

20TH

ANNUAL REPORT 2011-12

SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

WORKS AT: VILLAGE SOHANA, HEMA MAJRA ROAD, P.O. MULLANA,

DISTT. AMBALA (HARYANA)

REG. OFFICE: JORIAN, DELHI ROAD

DISTT. YAMUNA NAGAR 135001 (HARYANA)

SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

Regd Office: Village Jorian, Delhi Road, Yamunanagar (Haryana)

Works: Village Sohana, Hema Majra Road, Tehsil Barara, Distt Ambala (Haryana)

Notice: Convening 20th Annual General Meeting

Notice is hereby given that 20th Annual General Meeting of the members of the Company "Scan Projects Limited (Formerly Known as Ambala Cements Limited)" will be held on Saturday 29th day of September 2012 at 10:30 A.M. at the registered office of the Company, address, given above to transact the following ordinary business with or without modification.

Ordinary Business: Ordinary Resolutions:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March 2012 and Balance Sheet as at that date together with reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Sh. Krishan Kumar, Director who retires by rotation at this meeting and being eligible has offered himself for re-election.
3. To appoint Auditors for the year ended 31st March 2013 and fix their remuneration. M/s Jayant Bansal & Co., Chartered Accountants, Ambala Cantt, who retire on the date of Annual General Meeting and being eligible offer themselves for re-appointment.

Special Business:

4. To appoint Sh. Akshey Chandra as a Directors of the company:

To consider and if thought fit, to pass, with and without modification(s) the following resolutions as an ordinary resolution.

"RESOLVED that Sh. Akshey Chandra who was appointed by the Board of Directors as an Additional Director of the company with effect from February 14, 2012 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the company."

5. To approve appointment of Sh. Akshay Chandra as a Whole time Executive Director of the Company and his remuneration:

To consider and if thought fit, to pass, with and without modification(s) the following resolutions as an ordinary resolution.

"RESOLVED that subject to the provisions of Section 269 and Schedule XIII and other provisions, if applicable, of the Companies Act, 1956, and provisions of the Articles of Association of the Company, consent and approval of the member of the Company be and is hereby accorded for appointment of Sh. Akshey Chandra, as a Whole time Executive Director of the company with effect from February 14, 2012 for a period of 5 (Five) years (i.e. from 14-02-2012 to 13-02-2017) on a remuneration of ₹ 55500.00 per month with other terms and conditions

as set out in the Explanatory Statement annexed to the notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.”

“**RESOLVED FURTHER** unanimously that the appointee shall continue to work under the superintendence, direction and control of the Board of Director and the appointee be and is hereby authorised to exercise such substantial powers of management of the Company as are enshrined upon his office of Executive Director under the provisions of the Companies Act, 1956, Articles of Association and any other Law of land for the time being in force.”

“**RESOLVED FURTHER** that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

“**RESOLVED FURTHER** unanimously that the minimum remuneration payable to the Whole time Executive Director Sh. Akshay Chandra shall be as has been given above in the years in which the Company incurs loss or earns inadequate profits.”

6. To appoint Sh. Rajiv Puri as a Independent Directors of the company:

To consider and if thought fit, to pass, with and without modification(s) the following resolution as an ordinary resolution.

“**RESOLVED** that Sh. Rajiv Puri who was appointed by the Board of Directors as an Additional Independent Director of the company with effect from February 14, 2012 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 260 of the Companies Act, 1956 (“Act”) and in respect of whom the company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the company.”

7. To approve appointment of Sh. Sunil Chandra as a Managing Directors of the company and his remuneration:

To consider and if thought fit, to pass, with and without modification(s) the following resolution as an ordinary resolution.

“**RESOLVED FURTHER** that subject to the provisions of Section 269 and Schedule XIII and other provisions, if applicable, of the Companies Act, 1956, and provisions of the Articles of Association of the Company, consent and approval of the member of the Company be and is hereby accorded for appointment of Sh. Sunil Chandra, as Managing Director of the company with effect from April 01, 2012 for a period of 5 (Five) years (i.e. from 01-04-2012 to 31-03-2017) on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.”

“**RESOLVED FURTHER** unanimously that the appointee shall continue to work under the superintendence, direction and control of the Board of Director and the appointee be and is hereby authorised to exercise such substantial powers of management of the Company as are enshrined upon his office of Managing Director under the provisions of the Companies Act, 1956, Articles of Association and any other Law of land for the time being in force.”

“RESOLVED FURTHER that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

“RESOLVED FURTHER unanimously that the minimum remuneration payable to the Managing Director Sh. Sunil Chandra shall be as has been given above in the years in which the Company incurs loss or earns inadequate profits.”

By Order of the Board of Directors

Place: Yammunanagar

Dated: 28-08-2012

(SUNIL CHANDRA)
Chairman

NOTES:

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 (Forty-Eight) hours before the meeting. Proxies submitted on behalf of Companies/Societies etc., must be supported by appropriate resolutions/authority, as applicable. A proxy form is enclosed.
2. The Register of Members and Transfer books of the Company will be closed from Monday, September 24, 2012 to Saturday 29, 2012, both days inclusive.
3. All documents referred to in this meeting, notice and the accompanying statements are open for inspection at the Registered Office of the company on all working days (except Saturdays and holidays) between 10.30 A.M. to 12.30 P.M. up to the date of Annual General Meeting.
4. Members are requested to notify to the company immediately the changes in their registered address, if any.
5. Members having any queries relating to the Annual Report are requested to write to the company at least 7 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
6. Members are requested to bring their copies of Annual report to the meeting.
7. The members/proxies should bring attendance slip sent herewith duly filled and stamped for attending the meeting.
8. Members may please note that no gifts or coupon will be distributed at the Annual General Meeting.
9. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is also enclosed.

SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

Regd Office: Village Jorian, Delhi Road, Yamunanagar (Haryana)

Works: Village Sohana, Hema Majra Road, Tehsil Barara, Distt Ambala (Haryana)

Explanatory Statement

(Pursuant to Section 173(2) of the Companies Act, 1956)

As required by Section 173 of the Companies Act, 1956, the following explanatory statement sets out all material facts relating to the business mentioned under item no. 4, 5, 6 and 7 of the accompanying Notice dated August 28, 2012:

Item no.4 & 5

The Board of Directors has appointed Sh. Akshay Chandra as Additional Independent Director of the Company with effect from February 14, 2012. As per the provisions of Section 260 of the Companies Act 1956 and provisions of Articles of Association of the Company, Sh. Akshay Chandra hold office only up to the date of this Annual General Meeting of the Company, and are eligible for appointment as Director. The Company has received notice under Section 257 of the Act, in respect of the candidate, proposing their appointment as Independent Director of the Company along with security amount of ` 500/- which will be refunded after approval of the same to the proposer.

The Board of Directors of the Company, at its meeting held on February 14, 2012 has, subject to the approval of Members, appointed Sh. Akshay Chandra as Whole time Executive Director with effect from February 14, 2012 for a period of 5 (Five) years (i.e. from 14-02-2012 to 13-02-2017) on the remuneration approved by the Board. It is proposed to seek Members' approval for the appointment of and remuneration payable to, Sh. Akshay Chandra, as Whole time Executive Director, in terms of the applicable provisions of the Companies Act, 1956. The detailed particulars of remuneration and other perquisites payable to Sh. Akshay Chandra is given as under: -

1. Salary: ` 55500.00 per month for a period of five years commencing from 14-02-2012 to 13-02-2017.

Sh. Akshay Chandra satisfies all the conditions set out in Part – I of Schedule XIII to the Act for being eligible for the appointment. He is not disqualified from being appointed as Directors in terms of Section 274(1)(g) of the Act. The above may be treated as an abstract of the terms of appointment of Sh. Akshay Chandra under Section 302 of the Act.

Sh. Akshay Chandra is a Science Graduate and having good working experience in the field of Administration. Keeping in view his experience and expertise, the Board considers it desirable that the Company should continue to receive the benefit of his valuable experience and advice and accordingly commends the Resolutions as set out at item no. 4 & 5 of the Notice for approval of the Members.

Sh. Akshay Chandra is interested in the resolutions as set out at item no 4 & 5 of the accompanying notice relating to his appointment and remuneration payable to him. Further, Sh. Sunil Chandra and Sh. Krishan Kumar may be deemed to be concerned or interested in the resolution pertaining to the appointment of and remuneration payable to Sh. Akshay Chandra as they are related to him. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolutions.

The Board commends the resolutions as set out at item no. 4 & 5 of the Notice for your approval.

Item no.6

The Board of Directors has appointed Sh. Rajiv Puri (Chartered Accountant) as Additional Independent Director of the Company with effect from February 14, 2012. As per the provisions of Section 260 of the Companies Act 1956 and provisions of Articles of Association of the Company, Sh. Rajiv Puri hold office only up to the date of this Annual General Meeting of the Company, and are eligible for appointment as Independent Director. The Company has received notice under Section 257 of the Act, in respect of the candidate, proposing their appointment as Independent Director of the Company along with security amount of ` 500/- which will be refunded after approval of the same to the proposer.

Sh. Rajiv Puri is a Chartered Accountant and having good working experience in the field of finance. Keeping in view the experience and expertise of him, the Board considers it desirable that the Company should continue to receive the benefit of his valuable experience and advice and accordingly commends the Resolutions as set out at Item no. 5 of the Notice for approval of the Members.

Sh. Rajiv Puri is interested in the resolutions as set out at item no 6 of the accompanying notice relating to his appointment. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolutions.

Item no. 7

The Board of Directors of the Company, at its meeting held on February 14, 2012 has, subject to the approval of Members, appointed Sh. Sunil Chandra as Managing Director with effect from April 01, 2012 for a further period of 5 (five) years (i.e. from 01-04-2012 to 31-03-2017) on the remuneration and other perquisites approved by the Board. It is proposed to seek Members' approval for the appointment of and remuneration payable to, Sh. Sunil Chandra, as Managing Director, in terms of the applicable provisions of the Companies Act, 1956. The detailed particulars of remuneration and other perquisites payable to Sh. Sunil Chandra is given as under: -

- a) Salary: ` 25000.00 per month with an increment at the rate of 20% per annum for a period of five years commencing from 01-04-2012 to 31-03-2017.
- b) Perquisites:
 - (i) Medical Allowance for self and family as permitted/allowed under the Income Tax Act, 1961.
 - (ii) The appointee is entitled to leave Travel Allowance for self and family as permitted/allowed under the Income Tax Act, 1961.
 - (iii) Company will provide a Car with driver to the appointee for official as well as personal use.
 - (iv) The Company shall also provide the appointee with rent-free full-furnished accommodation.
 - (v) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund, Gratuity payable, Encashment of Leave as per various applicable Laws and Rules and Regulations of the Company, if any.

Sh. Sunil Chandra satisfies all the conditions set out in Part – I of Schedule XIII to the Act for being eligible for the re-appointment. He is not disqualified from being appointed as Directors in terms of Section 274(1)(g) of the Act. The above may be treated as an abstract of the terms of appointment of Sh. Sunil Chandra under Section 302 of the Act.

Sh. Sunil Chandra is interested in the resolutions as set out at item no 7 of the accompanying notice relating to his re-appointment and remuneration payable to him. Further, Sh. Akshay Chandra and Sh. Krishan Kumar may be deemed to be concerned or interested in the resolution pertaining to the appointment of and remuneration payable to Sh. Sunil Chandra as they are related to him. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolutions.

