lapse in case of termination of employment for misconduct;
- iii. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;



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

During the year, one meeting of Employee Compensation Committee was held i.e. on 16.05.2017. 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 (Chairman w.e.f 14.08.2018)	Independent, Non Executive Director	1
Sh. Sudhanshu Shekhar Jha, Member	Independent, Non Executive Director	1
*Sh. Madan Mohan Chopra, Member	Independent, Non Executive Director	--

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

#### **RISK MANAGEMENT COMMITTEE**

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

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

The Company as a part of Good Corporate Governance has constituted a Risk Management Committee though applicable to top 100 listed entities. The main functions of committee are as under:

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

During the year no meeting of RMC was held.

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

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

#### **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

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Member of the Sub Committee due to his sad demise on 21.07.2018.

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

#### **SHARE TRANSFER COMMITTEE**

The Share Transfer Committee (STC) approves and expedites the process of share transfers, issue of share certificate pursuant to duplicate/remat/renewal requests as and when received by the company. The Committee met 29 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. The Composition of STC and Details of the meeting attended by its members are given below:-

Name of Chairperson & Members	Category	Meetings Attended
Sh. Surinder Kumar Bansal, Chairman	Independent, Non-Executive Director	3
Sh. Manohar Lal Jain, Member	Non-Independent, Executive Director	29
*Sh. Sukhbir Singh Grewal, Member	Independent, Non-Executive Director	29
Sh. Andra Veetil Unnikrishnan, Member	Non-Independent, Executive Director	29
*Sh. Sudhanshu Shekhar Jha, Member	Independent, Non-Executive Director	---

\*Sh. Sukhbir Singh Grewal, ceased to be Director of the Company and Member of the STC due to his sad demise on 21.07.2018 and Sh. Sudhanshu Shekhar Jha was appointed as Member of the STC w.e.f. 14.08.2018.

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

## **FINANCE COMMITTEE**

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

During the year, eleven meetings of the FC were held i.e. on 03.04.2017, 17.05.2017, 06.06.2017, 07.09.2017, 18.09.2017, 25.09.2017, 29.09.2017, 06.10.2017, 07.12.2017, 14.12.2017 and 16.03.2018.

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

Name of Chairperson & Members	Category	Meetings Attended
Sh. Dheeraj Garg, Chairman	Non Independent, Executive Director	2
Sh. Andra Veetil Unnikrishnan, Member	Non Independent, Executive Director	11
Sh. Manohar Lal Jain, Member	Non Independent, Executive Director	11

## **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 28.03.2018 without the attendance of Non-Independent Directors and members of Management of the Company and inter alia:

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

## **GENERAL BODY MEETINGS**

Date and venue of last three Annual General Meetings:

Details of Meeting	Date of Meeting	Time of Meeting	Venue of Meeting
29th Annual General Meeting (2014-15)	30.09.2015	11.00 A.M	Village Somalheri/Lehli P. O. Dappar, Tehsil Derabassi, Distt. Mohali, (Pb).
30th Annual General Meeting (2015-16)	30.09.2016	11.00 A.M	- Do -
31st Annual General Meeting (2016-17)	28.09.2017	11.00 A.M	- Do -

## **Special Resolution in the previous three Annual General Meeting**

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

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

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

- 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 up to 1,00,000 options to employees of the Company exercisable into equal number of equity shares.

At the AGM held on 30.09.2015, 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.

## **POSTAL BALLOT**

No Postal Ballot was conducted during the year under review.

Currently, no resolution is proposed to be passed through postal ballot.



## 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 2017 - 18 Date Time Venue	28.09.2018 11.00 AM Vill. Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, District Mohali (Pb.)
(ii) Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
(iii) Year Ending	31.03.2018
(iv) Financial Calendar (tentative) for Results of Quarter ending June 2018 Quarter ending Sept. 2018 Quarter ending Dec. 2018 Quarter ending March 2019	2nd week of August, 2018 2nd week of November, 2018 2nd week of February, 2019 Last week of May, 2019
(v) Book Closure date	22.09.2018 to 28.09.2018 (both days inclusive)
(vi) Dividend Payment date	On or before 28.10.2018 (Subject to the approval of shareholders)
(vii) Name and Address of Stock Exchange at which Company's securities are Listed	(a) <b>BSE Ltd (BSE)</b> , Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 (b) <b>National Stock Exchange of India Limited (NSE)</b> , 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 Demat form	INE802C01017 (with NSDL and CDSL).

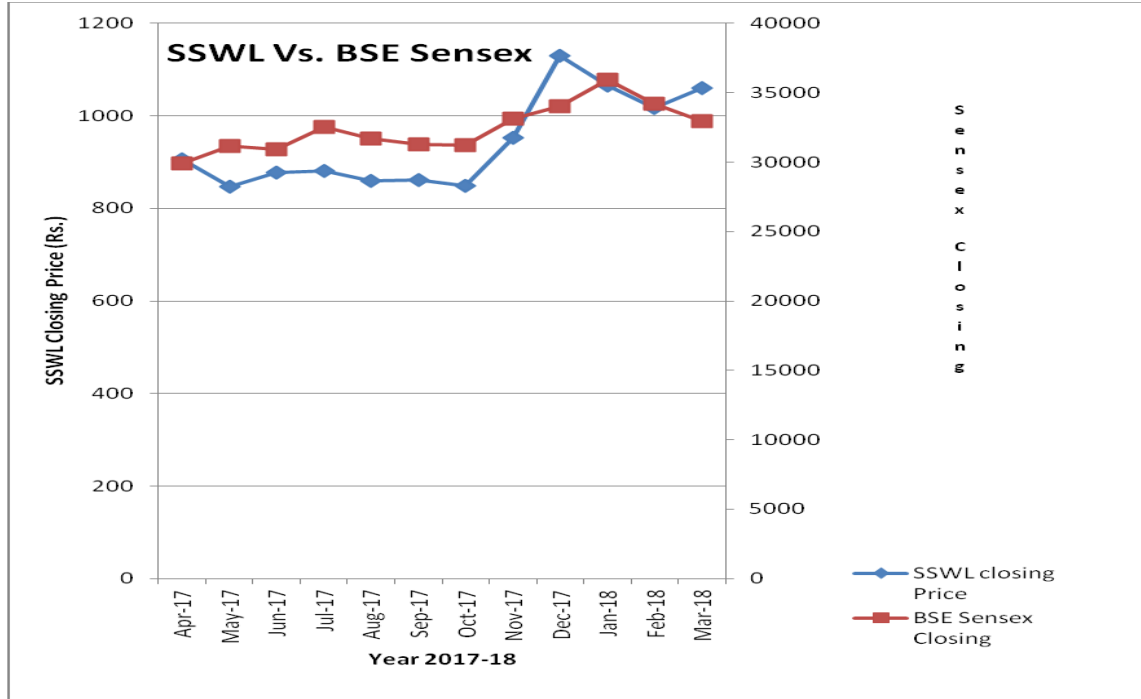
## (xi) Stock Market Price Data

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.

Month	Bombay Stock Exchange (BSE)		National Stock Exchange of India Limited (NSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2017	952.90	814.30	953.30	811.55
May 2017	930.00	817.90	940.80	815.50
June 2017	956.60	851.40	958.00	850.05
July 2017	918.00	859.95	918.00	856.50
Aug 2017	888.00	777.00	894.00	725.80
Sept 2017	912.00	820.00	912.00	802.00
Oct 2017	916.00	840.50	910.00	842.00
Nov 2017	999.00	769.95	1007.00	750.00
Dec 2017	1165.75	950.00	1176.00	870.00
Jan 2018	1225.00	1060.00	1224.50	1053.80
Feb 2018	1132.00	942.15	1142.00	950.00
Mar 2018	1104.00	991.70	1085.10	1001.15

## STEEL STRIPS WHEELS LIMITED

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



(xiii) Registrar and Share 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 : 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

97.98% of the Equity Shares of the Company are in electronic form. Transfers 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.





(xvi) **Distribution of Shareholding**

(a) Class-wise Distribution of Equity Shares as on 31.03.2018

Shares/Debentures Holding of Nominal Value	Number of Shares	% age of Total
Up to 5000	1161190	7.46
5001 - 10000	233868	1.50
10001 - 20000	219580	1.41
20001 - 30000	106765	0.69
30001 - 40000	61777	0.40
40001 - 50000	81898	0.53
50001 - 100000	120128	0.77
100001 and above	13571064	87.24
<b>Total</b>	<b>15556270</b>	<b>100.00</b>

(b) Shareholding Pattern as on 31.03.2018

S. No	Particulars	No. of Shares	Percentage
1.	Promoter and Promoter Group	8964776	57.63
2.	Mutual Funds/UTI/Financial Institutions, Banks & Foreign Institutional Investors /Foreign Portfolio Investor	489503	3.15
3.	Foreign Bodies Corporate Indian Body Corporate	1059525 2756470	6.81 17.72
4.	Individuals	1985417	12.77
5.	Any other :		
	Non Residents	69171	0.44
	Clearing Members	12183	0.08
	HUF	51601	0.33
	Trust	2061	0.01
	IEPF	165563	1.06
	<b>Total</b>	<b>15556270</b>	<b>100.00</b>

(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 31.03.2018 there were 13599 shareholders of the Company. Out of these 11312 shareholders were holding 15241359 (97.98%) equity shares in the dematerialized form and rest of them i.e. 2287 shareholders were holding 314911 (2.02%) equity shares in physical form.

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

As on 31.03.2018, the Company has 38925 outstanding Employee Stock Options as per the following details:

- 12425 Employee Stock Options under "Steel Strips Wheels Limited- Employee Stock Option Scheme 2014" (ESOS 2014). Date of grant was 02.03.2015 and vesting period was one year from the date of grant. These options are exercisable into a equivalent number of equity shares within a period of 4 years from the date of grant.
- 26500 Employee Stock options under "Steel Strips Wheels Limited- Employee Stock Options Scheme 2016 (ESOS 2016). Date of grant was 16.05.2017 and vesting period was one year from the date of grant. These options are exercisable into a equivalent number of equity shares within a period of 5 years from the date of grant.

# STEEL STRIPS WHEELS LIMITED

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

There was no outstanding GDR/ADR or warrants or any other Convertible instruments as on 31.03.2018. However the Company has allotted 7,50,000 warrants on 26.05.2018, convertible into equity shares within 18 months from the date of allotment. The said warrants are outstanding as on date of this report.

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

(xxi) **Address for Correspondence:**

**To the Registrar & Share Transfer Agents**

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

Contact Persons : [shn@linkintime.co.in](mailto:shn@linkintime.co.in)  
Sh. Swapan Nasker

**To the Company (Corporate Office)**

Steel Strips Wheels Limited  
S.C.O 49-50, Sector 26  
Madhya Marg,  
Chandigarh-160019

Phone No.: 0172- 2793112  
Email ID: [mljain@sswllindia.com](mailto:mljain@sswllindia.com)  
[shamanjindal@sswllindia.com](mailto:shamanjindal@sswllindia.com)  
Contact Person : Sh. Manohar Lal Jain  
Sh. Shaman Jindal

## **DISCLOSURES**

### **(i) Related Party Transactions**

All contracts / arrangements / transactions entered by the Company with related parties during the financial year 2017-18, were in the ordinary course of business and on an arm's length basis. The details of the related party transactions are set out in the Notes to Financial Statement forming part of this Annual report.

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

The Audit Committee, during the Financial year 2017-18, has approved Related Party transaction along with granting omnibus approval valid for a period not exceeding one year in line with the policy of the Company on materiality of Related Party Transactions and dealing with related party transactions and the applicable provisions of the Act, read with the rules issued thereunder and the SEBI Listing Regulations (including any statutory modification (s) or re-enactment (s) thereof for the time being in force).

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

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

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

(iii) The Company has 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 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>).



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- (iv) The Company has complied with all the mandatory requirements as applicable to it along with the compliance with the requirements of Part C (sub paras 2 to 10) of Schedule V of the SEBI Listing Regulations.
  - (v) The Company is in compliance with the Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.
  - (vi) Details of adoption of the non-mandatory requirement as specified in Part E of Schedule II:
    - (a) The Non-Executive Chairman of the Company has been provided a Chairman's office at the Corporate office of the Company at Company's expenses and also allowed reimbursement of expenses incurred in performance of his duty.
    - (b) During the year under review, there is no audit qualification on the Company's financial statement. The Company continue to adopt best practice to ensure regime of unmodified audit opinion.
    - (c) The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.
    - (d) The Internal Auditor of the Company has direct access to the Audit Committee and presents his internal audit report to the Audit Committee.
  - (vii) The Senior Management team has confirmed to the Board of Directors that no material and commercial transactions have been entered into between the Company and members of Senior Management team, where they have personal interest.
  - (viii) The Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standard (AS)/Indian Accounting Standard (IND AS) laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

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

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

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

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

**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](http://www.sswlindia.com/pages/code_conduct.htm)).

The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31.03.2018. The Annual Report of the Company contains a Declaration by the Managing Director in terms of SEBI Listing Regulations, based on the affirmations received from the Members of the Board and Senior Management personnel.

**INSIDER TRADING**

The Company has in place a Code of Conduct for Prevention of Insider Trading 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](http://sswlindia.com/pages/code_insider_trading.htm)

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

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

**AUDIT FOR RECONCILIATION OF SHARE CAPITAL**

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

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

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

**CEO/CFO CERTIFICATION**

As required under Regulations 17 (8) of the SEBI Listing Regulations, the CEO/CFO Certificate for the Financial year 2017-18, duly signed by Sh. Dheeraj Garg, Managing Director, Sh. A.V. Unnikrishnan, Deputy Managing Director and Sh. Naveen Sorot, Chief Financial Officer of the Company was placed before the Board of Directors of the Company in their meeting held on 26.05.2018.