The Board commends the resolutions as set out at item no. 7 of the Notice for your approval.

By Order of the Board of Directors

Place: Yamunanagar

Dated: 28-08-2012

(SUNIL CHANDRA)
Chairman

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL
GENERAL MEETING**

PARTICULARS	AKSHAY CHANDRA	SUNIL CHANDRA	RAJIV PURI
Date of Birth	22/07/1991	08/06/1961	01/01/1981
Date of Appointment	February 14, 2012 As Additional Whole time Director designated as Executive Director	Re-appointment Managing Directors w.e.f. 01/04/2012 for a period of five year	February 14, 2012 As Additional Independent Director
Qualification	Science Graduate	Science Graduate	Chartered Accountant
Experience	Wide experience in the field of Administration	Wide experience in Engineering business and in the field of finance and marketing	Good working experience in the field of finance/taxation and commercial
Address	Chandra Niwas, Behind Suresh Chandra Eye Hospital, Village Jorian, Delhi Road, Yamunanagar (Haryana)	Chandra Niwas, Behind Suresh Chandra Eye Hospital, Village Jorian, Delhi Road, Yamunanagar (Haryana)	House No. 517 - R - A, Model Town, Yamunanagar (Haryana)
Directorships held in other Public Companies/Foreign Companies	NIL	NIL	NIL
Directorships held in other Private Limited Companies	NIL	-M/s Chanderpur Industries Private Limited -M/s Chanderpur Renewal Power Company Private Limited	NIL
Number of Shares held in the Company as on 31 st March 2012	NIL	253910	NIL

SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

Regd Office: Village Jorian, Delhi Road, Yamunanagar (Haryana)

Works: Village Sohana, Hema Majra Road, Tehsil Barrara, Distt Ambala (Haryana)

Directors' Report

To The Members,

The Directors have pleasure in presenting their 20th Annual Report along with the Audited Annual Statements of Accounts for the financial year ended on 31-03-2012:

1. Financial Highlights:

	(` In Lacs)	
	2011-12	2010-11
<u>Receipts:</u>		
-Net Sales/Income from Traded Goods	352.71	244.71
-Erection, Commissioning, Supervision, Project Drawing and Designing Service Charges Received	499.62	231.67
Other Income	852.33	476.38
Profit/(Loss) Before exceptional items and depreciation	10.54	7.39
Profit/(Loss) Before Tax and exceptional items	141.07	138.36
<u>Exceptional Items:</u>	6.95	4.62
-Profit/(loss) on sales of Fixed Assets	134.12	133.74
-Profit/(Loss) on sale of substantial part of assets acquired under capital work in progress i.e. new expansion scheme and Technology Development Assistance Scheme	(0.00)	(7.31)
-Adjustment of unpaid interest waived by Lloyd Finance Limited under one time settlement	0.00	0.00
Profit/(Loss) Before Tax	0.00	2.66
Provision for Taxation (Net of Deferred tax)	(0.00)	(4.65)
Profit/(Loss) after tax	134.12	129.09
Reserves and Surplus	15.57	0.24
	118.55	128.85
	(140.06)	(258.60)

2. Operations and Out Look for the Current Year:

Due to revival process initiated by the management of the company in the year 2009-10, the company had re-established its business activities by starting the new activities i.e. Engineering Services (Erection, commissioning, supervision, project drawing and designing services) and trading of fabricating material, equipment parts and other items etc. The overall growth of the company due to new business activities is good and encouraging since last three years. In the financial year 2011-12, the company has earned the total revenue from operation is ` 852.33 Lacs against the pervious year ` 476.38 Lacs, which reflects the growth of 79%. The net profit after tax of the company is ` 6.66 Lacs, ` 128.85 Lacs and ` 118.55 Lacs in the year 2009-10, 2010-11 and 2011-12 respectively. Due to these and other substantial factors, the accumulated losses of the company have been minimized and the net worth of the company has become positive. All these above efforts reflect that the management of the Company is serious for revival of the company from the existing crisis. Hence, the management is hopeful to achieve better results in the ensuing year with new business activities.

3. **Dividend & Reserves:**

No dividend has been recommended by the Directors and consequently no amounts have been transferred to general reserves.

4. **Deposits:**

The company did not accept or renewed deposits from any one during the year under review.

5. **Directors:**

Sh. Krishna Kumar, Director retires by rotation at the forthcoming meeting and being eligible has offered himself for re-election. The Board recommends his re-appointment.

Sh. Akshay Chandra and Sh. Rajiv Puri have been appointed as Additional Directors on February 14, 2012. Sh. Rajiv Puri is an Independent Director. As per the provisions of Section 260 of the Act, both the Directors hold office only up to the date of the forthcoming Annual General Meeting (AGM) of the Company and are eligible for appointment as Director. The Company has received notices under Section 257 of the Act, in respect of the above persons, proposing their appointment as a Director of the Company. Resolutions seeking approval of the members for the appointment of Sh. Akshay Chandra and Sh. Rajiv Puri as Director of the Company have been incorporated in the Notice of the forthcoming AGM along with brief details about them.

Sh. Sunil Chandra is re-appointed as Managing Director of the Company w.e.f. April 1, 2012 to March 31, 2017. Pursuant to the Articles of Association of the Company he will not be liable to retire by rotation.

Sh. Akshay Chandra was inducted as Whole time Executive Director of the Company w.e.f. February 14, 2012 to February 13, 2017.

The notice convening the Annual General Meeting includes the proposal for appointment of Directors.

6. **Auditors' Report:**

- a) The Auditors' Report is self-explanatory and the notes contained therein are mutually inclusive, which do not call for further comments.
- b) Regarding Para 8 of Annexure to Auditors' Report, the Company is maintaining cost records and has appointed M/s K. K. Sinha & Associates, Cost Accountants, 3396, Sector -46C, Chandigarh – 160047, to carry out Cost Audit and issue Compliance Certificate under Section 233B of the Companies Act, 1956 read with the clause 5 read with clause 7 of the Companies (Cost Accounting Records) Rules, 2011. In term of these Rules Cost Audit Report has not become applicable to the company.

7. **Auditors:**

The Auditors, M/s Jayant Bansal & Co., Chartered Accountants, Ambala Cantt. hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (IB) of the Companies Act, 1956.

8. **Listing:**

The stocks of the Company are listed on Delhi Stock Exchange (RSE), Stock Exchange Mumbai, Stock Exchange, Ahmedabad and Jaipur Stock Exchange

9. Listing Fees:

The details of fees outstanding to be paid by the Company to the different Stock Exchanges are as below: -

S.NO.	NAME OF THE STOCK EXCHANGE	YEAR	AMOUNT DUE (IN RS.)
1.	Ahmedabad Stock Exchange, Ahmedabad	1997-98 to 2012-13	168000.00
2.	Jaipur Stock Exchange Limited, Jaipur	1997-98 to 2012-13	160000.00
	TOTAL		328000.00

10. Corporate Governance:

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, the company has implemented the code of Corporate Governance during the year. The reports on Corporate Governance and Management Discussion and Analysis together with Compliance Certificate on the same are attached to this report.

Audit Committee, Remuneration committee and Shareholder's / Investor's grievances committee have been reconstituted / formed as per the SEBI / Stock Exchange Regulations.

11. Particulars Pursuant to Section 217(1)(e) of the Companies Act, 1956:

(A) Conservation of Energy & Technology Absorption: The Company has not been carrying on any manufacturing activities, hence this information is not applicable on the company during the year under review.

(B) Foreign Exchange Earnings and Outgo: The Company did not spend any foreign exchange and also, did not earn any foreign exchange during the year under review.

12. Particulars of Employees:

There was no employee on the rolls of the company who drew remuneration in excess of the limits prescribed by the provisions of Section 217(2A) of the Companies Act, 1956 and the rules framed there under and hence, the particulars and NIL.

13. Employer-Employee Relations:

The employer-employee relations remained cordial during the year under review.

14. Directors' Responsibility Statement:

In compliance with the provisions of Section 217(2AA) of the Companies Act, 1956, the directors hereby confirm that:

- i) in preparing the Annual accounts of the year ending 31-03-2012 the applicable accounting standard have been followed and that no material departure have been made from the same;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2012 and of the profit of the Company for the period from 1st April 2011 to 31st March 2012;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and

iv) that the Directors have prepared the annual accounts on the going concern basis.

15. Acknowledgements:

The Directors wish to place on record their sincere thanks to the Bankers of the Company for their kind co-operation and the assistance extended to them. The Directors, also, wish to appreciate the dedicated work done by the Executives, Officers and Employees of all levels.

Place: Ambala Cantt

Dated: 28-08-2012

By Order of the Board of

(SUNIL CHANDRA)
Chairman

SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

Regd Office: Village Jorlian, Delhi Road, Yamunanagar (Haryana)
Works: Village Sohana, Hena Majra Road, Tehsil Barara, Distt Ambala (Haryana)

REPORT ON CORPORATE GOVERNANCE (2011-12)

1. **Company's Philosophy on code of Corporate Governance:**
Scan Projects Limited (Formerly Known as Ambala Cements Limited) believes that the code of corporate governance is a necessary discipline and a means of achieving and attaining the goals and objectives of the company and only proper governance implemented in the true spirit would lead to effectiveness and transparency in the functioning of a corporate. The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

2. **Board of Directors:**

The Company has a Non-executive Chairman. The Board of the company has a combination of Executive and Non-executive directors with a minimum of 50% of the board comprising of the non-Composition and category of directors is as follows:

- | <u>Category</u> | <u>Name of the Director</u> |
|--|---|
| 1. Executive directors | |
| • Promoters | Sh. Sunil Chandra (Managing Director) |
| 2. Non-Executive director | Sh. Akshay Chandra (Executive Director) |
| | Sh. Krishan Kumar Gupta
(Chairman) |
| 3. Non-Executive Independent directors | Sh. Sanjay Sharma |
| | Sh. Om Parkash Bhola |
| | Sh. Rajiv Puri |

Note: In the Board of Directors meeting held on February 14, 2012, one of the Executive Director Sh. Pardeep Kumar Gupta has resigned from the directorship of the company and two new directors namely Sh. Akshay Chandra (as Additional Director, Executive) and Sh. Rajiv Puri, Chartered Accountant (as Additional Independent Director (Non-Executive) were introduced in the board of the company w.e.f. February 14, 2012.

3. **Attendance of each director at the board of directors meetings and the last annual general meeting:**

Name of the Director	Board Meeting held	Board Meeting Attended	Attendance at Last AGM/EOGM
Sh. Sunil Chandra (Managing Director)	9	9	Present
Sh. Krishan Kumar (Non-Executive Director)	9	9	Present
Sh. Pardeep Kumar (Executive Director) (Resigned from the Directorship w.e.f. 14/02/2012)	9	7	Present
Sh. Akshay Chandra (Appointed as Additional Executive Director w.e.f. 14/02/2012)	9	1	Not Applicable
Sh. Sanjay Sharma (Non-Executive Independent Director)	9	9	Present

Sh. Om Parkash Bhola (Non-Executive Independent Director)	9	9	Present
Sh. Rajiv Puri (Appointed as Additional Independent Director w.e.f. 14/02/2012)	9	1	Not Applicable

4. **Number of other board of directorships, board committees he is a member or chairperson of:**
None of the directors on the Board are members or chairman of the committee of other public companies (whether Listed or not) and excludes private limited companies in which they are directors.

5. **Number of Board Meetings held and the dates on which held:**

During the year the company has held nine Board of Director meetings. The dates on which the meetings were held are given below:
29-04-2011, 27-05-2011, 01-07-2011, 12-08-2011, 26-08-2011, 11-11-2011, 16-12-2012, 14-02-2012 and 22-03-2012

6. **Audit Committee:**

The company has an Audit Committee of the Board comprising of 4 Non-Executive Directors, out of them 3 are independent Directors. The member of the committee are as given below:

1. Sh. Sanjay Sharma [Chairman (independent)]
2. Sh. Om Parkash Bhola [Member (independent)]
3. Sh. Krishan Kumar Gupta [Member (Non-Executive Director)]
4. Sh. Rajiv Puri [Member (independent)]

The audit committee meets the requirements of both section 292 A of the Companies Act, 1956 and clause 49 of the listing Agreement. The committee has all the powers, duties and obligations conferred upon and vested in it in terms of Section 292A of the Companies Act, 1956 as amended from time to time and also such additional powers, functions/features, duties, obligations and discretions as is contained in Clause 49 of the listing agreement from time to time and as entered into by the company are listed and/or any other powers, duties and obligations that may be assigned from time to time by the Board of Directors and the said committee shall submit its reports, recommendations etc., to the Board of Directors on all matters.

The Audit Committee met Nine times during the year on 29-04-2011, 27-05-2011, 01-07-2011, 12-08-2011, 26-08-2011, 11-11-2011, 16-12-2012, 14-02-2012 and 22-03-2012. The Attendance of the members at the meetings was as follows: -

Name	Status	No. of Meeting held during the year	No. of Meeting Attended
Sh. Krishan Kumar (Non-Executive Director)	Member	9	9
Sh. Sanjay Sharma (Non-Executive Independent Director)	Chairman	9	9
Sh. Om Parkash Bhola (Non-Executive Independent Director)	Member	9	9
Sh. Rajiv Puri (Appointed as Additional Independent Director w.e.f. 14/02/2012)	Member	9	1

7.

Remuneration Policy:

Due to revival process initiated by the management of the company in the year 2009-10, the company had re-established its business activities by starting the new business activities. The overall growth of the company due to new business activities is good and in increasing trend since last three years. So, on account of re-establishment of its business activities the volume of work of the company has been increased gradually and the Board of Directors of the Company has decided to pay remuneration to Executive Directors by way of salary and perquisites. However, the management of the company has

decided not to give any remuneration to the non-executive directors of the company in the current year. The remuneration policy is decided and approved by the Board of directors and the Shareholders, hence a Remuneration Committee has not been constituted. The Details of Remuneration paid/payable to Executive Directors for the year ended 31st March 2012 are given below: -

-Executive Directors:

Name	Salary	Amount Paid / Payable during the year 2011-12
Sh. Akshay Chandra (Additional Executive Director)	55500.00 per month w.e.f. February 14, 2012	86121.00
Sh. Sunil Chandra (Managing Director)	25000.00 per month w.e.f. April 1, 2012 onwards	NIL

-Non-Executive Directors: The Company has not given any remuneration/benefits to non-executive directors of the company during the year 2011-12

8.

Shareholder's/Investor's Grievance Committee:

The Board has constituted a Share Transfer & Shareholders/Investors Grievance Committee to approve the Share Transfer, Transmission, Transposition of Name, Issue of Split/Duplicate Certificate and to review the status report on redressal of Shareholder and Investor complaints received by the company/Share Transfer Agent.

Composition, Name of Members and Chairman:

1. Sh Om Parkash Bhola (Non-Executive Independent Director) : Chairman
2. Sh. Akshay Chandra (Additional Executive Director) : Member
3. Sh. Krishan Kumar Gupta (Non-Executive Director) : Member
4. Sh. Rajiv Puri (Additional Non-Executive Independent Director) : Member

Note: In the Board of Directors meeting held on February 14, 2012, one of the Executive Director Sh. Pardeep Kumar Gupta has resigned from the directorship of the company and two new directors namely Sh. Akshay Chandra (as Additional Director, Executive) and Sh. Rajiv Puri, Chartered Accountant (as Additional Independent Director (Non-Executive)) were introduced in the board of the company w.e.f. February 14, 2012.

Name & Designation of Compliance Officer: Sh. Sunil Chandra (Managing Director)

During the year the company has not received any complaint from the shareholders.

9.

General Body Meetings:

Location and time, where last three Annual General Meetings were held:

Year	Type of Meeting	Venue	Date	Time
2009-10	AGM	Village Jorian, Delhi Road, Yamunanagar	25-09-2009	10.30 A.M.
	EGM	Village Jorian, Delhi Road, Yamunanagar	29-12-2009	3.00 P.M.
	AGM	Village Jorian, Delhi Road, Yamunanagar	30-09-2010	10.30 A.M.
2010-11	EOGM	Village Jorian, Delhi Road, Yamunanagar	04-11-2010	3.00 P.M.
	AGM	Village Jorian, Delhi Road, Yamunanagar	29-09-2011	10.30 A.M.

- Annual General Meeting: No postal ballots were used/invited for voting at the last annual general meeting in respect of special resolution passed (if any). There are no special resolutions, which are proposed to be passed through postal ballot for the year under review.
- Extraordinary General Meeting: The postal ballots were used/invited for voting at this meeting in respect of following special resolutions, which were duly passed: -
 - Alteration of Objects Clause III (A) of Memorandum of Association of the Company.
 - Alteration of Objects Clause III (C) of Memorandum of Association of the Company.
 - Change in Name of the Company from "Ambala Cements Limited" to "Scan Projects Limited"
 - Commencement of Business contained in Clause III (C) of the Memorandum of Association.
 - Authorization to Board of Directors to give Loans to Chanderpur Renewal Power Company Private Limited and Chanderpur Works Private Limited.

The postal ballot were used for voting at the extraordinary general meeting in respect of above said special resolutions as per the provisions of the Companies Act, 1956 and the same has duly been passed in this meeting. The voting result of the postal ballot in respect of these special resolutions were favorable and the details of the same are as under: -

Voting pattern: 58 Members having paid-up value of the shares Rs.14602000/- (i.e. No. of shares 1460200 of Rs. 10/- each fully paid-up) have used the postal ballot right and received 100% voting in favour of the above said special resolution.

10. Disclosures:

a) **Disclosures on materially significant, related party transactions, that may have potential conflict with the interests of the company at large:**

During the year ended 31-03-2012, there were no materially significant related party transactions that may have potential conflict with the interest of the company at large. Other related party transactions have been reported at Sl. No. 27 (g) of Notes to Accounts.

Transactions with Non-executive Directors:

During the year, there are no transactions with non-executive directors.

b) **Details of non-compliance by the company:**

There were neither instances of non-compliance by the company nor penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

11.

Means of Communication:

Quarterly and Half-yearly results has been regularly prepared and submitted to the respective authorities well in time. The same have also been duly published in the News paper on regular basis. Management Discussion and Analysis Report forms part of the Director's Report.

12.

General Shareholder Information:

Annual General Meeting	20 th Annual General Meeting
Day and Date	Thursday, 29 th September 2012
Time	10.30 A.M.
Venue	Village Jorian, Delhi Road, Yamunanagar – 135 001 (Haryana)

Financial Calendar

Un-audited Financial Results	
-First Quarter (30-06-2012)	Second week of August, 2012
-Half yearly (30-09-2012)	Second week of November, 2012
-Third Quarter (31-12-2012)	Second week of February, 2013
Audited Financial Results	
-Fourth Quarter (31-03-2012)	Last week of May, 2012

Day of book Closure

-Physical mode
Dividend
Listing on Stock Exchange

- 24-09-2012 to 29-09-2012 (Both day inclusive)
No dividend has been recommended by the Directors.
- Bombay Stock Exchange, Mumbai
 - The Delhi Stock Exchange Association Limited
 - Ahmedabad Stock Exchange, Ahmedabad (Listing fee for the period 1997-98 to 2012-13 is pending)
 - Jaipur Stock Exchange Limited, Jaipur (Listing fee for the period 1997-98 to 2012-13 is pending)

Registrar and Share Transfer Agents and
Share Transfer System

The Company has not appointed any Share Transfer Agent and is having an in-house Share Transfer System. However, Beetal Financial and Computer Services (P) Limited, 3rd Floor, 99 BEETAL HOUSE, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdass Mandir, New Delhi – 110062 has been appointed as agency for Dematerialization of shares.

Market Price date-High/Low during each
month of the year 2011-12

There is no trading in the shares of the company at the listing stock exchange since last so many years; hence this information is not available.

Distribution of Shareholding as on 31-03-2012

No. of Shares		No. of Shareholders	Shareholdings	
Form	To		Nos.	% to Total
1	500	95	36.26	1.27
501	1000	73	27.86	2.38
1001	2000	17	6.49	1.00
2001	3000	9	3.44	0.83
3001	4000	7	2.67	0.86
4001	5000	12	4.58	2.03
5001	10000	17	6.49	4.82
10001	Above	32	12.21	86.81
		262	100.00	100.00

Factory Location

Hema Mājra Road, Village Sohana

P.O. Mullana, Distt. Ambala
(Haryana)

Registered Office

Village Jorian, Delhi Road,
Yamunanagar – 135 001
(Haryana))

SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

Regd Office: Village Jorian, Delhi Road, Yamunanagar (Haryana)
Works: Village Sohana, Hema Majra Road, Tehsil Barara, Distt Ambala (Haryana)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

Due to revival process initiated by the management of the company in the year 2009-10, the company had re-established its business activities by starting the new activities i.e. Engineering Services (Erection, commissioning, supervision, project drawing and designing services) and trading of fabricating material, equipment parts and other items etc. The overall growth of the company due to new business activities is in increasing trend since last three years. The prospects of the present activities (i.e. erection, commissioning, installation and project drawing and designing work for setting up of projects related to cement, fertilizers, renewal power energy and other allied industries project) is good and encouraging. Presently, the company is engaged in providing engineering services for erection, commissioning and supervision of custom designed and engineered critical equipment and systems to the core sector industries like cement, fertilizers and renewal power energy etc. and Trading of fabricating material, machinery parts and other items. The company is already having good orders in hand at different locations and also expects to get better opportunities in the ensuing period. On the basis of that, the management of the company is quite hopeful to achieve better results in the coming years.

2. OPPORTUNITIES, THREATS, RISKS AND CONCERN:

In view of re-structured process initiated by the management of the company for its revival, the company has re-established its business activities during the previous year, by starting new business activities i.e. Engineering Services and trading of fabricating material, equipment parts and other items etc. The overall growth of the company due to new business activities is good and encouraging since last three years. In the financial year 2011-12, the company has earned the total revenue from operation is ` 852.33 Lacs against the previous year ` 476.38 Lacs, which reflects the growth of 79%. All these above efforts reflect that the Management of the Company is serious for revival of the company from the existing crisis. Hence, the management is hopeful to achieve better results in the ensuing year with new business activities. Because the prospects of present activities (i.e. engineering services for erection, commissioning and supervision of custom designed and engineered critical equipment and systems to the core sector industries like cement, fertilizers and renewal power energy etc. and Trading of fabricating material, machinery parts and other items) are good and encouraging due to favorable government's policy to lay greater emphasis on infrastructure development, which directly impact the growth of core sector industries like Cement, fertilizer and power etc.