# STEEL STRIPS WHEELS LIMITED

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## **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 Pvt. Ltd., Malwa Chemtex Udyog Limited, SAB Udyog Limited, Steel Strips Mercantile Pvt. Limited, Indian Acrylics Investments Ltd, Munak International Pvt. Limited, Steel Strips Financiers Pvt. Limited, S.S. Credits Pvt. Limited, Malwa Holdings Pvt. Limited, S.J. Mercantile Pvt. Limited, Munak Investments Pvt. Limited, Steel Strips Holdings Pvt. Limited, Munak Financiers Pvt. Limited, Chandigarh Developers Pvt. Ltd. and DHG Marketing Pvt. Ltd.

### **Individuals:**

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

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

R. K. Garg & Sons (HUF)

### **Trust:**

Hans Raj Trust

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

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

Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years from the date of transfer to Unclaimed Dividend Account of the Company. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the de-mat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining transfer of the shares.

During the year under review, the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company had transferred Rs.314350.00 of unpaid/unclaimed dividend for the financial year 2009-10 and 165563 shares to the IEPF authority.

Shareholders/claimants whose shares, unclaimed dividend, have been transferred to the IEPF De-mat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) from time to time. The Shareholders/claimant can file only one consolidated claim in a financial year as per the rules.

During the financial year 2018-19, the company would be transferring unclaimed dividend amount for the financial year ended 31.03. 2011 on or before 05.11.2018 to IEPF.

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

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

## **AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

Certificate from the Auditors' on compliance of conditions of Corporate Governance is enclosed herewith

For and on behalf of the Board of Directors

Rajinder Kumar Garg  
Chairman  
DIN: 00034827

Place: Chandigarh  
Date : 14.08.2018



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## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of Steel Strips Wheels Limited

We have examined the compliance of the conditions of Corporate Governance by Steel Strips Wheels Limited ("Company") for the year ended on 31.03.2018, 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 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 AKR & Associates  
Chartered Accountants  
Firm Registration No: 021179N

Date: 14.08.2018  
Place: Chandigarh

Kailash Kumar  
Partner  
M. No. 505972

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

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

I confirm that the Company has in respect of the year ended 31.03.2018, 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

Dheeraj Garg  
Managing Director  
DIN: 00034926

Place: Chandigarh  
Dated: 14.08.2018

# MANAGEMENT

# DISCUSSION & ANALYSIS

The Indian economy seems to have started on the road to recovery as it reclaimed the position of the fastest growing economy. According to data released by the Central Statistics Office (CSO) India's Gross Domestic Product (GDP) grew by 7.7 per cent in the fourth quarter of fiscal year 2017-18. Courtesy to the rise in the GDP growth in the quarter ended March 2018, India surpassed China's GDP growth of 6.8 per cent reported for the quarter ended March 2018.

The automobile industry is one of the key drivers that boost the economic growth of the country. Since the de-licensing of the sector in 1991 and the subsequent opening up of 100 percent FDI through automatic route, Indian automobile sector has come a long way. Today, almost every global auto major has set up facilities in the country. The world standing for the Indian automobile sector, as per the Confederation of the Indian industry is as follows:

- Largest three-wheeler market
- Second largest two-wheeler market
- Tenth largest passenger car market
- Fourth largest tractor market
- Fifth largest commercial vehicle market
- Fifth largest bus and truck segment

## Future Trends in the Automobile Industry

As the auto-show starts, the industry promised a blend of technology and automotive. With the recession trend breaking its leashes from the past two years, 2016 is expected to get back on track with the sales of automobiles in the country.

- Almost Self-governing cars are predicted to be on the streets by 2020
- More than half the cars on the streets are going to be powered by diesel by 2020
- Industry watcher Gartner indicates that 30 percent of motorists want parking info. The facility is likely to come up after glitches in the infrastructure catch up.
- High Performance Hybrid cars are likely to gain greater popularity among consumers.

The Indian automobile industry has a prominent future in India. Apart from meeting the advancing domestic demands, it is penetrating the international market too. Favored with various benefits such as globally competitive auto-ancillary industry; production of steel at lowest cost; inexpensive and high skill manpower; entrenched testing and R & D centre etc., the industry provides immense investment and employment opportunities

## KEY HIGH GROWTH POTENTIAL FOR SSWL

Your company has taken the capacity to a new high to target maximum market share and global footprint in a growing automobile market globally. The alloy wheel segment is expected to add healthy Rs.480-500 crore to the revenue in FY 2019-20 with 85% utilization and we expect this to happen in FY 2019-20 with higher profitability matrix adding to company financials. The additional CV expansion was done and we expect this to add additional Rs. 400 crore the revenue in FY 2018-19.

## Indian Automobile Niche

Automobile makers have exited FY 2017-18 on a strong note, with most segments reporting a strong double-digit growth in domestic sales.

With the exception of passenger vehicles, which grew at 7.89 per cent, segments, including commercial vehicles, two and three-wheelers, have grown in double-digits. Sales of passenger and commercial vehicles, two and three-wheelers hit a new record during the year.

Industry body, the Society of Indian Automobile Manufacturers (SIAM), expects passenger vehicle sales to grow at a high single-digit in FY 2018-19, while commercial vehicles are likely to grow at low double-digit. Within two-wheelers, motorcycle sales could moderate in the current fiscal.

Passenger vehicles (cars, utility vehicles and vans) closed the year with sales of 3.28 million units, growing at 7.89 per cent, against 9.23 per cent in FY 2016-17. Cars grew at 3.33 per cent to 2.17 million units, while utility vehicles expanded at a healthy 21 per cent to 0.92 million units. Total production of passenger vehicles crossed 4 million for the first time during the year in March,2018, while sales grew 6.38 per cent to 300722 units. Around 747287 units were exported.



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The automobile industry expanded even as it was grappling with the after effects of demonetization and challenges from the transition to the Goods and Services Tax (GST) from July 2017 and the shift to Bharat Stage IV emission norms (in case of two-wheelers and commercial vehicles).

The industry produced a total 29,075,605 vehicles, including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in April-March 2018, against 25,330,967 in April-March 2017, registering a growth of 14.78 per cent over the same period last year, according to a data released by (SIAM).

The sales of passenger vehicles grew by 7.89 per cent in April-March 2018 over the same period last year. Within the passenger vehicles, passenger cars, utility vehicles and vans grew by 3.33 per cent, 20.97 per cent and 5.78 per cent, respectively during April-March 2018 over the same period last year.

The overall commercial vehicles segment registered a growth of 19.94 per cent in April- March 2018, compared to the same period last year.

Medium & Heavy Commercial Vehicles (M&HCVs) grew by 12.48 per cent and Light Commercial Vehicles grew by 25.42 per cent during April-March 2018 over the same period last year.

Three Wheelers sales grew by 24.19 per cent in April-March 2018 over the same period last year. Passenger Carrier sales registered a growth of 28.65 per cent and Goods Carrier sales grew by 7.83 per cent in April-March 2018 over April-March 2017.

Two Wheelers sales registered a growth of 14.80 per cent in April-March 2018 over the same period last year. Within the Two Wheelers segment, Scooters and Motorcycles grew by 19.90 per cent, 13.69 per cent, while Mopeds declined by (-) 3.48 per cent in April-March 2018 over April-March 2017.

In April-March 2018, overall automobile exports increased by 16.12 per cent. Two and three wheelers segments registered a growth of 20.29 per cent and 40.13 per cent, respectively, while Passenger and Commercial vehicles declined by (-) 1.51 per cent and (-) 10.53 per cent, respectively in April-March 2018 over the same period last year.

### **Sectoral Outlook**

India's automobile market has grown steadily over the last seven to eight years, with the exception of the previous two years where the effects of the global downturn were felt, primarily in sales of commercial vehicles. However, even during the downturn, the two-wheeler and three wheeler segments, which were until then experiencing low growth or losing volumes, bucked the trend. India's vehicle demand is quite different from other top automobile markets, with the exception of China in that, two-wheelers constitute a significant portion of vehicle demand (more than 3/4th of the Indian market is in two-wheelers).

The Indian automotive industry is set to further improve its performance in FY 2018-19, compared to FY 2017-18. The industry forecasts the sales growth of passenger vehicles in FY 2018-19 at 8-10 per cent, with utility vehicles growing at 14-15 per cent and cars up between 8-9 per cent in the domestic market. The two-wheeler industry is slated to deliver a better performance at 11-13 per cent, with motorcycles up by 9-11 per cent and scooters growing higher between 13-16 per cent. Commercial vehicles, on the other hand, are pitted to continue their growth momentum in double-digits at 10-12 per cent, with M&HCVs up by 9-11 per cent and light commercial vehicles growing at 10-12 per cent.

More infrastructure development will spike up this business. Buses, meanwhile, will continue to grow at less than 10 per cent. A revival of the economy post-demonetization and enforcement of GST are putting the country back on track. For instance, the GDP and economic reform programs of the government are indicating positive signs of recovery. A strong cyclical recovery in the global economy with the world growth projected at 3.7 per cent in 2018, bank recapitalization, rural revival, and reforms such as Insolvency and Bankruptcy Code by the government will also give a fillip to the auto sector. While the overall investment outlook is expected to improve, a full-fledged private sector investment recovery is likely to be delayed. Two successive good monsoon years have put the rural economy on the growth track, boosting utility vehicles, motorcycles and small commercial vehicle sales in the rural markets.

Overall, FY 2018-19 is expected to bring positive sentiments back into the market and rev up overall vehicle sales.

### **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**

Riding on the back of two high growth years, the Indian tractor industry is pegged to grow between 8-10 per cent in FY 2018-19. The forecast of a normal monsoon by the IMD has set the ball rolling further with a positive outlook in the agricultural sector, which is expected to keep the market



# STEEL STRIPS WHEELS LIMITED

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sentiment positive. Though general productivity improvement in the agri sector will be witnessed in FY 2018-19, the double-digit run in the tractor market may not sustain as farmers are unable to generate money. The increase in alternate use of tractor will keep pushing the demand and we expect the replacement demand will ensure 10% growth trend for the sector. FY 2017-18 had closed with a 22 per cent growth and sales volumes of 711,478 units, compared to 582,846 units a year ago.

## Export Outlook

India's exports crossed the \$300 billion mark after a gap of two years in FY 2017-18 even as shipments declined in March and higher imports pushed the trade deficit for the full year to a five-year high. Exports declined nearly one percent in March after four months of rise to \$29.1 billion from \$29.3 billion a year ago. India's trade deficit widened to \$156.8 billion in FY 2017-18 compared with \$108.5 billion in FY 2016-17 amid rising global trade tensions. Imports were up 7.2% to \$42.8 billion in March, yielding a traded deficit of \$13.7 billion against \$10.7 billion in March last year. For the full FY 2017-18, exports rose 9.8% to \$302.8 billion while imports were up 19.6% at \$459.7 billion, a trade deficit of \$156.8 billion against \$108.5 billion in FY 2016-17. India's global trade increased by 16.32% to \$767.9 billion in FY 2017-18, in FY 2016-17, the trade stood at \$660.2 billion.

India's passenger vehicle exports declined for the first time in seven years in FY 2017-18 with a dip of 1.51 per cent as major exporters focus on domestic market, while lingering impact of GST refund also affected overseas shipments.

Passenger vehicle (PV) exports in FY 2017-18 were at 7,47,287 units as against 7,58,727 units in the previous year.

The reasons behind the fall is that some major exporters of PVs have prioritized the domestic market over exports and are focusing here due to huge demand surge. Moreover, the exporters are struggling with the GST refund issue and the auto industry has a total of around Rs. 1,000 Cr pending refund.

Your Company achieved export volume of 14.06 Lacs wheels in FY 2017-18. The main driver for trend is tough European markets and increasing localization from the western world for trade protection. The factor still remains as the Centre stage of trade and we expect the trade war of US and China will give benefits to India, we expect a huge bonanza in exports of truck and tractor wheels due to trade war of US and a lot of countries putting anti-dumping on Chinese products. The Company expects to enter US truck markets in a major way with the help of extra CV wheel capacity to make mark and penetrate in large US trailer market.

## Financial Analysis

Gross revenues stood at Rs. 1570.60 crore in FY 2017-18 as compared to Rs. 1498.67 crore in FY 2016-17. The Company performed in line with industry standards and we are expecting the growth in revenue to be on track for 18-20% growth. The volume growth for the Company stood at all-time high and we are expecting this trend to continue and the 2 new plants add a lot of performance muscle for the company. We expect a lot of focus on CV export markets with addition of capacity and larger footprint on global front. The Profit after Tax for FY 2017-18 stood at Rs. 75.09 crore as compared to Rs. 55.68 crore YoY. We expect the trend of 17-18% profit growth to be maintained by the Company and outperform the automobile sector. The Company is constantly moving towards adding newer products to the portfolio of SSWL products and will continue to move towards this aggressively in FY 2018-19 to target maximum penetration in automobile sector.

## FUTURE TRENDS TOWARDS THE WAY CAR WILL RUN: GREEN REVOLUTION

### Green Vehicles in India

As with conventional automobiles, the Indian industry has taken a path different from that of the global industry in the development of green vehicles. The development of cleaner vehicles in India began with a regulatory push for CNG buses and three-wheelers in New Delhi more than a decade ago. In all other segments of the automobile market, demand has grown largely based on customer awareness and a pull for products motivated largely by perceived economic benefits. For instance, LPG kits were available in the market more than a year before the first entrant in the field, Maruti Suzuki, introduced factory-fitted vehicles in 2004. In recent times, electric 2 wheelers have ridden on the back of customer demand for vehicles with lower running costs, as well as some incentives to users in the form of little or no duties on electric vehicles (and parts) in areas such as New Delhi. "When there is consensus it will have to be a public-private partnership because the government alone doesn't have the capacity to build the infrastructure." He argues that the government must bring manufacturers on board and finalize a 10-20 year blueprint for the introduction of greener vehicles. Nevertheless, the Indian auto industry today seems to be evaluating two paths in its move towards greener vehicles:

- CNG/ Dual Fuel Vehicles
- Electric/ Hybrid Vehicles

### CNG/Dual Fuel Vehicles

This part of the industry has developed largely based on legislative and judicial activism and the subsequent availability of CNG fueling outlets across major parts of the country.

While there is debate over the effectiveness of CNG in reducing pollutant emissions, there seems to be support for CNG-based vehicles in New

Delhi. India has the world's fifth largest number of natural gas vehicles, amounting to a little less than a million vehicles. It is believed that at least 5% of new car buyers opt for a CNG variant where available. This could grow in the future as the demand increases for vehicles with lower running costs, although currently most LPG/CNG variants of passenger cars cost about INR 15,000 to 50,000 more than their conventional counterparts. The higher purchase price of dual-fuel cars is normally compensated in less than two years based on cost per km, because dual-fuel cars offer up to 50% savings based on current prices of petrol and CNG. The increasing availability of fueling stations in cities and on major highways is also encouraging sales.

### **Electric/Hybrid Vehicles**

Battery powered/plug-in hybrid electric vehicles (BEV/PHEV) have continued their steady growth worldwide, despite accounting for only about 1 percent of all vehicles sold in FY 2009-2012. In India, electric vehicles have just begun making some inroads into the market. In passenger cars, there is only one established domestic manufacturer, Reva, whose sales account for less than 1 percent of all passenger cars sold in India. However this could change soon with Mahindra & Mahindra's (M&M) acquisition of a majority stake in Reva. In the two-wheeler market, an electric scooter is available for less (about USD 600) than a conventional scooter (about USD 900). Soon, Indian electric vehicle manufacturers are expected to launch electric motorcycles. Given that motorcycles account for more than 80 percent of all two-wheelers sold in India, the introduction of electric motorcycles could have a significant impact on the market for electric vehicles. However, electric two-wheelers have seen a recent reversal of fortunes, with sales dipping from a high of more than 26,000 vehicles in FY 2008-09 to around 3,000 in FY 2009-10, attributed by industry sources to the rush of cheap, but low-quality vehicles which flooded the market in FY 2008-09 but then were subsequently rejected by consumers. Electric/hybrid commercial vehicles are mostly in the experimental stage at the time of writing so it is not yet clear how this industry will shape up in India.

### **Other Fuels**

As in Brazil, where more than 90 percent of new vehicles sold can run on either ethanol or gasoline, India has been exploring the prospect of reducing its dependence on crude oil. There are mandatory blending requirements for ethanol and the government has announced a policy for biofuels (such as biodiesel/biopetrol) from various sources. However, none of these have taken off in a sustainable manner. As with any developing market trend, greener vehicles face several challenges to their growth in India. Addressing them would help expand the market manifold.

### **Domestic Sales Forecast for FY 2018-19 by SIAM**

The (SIAM) forecast a 8-10% growth for the domestic passenger vehicle sales in the FY 2018-19, expecting support from 7th pay commission payout and overall global tailwinds of good economic growth with sustain this trend. SIAM expects motorcycles sales to grow moderately in FY 2018-19 with demand in rural segment keeping pace with urban demand. The good monsoons will also play a crucial role in farm output improving the trend line and giving a push to 2-3 wheeler demand. The segment is expected to grow at 11-13% based on good macro factors. The overall commercial vehicle segment is expected to grow by 10-12% with the help of very good govt spending on infrastructure and private capex also improving after a decade of sluggish growth. The key concerns still remain the increasing commodity prices, higher vehicle finance rates and adhoc changes in policy environment that could affect profitability of OEMs.

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. We expect this year to be around the highest exports ever with very good demand from the western world.

### **Risk & Outlook**

Steel & Aluminum is the primary raw material for the products of the company, and is a very significant part of the final product cost of steel & aluminum wheel. Rising steel & aluminum prices continue to be a reality and pose a challenge to the margins of the company in this competitive auto component sector.

Factor of global growth has become a key linkage between economies and the consumer sentiment. Global growth is still limping on weak wicket and manufacturing output is still shrinking for a large part of the globe. The world economies are making a base after financial crisis and will keep the growth parameters for Company in check as the cross border trade is suffering due to low consumption. We are constantly de-risking ourselves by broadening our product reach and extending our reach to across the globe to avoid geographical slowdown risk.

Top customer concentration is a risk as 85% of revenues come from domestic market customers and Company is increasing its foot print in Export markets by catering to wide ranges of segment and customers. Company has ventured into alloy wheel segment to improve the product category to de-risk itself from being only in steel wheel segment.

Foreign currency movement also poses the risk towards the corporate performance as global currencies swings are extreme due to various macro issues persisting in current environment. This may act as a headwind for some time to come till situation becomes normal and volatility among global currency recedes to normalized levels.

To mitigate the risk, the Company continues to strive to improve its operational performance and develop new components, which are technologically superior and have an edge over the competitors.

# STEEL STRIPS WHEELS LIMITED

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.	Debottlenecking exercise across all the facilities are being carried every quarter. Optimum scheduling of production across different products thereby improving yield. Possibility of setting up new lines wherein company has project management expertise.
Operation Risk	Supply chain disruption.	The raw material (Steel) 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.
	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 wheel rims catering to different segment of automobile industry. The inherent nature of activities is governed by the same set of risk and returns; hence these have been grouped as a single segment. The said treatment is in accordance with the principle enunciated in the Accounting Standard on Segment Reporting (AS 17).

## DISCLAIMER

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

For and on behalf of the Board

Date: 14.08.2018  
Place: Chandigarh

Rajinder Kumar Garg  
Chairman  
DIN:00034827



# INDEPENDENT AUDITORS'

# REPORT

To the Members of  
Steel Strips Wheels Limited

## Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Steel Strips Wheels Limited** ("the Company"), which comprise the Balance Sheet as at **31 March 2018**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

## Auditors' Responsibility

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

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31 March 2018**, its profit, total comprehensive profit, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Ind AS financial statements dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.;
  - e. on the basis of the written representations received from the directors as on **31 March 2018** and taken on record by the Board of Directors, none of the directors is disqualified as on **31 March 2018** from being appointed as a director in terms of Section 164(2) of the Act;
  - f. with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company does not have any pending litigations which would impact its financial position;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

per Kailash Kumar  
Partner  
Membership No.: 505972

Place : New Delhi  
Date : 26th May 2018

# STEEL STRIPS WHEELS LIMITED

**Annexure A to the Independent Auditors' Report of even date to the members of Steel Strips Wheels Limited, on the financial statements for the year ended 31st March 2018**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the said Order are not applicable to the company.
- (iv) The Company has not granted any loan or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provisions of clauses 3(iv) of the said Order are not applicable to the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) . Accordingly, the provisions of clause 3(v) of the said Order are not applicable to the company.
- (vi) 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, GST, 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	INCOME TAX	18,65,000.00	3,73,000.00	A/Y 2015-16	CIT ( Appeals)

- (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.



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

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

per Kailash Kumar  
Partner  
Membership No.: 505972

Place : New Delhi  
Date : 26th May 2018

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#### **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 financial statements for the year ended 31st March, 2018.

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

1. We have audited the internal financial controls over financial reporting of Steel Strips Wheels Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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



## STEEL STRIPS WHEELS LIMITED

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

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

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

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

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

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

### **Opinion**

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

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

per Kailash Kumar  
Partner  
Membership No.: 505972

Place : New Delhi  
Date : 26th May 2018





# BALANCE SHEET

As at 31st March, 2018

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

PARTICULARS	Notes	AS AT March 31st, 2018	AS AT March 31st, 2017	AS AT 01st April, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
a) Property, plant and equipment	3	1,02,693.79	74,160.87	70,051.93
b) Capital work-in-progress	4	32,318.45	35,172.02	5,168.44
c) Other Intangible assets	5	242.96	321.26	398.56
d) Financial assets				
i) Investments	6	19.40	21.41	16.82
ii) Loans	7	657.06	450.41	354.70
iii) Other Financial assets	8	848.90	771.26	530.31
e) Other non-current assets	9	137.38	1,789.81	2,217.89
<b>Total Non-Current assets</b>		<b>1,36,917.94</b>	<b>1,12,687.04</b>	<b>78,738.65</b>
<b>Current assets</b>				
a) Inventories	10	26,588.70	17,703.56	14,823.51
b) Financial assets				
i) Trade receivables	11	31,287.38	20,455.18	16,918.76
ii) Cash and Cash equivalents	12	3,356.34	5,007.51	3,623.88
iii) Bank balances other than above	13	9,702.44	7,065.44	8,556.19
iv) Loans	14	548.71	970.23	1,164.86
v) Other financial asset	15	43.72	365.47	251.73
c) Current tax assets (net)	16	-	-	-
d) Other current assets	17	9,148.87	8,919.91	8,788.79
<b>Total Current assets</b>		<b>80,676.16</b>	<b>60,487.30</b>	<b>54,127.72</b>
<b>Total Assets</b>		<b>2,17,594.10</b>	<b>1,73,174.34</b>	<b>1,32,866.37</b>
<b>EQUITY AND LIABILITIES</b>				
a) Equity Share capital	18	1,555.63	1,553.35	1,525.92
b) Other equity	19	56,872.09	49,648.79	43,017.29
<b>LIABILITIES</b>		<b>58,427.72</b>	<b>51,202.14</b>	<b>44,543.21</b>
<b>Non-current liabilities</b>				
a) Financial liabilities				
i) Borrowings	20	49,071.47	39,131.63	17,644.93
ii) Others financial liabilities	21	2,400.01	8,197.83	7,431.14
b) Provisions	22	1,201.79	1,141.96	849.07
c) Deferred tax liabilities (Net)	23	10,614.60	8,814.33	7,801.01
d) Other non-current liabilities		-	-	-
<b>Total Non-Current Liabilities</b>		<b>63,287.87</b>	<b>57,285.75</b>	<b>33,726.15</b>
<b>Current liabilities</b>				
a) Financial liabilities				
i) Borrowings	24	40,965.68	39,476.57	32,176.12
ii) Trade and other payables	25	32,538.92	14,915.12	12,743.84
iii) other financial liabilities	26	20,262.04	8,442.25	7,683.32
b) Current Tax Liabilities (Net)	27	175.44	174.27	316.50
c) Provisions	28	131.03	114.45	91.71
d) Other current liabilities	29	1,805.40	1,563.79	1,585.52
<b>Total Current Liabilities</b>		<b>95,878.51</b>	<b>64,686.45</b>	<b>54,597.01</b>
<b>Total Equity and liabilities</b>		<b>2,17,594.10</b>	<b>1,73,174.34</b>	<b>1,32,866.37</b>

The accompanying notes are an integral part of these financial statements (1-56)

As per our report of even date

**FOR AKR & Associates**

**Chartered Accountants**

ICAI Firm Registration Number: 021179N

per Kailash Kumar

**Partner**

Membership Number : 505972

Place : New Delhi

Date : 26th May, 2018

Shaman Jindal  
**Company Secretary**

R. K. Garg  
**Chairman**

Andra Veetil Unnikrishnan  
**Dy. Managing Director**

Manohar Lal Jain  
**Executive Director**

Naveen Sorot  
**CFO**

For and on behalf of Board

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

# STEEL STRIPS WHEELS LIMITED

## STATEMENT OF PROFIT & LOSS ACCOUNT

For the year ended 31st March, 2018

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

S.No.	PARTICULARS	For the Year Ended March 31st, 2018	For the Year Ended March 31st, 2017
I	Revenue from operations	1,55,715.80	1,48,023.79
II	Other Income	1,344.54	1,843.04
	Total income(I+II)	1,57,060.34	1,49,866.83
III	<b>Expenses</b>		
a	Cost of materials consumed	93,768.40	79,942.94
b	Purchases of stock-in-trade	-	-
c	Change in inventories of finished goods, stock in trade and work-in-progress	(3,397.40)	(187.25)
d	Excise Duty Expense	3,896.67	15,027.78
e	Employee benefit expense	13,641.88	11,861.60
f	Finance costs	6,394.07	5,056.38
g	Depreciation and amortisation expense	5,257.36	4,790.17
h	Other expenses	27,782.92	24,895.34
	<b>Total Expenses III(a to h)</b>	<b>1,47,343.90</b>	<b>1,41,386.96</b>
IV	Profit/(loss) before exceptional items and tax (I+II-III)	9,716.44	8,479.87
V	Exceptional items	8.82	(113.25)
VI	Profit/(loss) before tax after exceptional items(IV-V)	9,707.62	8,593.12
VII	Tax expense: (refer note 56)		
	(1) Current tax	433.09	1,993.11
	(2) Deferred tax	1,765.39	1,031.70
VIII	Profit/(loss) for the period after Tax (VI-VII)	7,509.14	5,568.31
IX	Other Comprehensive Income (net of tax)	65.91	(34.72)
X	Total Comprehensive Income for the period (VIII+IX) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)	7,575.05	5,533.59
XI	Paid-up equity share capital (Face value of Rs 10 per share)	1,555.63	1,553.35
XII	Earnings per equity share in Rs. (refer note 39)		
	(1) Basic (in ₹)	48.28	35.98
	(2) Diluted (in ₹)	48.18	35.91

The accompanying notes are an integral part of these financial statements (1-56)