3. SEGMENT WISE OR PRODUCT-WISE PERFORMANCE:

The Company is engaged in single business activity (i.e. Erection, commissioning, supervision, project drawing and designing and trading of fabricating material, equipment parts and other material etc.) and there is no separate reportable segment. The Company has achieved the turnover of ` 153.65 Lacs, ` 476.38 Lacs and ` 852.33 Lacs during the year 2009-10, 2010-11 and 2011-12 respectively from its present business activities.

4. OUTLOOK:

Due to revival process initiated by the management of the company in the year 2009-10, the company had re-established its business activities by starting the new activities i.e. Engineering Services (Erection, commissioning, supervision, project drawing and designing services) and trading of fabricating material, equipment parts and other items etc. The overall growth of the company due to new business activities is in increasing trend since last three years. The prospects of present activities (i.e. engineering services for erection, commissioning and supervision of custom designed and

engineered critical equipment and systems to the core sector industries like cement, fertilizers and renewal power energy etc. and Trading of fabricating material, machinery parts and other items) are good and encouraging due to favorable government's policy to lay greater emphasis on infrastructure development, which directly has an impact on the growth of core sector industries like Cement, fertilizer and power etc. The company is already having good orders in hand at different locations, which gives the confidence of registering good growth in revenue during the year 2012-13. On the basis of that, the management of the company is quite hopeful to achieve better results in the coming years. All these above efforts reflect that the Management of the Company is serious for revival of the company from the existing crisis. Hence, the management is hopeful to achieve better results in the ensuing year with new business activities.

5. **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

On account of re-establishment of its business activities by starting new business, the volume of work of the company has been increased gradually. Accordingly, the company has adopted adequate system of internal control commensurate with the size of the company and the nature of its business. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses executing transactions with proper authorization and ensuring compliance of corporate policies. The company has an audit committee, the details of which are provided in the Corporate Governance Report. The audit committee reviews the internal control system and follows up on the implementation of corrective actions, if required. The committee also meets the company's statutory auditors to ascertain, interalia their views on the adequacy of internal control system in the Company and keeps the Board of Directors informed of its major observations from time to time. The management also regularly reviews the utilization of fiscal resource, compliance with law, efficiencies, so as to ensure optimum utilization of resources and achieve better efficiencies.

6. **MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

Due to starting of new business activities and re-establishing itself, the company, in order to meet its requirement, has increased its work force from 11 employees to 20 employees, in the year 2011-12. The company has taken efforts to set up and maintain an efficient work force. The company is taking steps towards maintaining a low attrition rate which it believes shall be achieved by investing in learning and development programmes for employees, competitive compensation, creating a compelling work environment, empowering employees at all levels as well as a well-structured reward and recognition mechanism.

7. **CAUTIONARY STATEMENT:**

Statements in the management discussion and analysis may be "forward looking" statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

By Order of the Board of

Place: Yamunanagar
Dated: 28-08-2012

(Sunil Chandra)
Chairman

CERTIFICATE

To

**The Member of
Scan Projects Limited
(Formerly Known as Ambala Cements Limited),**

We have examined the compliance of conditions of corporate governance by **SCAN PROJECTS LIMITED (FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)**, for the year ended on 31st March, 2012, as stipulated in clause 49 the Listing Agreement of the said company with stock exchanges.

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 the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

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

We state that in respect of investor grievances received during the year ended 31st March, 2012 no investor grievances are pending against the Company for a period exceeding one month as per the records maintained by the company which are presented to the Shareholders/Investors Grievance Committee.

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

Place: Ambala City

Date: 28-08-2012

**for J. P. Jagdev & Co.,
Company Secretaries,**

**SD/-
(J. P. Jagdev)
Prop.
C. P. No. 2056**

CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors of Scan Projects Limited
(Formerly Known as “Ambala Cements Limited”)

Sub: CEO/CFO Certificate (Issue in accordance with provisions of Clause 49 of the listing Agreement

Dear Sir,

We, Sunil Chandra (Chief Executive Officer & Managing Director) and Akshay Chandra (Chief Financial Officer) of the company **Scan Projects Limited (Formerly Known as Ambala Cements Limited)**, to the best of our knowledge and belief, certify that:

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

Yours sincerely,

(SUNIL CHANDRA) (AKSHAY CHANDRA)
CEO & MD CFO & ED

Place: Yamunanagar
Date: 28-08-2012

To,

The Members of,
Scan Projects Limited
(Formerly Known as Ambala Cements Limited),
Village Jorian, Delhi Road,
Yamuna Nagar-135 001
(Haryana)

Ref.: Audit of accounts for the year ended 31st March 2012.

Gentlemen,

We have audited the attached Balance Sheet of **SCAN PROJECTS LIMITED (FORMERLY KNOWN AS AMBALA CEMENTS LIMITED), YAMUNANAGAR** as at 31st March, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted the audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
 3. Further to our comments in the Annexure referred to above, we report that: -
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of accounts as required by the law, have been kept by the company so far as appears from our examination of those books of the company;

- (iii) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section 3(C) of section 211 of the Companies Act, 1956;
- (v) On the basis of the written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a director under Section 274(1)(g) of the Companies Act, 1956; and
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Yamunanagar

**For Jayant Bansal & Co.,
Chartered Accountants**

Date: 31-05-2012

**JAYANT BANSAL
(PARTNER)
Membership No.: 086478**

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS OF SCAN PROJECTS LIMITED (FORMERLY KNOWN AS "AMBALA CEMENTS LIMITED")

1.
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us that, the Company has regular programme of physical verification of its assets. In accordance with this programme the fixed assets were verified by the responsible staff during the year at regular intervals of time. No material discrepancies were noticed on such verification. In our opinion, this periodicity of verification is reasonable having regard to the size of the company and nature of its assets.
 - (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2.
 - (a) As explained to us that, the Company is engaged in business activities i.e. Erection, commissioning & supervision services and trading of fabricating material, electrical components, machinery parts and other items etc and holds stock of consumable stores & spares and finished/traded goods, which have been physically verified at frequent intervals during the year by the management and in our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company has maintained proper records of inventories and the discrepancies noticed on the physical verification of stocks as compared to book records, which in our opinion were not material, have been properly dealt with in the books of accounts.
3.
 - (a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly paragraphs 4 (iii) (b), (c) and (d) of the order are not applicable.
 - (b) According to the information and explanations given to us, the company has not taken loans, secured or unsecured, from companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly paragraphs 4 (iii) (f) & (g) of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system with regards to purchase of inventories, fixed assets and for sale of goods and services.
5.
 - (a) According to the information and explanations given to us and as confirmed by the Managing Director of the company, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ` 500000/- in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion and according to the information and explanation given to us, the company has internal audit system commensurate with the size of the company and nature of its business.

8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 in respect of Engineering Services (i.e. erection, commissioning and supervision activities) and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

9. (a) According to the records of the company and as per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including Provident Fund, investor education and protection fund, Employee's State Insurance Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2012 for a period of more than six months from the date of becoming payable except annual stock exchange listing fee of ` 307500/-. The details of the same are given below: -

PARTICULARS	PERIOD	AMOUNT DUE (in `)	STATUS AS ON
-Stock exchange listing fee:			31/03/2012
The Stock Exchange Ahmedabad	1997-2012	157500.00	Yet to be paid
Jaipur Stock Exchange	1997-2012	150000.00	-do-

(b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, applicable to it, which have not been deposited on account of any dispute as on 31-03-2012 except Central Excise Duty amounting to ` 357489.19 (for the year 2002-03) against which the company has paid ` 200000.00 and the balance is yet to be paid, because the case is pending before the appellant authority for settlement. The details of the same are given below: -

PARTICULARS	NATURES OF DUES	YEAR TO WHICH IT RELATES	AMOUNT	FORUM WHERE DISPUTE IS PENDING
Central Duty	Excise	Difference in rate of excise duty in 1991-1993 (arising in the year 2002-03)	357489.19 (against that 200000/- has been paid)	Central Excise and Service Tax Appellate Tribunal

10. As per the information and explanations given to us and on an overall examination of the financial statements of the company for the current and immediately preceding financial year, we report that the total accumulated losses of the company as on 31-03-2012 is ` 15505710.64 (Previous year ` 27360452.09). The net worth of the company has become positive, due to earning of profits during the last three years. The company has incurred cash profit of ` 12550033.45 in the current year and ` 13347587.80 in the immediately preceding financial year.

11. As per the information and explanations given to us, that the company has not defaulted in repayment of dues to bank/financial institutions as on balance sheet date and the dealings are regular. However, the company does not have any borrowings in the form of debentures.

12. As per the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities to any body during the year.

13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund /society. Therefore, the provisions of clause (xiii) of the paragraph 4 of the Order are not applicable to the company.

14. According to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of the paragraph 4 of the Order are not applicable to the company.

15. According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, on an overall basis the term loan has been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis has been used for long term investments.
18. According to the information and explanations given to us, during the year the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures during the year which requires the creation of security. Therefore, clause (xix) of the paragraph 4 of the Order is not applicable to the company.
20. The company has not raised any money by way of public issues during the year for which the management has to disclose the end use of money raised through the public issue. Therefore, clause (xx) of the paragraph 4 of the Order is not applicable to the company.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Yamunanagar

Date: 31-05-2012

**For Jayant Bansal & Co.,
Chartered Accountants**

**JAYANT BANSAL
Membership No.: 086478
(PARTNER)**

M/S SCAN PROJECTS LIMITED, YAMUNANAGAR
(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)
BALANCE SHEET AS AT 31ST MARCH 2012

PARTICULARS	NOTE NO.	AS AT	
		31-03-2012	31-03-2011
I EQUITY AND LIABILITIES			
SHARE HOLDERS' FUND			
-Share Capital	2	39990500.00	39990500
-Reserves and Surplus	3	(14005710.64)	(25860452)
		25984789.36	14130048
NON-CURRENT LIABILITIES			
-Long Term Borrowings	4	150002.82	385167
-Deferred Tax Liabilities (Net)	5	0	24048
-Long Term Provisions	6	530256.19	424758
		680259.01	833973
CURRENT LIABILITIES			
-Short Term Borrowings	7	7368679.56	0
-Trade Payables	8	3534745.00	1738623
-Other Current Liabilities	9	8386030.16	10572163
-Short Term Provisions	10	1644923.00	0
		20934377.72	12310786
Total		47599426.09	27274807
II ASSETS			
NON-CURRENT ASSETS			
-Fixed Assets			
Tangible Assets	11	6290470.96	5175891
Intangible Assets		0.00	0
Capital Work-in-Progress		0.00	0
Intangible Assets Under Development		0.00	0
-Deferred Tax Assets (Net)	5	6290470.96	5175891
-Long Term Loans and Advances	12	64167.00	0
-Other Non-Current Assets	13	2327315.81	1006827
		29172.00	29172
		8711125.77	6211890
CURRENT ASSETS			
-Inventories	14	369598.00	112910
-Trade Receivables	15	21167480.00	2971257
-Cash and Bank Balances	16	11044845.28	8747357
-Short Term Loan and Advances	17	6306377.04	9231393
		38888300.32	21062917
Total		47599426.09	27274807
		0.00	0.00