As per our report of even date

**FOR AKR & Associates**  
**Chartered Accountants**

ICAI Firm Registration Number: 021179N  
per Kailash Kumar

**Partner**

Membership Number : 505972

Place : New Delhi

Date : 26th May, 2018

Shaman Jindal  
**Company Secretary**

R. K. Garg  
**Chairman**

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**



# CASH FLOW STATEMENT

For the year ended 31st March, 2018

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

S. No. Particulars	For the Year Ended March 31st, 2018		For the Year Ended March 31st, 2017	
<b>A. Cash Inflow/ (Outflow) from Operating activities</b>				
<b>Profit before tax</b>		<b>9,773.53</b>		<b>8,558.40</b>
Depreciation	5,257.36		4,790.17	
Miscellaneous expenses written off			0.02	
Bad debts written off	-		(63.27)	
(Profit)/ Loss on sale of assets	(89.95)		(0.51)	
(Profit)/ Loss on sale of investments	(0.17)		-	
Expense on employee Stock Option Scheme	-		(1,259.86)	
Interest received	(841.07)		(103.77)	
Effect of Exchange Rate Change	562.46			
Financial charges paid	6,394.07	11,282.69	5,056.38	8,419.17
<b>Operating profit before working capital changes</b>		<b>21,056.22</b>		<b>16,977.57</b>
Adjustment for				
- (Increase)/ decrease in inventory	(8,885.15)		(2,880.05)	
- (Increase)/ decrease in trade and other receivables	(10,546.08)		(3,649.98)	
- Increase/ (decrease) in trade payables	23,887.46	4,456.24	3,675.15	(2,854.89)
<b>Cash inflow from operating activities</b>		<b>25,512.46</b>		<b>14,122.67</b>
Taxes paid		398.21		2,011.49
<b>Net cash from / (used) in operating activities</b>		<b>25,114.25</b>		<b>12,111.18</b>
<b>B. Cash flows from/ (used) in Investing Activities</b>				
Purchase of fixed assets	(33,696.93)		(38,804.03)	
Exchange fluctuation in Fixed assets/CWIP	(308.63)		(57.91)	
Sale of fixed assets	3,147.08		36.58	
Sale of investments	-		-	
Investment in mutual fund	2.01		(4.59)	
Profit on sale of investments / Assets	90.12		63.78	
Interest received	841.07		1,259.86	
<b>Net cash from / (used) in investing activities</b>		<b>(29,925.26)</b>		<b>(37,506.31)</b>
<b>C. Cash flows from/ (used) in Financing Activities</b>				
Proceeds from issue of equity shares incl premium	75.80		1,556.96	
Decrease in Employee Stock option outstanding	140.36		(151.17)	
Proceeds from long term borrowings	22,362.07		28,926.79	
Proceeds(payment) from/(of)long term provisions/ Short term provisions	77.57		173.40	
Repayment of long term borrowings (net of fluctuation)	(7,876.25)		(7,440.09)	
Changes in working capital loans/short term borrowings	(3,056.88)		7,302.04	
(Increase)/Decrease in Long/short Term Loan and Advances	1,592.39		153.13	
Dividend paid	(561.69)		(280.44)	
Financial charges paid	(6,956.52)		(4,952.61)	
<b>Net cash from / (used) in financing activities</b>		<b>5,796.85</b>		<b>25,288.01</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>985.83</b>		<b>(107.13)</b>
Cash and cash equivalents as at beginning of the year		12,072.94		12,180.07
<b>Cash and cash equivalents as at closing of the year</b>		<b>13,058.78</b>		<b>12,072.94</b>

## 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, 2018 and found the same in agreement therewith.

The accompanying notes are an integral part of these financial statements (1-56)

As per our report of even date

For and on behalf of Board

**FOR AKR & Associates**

**Chartered Accountants**

ICAI Firm Registration Number: 021179N

per Kailash Kumar

**Partner**

Membership Number : 505972

Place : New Delhi

Date : 26th May, 2018

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

# STEEL STRIPS WHEELS LIMITED

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Significant Accounting Policies for the period ended 31st March, 2018

## 1) CORPORATE INFORMATION

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

## 2) SIGNIFICANT ACCOUNTING POLICIES

### 1) BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

For all the periods up to and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). These are the Company first Ind AS financial statements and the date of transition to Ind AS is 01 April, 2016. Detailed explanation of how the transition from previous GAAP to Ind AS has affected the Company Balance Sheet, financial performance and cash flows is given under Note 3.22.

The Standalone financial statements have been prepared under the historical convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of the each reporting period, as stated in the accounting policies below. The accounting policies have been applied consistently over all the periods presented in the Standalone financial statements.

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.

### 2) REVENUE RECOGNITION

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

#### A. SALE OF GOODS

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

However, the revenue up to Q1 of the F.Y. 2017-18 includes the excise duty amounts that have been collected from customers, which is shown separately in the expenditure head of the statement of profit & loss as per the disclosure requirements.

Thereafter, with the introduction of Goods & Service Tax as on 01 June 2017, the tax amounts are excluded from the revenue for the period from Q2 to Q4 of F.Y. 2017-18.

#### B. INTEREST INCOME

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### C. OTHER INCOME

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

#### D. DUTY DRAWBACK AND EXPORT INCENTIVES

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

### 3) Leasing

#### As a Lessee

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

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Significant Accounting Policies for the period ended 31st March, 2018

**As a Lessor**

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

**4) ACCOUNTING FOR TAXES ON INCOME**

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

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

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

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

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

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

**5) IMPAIRMENT OF NON FINANCIAL ASSETS**

A. At each Balance Sheet date, the carrying amount of assets is tested based on internal/external factors, for impairment so as to determine:

- (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.

**6) CASH AND CASH EQUIVALENTS**

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

**7) INVENTORIES**

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

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

**8) FINANCIAL INSTRUMENT**

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

# STEEL STRIPS WHEELS LIMITED

Significant Accounting Policies for the period ended 31st March, 2018

## Initial recognition and measurement

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

## Subsequent measurement

Non-derivative financial instruments

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

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

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

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

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

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

### (iv) Financial liabilities

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

## Derivative financial instruments

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

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

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

## Equity Share Capital

### (i) Equity shares

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

## De-recognition of financial instruments

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

## Fair value measurement of financial instruments

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

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

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

## 9) PROPERTY, PLANT AND EQUIPMENT (PPE)

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

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

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

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



Significant Accounting Policies for the period ended 31st March, 2018

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.)

#### Transition to Ind AS

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

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

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

##### A. OWNED ASSETS

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

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

##### B. LEASED ASSETS

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

#### 11) INTANGIBLE ASSETS AND AMORTIZATION

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

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

#### 12) BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a initial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

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

#### 13) BORROWING COST

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

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

#### 14) PROVISION

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



# STEEL STRIPS WHEELS LIMITED

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Significant Accounting Policies for the period ended 31st March, 2018

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

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

## 15) CONTINGENT LIABILITIES

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

## 16) EMPLOYEE BENEFITS

### Short-term obligations

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

### Provident Fund & Employee State Insurance

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

### Superannuation fund

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

### Gratuity

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

### Compensated Absences

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

## 17) SHARE-BASED PAYMENT ARRANGEMENTS

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share-based transactions are set out in note 12. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled share option outstanding account. Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counter party renders the service. For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is re-measured, with any changes in fair value recognised in profit or loss for the year.



Significant Accounting Policies for the period ended 31st March, 2018

## 18) TRANSACTIONS IN FOREIGN CURRENCY

### A) Functional and Presentation currency

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

### B) Transaction and balances

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

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

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

## 19) SEGMENT REPORTING

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

## 20) EARNING PER SHARE

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

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

## 21) OPERATING CYCLE

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

## 22) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

### a) Contingencies

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

### b) Allowance For Uncollected Accounts Receivable And Advances

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

### c) Defined Benefit Plans

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

### d) Fair Value Measurement Of Financial Instruments

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

## AUDITORS' REPORT

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

FOR AKR & Associates

ICAI Firm Registration Number: 021179N

Per Kailash Kumar

Partner

Member Ship No. : 50597

Place: New Delhi  
Date: 26th May, 2018

# STEEL STRIPS WHEELS LIMITED

## Statement of Changes in Equity for the period ended 31 March 2018

(All amounts ₹ in Lakhs, unless stated otherwise)

### A. Equity Share Capital

<b>As at 1 April, 2016</b>	<b>1,525.92</b>
Changes in equity share capital during the year	27.44
<b>As at 31 March, 2017</b>	<b>1,553.36</b>
Changes in equity share capital during the year	2.27
<b>As at 31 March, 2018</b>	<b>1,555.63</b>

### B. Other Equity

PARTICULARS	Reserve and surplus						Total
	Share Forfeiture Reserve	Security premium reserve	Capital reserve	General reserve	Share option outstanding	Retained earnings	
<b>(a) Balance at 01 April, 2016</b>	<b>59.10</b>	<b>11,493.28</b>	<b>5,358.59</b>	<b>18,535.81</b>	<b>233.20</b>	<b>7,337.31</b>	<b>43,017.29</b>
(i) Profit for the year	-	-	-	-	-	5,568.30	<b>5,568.30</b>
(ii) Other comprehensive income for the year, net of tax	-	-	-	-	-	(34.72)	<b>(34.72)</b>
<b>(b) Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,533.58</b>	<b>5,533.58</b>
Deductions during the year							
(iii) Dividends including thereon	-	-	-	-	-	(280.44)	<b>(280.44)</b>
(iv) Transfer to general reserve	-	-	-	6,118.12	-	(6,118.12)	-
(v) Shares issued/options exercised	-	1,529.52	-	-	(151.17)	-	1,378.35
<b>(c) Balance at 31 March, 2017</b>	<b>59.10</b>	<b>13,022.80</b>	<b>5,358.59</b>	<b>24,653.93</b>	<b>82.03</b>	<b>6,472.33</b>	<b>49,648.78</b>
(vi) Profit for the year	-	-	-	-	-	7,509.14	<b>7,509.14</b>
(vii) Other comprehensive income for the year, net of tax	-	-	-	-	-	65.91	<b>65.91</b>
<b>(d) Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,575.05</b>	<b>7,575.05</b>
Deductions during the year							
(viii) Dividends including tax thereon	-	-	-	-	-	(561.69)	<b>(561.69)</b>
(ix) Transfer to general reserve	-	-	-	-	-	(5,568.30)	<b>(5,568.30)</b>
(x) Shares issued/options exercised	-	73.53	-	-	140.36	-	<b>213.89</b>
<b>(e) Balance at 31 March, 2018</b>	<b>59.10</b>	<b>13,096.33</b>	<b>5,358.59</b>	<b>24,653.93</b>	<b>222.39</b>	<b>7,917.39</b>	<b>51,307.73</b>

The accompanying notes are an integral part of these financial statements (1-56)

As per our report of even date

**FOR AKR & Associates**

**Chartered Accountants**

ICAI Firm Registration Number: 021179N

per Kailash Kumar

**Partner**

Membership Number : 505972

Place : New Delhi

Date : 26th May, 2018

Shaman Jindal  
Company Secretary

**R. K. Garg**  
Chairman

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



Summary of significant Standalone accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in lakhs, unless stated otherwise)

**Note-3 Property, plant and equipment**

Particulars	Freehold land	Leasehold land	Building	Office equipments	Furniture and fixtures	Plant and machinery	Vehicle	Total
<b>Gross Carrying Value</b>								
<b>Deemed Cost as at 1st April, 2016</b>	<b>10,021.25</b>	<b>1,207.17</b>	<b>13,323.93</b>	<b>637.84</b>	<b>3,344.58</b>	<b>77,221.23</b>	<b>1,347.75</b>	<b>1,07,103.75</b>
Additions	3.03	-	2,307.88	52.97	1,083.04	5,066.27	344.51	8,857.70
Disposals	-	-	-	-	-	(53.49)	(10.39)	(63.88)
<b>Balance as at 31st March, 2017</b>	<b>10,024.28</b>	<b>1,207.17</b>	<b>15,631.81</b>	<b>690.81</b>	<b>4,427.62</b>	<b>82,234.01</b>	<b>1,681.87</b>	<b>1,15,897.57</b>
Additions	397.89	-	9,319.62	140.95	821.20	25,943.31	236.15	36,859.12
Disposals	-	-	-	(0.42)	(547.82)	(3,044.40)	(35.78)	(3,628.42)
<b>Balance as at 31st March, 2018</b>	<b>10,422.17</b>	<b>1,207.17</b>	<b>24,951.43</b>	<b>831.34</b>	<b>4,701.00</b>	<b>1,05,132.92</b>	<b>1,882.24</b>	<b>1,49,128.26</b>
<b>Accumulated Depreciation</b>								
<b>Balance as at 1st April, 2016</b>	-	115.74	3,098.17	471.59	1,234.46	31,561.31	570.51	37,051.79
Additions	-	12.06	386.35	48.17	518.07	3,609.53	138.03	4,712.20
Disposals	-	-	-	-	-	(17.44)	(9.86)	(27.30)
<b>Balance as at 31st March, 2017</b>	-	<b>127.80</b>	<b>3,484.52</b>	<b>519.76</b>	<b>1,752.53</b>	<b>35,153.40</b>	<b>698.68</b>	<b>41,736.69</b>
Additions	-	12.06	513.79	59.02	554.59	3,865.11	174.50	5,179.07
Disposals	-	-	-	(0.24)	(2.92)	(450.06)	(28.10)	(481.32)
<b>Balance as at 31st March, 2018</b>	-	<b>139.86</b>	<b>3,998.31</b>	<b>578.54</b>	<b>2,304.20</b>	<b>38,568.45</b>	<b>845.08</b>	<b>46,434.44</b>
<b>Net carrying amount</b>								
<b>Balance as at 1st April, 2016</b>	<b>10,021.25</b>	<b>1,091.43</b>	<b>10,225.76</b>	<b>166.25</b>	<b>2,110.12</b>	<b>45,659.92</b>	<b>777.24</b>	<b>70,051.93</b>
<b>Balance as at 31st March, 2017</b>	<b>10,024.28</b>	<b>1,079.37</b>	<b>12,147.29</b>	<b>171.05</b>	<b>2,675.09</b>	<b>47,080.61</b>	<b>983.19</b>	<b>74,160.87</b>
<b>Balance as at 31st March, 2018</b>	<b>10,422.17</b>	<b>1,067.31</b>	<b>20,953.12</b>	<b>252.80</b>	<b>2,396.80</b>	<b>66,564.47</b>	<b>1,037.16</b>	<b>1,02,693.79</b>

Notes:

- 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.

Leases

	As at 31st March 2018	As a t 31st March 2017
a) Not later than one year	12.06	12.06
b) later than one year but not later than five years	48.24	48.24
c) later than five years	1,007.01	1,019.07

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

## STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

### Note-4 Capital Work-in-Progress

Particulars	Amount
Balance as at 1st April, 2016	5,168.44
Balance as at 31st March, 2017	35,172.02
Balance as at 31st March, 2018	32,318.45
	<b>72,658.91</b>

### Note-5 Other Intangible Assets

Particulars	Packages & Software	Total
<b>Gross Carrying Value</b>		
Deemed Cost as at 1st April,2016	447.17	447.17
Additions	0.67	0.67
Disposals	-	-
<b>Balance as at 31st March,2017</b>	<b>447.84</b>	<b>447.84</b>
Additions	-	-
Disposals	-	-
<b>Balance as at 31st March,2018</b>	<b>447.84</b>	<b>447.84</b>
<b>Accumulated Depreciation</b>		
Balance as at 1st April,2016	48.61	48.61
Additions	77.97	77.97
Disposals	-	-
<b>Balance as at 31st March,2017</b>	<b>126.58</b>	<b>126.58</b>
Additions	78.30	78.30
Disposals	-	-
<b>Balance as at 31st March,2018</b>	<b>204.88</b>	<b>204.88</b>
<b>Net carrying amount</b>		
Balance as at 1st April, 2016	398.56	398.56
Balance as at 31st March, 2017	321.26	321.26
Balance as at 31st March, 2018	<b>242.96</b>	<b>242.96</b>

### Note 6. Non-current investments

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>OTHERS</b>			
Investment in Bonds & Mutual Funds (Quoted and valued at Net Realizable Value) Canara Robeco Capital protection oriented fund -Series 3 NIL units (SIP) (PY 50,000) units	-	6.08	5.57
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.	19.40	15.33	11.25
81,534 (Previous year 40,767) equity shares of Rs. 10/- Each of Echanda Urja Pvt. Limited.	-	-	-
<b>Grand Total</b>	<b>19.40</b>	<b>21.41</b>	<b>16.82</b>
<b>Aggregate amount of quoted investments</b>	-	6.08	5.57
<b>Aggregate amount of Un-quoted investments</b>	19.40	15.33	11.25



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Note:- 7. Loans</b> <i>(Unsecured, considered good unless otherwise stated)</i>			
Advance recoverable in cash or kind	692.06	485.41	389.70
Less :- Provisions for Doubtful Advances ( Other loan & advances)	35.00	35.00	35.00
	<b>657.06</b>	<b>450.41</b>	<b>354.70</b>
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.			
<b>Note:- 8. Other financial assets (non-current)</b>			
Security deposits	753.11	679.20	354.81
Income tax Refundable of earlier years	95.79	92.06	175.50
	<b>848.90</b>	<b>771.26</b>	<b>530.31</b>
<b>Note:- 9. Other non-current assets</b>			
Capital advances	-	1,650.84	2,077.33
Prepaid expenses	137.38	138.97	140.56
	<b>137.38</b>	<b>1,789.81</b>	<b>2,217.89</b>
<b>Note:-10 Inventories</b> <i>(Valued at cost, unless otherwise stated)</i>			
a) Raw material			
- Raw Material & Components in hand	11,173.71	6,611.92	6,457.22
- Raw Material & Components (in transit)	2,200.98	975.46	1,657.70
b) Work in Progress	3,276.83	1,335.45	1,012.42
c) Finished Goods	1,880.17	716.71	879.58
d) Stores & Spares	7,684.57	7,984.14	4,763.80
e) Scrap	372.44	79.88	52.79
	<b>26,588.70</b>	<b>17,703.56</b>	<b>14,823.51</b>
<b>Note:- 11 Trade receivables</b> <i>(Unsecured, considered good unless otherwise stated)</i>			
Unsecured, considered good	31,287.38	20,455.18	16,918.76
Unsecured, considered doubtful	55.66	56.64	15.84
	31,343.04	20,511.82	16,934.60
Less :- Provisions for Doubtful Debtors	55.66	56.64	15.84
	<b>31,287.38</b>	<b>20,455.18</b>	<b>16,918.76</b>
<b>Note:- 12 Cash and bank balances</b>			
Balances with banks			
-Current account	197.07	1,289.06	765.59
Cheques in hand	3,150.00	3,711.12	2,847.89
Cash in hand	9.27	7.33	10.40
	<b>3,356.34</b>	<b>5,007.51</b>	<b>3,623.88</b>
<b>Note:- 13. Other Bank Balances</b>			
Current Account-Funds for CSR activities	0.69	2.54	1.52
Unpaid dividend accounts	47.29	34.94	33.71
Fixed deposits maturing within 12 months (Held under lien with banks)	9,654.46	7,027.96	8,520.96
	<b>9,702.44</b>	<b>7,065.44</b>	<b>8,556.19</b>
<b>Note:- 14. Loans</b> <i>(Unsecured, considered good unless otherwise stated)</i>			
Advances Recoverable in Cash or in Kind (Short Term)	548.71	970.23	1,164.86
	<b>548.71</b>	<b>970.23</b>	<b>1,164.86</b>

## STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Note:- 15. Other financial assets</b>			
Interest Accrued But Not Received	43.72	365.47	251.73
	<b>43.72</b>	<b>365.47</b>	<b>251.73</b>
<b>Note:-16. Current/Non-current tax assets/ liabilities (net)</b>			
Advance Tax/ Tax Deducted at Source	-	-	-
	-	-	-
<b>Note:-17. Other current assets</b>			
MAT Credit Entitlement	5,436.23	3,776.05	3,730.66
Balance with Statutory Authorities	172.34	2,207.24	1,238.73
GST/VAT Recoverable	3,466.83	2,896.41	3,778.99
Prepaid Expenses	73.47	40.21	40.41
	<b>9,148.87</b>	<b>8,919.91</b>	<b>8,788.79</b>
Less :- Provisions for Doubtful Advances	-	-	-
	<b>9,148.87</b>	<b>8,919.91</b>	<b>8,788.79</b>

Particulars	31st March 2018		31st March 2017		1st April 2016	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Note:- 18(a) Equity Share Capital</b>						
<b>Authorised capital</b>						
Equity Shares of Rs.10/- each	1,90,00,000	1,900	1,90,00,000	1,900	1,90,00,000	1,900
Preference shares of Rs. 145/- each optionally Convertible cummulative or Non Cummulative	12,00,000	1,740	12,00,000	1,740	12,00,000	1,740
<b>Issued, subscribed and fully paid up.</b>	<b>No of shares</b>	<b>Amount</b>	<b>No of shares</b>	<b>Amount</b>	<b>No of shares</b>	<b>Amount</b>
Equity Shares of Rs.10/- each	1,55,56,270	1,555.63	1,55,33,520	1,553.35	1,52,59,170	1,525.92
<b>a) Reconciliation of equity shares outstanding at the beginning and at the end of the year. (Equity Shares of ₹10/- each)</b>	<b>No of shares</b>	<b>Amount</b>	<b>No of shares</b>	<b>Amount</b>	<b>No of shares</b>	<b>Amount</b>
Equity shares at the beginning of the year	1,55,33,520	1,553.35	1,52,59,170	1,525.92	1,52,59,170	1,525.92
Issued during the year	22,750	2.27	2,74,350	27.44		
Equity shares at the end of the year	<b>1,55,56,270</b>	<b>1,555.63</b>	<b>1,55,33,520</b>	<b>1,553.35</b>	<b>1,52,59,170</b>	<b>1,525.92</b>

### b) Rights, Preferences and restrictions attached to shares

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

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

### c) Details of shareholders holding more than 5% shares in the Company

	31 March 2018		31 March 2017		31 March 2016	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
MR. DHEERAJ GARG	4640228	29.83	4640228	29.87	4640228	30.41
SAB INDUSTRIES LIMITED	1324187	8.51	1324187	8.52	1324187	8.68
SAB UDYOG LIMITED	1142582	7.34	1142582	7.36	1142582	7.49
TATA STEEL LIMITED	1086972	6.99	1086972	7.00	1155856	7.57
SUMITOMO METAL INDUSTRIES LIMITED	850000	5.46	850000	5.47	850000	5.57

### d) Share Reserved for Issue under Options outstanding as at the end of the year (refer note no. 46)





Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

**Note:- 19 Other Equity**

<b>Reserves &amp; Surplus</b>	<b>As on 31 March 2018</b>	<b>As on 31 March 2017</b>	<b>As on 31 March 2016</b>
Share Forfeiture Reserve	59.10	59.10	59.10
Assistance under PATSER Scheme	50.00	50.00	50.00
Capital Subsidy	27.95	27.95	27.95
Capital Revaluation Reserve	5,280.64	5,280.64	5,280.64
	<b>5,417.69</b>	<b>5,417.69</b>	<b>5,417.69</b>
<b>Securities Premium Reserve</b>			
As per Last Balance sheet	13,022.80	11,493.28	11,493.28
Addition during the Year	73.53	1,529.52	-
Deduction during the Year	-	-	-
<b>Closing Balance</b>	<b>13,096.33</b>	<b>13,022.80</b>	<b>11,493.28</b>
<b>Share Options Outstanding Account</b>			
Employee Stock Options Outstanding			
As per Last Balance sheet	82.03	233.20	349.80
Addition during the Year	193.41	-	-
Deduction during the Year	53.05	151.17	116.60
<b>Closing Balance</b>	<b>222.39</b>	<b>82.03</b>	<b>233.20</b>
<b>Deferred Employee Compensation Expenses</b>			
As per Last Balance sheet	-	-	(320.65)
Addition during the Year	(193.41)	-	-
Deduction during the Year	193.41	-	320.65
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>General Reserves</b>			
Opening Balance as per last Balance Sheet	24,653.93	18,535.81	14,595.38
Add : Additions during the year	5,568.30	6118.12	3,940.43
<b>Balance as at the year end</b>	<b>30,222.23</b>	<b>24,653.93</b>	<b>18,535.81</b>
<b>Retained Earnings</b>			
Opening Balance as per last Balance Sheet	6,472.34	7,337.31	6,807.46
Profit for the year	7,509.14	5,568.30	6,118.11
Other Comprehensive Income	65.91	(34.72)	-
Dividends (including tax thereon)	561.69	280.44	284.64
Transfer to General Reserves	5,568.30	6118.12	3,940.43
Appropriations	(3.95)	-	(1,363.20)
<b>Balance as at the year end</b>	<b>7,913.44</b>	<b>6,472.34</b>	<b>7,337.31</b>
<b>Total</b>	<b>56,872.09</b>	<b>49,648.79</b>	<b>43,017.29</b>

**Note:- 20 Non-current Borrowings**

(Refer note No:45)

**Secured**

Rupee Term loans from banks	34,175.00	20,086.01	8,290.65
Foreign Currency Term Loans	14,820.24	17,515.28	8,080.92
Loans from NBFC	-	337.65	787.43
Vehicle Loan from banks	76.23	36.73	-

**Unsecured**

Buyer Credit for Capital Goods - Long Term	-	1,155.96	485.93
	<b>49,071.47</b>	<b>39,131.63</b>	<b>17,644.93</b>

**Note:-21 Other Financial Liabilities**

Payables for Capital Goods - Long Term	2,400.01	8,197.83	7,431.14
	<b>2,400.01</b>	<b>8,197.83</b>	<b>7,431.14</b>

## STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As on 31 March 2018	As on 31 March 2017	As on 31 March 2016
<b>Note:- 22 Provisions</b>			
Provision for Gratuity (refer note 43)	906.27	850.07	627.43
Provision for Leave Encashment	295.52	291.89	221.64
	<b>1,201.79</b>	<b>1,141.96</b>	<b>849.07</b>
<b>Note:-23 Deferred tax (net) (refer note 55)</b>			
Deferred tax liabilities arising on account of : Depreciation and fixed assets	10,614.60	9,511.67	7,801.01
<b>Deferred tax asset arising on account of :</b> Expenses debited in current year but allowed for tax purposes in following year	-	697.34	-
	<b>10,614.60</b>	<b>8,814.33</b>	<b>7,801.01</b>
<b>Note:-24 Current Borrowings</b>			
<b>Secured</b>			
<b>Loan repayable on demand</b>			
- Rupee demand Loans from Banks	28,092.85	28,045.79	21,883.67
- Loan against Fixed Deposits	8,374.13	5,486.81	7,000.82
<b>Foreign Currency Loan</b>			
- Buyers Credit loan for Raw Material from Banks	-	2,221.07	837.65
<b>Unsecured</b>			
From Banks			
- Loan against Bills Receivables	4,498.70	3,722.90	1,953.98
From Others			
- NBFC	-	-	500.00
	<b>40,965.68</b>	<b>39,476.57</b>	<b>32,176.12</b>

### Nature of Securities

#### Loan payable on Demand

1st pari passu charge by way of hypothecation of entire current asset constituted of raw materials, stock in process, finished goods, consumable stores, book debts, bills whether documentary or clean outstanding monies, receivables both present and future of the company. 2nd pari-passu charge on entire 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:- 25 Trade payables	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Micro, Small and Medium Enterprises	551.48	292.11	72.54
Others	31,987.44	14,623.01	12,671.30
	<b>32,538.92</b>	<b>14,915.12</b>	<b>12,743.84</b>

Debit and credit balances in the accounts of suppliers and others are subject to confirmation and reconciliation.