SIGNIFICANT ACCOUNTING POLICIES 1

OTHER NOTES FORMING PART OF THE ACCOUNTS 27

As per our report on even dated attached
For Jayant Bansal & Co.,
Chartered Accountants

(JAYANT BANSAL)
PARTNER
M.No. 086478
Place: Yamunanagar
Dated: 31/05/2012

For and on behalf of the Board
SUNIL CHANDRA
(MANAGING DIRECTOR)
KRISHAN KUMAR
(DIRECTOR)

M/S SCAN PROJECTS LIMITED, YAMUNANAGAR
(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

PARTICULARS	NOTE NO.	FOR THE YEAR	FOR THE YEAR
		ENDED 31-03-2012	ENDED 31-03-2011
		(₹)	(₹)
REVENUE			
-Revenue form Operations	18	85232817.00	47636077
-Other Income	19	1053874.24	738738
Total Revenue		86286691.24	48376816
EXPENSES			
-Purchase of Stock-in-Trade	21	30318118.00	19699582
-Changes in Inventories of Stock-in-Trade	22	0.00	0
-Employee Benefit Expenses	20	9161512.00	5051744
-Operation and Other Expenses	23	32581209.52	9751020
-Finance Costs	24	119110.27	37919
-Depreciation and Amortization Expenses	11	695292.00	462365
Total Expenses		72875241.79	35002620
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		13411449.45	13374195
EXCEPTIONAL ITEMS			
-Profit/(Loss) on sale of fixed assets		0.00	(730535)
-Adjustment of unpaid interest waived by the Lloyd Finance Limited under one time settlement		0.00	265621
		0.00	(464914)
PROFIT BEFORE TAX		13411449.45	12909281
TAX EXPENSES			
-Provision for Current Taxation	25	1644923.00	0
-Deferred Tax Liability/(Adjustment)		(88215.00)	24048
NET PROFIT FOR THE YEAR AFTER TAX		11854741.45	12885233
EARNING PER SHARES:			
-Basic and Diluted Earning Per Share	26	4.13	4.48
-Number of Shares used in computing earning per Share		2873300	2873300
SIGNIFICANT ACCOUNTING POLICIES			
OTHER NOTES FORMING PART OF THE ACCOUNTS			
	1		
	27		

As per our report on even dated attached
For Jayant Bansal & Co.,
Chartered Accountants

(JAYANT BANSAL)

PARTNER

M.No. 086478

Place: Yamunanagar

Dated: 31/05/2012

For and on behalf of the Board

SUNIL CHANDRA

(MANAGING DIRECTOR)

KRISHAN KUMAR

(DIRECTOR)

M/S SCAN PROJECTS LIMITED, YAMUNANAGAR
(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

PARTICULARS	2011-12	2010-11
	(₹)	(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
-Net Profit/(Loss) before tax	13411449.45	12909281
-Adjustment for:-		
Depreciation	695292.00	462355
Provision for Retirement Gratuity Benefit to employees	105498.00	67269
Provision for Doubtful Advances	205000.00	0
Written Back of Provision for Doubtful Capital Advances	(492307.50)	0
Interest Expenses	119110.27	37919
(Profit)/Loss on Sale of Assets	0.00	730535
Interest Income	(706674.24)	(423739)
	(74081.47)	874340
Operating profit before working capital changes	13337367.98	13783621
Adjustment for changes in working capital:-		
-(Increase)/Decrease in Trade Receivables	(18196223.00)	8003511
-(Increase)/Decrease in Inventories	(256688.00)	(49500)
-(Increase)/Decrease in Loans & Advances	4364939.03	(8886769)
-Increase/(Decrease) in Trade and other Payables	(415207.27)	(19213109)
Cash generated from operation	(14503179.24)	(20145867)
i) Interest paid	(119110.27)	(1165811.26)
ii) Direct taxes paid	(2945911.99)	(37919)
	(3065022.26)	(564701)
NET CASH FROM OPERATING ACTIVITIES	(4230833.52)	(502620)
	(4230833.52)	(6964866)
B. CASH FLOW FROM INVESTING ACTIVITIES		
-Sale Proceed of fixed assets/refund/written back of Capital advances received	492307.50	0
-Investment in Fixed Deposits with bank having original maturity over three months	(4723639.54)	(381364)
-Purchase of Fixed Assets and Capital Advances	(1809872.00)	(2481364)
-Increase in Security Deposits	(19500.00)	(218000)
-Interest Income	706674.24	423738
	(5354029.80)	(2656990)
NET CASH FROM INVESTING ACTIVITIES	(5354029.80)	(2656990)
C. CASH FLOW FROM FINANCING ACTIVITIES		
-Proceeds from long term borrowings	0.00	660000
-Repayment of long term borrowings	(209967.73)	(1097845)
-Amount of unpaid interest waived by the Bank/Lloyd Finance Ltd. under one time settlement scheme	0.00	(265621)
-Increase/(Decrease) in Short term Bank Borrowings	7368679.56	0
	7158711.83	(703466)
NET CASH FROM FINANCING ACTIVITIES	7158711.83	(703466)
NET CASH FLOW DURING THE YEAR (A+B+C)	(2426151.49)	(10325322)

Cash and Cash Equivalent (Opening Balance) [Note no. 16]	2856951.77	13182274
Cash and Cash Equivalent (Closing Balance) [Note no. 16]	430800.28	2856952
Earmarked Short-term Bank Deposits	10614045.00	5890405
Cash and Bank Balances at the end of the year [Note no. 16]	11044845.28	8747357

D. NOTES FORMING PART OF THE FINANCIAL STATEMENT 1 to 27

As per our report on even dated attached
For Jayant Bansal & Co.,
Chartered Accountants

For and on behalf of the Board

(JAYANT BANSAL)

PARTNER

M.No. 086478

Place: Yamunanagar

Dated: 31/05/2012

SUNIL CHANDRA
(MANAGING DIRECTOR)

KRISHAN KUMAR
(DIRECTOR)

121 SHARE CAPITAL

The authorized, issued, subscribed and fully paid-up share capital comprises of equity shares having a par value of ` 10/- each as follows:

PARTICULARS	AS AT		AS AT	
	31-03-2012	(`)	31-03-2011	(`)
Authorised Share Capital				
60000000 (Previous year 60000000) Equity Shares of ` 10/- each		60000000.00		60000000
Issued and Subscribed Share Capital				
5011700 (Previous year 5011700) Equity Shares of ` 10/- each		50117000.00		50117000
Paid-up Share Capital				
2873300 (Previous year 2873300) Equity Shares of ` 10/- each fully paid-up		28733000.00		28733000
Add: Forfeited 2138400 (Previous year 2138400) Equity Shares (Amount originally paid-up)		11257500.00		11257500
TOTAL		39990500.00		39990500

Notes:

- a) The Company has forfeited 2138400 Equity Shares (against which the call money amounting to ` 10126500.00 were in arrears) in the Board of Directors meeting held on 24/03/2001, in terms of Articles of Association of the Company, in consequence of having failed to pay the call money due thereon on 12/03/2001.

- b) **RECONCILIATION STATEMENT OF THE NUMBER OF EQUITY SHARES OUTSTANDING:**

EQUITY SHARES	AS AT 31-03-2012		AS AT 31-03-2011	
	NUMBER OF SHARES	AMOUNT (`)	NUMBER OF SHARES	AMOUNT (`)
Equity Shares at the beginning of the year	2873300	28733000.00	2873300	28733000
Add: No. of Equity Shares issued during the year	0	0.00	0	0
Less: No. of Share forfeited/buy-back during the year	0	0.00	0	0
Equity Shares at the End of the year	2873300	28733000.00	2873300	28733000
Add: Forfeited Equity Shares (Amount originally paid-up)	2138400	11257500.00	2138400	11257500
Total Paid-up Equity Shares at the End of the year	5011700	39990500	5011700	39990500

- c) **DETAILS OF EQUITY SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY**

NAME OF THE SHAREHOLDER	AS AT 31-03-2012		AS AT 31-03-2011	
	NO. OF SHARES	% HELD	NO. OF SHARES	% HELD
Sh. Vijay Kumar S/o Sh. Luxmi Narain	386500	13.45%	386500	13.45%
Sh. Suniti Chandra S/o Sh. Sunesh Chandra	253910	8.84%	253910	8.84%
Sh. Sudhir Chandra S/o Sh. Sunesh Chandra	240250	8.36%	240250	8.36%
Sh. Sunesh Chandra S/o Late Sh. Kalish Chandra	181100	6.30%	181100	6.30%
Haryana Financial Corporation, Chandigarh	200000	6.96%	200000	6.96%

Note: The % of Equity Shares held has been calculated on the basis of fully paid-up equity shares (i.e. 2873300) only.

- d) **Terms/rights attached to equity shares:**

The Company has only one class of share capital, i.e. equity shares having face value of ` 10 per share. Each holder of fully paid equity share is entitled to one vote per share.

[3] RESERVE AND SURPLUS

Reserves and Surplus consists of the following reserves:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
	₹	₹
a) Capital Reserves		
As per last Balance Sheet	1500000.00	1500000
b) Surplus of Statement of Profit and Loss		
As per last Balance Sheet	(27360452.09)	(40245685)
Add: Net Profit after tax transferred from statement of Profit and Loss	<u>11834741.45</u>	<u>12885233</u>
Amount available for appropriation	(15505710.64)	(27360452)
Less: Appropriation (if any)	<u>0.00</u>	<u>0</u>
	(15505710.64)	(27360452)
TOTAL	<u>(14005710.64)</u>	<u>(25860452)</u>

[4] LONG TERM BORROWINGS

Long-term borrowings consist of following:

PARTICULARS	AS AT 31-03-2012	AS AT 31-03-2011
	NON CURRENT ASSETS	CURRENT ASSETS
SECURED		
TERM LOAN FROM BANK		
-HDFC Bank Limited, Yamunanagar (Crane Loan) [Refer Note No. 4(i) below]	150002.82	235164.16
	235164.16	385167
	150002.82	209968
TOTAL	<u>150002.82</u>	<u>209968</u>

Notes :

- 4(i) *The Crane Loan from HDFC Bank Limited, Yamunanagar are secured against hypothecation of crane alongwith the personal guarantee given by the Managing director of the company Sh. Santti Chandra.*
The terms of repayment maturity profile of term loan is given as under:

Term Loan (Secured) -from bank	AS AT	AS AT
	31-03-2012	31-03-2011
Date of Maturity	05/10/2013	05/10/2013
Maturity Profile		
2011-12	0.00	209968
2012-13	235164.16	235164
2013-14	150002.82	150003

151 DEFERRED TAX BALANCES

Major components of deferred tax liabilities and deferred tax assets: Pursuant to Accounting Standard (AS 22) "Accounting for Taxes on Income"

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
	()	()
a) DEFERRED TAX LIABILITIES (NET)		
-Related to Depreciation and amortisation	52563.00	44834
b) DEFERRED TAX ASSETS (NET)		
-Provision for Retirement Gratuity Benefits to Employees debited to Statement of Profit and Loss	53385.00	
-Provision for Doubtful Advances debited to Statement of Profit and Loss	63345.00	
TOTAL	116730.00	20786
	(64167.00)	24048

The break-up of the deferred tax liability up to the year ended March 31, 2012 is as under: -