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

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Principal amount due and remaining unpaid	551.48	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	-	-	-



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As on 31 March 2018	As on 31 March 2017	As on 31 March 2016
<b>Note:- 26 Other financial liabilities</b>			
Current maturities of long-term borrowings	11,967.74	7,421.75	5,534.43
Current maturities of Capital Creditors	8,294.30	1,020.50	2,101.09
Interest accrued but not due	-	-	47.80
	<b>20,262.04</b>	<b>8,442.25</b>	<b>7,683.32</b>
<b>Note:-27. Current/Non-current tax assets/ liabilities (net)</b>			
Advance income tax (net of prov.)	175.44	174.27	316.50
	<b>175.44</b>	<b>174.27</b>	<b>316.50</b>
<b>Note:- 28 Provisions</b>			
<b>Provision for Employee benefits</b>			
i) Provision for Gratuity (refer note 43)	94.73	79.06	64.80
ii) Provision for Leave Encashment	36.30	35.39	26.91
	<b>131.03</b>	<b>114.45</b>	<b>91.71</b>
<b>Note:- 29 Other Current liabilities</b>			
Advances from customers	42.15	66.92	49.05
Due to directors	312.96	329.98	294.86
Government dues	295.60	426.74	674.41
Other Payable incl.(Employee related payables)	1,107.40	699.95	533.49
Unclaimed dividend	47.29	40.20	33.71
	<b>1,805.40</b>	<b>1,563.79</b>	<b>1,585.52</b>
		<b>Year Ended</b>	<b>Year Ended</b>
		<b>31st March 2018</b>	<b>31st March 2017</b>
<b>Note:- 30 Revenue from operations</b>			
Operating revenues			
Sale of products (including excise duty)			
Export		11,546.06	13,108.35
Domestic		1,43,971.12	1,34,818.85
		<b>1,55,517.18</b>	<b>1,47,927.20</b>
<b>Other operating revenue</b>			
Duty Draw back Income		120.37	94.58
Job Work Income		78.25	2.01
Other Sales		-	-
		198.62	96.59
		<b>1,55,715.80</b>	<b>1,48,023.79</b>
<b>Note:- 31 Other Income</b>			
Interest income		841.07	1,259.86
Profit on sale of shares/Mutual funds		0.17	0.51
Profit on disposal of fixed assets		89.95	63.27
Gain on foreign exchange fluctuation (net)		-	103.77
Miscellaneous income		413.35	415.63
		<b>1,344.54</b>	<b>1,843.04</b>
<b>Note:- 32 Cost of materials consumed</b>			
Imported		-	3,074.12
Indigenous		93,768.40	76,868.82
		<b>93,768.40</b>	<b>79,942.94</b>
<b>Note:- 33 Change in inventories of finished goods, stock in trade and work -in-progress</b>			
Opening stock			
Finished Goods		716.71	879.58
Scrap		79.88	52.79
Work-in-Progress		1,335.45	1,012.42
Less: Closing Stock			
Finished Goods		1,880.17	716.71
Scrap		372.44	79.88
Work-in-Progress		3,276.83	1,335.45
		<b>(3,397.40)</b>	<b>(187.25)</b>

# STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
<b>Note:- 34. Employee benefit expense</b>		
Salaries, Wages, Bonus & Incentives etc.(Net)	11,984.99	10,469.70
Contribution to Provident and Other Funds	522.80	448.18
Workmen and Staff Welfare Expenses	714.53	738.69
Gratuity	250.32	205.03
Employee stock option scheme Share Expenses (refer note 46)	169.24	-
	<b>13,641.88</b>	<b>11,861.60</b>
<b>Note:- 35 Finance costs</b>		
a) Interest Expenses		
i) Paid to Banks		
- on Term Loan	1,690.20	814.31
- on Working Capital Loan	2,648.94	2,364.85
- on Foreign Currency Loan	257.50	386.87
- on Car Loan	3.48	0.26
ii) Interest Others	1,447.95	988.95
b) Other borrowing Charges	346.00	501.14
	<b>6,394.07</b>	<b>5,056.38</b>
<b>Note. 36 Depreciation and amortisation</b>		
<b>Depreciation on</b>		
Property, plant and equipment	5,179.06	4,712.20
<b>Amortisation on</b>		
Intangible assets	78.30	77.97
	<b>5,257.36</b>	<b>4,790.17</b>
<b>Note:- 37 Other Expenses</b>		
Store Spares Consumed :		
-Imported	924.57	837.76
-Indigenous	9,860.82	8,734.26
Other Misc. Manufacturing Exp	431.43	377.71
Power, Electricity & Water Charges (Net)		
-Manufacturing	5,036.68	4,290.04
-Others	15.27	15.40
Repair and Maintenance		
-Plant & Machinery	405.14	453.44
-Repairs & Renewals	109.74	170.46
-Vehicle Running, Repair & Maintenance	90.10	89.95
Rent (Including Lease Rent)	436.49	348.71
Rates and Taxes	133.89	140.98
Insurance	210.05	199.65
Auditors' Remuneration	11.00	11.00
Advertisement, Publicity and Sales Promotion	5.42	1.61
Travel & Conveyance		
-Directors	30.39	27.81
-Others	600.76	580.14
Legal & Professional Charges	318.58	241.44
Bad debts Written Off	-	0.02
Balances Written Back/ Off (Net)	5.65	2.36
Director's Sitting Fees	3.80	7.20
Loss due to change in Market Price of shares	-	-
Managerial Remuneration incl. commission of Whole time directors (refer note 47)	611.79	636.25
Telephone & Communication Expenses	52.02	69.70
Business Promotion	75.01	32.16
Forwarding Expenses	6,481.79	6,310.07
Other Selling and Distribution Expenses	-	0.64
Royalty on Sales	99.92	119.87
Loss/(Gain) on Foreign Exchange Fluctuation	562.46	-
Miscellaneous Expenses *	854.43	824.96
<b>Total</b>	<b>27,367.20</b>	<b>24,523.59</b>
* Miscellaneous Expenses includes expenses under the Corporate Social responsibilities under Section 135 of Companies Act 2013	164.21	113.16
<b>Miscellaneous Expenses also include political donations pursuant to section 182 of the Companies Act,2013</b>		
a) Shiromani Akali Dal (SAD)	-	20.00
b) Indian National Congress (INC)	-	20.00
<b>Research and Development Expenses</b>		
Salaries , Wages and other allowances	370.00	321.31
Power & Fuel	24.18	22.35
Travelling and Conveyance	21.54	28.09
	415.72	371.75
<b>Grand Total</b>	<b>27,782.92</b>	<b>24,895.34</b>



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
<b>Note:- 38 Exceptional items</b>		
Prior Period Expense/(Income) (refer note 42)	8.82	(113.25)
	<b>8.82</b>	<b>(113.25)</b>
<b>Payment to Auditors</b>		
As Auditor:		
Audit fee	7.00	7.00
Tax audit fee	2.00	2.00
Certificate Charges	2.00	2.00
	<b>11.00</b>	<b>11.00</b>

**Note: 39 Earnings per share (EPS)**

<b>Basic</b>		
Net Profit as per profit and loss account	7,509.14	5,568.31
Weighted average number of equity shares outstanding during the year	1,55,53,652	1,54,75,272
Earning per Share- Basic	48.28	35.98
<b>Diluted</b>		
Net Profit as per profit and loss account	7,509.14	5,568.31
Weighted average number of equity shares outstanding during the year	1,55,86,068	1,55,05,141
Earning per Share- Diluted	48.18	35.91
Nominal Value of Equity Share	10	10

**Note:- 40 Contingent Liabilities (To the Extent not provided for)**

<b>A) CONTINGENT LIABILITIES</b>		
Letter of Credit /Bank of Guarantee Outstanding for Import /Purchase of Raw materials , Spares and Plant and Machinery	2,797.03	1,738.79
<b>B) COMMITMENTS</b>		
Estimated amount of Contracts remaining to be executed on account of capital account and not provided for ( net of advances)	<b>3,174.36</b>	<b>16,482.62</b>

**Note:- 41 Related party disclosure**

**1) Related Party Disclosure**

**a) Key Managerial Personnel**

Sh. Dheeraj Garg, (Managing Director)  
Sh. A.V Unnikrishnan-(Deputy Managing Director)  
Sh. M.L. Jain-(Executive Director)  
Sh. Naveen Sorot ( CFO)  
Sh. Shaman Jindal ( Company Secretary)  
Sh. R.K Garg, Chairman  
Smt. Sunena Garg  
Ms. Priya Garg  
Mr. Rahul Jain

**b) Relatives of the KMP**

**c) Enterprises over which key management personnel (KMP) are able to exercise significant control:-**

SAB Industries Limited, SAB Udyog Limited, Malwa Chemtex Udyog Ltd., Steel Strips Financiers Pvt. Ltd., Munak International Pvt. Ltd., S.S. Credits Pvt. Ltd., S.J. Mercantile Pvt. Ltd.(Earlier known as S.A. Holding Pvt. Ltd.) , Malwa Holdings Pvt. Ltd., Munak Investment Pvt. Ltd., Steel Strips Holding Pvt. Ltd., Chandigarh Developers Pvt. Limited , DHG Marketing Pvt. Ltd , Steel Strips Infrastructre Limited, Munak financiers P Ltd, Steel Strips Ltd & Steel Strips Industries Limited (Earlier Known as Steel Strips Leasing Limited).

Related Party Transactions	Key management Personnel (KMP)	Relatives of KMP	Enterprises over which KMP are able to exercise significant influences	Total for current year 2017-18	Total for previous year 2016-17
<b>EXPENDITURE</b>					
Lease Line Charges	-	-	4.13	4.13	5.30
Rent Paid	-	-	31.44	31.44	28.92
Sitting Fee	-	0.60	-	0.60	1.00
Remuneration incl. commission	677.47	-	-	677.47	690.60
Dividend Paid	139.99	11.26	114.39	265.64	137.48
	<b>817.46</b>	<b>11.86</b>	<b>149.96</b>	<b>979.28</b>	<b>863.30</b>

# STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2018	As at 31st March 2017
<b>Note:- 42. Prior period comprises of the following</b>		
<b>Expenses</b>		
Focus marketing credit	-	2.13
Sales tax demand	2.76	-
Freight and Others	6.06	-
Stores and other Expenses	-	1.39
<b>Total</b>	<b>8.82</b>	<b>3.52</b>
<b>Income</b>		
Focus marketing credit	-	1.38
Income tax Refund	-	109.21
Balances W/O	-	6.18
<b>Total</b>	<b>-</b>	<b>116.77</b>
<b>Note:- 43. Post Retirement Benefits Plans (Ind AS 19)</b>		
<b>Defined Benefit Plan</b>		
The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.		
<b>(i) Changes in Defined Benefit Obligation</b>		
Present value obligation as at the start of the year	929.13	692.87
Interest cost	74.33	55.43
Current service cost	165.36	178.39
Actuarial loss/(Gains) - Experience Changes	(107.94)	44.98
Actuarial loss / (Gains)- on obligations	-	-
Benefits directly paid by employer	(40.18)	-
Benefits directly paid by trust	(18.93)	(42.54)
<b>Present value obligation as at the end of the year</b>	<b>1,001.76</b>	<b>929.13</b>
<b>(ii) Change in fair value of plan assets</b>		
Fair value of plan assets as at the start of the year	398.08	322.09
Interest income on plan assets	31.85	25.77
Employer Contributions	149.68	100.90
Return on plan assets greater/(lesser) than discount Rates	(7.15)	(8.13)
Benefits paid	(18.93)	(42.54)
<b>Fair value of plan assets as at the end of the year</b>	<b>553.53</b>	<b>398.08</b>
<b>(iii) Breakup of Actuarial gain/loss:</b>		
Actuarial (gain)/loss on arising from change in financial assumption	-	-
Actuarial (gain)/loss on arising from experience adjustment	(107.94)	44.98
Return on plan assets (greater)/less than discount rate	7.15	8.13
	<b>(100.79)</b>	<b>53.11</b>
<b>(iv) Net Asset / (Liability) recognised in the Balance Sheet</b>		
Present value obligation as at the end of the year	(1,001.76)	(929.13)
Fair value of plan assets as at the end of the year	553.53	398.08
<b>Net Asset / (Liability) in the Balance Sheet</b>	<b>(448.24)</b>	<b>(531.05)</b>
<b>(v) Amount recognized in the statement of profit and loss</b>		
Current service cost	165.36	178.39
Interest cost	74.33	55.43
Interest Income on plan assets	(31.85)	(25.77)
<b>(Income)/Expense recognised in the statement of profit and loss</b>	<b>207.84</b>	<b>208.06</b>
<b>(vi) Remeasurments recognised in the statement of Other Comprehensive Income (OCI)</b>		
Changes in Financial Assumptions	-	-
Experience Adjustments	(107.94)	44.98
Return on plan assets (greater)/less than discount rate	7.15	8.13
<b>Amount recognised in Other Comprehensive Income</b>	<b>100.79</b>	<b>(53.11)</b>
<b>(vii) Actuarial assumptions</b>		
Discount Rate (p.a)	8.00%	8.00%
Salary Escalation Rate (p.a)	6%	6%
Attrition (At all ages)	10.00%	10.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March 2018	As at 31st March 2017
<b>(viii) Sensitivity analysis for gratuity liability</b>		
The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:		
<b>Present value of obligation at the end of the year</b>		
<b>Impact of the change in Discount rate (p.a)</b>		
Impact due to decrease of 1%	60.32	53.04
Impact due to increase of 1%	(53.79)	(47.49)
<b>Impact of change in Salary Escalation rate (p.a)</b>		
Impact due to increase of 1%	60.98	53.50
Impact due to decrease of 1%	(55.21)	(48.74)
<b>Weighted average duration of defined plan obligation at the end of reporting period</b>	<b>5.70 Years</b>	<b>5.41 years</b>

**Note:- 44. Segment Reporting**

**A) PRIMARY SEGMENT (BUSINESS SEGMENT)**

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

**B) SECONDARY SEGMENT (GEOGRAPHICAL SEGMENT)**

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

Particulars	As at 31st March 2018	As at 31st March 2017
<b>GROSS SALE REVENUE BY GEOGRAPHICAL SEGMENT</b>		
WITHIN INDIA	1,76,350.19	1,35,085.88
OUTSIDE INDIA	11,546.06	13,108.35
<b>TOTAL</b>	<b>1,87,896.25</b>	<b>1,48,194.23</b>

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

**Note: 45. Securities and Terms of repayments for Secured Long term borrowings**

**1) Nature of Securities**

**A) Rupee Term Loans/ Foreign currency term loan/ NBFC**

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

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

**B) Vehicle Loans are secured against the Hypothecation of Vehicle to Lender**

**2) Terms of Repayments**

Maturity Profile of Secured Term Loans are as below :

Particulars	1st year	2nd year	3rd year	4th year	5th year
Term Loans - Current Year	11,949.78	11,209.61	11,003.43	9,655.18	6,453.44
Term Loans - Previous Year	7,414.15	8,788.34	7607.53	7,402.20	6412.19

**Note 46. Employee stock option plan.**

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

As on 31st March 2018,12425 (Previous Year 35175), 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.