Liability/(Assets) on account of

PARTICULARS	DEFERRED TAX LIABILITIES/ (ASSETS) AS AT 31-03-2011	CHARGE/ (CREDIT) TO STATEMENT OF PROFIT AND LOSS	DEFERRED TAX LIABILITIES/ (ASSETS) AS AT 31-03-2012
	()	()	()
a) DEFERRED TAX LIABILITIES (NET)			
-Related to Depreciation and amortisation	44834.00	7729.00	52563.00
TOTAL	44834.00	7729.00	52563.00
b) DEFERRED TAX ASSETS (NET)			
-Provision for Retirement Gratuity Benefits to Employees debited to Statement of Profit and Loss	20786.00	32599.00	53385.00
-Provision for Doubtful Advances debited to Statement of Profit and Loss	0.00	63345.00	63345.00
TOTAL	20786.00	95944.00	116730.00
NET DEFERRED TAX LIABILITIES/(ASSETS) (a - b)	24048.00	(88215.00)	(64167.00)

Note: In accordance with the Accounting Standard 22 "Accounting for Taxes on Income" the deferred tax liabilities (net) ` 88215.00 has been adjusted by credit to Statement of Profit and Loss during the current year and the total accumulated deferred tax assets (net) as on 31st March 2012 amounts to ` 64167.00 [Previous year ` 24048.00 as deferred tax liability (net)]

16] LONG TERM PROVISIONS

Long-term provision consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
-Provision for Retirement Gratuity Benefit to Employees [Refer to Note No. 27 (h)]	()	()
-Provision for Disputed Excise Duty for the year (2002-03)	172767.00	67269
	357489.19	357489
TOTAL	<u>530256.19</u>	<u>424758</u>

17] SHORT TERM BORROWINGS

Short-term borrowings consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
SECURED	()	()
LOAN REPAYABLE ON DEMAND		
-Overdraft Facility from Oriental Bank of Commerce, Yannanagar	7368679.56	0
TOTAL	<u>7368679.56</u>	<u>0</u>

Notes :

- a) The overdraft facility from Oriental Bank of Commerce, Yannanagar is secured against pledge of Company's Fixed Deposits Receipts with the Bank.
- b) Loans guaranteed by directors nil (Previous year: nil)

18] TRADE PAYABLES

Trade payables consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
Due to related parties -Associate Companies	1485055.00	0
Due to others	2049690.00	1738623
TOTAL	<u>3534745.00</u>	<u>1738623</u>

Note:

The amount outstanding to Micro, Small & Medium Enterprises has not been given separately, because, the identification of the Micro, Small & Medium Enterprises in terms of The Micro, Small & Medium Enterprises Development Act; 2006, could not be made as the company has not received any information from the creditors/suppliers regarding their status of being a Micro, Small and Medium Enterprises.

[9] OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
	()	()
-Current Maturities of Term Loans from Bank (Refer to Note no. 4)		
-Advance Received from Customers	235164.16	209968
-Others Creditors	0.00	8415874
-Amount of Retention Monies held from Contractors	126397.00	526041
-Expenses Payables	2243174.00	0
-Income Tax Deducted at Source Payable	5545963.00	1225102
	235332.00	195178
TOTAL	8386030.16	10572163

[10] SHORT TERM PROVISIONS

Short-term provisions consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
	()	()
-Provision for Current Taxation	1644923.00	0
TOTAL	1644923.00	0

M/S SCAN PROJECTS LIMITED, YAMUNANAGAR
(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)
NOT U"11" OF TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK (AT COST)					DEPRECIATION			NET BLOCK	
	AS ON 01/04/2011	ADDITIONS DURING THE YEAR	DEDUC- TIONS/AD- JUSTMENTS	TOTAL AS ON 31/03/2012	ACCUMULATED UP TO 31/03/2011	FOR THE YEAR	DEDUC- TIONS/AD- JUSTMENTS	ACCUMULATED UP TO 31/03/2012	W.D.V. AS ON 31/03/2012	W.D.V. AS ON 31/03/2011
Land & Site development	324587.96	1081000.00	0.00	1405587.96	0.00	0.00	0.00	0.00	1405587.96	324588
Factory/Building	10.00%	6102880.91	0.00	6102880.91	4006697.91	209618.00	0.00	4216315.91	1886565.00	2096183
Furniture & Fixtures	18.10%	192256.14	0.00	192256.14	108845.14	15097.00	0.00	123942.14	68314.00	83411
Electric fitting & installations	13.91%	115350.14	0.00	115350.14	84877.14	4239.00	0.00	89116.14	26234.00	30473
Machinery & Equipments	13.91%	1133500.00	0.00	1133500.00	64796.00	148657.00	0.00	213453.00	920047.00	1068704
Workshop Equip. & Tools	13.91%	1061067.62	587722.00	1648789.62	74815.62	186672.00	0.00	261487.62	1387302.00	986252
Generator Set	13.91%	1144403.00	0.00	1144403.00	907176.00	32998.00	0.00	940174.00	204229.00	237227
Automatic Voltage Stabilizer	13.91%	216273.00	0.00	216273.00	140866.00	10489.00	0.00	151355.00	64918.00	75407
Office Equipments	13.91%	250722.00	0.00	250722.00	91808.00	22105.00	0.00	113913.00	136809.00	158914
Computer & Printers	40.00%	158099.00	141150.00	299249.00	43367.00	65417.00	0.00	108784.00	190465.00	114732
Total		10699139.77	1809872.00	12509011.77	5523248.81	695292.00	0.00	6218540.81	6290470.96	5175891
Previous year figures		8948311	2481364	10699140	5060894	462355	0	5523249	5175891	

Note:

-Depreciation on Plant, Machinery and Equipments has been provided on single shift basis
-In respect of provision for impairment [Refer to Note No. 29(f)]

112] LONG TERM LOANS AND ADVANCES

Long term loans and advances consist of the following:

PARTICULARS	AS AT	AS AT	AS AT
	31-03-2012	()	31-03-2011
a) (Unsecured, considered doubtful)			
-Capital Advances (i.e. for Machinery and Building Material)	0.00	492308	
Less: Provision for Doubtful Capital Advances	<u>0.00</u>	<u>492308</u>	
	0.00		0
b) (Unsecured, considered good)			
-Securities Deposits	247626.00		228126
-Central Excise Duty Recoverable (i.e. against disputed Liability for the year 2002-03)	200000.00		200000
-Income Tax Deducted at Source (Including earlier year Rs. 564700.82)	1879689.81		578701
TOTAL	<u>2327315.81</u>		<u>1006827</u>

113] OTHER NON-CURRENT ASSETS

Other non-current assets consist of the following:

PARTICULARS	AS AT	AS AT	AS AT
	31-03-2012	()	31-03-2011
a) Trade Receivables (Unsecured)	1473247.50	1473248	
Considered Doubtful	<u>1473247.50</u>	<u>1473248</u>	
Less: Provision for Doubtful Receivables	0.00		0
b) Others			
-Agriculture Expenses incurred (unamortized)	29172.00		29172
TOTAL	<u>29172.00</u>		<u>29172</u>

114] INVENTORIES

Inventories consist of the following:

PARTICULARS	AS AT	AS AT	AS AT
	31-03-2012	()	31-03-2011
-Inventories			
(As taken, valued and certified by the Management)			
Finished/Traded goods	0.00		0
Consumable Stores and spares etc.	369598.00		112910
TOTAL	<u>369598.00</u>		<u>112910</u>

Note: Inventories are carried at the lower of cost and net realisable value

115] TRADE RECEIVABLES

Trade Receivables consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
	()	()
TRADE RECEIVABLES (Unsecured)		
a) Debts outstanding for a period exceeding six months		
-Considered good	0.00	1752631
b) Other Debts (Unsecured)		
-Considered good	21167480.00 "**"	1218626
TOTAL	<u>21167480.00</u>	<u>2971257</u>
Note: "**"		
-Trade Receivables (Other Debts) includes due from companies/Associate Concerns where directors and their relatives are interested	3174207.00	1218626

116] CASH AND BANK BALANCES

Cash and bank balances consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
	()	()
a) Cash and Cash Equivalents		
-Cash-in-Hand	145928.67	19114
-Balance with Bank in Current Accounts	<u>284871.61</u>	<u>2837838</u>
	430800.28	2856952
b) Other Bank Balances		
-Fixed Deposits with Oriental Bank of Commerce, Yamanunagar (Including interest accrued thereupon) "**"		
(Deposits with original maturity more than 3 months)	10614045.00	5890405
TOTAL	<u>11044845.28</u>	<u>8747357</u>
Note: "**"		

-The company has availed the overdraft facility from Oriental Bank of Commerce, Yamanunagar against pledge of the fixed deposit receipts.
 -The fixed deposit receipt is due for maturity with in next twelve months.

[17] SHORT TERM LOANS AND ADVANCES

Short term loans and advances consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2012	31-03-2011
	()	()
a) (Unsecured, considered good)		
-Prepaid Expenses	1 66098.00	339283
-Balance of Service Tax Recoverable from the Department	10561.00	502388
-Income Tax Deducted at Source Receivable	1644923.00	0
-Advances for Supply of goods and rendering services	4029813.48	8242464
-Other Advances (i.e. Advance to Employees)	454981.56	147258
	<u>6306377.04</u>	<u>9231393</u>
b) (Unsecured but considered doubtful)		
-Advances for Supply of goods and rendering services	205000.00	0
Less: Provision for doubtful Loan and advances for supply of goods/rendering services	<u>205000.00</u>	<u>0</u>
	0.00	0
TOTAL	<u><u>6306377.04</u></u>	<u><u>9231393</u></u>

[18] REVENUE FROM OPERATIONS

Revenue from operations consist of revenue from:

PARTICULARS	2011-12	2010-11
	()	()
a) <u>Income from Services</u>		
-Erection, Commissioning, Supervision, Project Drawing and Designing Charges)	48045000.00	23167500
-Annual Maintenance Service Charges Received	<u>1916600.00</u>	<u>0</u>
	49961600.00	23167500
b) <u>Sales of Traded Goods</u>		
(i.e. Equipments, Fabricating Materials, Electrical Material/ Components and other items etc.)	35271217.00	24470577
TOTAL	<u><u>85232817.00</u></u>	<u><u>47638077</u></u>

[19] OTHER INCOME

Other income (net) consist of the following:

PARTICULARS	2011-12	2010-11
	()	()
-Machinery/Equipment Lease Rent Received [Refer Note No. 27(G)(1)]	231000.00	210000
-Land and Building Lease Rent Received [Refer Note No. 27(X)(1)]	115500.00	105000
-Interest Received on Income Tax Refund	700.00	0
-Interest received on Fixed Deposit with Bank	706674.24	423738
TOTAL	<u><u>1053874.24</u></u>	<u><u>738738</u></u>

[20] EMPLOYEE BENEFIT EXPENSES

Employee Benefit expenses consist of the following:

PARTICULARS	2011-12	2010-11
	(₹)	(₹)
a) Salary and wages		
-Directors' Remuneration	86121.00	0
-Salary and wages to Staff at site		
(Including Bonus to Staff)	8297839.00	4433890
-Salary to Staff		
(Including Bonus to Staff)	264036.00	303918
b) Provision for Retirement Gratuity Benefits to Employees	8647996.00	4737808
c) Employees Provident and Family Pension Fund	105498.00	67269
(Arrear for earlier year)		
d) Staff and Labour Welfare Expenses	31197.00	0
-At various site by staff		
-At Office	367683.00	24667
	9138.00	0
	376821.00	24667
TOTAL	9161512.00	5051744

[21] PURCHASE OF STOCK-IN-TRADE

Purchase of Stock-in-trade consist of the following:

PARTICULARS	2011-12	2010-11
	(₹)	(₹)
<u>Purchase of Stock-in-Trade</u>		
-Traded goods (i.e. Equipment, Fabricating material, Electrical material/components and other items etc.)	30293848.00	19563692
-Packing/Forwarding and Freight and Cartage Expenses	24270.00	135890
	30318118.00	19699582
TOTAL	30318118.00	19699582

[22] CHANGE IN INVENTORIES OF STOCK-IN-TRADE

Change in inventories of stock-in-trade consist of the following:

PARTICULARS	2011-12	2010-11
	(₹)	(₹)
a) Inventories at the close of the year		
-Stock of Traded Goods	0.00	0
b) Inventories at the beginning of the year		
-Stock of Traded Goods	0.00	0
TOTAL	0.00	0

[23] OPERATION AND OTHER EXPENSES

Operation and other expenses consist of the following:

PARTICULARS	2011-12	2010-11
	₹	₹
a)		
<u>Direct Operation Expenses</u>		
-Electric and Commissioning Charges paid to others	23310529.52	5687695
-Civil Drawing and Designing Charges paid to others	401050.00	370085
-Machinery and Equipment Running and Maintenance (Including Hire Charges)	1059067.00	1103140
-Consumable Store and Spares Consumed [Refer Note No. 27(6)]	4435894.00	749104
-Insurance Charges paid for various sites	788872.00	186477
-Telephone Expenses at site	86929.00	28150
-Electrical Expenses at site	90987.00	29740
-Testing Charges	20000.00	0
-Travelling and Conveyance Charges at site	927518.00	531795
	<u>31120846.52</u>	<u>8686186</u>
b)		
<u>Other Expenses</u>		
-Travelling and Conveyance Expenses (Others)	22779.00	202303
-Printing and Stationery	42734.00	32395
-Postage and Courier Charges	7283.00	1336
-Telephone Expenses	1763.00	948
-Electricity Charges	82154.00	8021
-Legal and Professional Charges	131944.00	36135
-Auditor's Remuneration and Re-imbusement of out-of-pocket expenses	109770.00	85000
-Office Rent [Refer Note No. 27(1)(2)]	483500.00	447000
-Office Repair and Maintenance	168000.00	171637
-Insurance Charges	11059.00	1590
-Stock Exchange Listing Fee	85800.00	49054
-National Securities Depository Limited Fee	15000.00	16545
-Miscellaneous Expenses	15134.00	34234
-Duties and Taxes paid	16360.00	814
-Subscription and Membership Fee	0.00	2206
-Bank Charges	6229.50	2019
-Advertisement and Publicity Expenses	69581.00	0
-Unrecoverable Balances written-off(written back)	492307.50	(26404)
-Provision for Doubtful Advances	205000.00	0
-Short and Excess Recoveries	(13727.50)	1
	<u>1952670.50</u>	<u>1064834</u>
<u>Less:</u>		
-Written Back of Provision for Doubtful Capital Advances	33073517.02	9751020
	<u>492307.50</u>	<u>0</u>
TOTAL	32581209.52	9751020

[24] FINANCE COSTS
Finance costs consist of the following:

PARTICULARS	2011-12	2010-11
	₹	₹
<u>-Interest Paid to:</u>		
Bank on Crane Loan	57032.27	24135
Bank on Overdraft Facility	53222.00	12303
Department on late payment of Tax Deducted at Source	8856.00	1482
	<u>119110.27</u>	<u>37919</u>
TOTAL	119110.27	37919

125] TAX EXPENSES

Tax Expenses consist of following:

PARTICULARS	2011-12 ()	2010-11 ()
-Provision for Current Taxation	1644923.00	0
-Deferred Tax Liability/(Adjustment)	(88215.00)	24048
TOTAL	1556708.00	24048

Notes:

a) Provision for taxation on current profit: The provision for taxation has been made in accordance with the MAT as per Income Tax Act under section 115JB, because, the taxable profit in view of various deductions and allowances admissible under the Income Tax Act, 1961 is lower than the book profit.

b) In accordance with the Accounting Standard 22" Accounting for Taxes on Income" the deferred tax liabilities (net) ` 88215.00 has been adjusted by credit to Statement of Profit and Loss during the current year and the total accumulated deferred tax assets (net) as on 31st March 2012 amounts to ` 64167.00 [Previous year ` 24048.00 as deferred tax liability (net)]

126] EARNING PER SHARE (EPS)

The following reflect the profit and share data used in basic and diluted EPS computation

PARTICULARS	2011-12 ()	2010-11 ()
Basic		
-Profit after tax as per accounts	11854741.45	12885233
-Weighted Average Number of Shares outstanding	2873300	2873300
-Basic EPS ()	4.13	4.48
Diluted		
-Profit after tax as per accounts	11854741.45	12885233
-Weighted Average Number of Shares outstanding	2873300	2873300
-Diluted EPS ()	4.13	4.48
Face Value per share ()	10.00	10.00

SCAN PROJECTS LIMITED, YAMUNANAGAR
(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2012

111

a)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
Basis of Preparation of Financial Statement

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules 2006, as amended] and other relevant provisions of the Companies Act, 1956.

b)

Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule VI to the Companies Act, 1956 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statement". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule VI to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

c)

Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

d)

Tangible Fixed Assets:

- i) Fixed Assets have been stated at historical cost less accumulated depreciation and cumulative impairment. Expenses directly related to the construction or acquisition of the fixed assets have been capitalized and added to the particular assets. Pre-operative expenses incurred till the date of capitalization have been apportioned on pro-rata basis. Items of fixed assets not capitalized and other pre-operative expenses to the extent not apportioned are shown under the head "Capital work in progress".
- ii) The depreciation has been provided on fixed assets on W.D.V. basis at the rates specified in Schedule XIV of the Companies Act, 1956 as revised vide notification no. GSR No. 756 (E) dated 16-12-1993 issued by the Department of Company Affairs. Depreciation in respect of addition/deduction to fixed assets during the year has been charged on pro-rata basis.

e)

Impairment of Assets

At each Balance Sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal and discounted to their present value using a pre-tax discounted rate that reflects the current market assessments of time value of money and risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the Statement of Profit and loss.

f)

Revenue Recognition

- i) Revenue from the sale of traded goods i.e. fabricating material, equipment parts, electrical material/components and other items etc. are recognized upon delivery, which is when title passes to the customer.
- ii) Revenue from erection, commissioning, supervision, project drawing and designing services/related project is recognized as follows:
 - a) Cost plus contracts: Contract revenue is determined by adding the aggregate cost plus proportionate margin as agreed with the customer.
 - b) Fixed price contract revenue is recognized by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred-to-date to the total estimated contract cost.
 - c) Full provision is made for any loss in the period in which it is foreseen.
 - d) Services revenue is recognized on time proportion basis and excludes service tax.
- iii) Revenue from maintenance contracts are recognized pro-rata over the period of contract.
- iv) Interest income is accounted at applicable rates on respective investment.
- v) Other items of income are accounted as and when the right to receive arises.

g)

Retirement Benefits

- (i) Retirement benefits in the form of Provident Fund and Family Pension Fund schemes whether in pursuance of any law or otherwise is accounted on accrual basis and charged to the Statement of Profit and Loss of the year.
- (ii) The retirement gratuity benefits to employees under the Payment of Gratuity Act, 1972 has been accounted for on accruing basis.
- (iii) Leave encashment benefit is considered and provided, based on actual as at the end of the financial year.

- h) **Valuation of Inventories**
Inventories are valued as under:-
-Stores, spares, loose tools and other items
-Finished/Traded goods
Project and erection/commissioning related work-in-progress is valued at cost till such time the outcome of the job cannot be ascertained reliably and at realizable value thereafter.
At cost or net realizable value whichever is less.
At cost or net realizable value whichever is less.
- i) **Government Grants/Subsidy**
The Government grants relating to particular fixed assets are presented by deducting them from the gross value of fixed assets. The grant is recognized as income over the life of depreciable asset by way of a reduced depreciation charge. In respect of Government grants in the nature of Project Subsidy (capital investment state subsidy) are credited to capital reserves.
- j) **Excise and Other Duties**
Excise duty is accounted on finished goods on clearance thereof. CENVAT benefit is accounted for by reducing the purchase cost of material/fixed assets
- k) **Borrowing Cost**
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.
- l) **Taxes on Income**
(i) Provision for current tax is made on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961.
(ii) Deferred tax expenses or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.
(iii) In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.
(iv) Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is recognized as an assets in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.
- m) **Miscellaneous Expenditure**
i) Preliminary expenses are being written off over a period of 10 years.
ii) Share issue expenditure is being amortized from the year of commercial production over a period of 10 years.
- n) **Project Development Expenses Pending Adjustment**
Expenditure incurred during the developmental and preliminary stages of the Company's new expansion/diversification project are carried forward. However, if any project is abandoned, the expenditure relevant to such project is written off through the natural heads of expenses in which it is so abandoned.
- o) **Provisions, Contingent Liabilities and Contingent Assets**
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- p) **Cash and Cash Equivalents**
The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.
- q) **Cash Flow Statement**
Cash flows are reported using the indirect method, whereby profit before tax is adjusted from the effect of transactions of non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities is segregated.
- r) **Extraordinary and exceptional items**
Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosures of such events/transactions are made in the financial statements. Similarly, any external event beyond the control of the Company significantly impacting income or expense is also treated as extraordinary item and disclosed as such.
On certain occasions, the size, type or incidence of an item of income or expenses, pertaining to the ordinary activities of the Company is such that its disclosure improves an understanding of the performance of the Company. Such income or expenses is classified as an exceptional item and accordingly disclosed in the notes to accounts.

1271

OTHER NOTES FORMING PART OF THE ACCOUNTS

a) The Balance Sheet as on March 31, 2012 and the statement of Profit and Loss for the year ended March 31, 2012 are drawn and presented as per the new format prescribed under Schedule VI to the Companies Act, 1956 applicable for the financial year commencing from April 1, 2011. The amounts pertaining to previous year have been recast to confirm with new format.

b) Previous year figures have been re-grouped/re-classified where ever necessary to confirm to the current presentation.

c) Contingent liabilities not provided as on 31-03-2012: NIL

d) The Company had discontinued its main manufacturing activities (i.e. manufacturing of ordinary Portland cement) and started the new activities i.e. Erection, commissioning, supervision, project drawing and designing services and trading of fabricating material, equipment parts, electrical material/components and other items etc. Accordingly, the management has changed the name and main objects of the company as per their present activities and all the current year revenue is related to new activities

e) The Company is engaged in single business activity (i.e. Erection, commissioning, supervision, project drawing and designing and Trading of fabricating material, equipment parts, electrical material/components and other material etc.) and there is no separate reportable segment as per AS-17.

f) Management has periodically reviewed the value in use/net realizable value of all its assets and ascertained that the value in use/net realizable value of all its assets at the end of the year is more than the book value after depreciation (amortization), hence no provision for impairment has been made during the year.