## STEEL STRIPS WHEELS LIMITED

During the year 2017-18, the Company has granted 26500 Employee Stock 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.

### 1. Steel Strips Wheels Limited , Employee Stock Option Scheme 2014

The Company has established an Employee Stock Option Scheme (ESOS) as "Steel Strips Wheels Limited Employee Stock Option Scheme 2014(ESOS 2014)" in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which was approved by the board of Directors and subsequently by shareholders of the Company in their Extra ordinary General meeting dated 27.02.2015. 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 as on 31.03.2018, 87,575 options have been exercised by the option holders and consequently equivalent number of shares have been issued and 12,425 Employee Stock Option were outstanding under "ESOS 2014".

The Number and Weighted average exercise price of Stock Option are as follows:

Particulars	ESOS 2014			
	Year ended 31st March 2018		Year ended 31st March 2017	
	Options	Weighted average Exercise Price	Options	Weighted average Exercise Price
	Number	Amount	Number	Amount
Outstanding at the Beginning of the year	35175	100	100000	100
Granted Options	Nil	Nil	Nil	Nil
Forfeited during the year	Nil	Nil	Nil	Nil
Exercised during the year	22750	100	64825	100
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of year	12425	100	35175	100
Exercisable at the end of the year	12425	100	35175	100
Number of Equity shares of Rs 10 each fully paid up to be issued on exercise of option	12425	100	35175	100
Weighted Average share price in respect of options exercised during the year	-	894.4	-	578.57
Weighted average remaining contractual life (in years)	4 years (w.e.f. 02.03.2015)	4 years (w.e.f. 02.03.2015)	4 years (w.e.f. 02.03.2015)	4 years (w.e.f. 02.03.2015)

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

"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. During the year 2017-18, the Company has granted 26,500 options on 16.05.2017 and 73500 options are yet to be granted as on 31.03.2018.

The Number and Weighted average exercise price of Stock Option are as follows:

Particulars	ESOS 2016			
	Year ended 31st March 2018		Year ended 31st March 2017	
	Options	Weighted average exercise price	Options	Weighted average exercise price
	Number	Amount	Number	Amount
Outstanding at the Beginning of the year	Nil	Nil	Nil	Nil
Granted Options	26500	200	Nil	Nil
Forfeited during the year	Nil	Nil	Nil	Nil
Exercised during the year	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of year	26500	200	Nil	Nil
Exercisable at the end of the year	26500	200	Nil	Nil
Number of Equity shares of Rs 10 each fully paid up to be issued on exercise of option	26500	200	Nil	Nil
Weighted Average share price in respect of options exercised during the year	NA	NA	NA	NA
Weighted average remaining contractual life (in years)	5 years from the respective date of grant of options	5 years from the respective date of grant of options	5 years from the respective date of grant of options	5 years from the respective date of grant of options

### 3 Impact of fair Valuation method on Net Profit under EPS

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

#### ESOS 2016 Method of valuation -Fair value method

The Company has calculated the employee compensation cost using the fair value method of accounting to account for the options granted under ESOS 2016, therefore their will not be any impact on profits and EPS of the company.

#### ESOS 2014 Method of valuation -Intrinsic value method

a) Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options.

There is no effect of the above for ESOS 2014.

b) Impact of this difference on profits and on EPS of the Company  
There is no effect of the above for ESOS 2014.

4. Weighted Average fair value of options granted under ESOS 2016 during the year is 729.87 (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 2016 (2017-18)	ESOS 2016 (2016-17)	ESOS 2014 (2017-18)	ESOS 2014 (2016-17)	ESOS 2014 (2015-16)
Weighted average Risk free interest rates ( in %)	6.98%	No option was granted during the year	No option was granted during the year	No option was granted during the year	No option was granted during the year
Weighted average Expected life	5 years				
Weighted average Volatility (in %)	45.53%				
Weighted average Dividend Yield (%)	0.58%				
Weighted average Exercise price	Rs.200.00				
The Price of the underline share in market at the time of Option grant	Rs. 891.60				
Weighted average Fair Value of the Options	Rs.729.87				

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

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

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

	As at 31st March 2018	As at 31st March 2017
<b>Note:- 47 Remuneration of Whole Time Directors</b>		
<b>a) Managing Director Remuneration :</b>		
Salary and Allowances	28.80	28.80
Contribution to Provident Fund	2.16	2.16
Commission on Profit	485.47	511.87
<b>Total</b>	<b>516.43</b>	<b>542.83</b>
<b>b) Whole Time Director Remuneration</b>		
Salary and Allowances	87.94	86.16
Contribution to Provident Fund	7.42	7.26
<b>Total</b>	<b>95.36</b>	<b>93.42</b>

#### Note:- 48. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a Business Risk Management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This Business Risk Management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

# STEEL STRIPS WHEELS LIMITED

## Market risk

### a) Price Risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its products. The key raw material for the Company's business is HR Steel. The Company has arrangements with its major customers for passing on the price impact. The Company is also regularly taking initiatives like VA VE ( value addition, value engineering ) to reduce its raw material costs to meet targets set up by its customers for cost downs.

### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate.

Particulars	31 March 2018	31 March 2017	1st April 2016
Variable rate borrowings	61,039.21	45,397.42	22,693.43
Fixed rate borrowings	-	-	-
<b>Total Borrowings</b>	<b>61,039.21</b>	<b>45,397.42</b>	<b>22,693.43</b>

### Interest rate sensitivity

For the Purpose of computing interest rate sensitivity on the above borrowings, management has estimated a reasonably possible change in interest rate as 50bps based on current as well as expected economic conditions. This analysis is based on Long Term Risk exposures outstanding at the reporting date and assumes that all other variables, in particular foreign currency exchange rates, remains constant. The period and balances are not necessarily representative of the average amounts outstanding during the periods.

### Impact on Profits

	31 March 2018	31 March 2017	1st April 2016
50 bp decrease would Increase the profit before tax by	305	227	113
50 bp increase would decrease the profit before tax by	(305)	(227)	(113)

### c) Foreign currency risks

The company tries to manage the foreign currency risk by attaining natural hedge. The company also does selective hedging to hedge its risk associated with foreign currency and to address the timing difference in foreign currency collections & payments.

### i) The derivative outstanding as at the reporting date is as follows:-

Category Wise Quantitative Data	For the Year Ended 31 March 2018 Amount in Foreign Currency ( in Lacs)
Forward Contracts, Options	
Forward Contract Against Export(USD)	15.20
Forward Contract Against Export(EURO)	19.63
Forward Contract Against Export(GBP)	10.79
Put & Call Options Against Export(JPY)(Eq USD)	50.00
Put & Call Options Against Export(USD)	90.00
Forward Contract Against Import(USD)	16.95
Forward Contract Against Import(JPY)(Eq USD)	31.12
Put & Call Options Against Import(JPY)(Eq USD)	50.00
Put & Call Options Against Import(USD)	90.00
Put & Call Options Against Import(EURO)	30.00

Foreign Currency option contracts mature within 12 months

### ii) Mark to market losses / (gain) on foreign currency borrowings:

	(Rs in Lacs) For the Year Ended 31st March 2018
Mark to Market losses/(gain)	67.76

### d) Credit risk

The credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables. The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

## Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

	Up to 1 Year	Above 1 Year	Total
<b>Year Ended March 31, 2018</b>			
<b>Non - derivatives</b>			
Borrowings	40,965.68	49,071.47	90,037.15
Trade Payables	32,538.92	-	32,538.92
Other Financial Liabilities	20,262.04	2,400.01	22,662.05
<b>Total Non Derivative Liabilities</b>	<b>93,766.64</b>	<b>51,471.48</b>	<b>1,45,238.12</b>
<b>Year Ended March 31, 2017</b>			
<b>Non - derivatives</b>			
Borrowings	39,476.57	39,131.63	78,608.20
Trade Payables	14,915.12	-	14,915.12
Other Financial Liabilities	8,442.25	8,197.83	16,640.08
<b>Total Non Derivative Liabilities</b>	<b>62,833.94</b>	<b>47,329.46</b>	<b>1,10,163.40</b>
<b>Year Ended March 31, 2016</b>			
<b>Non - derivatives</b>			
Borrowings	32,176.12	17,644.93	49,821.05
Trade Payables	12,743.84	-	12,743.84
Other Financial Liabilities	7,683.32	7,431.14	15,114.46
<b>Total Non Derivative Liabilities</b>	<b>52,603.28</b>	<b>25,076.07</b>	<b>77,679.35</b>

### Note:- 49 Capital Management

#### a) Risk Management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus insurance costs). The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

	March 31, 2018	March 31, 2017	1st April 2016
Net Debt	86,680.81	73,600.69	46,197.17
EBITDA	21,367.87	18,326.42	15,785.69
Net Debt/EBITDA	4.06	4.02	2.93

#### b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

### Note:- 50 First Time Adoption as per Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

These financial statements, for the year ended 31 March 2018, are the first financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

#### Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

##### A. Ind AS Optional exemptions availed.

###### Deemed Cost

Under Ind AS paragraph D7 AA of Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and for Investment properties covered by Ind AS 40 Investment Properties.

# STEEL STRIPS WHEELS LIMITED

Accordingly, the Company has elected to measure all of its properties, plant and equipment, Investment property and intangible assets at their previous GAAP carrying values.

## B. Ind AS Mandatory exceptions Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2016 and 31st March, 2017 are consistent with the estimates as at the same date made in the conformity with previous GAAP. The Company made estimates for the following in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

## C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- 1) Reconciliation of Balance sheet as at 1st April, 2016 (refer note 51)
- 2) (a) Reconciliation of Balance sheet as at 31st March, 2017 (refer note 51)  
(b) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017 (refer note 52)
- 3) Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017(refer note 53)
- 4) Reconciliation of Income statement as at 31st March, 2017(refer note 54)

### Note:- 51 Effect of Ind AS adoption on the balance sheet as at 01 April, 2016 and 31 March, 2017

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

#### A) EFFECT OF IND AS ADOPTION ON THE BALANCE SHEET AS AT 01 APRIL, 2016 AND 31 MARCH, 2017

Particulars	IGAAP As on 01 April 2016	Opening Ind AS adjustments	Ind AS As on 01 April 2016	IGAAP As on 31 March 2017	Opening Ind AS adjustments	Ind AS on 31 March 2017
<b>I ASSETS</b>						
<b>1. Non-current assets</b>						
a) Property, Plant and Equipment	70,051.93	-	70,051.93	74,160.87	-	74,160.87
b) Capital work in progress	5,168.44	-	5,168.44	35,235.84	(63.82)	35,172.02
c) Other Intangible assets	398.56	-	398.56	321.26	-	321.26
d) Financial Assets						
i) Investments	16.82	-	16.82	21.41	-	21.41
ii) Loans	354.70	-	354.70	450.41	-	450.41
iii) Other financial assets	687.47	(157.16)	530.31	928.39	(157.13)	771.26
e) Other non current assets	2,077.33	140.56	2,217.89	1,650.84	138.97	1,789.81
<b>Total Non-Current assets</b>	<b>78,755.25</b>	<b>(16.60)</b>	<b>78,738.65</b>	<b>1,12,769.02</b>	<b>(81.98)</b>	<b>1,12,687.04</b>
<b>2. Current assets</b>						
a) Inventories	14,823.51	-	14,823.51	17,703.56	-	17,703.56
b) Financial Assets						
i) Trade receivable	16,918.76	-	16,918.76	20,455.18	-	20,455.18
ii) Cash and cash equivalents	3,623.88	-	3,623.88	5,007.51	-	5,007.51
iii) Other bank balances	8,556.19	-	8,556.19	7,065.44	-	7,065.44
iv) Loans	1,164.86	-	1,164.86	970.23	-	970.23
v) Other Financial assets	251.73	-	251.73	365.47	-	365.47
c) Other current assets	8,787.20	1.59	8,788.79	8,918.32	1.59	8,919.91
d) Current tax assets (Net)						
<b>Total Current assets</b>	<b>54,126.13</b>	<b>1.59</b>	<b>54,127.72</b>	<b>60,485.71</b>	<b>1.59</b>	<b>60,487.30</b>
<b>Total Assets</b>	<b>1,32,881.38</b>	<b>(15.01)</b>	<b>1,32,866.37</b>	<b>1,73,254.73</b>	<b>(80.39)</b>	<b>1,73,174.34</b>
<b>II EQUITY AND LIABILITIES</b>						
<b>1. Equity</b>						
a) Equity Share Capital	1,525.92	-	1,525.92	1,553.35	-	1,553.35
b) Other Equity	44,380.49	(1,363.20)	43,017.29	52,581.97	(2,933.18)	49,648.79
<b>Total Equity</b>	<b>45,906.41</b>	<b>(1,363.20)</b>	<b>44,543.21</b>	<b>54,135.32</b>	<b>(2,933.18)</b>	<b>51,202.14</b>



Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

## 2. Non-current liabilities

<b>a) Financial Liabilities</b>						
i) Borrowings	17,644.93	-	17,644.93	39,204.03	(72.40)	39,131.63
ii) Other Financial Liabilities	9,901.23	(2,470.09)	7,431.14	9,773.80	(1,575.97)	8,197.83
b) Provisions	849.07	-	849.07	1,058.09	83.87	1,141.96
c) Deferred tax liabilities (net)	3,982.73	3,818.28	7,801.01	4,397.04	4,417.29	8,814.33
d) Other non current liabilities	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>32,377.96</b>	<b>1,348.19</b>	<b>33,726.15</b>	<b>54,432.96</b>	<b>2,852.79</b>	<b>57,285.75</b>

## 3. Current liabilities

<b>a) Financial Liabilities</b>						
i) Borrowings	32,176.12	-	32,176.12	39,476.57	-	39,476.57
ii) Trade payables	12,743.84	-	12,743.84	14,915.12	-	14,915.12
iii) Other Financial Liabilities	7,683.32	-	7,683.32	8,442.25	-	8,442.25
b) Current Tax Liabilities (Net)	316.50	-	316.50	174.27	-	174.27
c) Provisions	91.71	-	91.71	114.45	-	114.45
d) Other current liabilities	1,585.52	-	1,585.52	1,563.79	-	1,563.79
<b>Total Current Liabilities</b>	<b>54,597.01</b>	<b>-</b>	<b>54,597.01</b>	<b>64,686.45</b>	<b>-</b>	<b>64,686.45</b>
<b>Total Equity and Liabilities</b>	<b>1,32,881.38</b>	<b>(15.01)</b>	<b>1,32,866.37</b>	<b>1,73,254.73</b>	<b>(80.39)</b>	<b>1,73,174.34</b>

Note:- 52 Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017

Particulars	Indian GAAP	Indian AS adjustments	Ind AS
Revenue from Operations	1,48,194.24	(170.45)	1,48,023.79
Other Income	1,939.60	(96.56)	1,843.04
<b>Total</b>	<b>1,50,133.84</b>	<b>(267.01)</b>	<b>1,49,866.83</b>

## EXPENSES

Cost of materials consumed	79,942.94	-	79,942.94
Purchases of stock-in-trade	-	-	-
Change in inventories of finished goods, stock in trade and work -in-progress	(187.25)	-	(187.25)
Excise duty expense	15,027.78	-	15,027.78
Employee benefit expense	11,830.85	30.75	11,861.60
Finance costs	4,170.84	885.54	5,056.38
Depreciation and amortisation expense	4,790.17	-	4,790.17
Other expenses	25,160.78	(265.44)	24,895.34
<b>Total</b>	<b>1,40,736.11</b>	<b>650.85</b>	<b>1,41,386.96</b>

<b>Profit before exceptional items and tax</b>	<b>9,397.73</b>	<b>(917.86)</b>	<b>8,479.87</b>
Exceptional Items	(113.25)	-	(113.25)
<b>Profit before tax</b>	<b>9,510.98</b>	<b>(917.86)</b>	<b>8,593.12</b>
<b>Tax expense</b>			
Current tax	(1,295.77)	(697.34)	(1,993.11)
Deferred tax (net)	(1,111.65)	79.95	(1,031.70)
<b>Profit/(loss) for the period from continuing operations (A)</b>	<b>7,103.56</b>	<b>(1,535.25)</b>	<b>5,568.31</b>

## Other comprehensive income

A-Items that will not be reclassified to profit or loss

(i) Re-measurement gains (losses) on defined benefit plans	(53.10)	(53.10)
(ii) Income tax relating to items that will not be reclassified to profit or loss	18.38	18.38

B- Items that will not be reclassified to Profit or loss

(i) Net (loss)/gain on FVOCI equity securities	-	-
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<b>Other Comprehensive Income for the year (B)</b>	<b>(34.72)</b>	<b>(34.72)</b>
<b>Total Comprehensive Income for the year (A+B)</b>	<b>7,103.56</b>	<b>(1,569.97)</b>



## STEEL STRIPS WHEELS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31st March, 2018  
(All amounts ₹ in Lakhs, unless stated otherwise)

**Note:- 53 Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017.**

Particulars	As at 31 March 2017	As at 1st April, 2016
<b>Total equity under Previous GAAP</b>	54,135.32	45,906.41
<b>Adjustments impact: Gain/ (Loss)</b>		
(a) Security Deposit	(15.01)	(15.01)
(b) Payables for Capital Goods - Long Term	2,470.09	2,470.09
(c) Actuarial Gain/(Loss) on Employee defined benefit plans	(30.75)	-
(d) Amortisation of security deposit using EIR (Net of interest)	(1.56)	-
(e) Amortisation of upfront fee on Long term Borrowings	8.58	-
(f) Incremental Finance cost due to discounting of Long term payables	(894.12)	-
(g) Taxes(Including Deferred Tax)on above	(4,417.31)	(3,818.28)
<b>Other Comprehensive Income</b>		
Actuarial loss on employee benefit plan	(53.10)	-
<b>Total Ind AS Adjustments</b>	<b>(2,933.18)</b>	<b>(1,363.20)</b>
<b>Total Equity as per Ind AS</b>	<b>51,202.14</b>	<b>44,543.21</b>

**Note:- 54. Reconciliation of Income statement as at March 31, 2017**

Particulars	As at 31 March 2017
<b>Profit after tax as reported under Previous GAAP</b>	7,103.56
(a)Actuarial Gain/(Loss) on Employee defined benefit plans	(30.75)
(b) Amortisation of security deposit using EIR (Net of interest)	(1.56)
(c) Amortisation of upfront fee on Long term Borrowings	8.58
(d) Incremental Finance cost due to discounting of Long term payables	(894.12)
(e) Taxes(Including Deferred Tax)on above	(617.39)
<b>Other Comprehensive Income</b>	<b>(1,535.24)</b>
Actuarial loss on employee benefit plan	(34.72)
<b>Total Ind AS Adjustments</b>	<b>(1,569.97)</b>
<b>Total Equity as per Ind AS</b>	<b>5,533.59</b>

The following explains the material adjustments made while transition from previous accounting standards to Ind AS

**Note:- 55 Deferred tax balances (Net)**

	As at 31 March 2018	As at 31 March 2017	As at 1st April 2016
(a) Deferred tax assets	1,320.58	1,014.99	-
(b) Deferred tax liabilities	11,935.18	9,829.32	7,801.01
	<b>(10,614.60)</b>	<b>(8,814.33)</b>	<b>(7,801.01)</b>

The following is the analysis of deferred tax assets/(liabilities)

Recognised in profit and loss account and other comprehensive income

Deferred tax assets/(liabilities) in relation to:	As at 31 March 2017	Credit /(charge) to Profit or Loss	Credit /(charge) to Other Comprehensive income	As at 31 March 2018
Property, plant and equipment	(8,357.79)	(2,113.28)	-	(10,471.07)
Intangible assets	(23.53)	5.19	-	(18.34)
Provision for Gratuity	23.94	29.96	-	53.90
Provision for Leave Encashment	27.25	(25.68)	-	1.57
Provision for Bonus	15.30	47.29	-	62.59
Provision for Doubtful Debt	14.12	(14.46)	-	(0.34)
Security Deposit	5.20	-	-	5.20
Payables for Capital Goods - Long Term	(854.85)	-	-	(854.85)
Recognized through OCI	18.38	-	(34.88)	(16.50)
Profit & Loss Ind AS Adj.	317.65	305.59	-	623.24
	<b>(8,814.33)</b>	<b>(1,765.39)</b>	<b>(34.88)</b>	<b>(10,614.60)</b>



Deferred tax assets/(liabilities) in relation to:	As at 1st April 2016	Credit /(charge) to Profit or Loss	Credit /(charge) to Other Comprehensive Income	As at 31st March 2017
Property, plant and equipment	(7,020.34)	(1,337.45)	-	(8,357.79)
Intangible assets	(21.06)	(2.47)	-	(23.53)
Provision for Gratuity	50.68	(26.74)	-	23.94
Provision for Leave Encashment	20.00	7.25	-	27.25
Provision for Bonus	19.56	(4.26)	-	15.30
Provision for Doubtful Debt	(0.20)	14.32	-	14.12
Security Deposit	5.20	-	-	5.20
Payables for Capital Goods - Long Term	(854.85)	-	-	(854.85)
Recognized through OCI	-	-	18.38	18.38
Profit & Loss Ind AS Adj.	-	317.65	-	317.65
	<b>(7,801.01)</b>	<b>(1,031.70)</b>	<b>18.38</b>	<b>(8,814.33)</b>

**Note:- 56. Income Tax Expenses**

**Reconciliation of tax liability on book profit vis-à-vis actual tax liability**

	As at 31 March 2018	As at 31 March 2017
Accounting profit before income tax	9,707.62	8,593.12
Tax at statutory income tax rate of 34.608%	3,359.61	2,973.91

**Tax effect of the amounts not deductible for computing taxable income**

Depreciation difference	752.31	925.61
Disallowances	55.53	39.16
Deductions/Exemption	(1,754.33)	(817.01)
MAT Credit Entitlement	-	(30.62)
Actuarial Valuation	(29.02)	29.02
43B Disallowances	(8.09)	(19.59)
Provision for doubtful Debt	(146.40)	14.12
Others	(31.13)	(89.79)
<b>Income Tax</b>	<b>2,198.48</b>	<b>3,024.81</b>

# 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 32nd Annual General Meeting of the Company, to be held on Friday, 28th day of September, 2018 at 11:00 a.m. at Regd. Office of the Company at Village Somalheri/ Lehli, P.O. Dappar, Tehsil Derabassi, Distt. S.A.S Nagar, Mohali (Punjab), and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution(s)
<b>Ordinary Business</b>	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and Auditors thereon
2.	To declare Dividend on Equity Shares for the financial year 2017-18
3.	To appoint a Director in place of Sh. Rajinder Kumar Garg (DIN No. 00034827) who retires by rotation and being eligible, offers himself for re-appointment
<b>Special Business</b>	
4.	To re-appoint Sh. Andra Veetil Unnikrishnan (DIN: 02498195) as Deputy Managing Director of the Company for a period of 5 years w.e.f 01.01.2019.
5.	To continue the Directorship of Sh. Rajinder Kumar Garg (DIN NO. 00034827), as Chairman and Non Executive Director of the Company.
6.	To continue the Directorship of Sh. Madan Mohan Chopra (DIN NO. 00036367), as Non Executive Independent Director of the Company.
7.	To continue the Directorship of Sh. Sudhanshu Shekhar Jha (DIN NO. 01489603), as Non Executive Independent Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of Shareholder

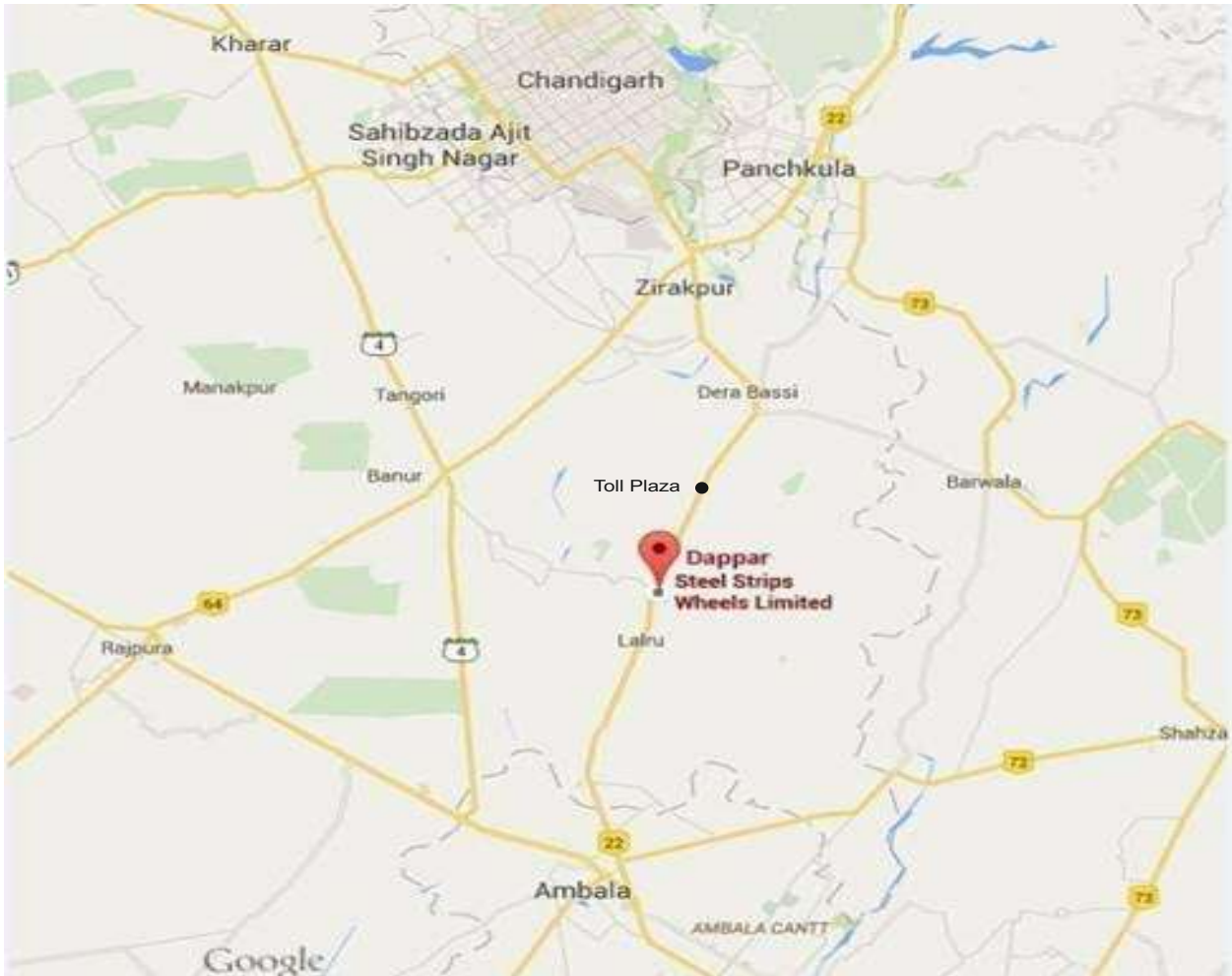
Signature of Proxy holder

Please affix Revenue Stamp of appropriate value
--

**Note:**

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

Courier /Regd. Post  
Location Map of Annual General Meeting



Steel Strips Wheels Limited  
*Wheeling Towards Excellence*

**STEEL STRIPS GROUP**

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CIN: L27107PB1985PLC006159