RELATED PARTY DISCLOSURES:

g) During the year, the company has carried out some transactions with the following persons, firms (in which the directors of the company are interested) related to expenditure and other transactions. The details of the same are as under: -

Related parties and their relationship

1. **Key Management Personnel**
 - Sh. Sunil Chandra (Managing Director)
 - Sh. Krishan Kumar (Director)
2. **Relatives of Key Personnel**
 - Smt. Kavita Chandra w/o Sh. Sunil Chandra
 - Smt. Alka Chandra w/o Sh. Sudhir Chandra
 - Sh. Sudhir Chandra brother of Sh. Sunil Chandra
3. **Associate Concerns owned or significantly influenced by key management personnel or their relatives**
 - M/s Chanderpur Works Private Limited, Yamuna Nagar
 - M/s Chanderpur Renewal Power Company Private Limited, Yamunanagar
 - M/s Chanderpur Industries Private Limited, Yamunanagar

B. Transactions with related parties for the year ended 31st March 2012					(in Lacs)	
Particulars	Key Management Personnel	Relative of Key Management Personnel	Associate owned or significantly influenced by key management personnel or their relatives	Total		
1. Purchases						
-Purchase of Stock-in-trade	0.00	0.00	258.76		258.76	
	(0.00)	(0.00)	(0.00)		(0.00)	
2. Sales						
-Sale of Stock-in-Trade	0.00	0.00	31.61		31.61	
	(0.00)	(0.00)	(190.86)		(190.86)	
	0.00	0.00	118.52		118.52	
	(0.00)	(0.00)	(90.09)		(90.09)	
	0.00	0.00	21.14		21.14	
	(0.00)	(0.00)	(0.00)		(0.00)	
3. Other Income						

	-Lease Rent Received	0.00	0.00	3.47	3.47
		(0.00)	(0.00)	(3.15)	(3.15)
4.	Expenses				
	-Directors' Remuneration	0.86	0.00	0.00	0.86
		(0.00)	(0.00)	(0.00)	(0.00)
	-Office Rent Paid	0.00	1.20	0.00	1.20
		(0.00)	(1.20)	(0.00)	(1.20)
C.	Balances with related parties as at 31st March 2012				
1.	Trade Receivables	0.00	0.00	31.74	31.74
		(0.00)	(0.00)	(12.19)	(12.19)
2.	Trade Payables	0.00	0.00	14.85	14.85
		(0.00)	(0.00)	(0.00)	(0.00)
3.	Other Creditors	0.00	0.00	0.00	0.00
		(1.00)	(0.00)	(0.00)	(1.00)

D. Disclosure of material transactions/balances with related parties

Particulars	2012	(In `)	2011
Director Remuneration:			
-Sh. Akshay Chandra (Additional Director)	86121.00	0	
Lease Rent Paid:			
-Relative of Key Management			
Smt. Kavita Chandra w/o Sh. Sunil Chandra	60000.00	60000	
Smt. Alka Chandra w/o Sh. Sudhir Chandra	60000.00	60000	
Machinery/Equipment Lease Rent Received from Associate Concern:			
-Generator Set Lease Rent Received from M/s Chanderpur Works (P) Limited	115500.00	105000	
-Automatic Voltage Stabilizer Lease Rent Received from M/s Chanderpur Works Private Limited	115500.00	105000	
-Land and Building Lease Rent Received from Associate Concern:			
-Land and Building Lease Rent Received from M/s Chanderpur Renewal Power Company (P) Limited	115500.00	105000	
Income from Services to Associate Concerns:			
-Erection, Commissioning, Supervision, Project Drawing and Designing Charges) received from M/s Chanderpur Works Private Limited (Including Service Tax)	11851736.00	9008754	
-Annual Maintenance Charges Received M/s Chanderpur Works Private limited (Including Service Tax)	2114010.00	0	
Sales of Traded Goods to Associate Concerns:			
-Equipments, Fabricating Materials and other items etc. Sold to M/s Chanderpur Works Private Limited (Including Vat Tax)	2594440.00	19086269	
-Equipments, Fabricating Materials and other items etc. Sold to M/s M/s Chanderpur Industries Private Limited (Including Vat Tax)	566326.00	0	
Purchase of Stock-in-Trade from Associate Concerns			
-Purchase of Stock-in-Trade from M/s Chanderpur Industries Private Limited (Including Vat Tax)	25876381.00	0	
Trade Receivables:			
-M/s Chanderpur Works Private Limited, Yamunanagar	3174207.00	1218626	

<u>Trade Payables:</u>			
-M/s Chanderpur Industries Private Limited, Yamunanagar		1485055.00	0
<u>Other Creditors</u>			
-Sh. Krishan Kumar (Directors)		0	100000

Note: Figures given in the bracket pertains to previous year

- h) In respect of provision for retirement gratuity benefits to employees, the company has decided to give the benefit out of its own funds and creates the provision of ` 105498,00 by charging to statement of profit and loss as accruing liability during the year. Due to few persons being employed in the company, the accruing liability has been calculated as per method on the assumption that such benefits are payable to all the employees at the end of the accounting year, reviewable every year. The total accumulated provision for retirement gratuity benefits to employees as on March 31, 2012 amounts to ` 172767,00 (Previous year ` 67269,00)

i) OPERATING LEASES:

1. As a Lessor: The Company has given certain assets -- Land, building and equipments on operating leases. These lease arrangements range for a shorter period and include cancellable clause and the same are also renewable for further period on mutually agreeable terms and also include escalation clauses.

	2011-12	2010-11	(In `)
Total Lease Rental Receipts for the year	346500.00	315000.00	

2. As a Lessee: The Company has taken office premises on operating lease. These lease arrangements range for a shorter period and include cancellable clause and the same are also renewable for further period on mutually agreeable terms and also include escalation clauses.

Lease Payments recognized in the Statement of Profit and Loss during the year	483500.00	447000.00
---	-----------	-----------

j) Disclosures pursuant to Accounting Standard (AS) 7 (Revised) "Erection, Commissioning and Supervision Contracts" (In `)

	2011-12	2010-11
-Erection, Commissioning and Supervision Contract revenue recognised for the financial year [Note no. 18]	49961600.00	23167500.00
-Aggregate amount of Erection, Commissioning and Supervision Contract costs incurred and recognised profits (less recognised losses) as at the end of financial year for all contracts in progress as at that date	42900000.00	17600000.00
-Amount of Customer advances outstanding for Erection, Commissioning and Supervision Contracts in progress as at the end of the financial year	0.00	8415874.00
-Retention amount due from customers for Erection, Commissioning and Supervision Contracts in progress as at end of the financial year	0.00	0.00

- k) Details of sales and purchase of stock-in-trade:

<u>Sales:</u>	2011-12	2010-11
---------------	----------------	----------------

Income from Services

-Erection, Commissioning, Supervision, Project Drawing and Designing Charges	48045000.00	23167500
-Annual Maintenance Charges Received	1916600.00	0
Sub-total (`)	49961600.00	23167500

Sales of Traded Goods

(i.e. Equipments, Fabricating Materials, Electrical Material/components and other items etc.)	35271217.00	24470577
Sub-total (`)	35271217.00	24470577
Grand Total (`) [Note no. 18]	85232817.00	47638077

B) <u>Purchase of Stock-in-Trade:</u>					
-Traded goods (i.e. Equipment, Fabricating material, Electrical Material/ Components and other items etc.)		30293848.00		19563692	
-Packing/Forwarding and Freight and Carriage Expenses		24270.00		135890	
Grand Total (`) [Note no. 21]		30318118.00		19699582	
J) Auditors' Remuneration (including service tax) and expenses charged to the accounts					
		2011-12		2010-11	
-Statutory Audit fee		82725.00		70000	
-Tax Audit Fee		16545.00		15000	
-Reimbursement of out-of-pocket expenses		105000.00		0	
Total `		109770.00		85000	
m) Value of imports (on C.I.F. basis) by the company during the financial year in respect of					
		2011-12		2010-11	
-Raw Materials		NIL		NIL	
-Components and spare parts		NIL		NIL	
-Capital Goods		NIL		NIL	
n) Expenditure in foreign Currency during the financial year on account of					
		2011-12		2010-11	
-Royalty and technical know how fee		NIL		NIL	
- Professional consultation fee		NIL		NIL	
-Interest and other matters		NIL		NIL	
o) Value of imported and indigenous raw material and consumable stores and spares consumed: -					
		2011-12		2010-11	
	Value (`)	%age	Value (`)	%age	
<u>-Raw Material:</u>					
Imported	NIL	NIL	NIL	NIL	
Indigenous	NIL	NIL	NIL	NIL	
<u>-Consumable Store and Spares consumed:</u>					
Imported	0.00	0%	0	0%	
Indigenous	4435894.00	100%	749104	100%	
	4435894.00	100%	749104	100%	
p) Dividends remitted in foreign currency:					
		2011-12		2010-11	
-Dividends remitted in foreign currency		NIL		NIL	

q) Earnings in foreign exchange			
	-Export of goods on F.O.B. basis	2011-12	2010-11
	-Royalty, know how and Professional consultation fee.	NIL	NIL
	-Interest and dividend etc.	NIL	NIL
	-Other receipts	NIL	NIL

SUNIL CHANDRA
(Managing Director)

KRISHAN KUMAR
(Director)

Place: Yantunanagar
Date: 31-05-2012

For Jayant Bansal & Co.,
Chartered Accountants
JAYANT BANSAL
(PARTNER)

SCAN PROJECTS LIMITED

SCAN PROJECTS LIMITED

(Formerly - Ambala Cements Ltd.)

Regd. Office: Vill. Jorian, Delhi Road,
Yamuna Nagar-135001.

PROXY FORM

I/We

of _____

in the district of _____
being a Member/ members of

SCAN PROJECTS LIMITED.

Hereby appointed _____

(Full Name)

of _____ in the district of _____

(Full Name)

of failing him _____

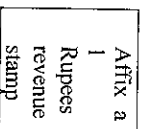
(Full Name)

of _____ in the district of _____

(Full Name)

as my/ or proxy to vote for me/ us on my/ our behalf at the 20th Annual General Meeting of the Company to be held on Saturday, the 29th September, 2012 and at adjournment thereof.

Dated this _____ day of _____ 2012.



Proxy's Signature _____ Shareholder's Signature _____

Note: A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself on a poll only. The proxy need not be a member of the Company. The proxy must be deposited at the Registered Office of the Company not less than 48 hours before time of the meeting.

SCAN PROJECTS LIMITED

(Formerly - Ambala Cements Ltd.)

Regd. Office: Vill Jorian, Delhi Road,
Yamuna Nagar-135001.

ATTENDANCE SHEET

20th Annual General Meeting 29th September, 2012

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full Name of the member attending : _____

Full Name of the first joint - holder : _____

(To be filled in if first named holder does not attend the meeting)

Name of Proxy: _____

(To be filled in Proxy form has been duly deposited with the Company)

I hereby record my presence at the 20th Annual General Meeting of the company held at Regd. Office: Village Jorian, Delhi Road, Yamuna Nagar-135001. On Saturday, the 29th September 2012.

Ledger Folia No. _____

No. of Shares held: _____

Member's Proxy's Signature
(To be signed at the time of handling over this slip)

BOOK POST

If undelivered please return to

SCAN PROJECTS LIMITED

FORMERLY KNOWN AS AMBALA CEMENTS LIMITED

REGD. OFFICE:-
VILLAGE JORIAN
DELHI ROAD
YAMUNA NAGAR 135001
HARYANA