

21<sup>TH</sup>

ANNUAL REPORT 2012-13

## **SCAN PROJECTS LIMITED**

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

**REG. OFFICE: JORIAN, DELHI ROAD**

**DISTT. YAMUNA NAGAR 135001 (HARYANA)**

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

**DISTT. AMBALA (HARYANA)**

# SCAN PROJECTS LIMITED

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## **BOARD OF DIRECTORS**

SH. SUNIL CHANDRA, DIRECTOR  
SH. KRISHAN KUMAR, DIRECTOR  
SH. AKSHAY CHANDRA  
SH. RAJIV PURI  
SH. OM PRAKASH BHOLA  
SH. SANJAY SHARMA

## **AUDITORS**

JAYANT BANSAL & CO.  
CHARTERED ACCOUNTANTS,  
320- MAHESH NAGAR,  
AMBALA CANTT. -133001  
PHONE:- 0171-2642401, 2661320

## **REGISTERED OFFICE**

VILL. JORIAN  
DELHI ROAD,  
YAMUNA NAGAR-135001

## **WORKS**

VILL. SOHANA  
HEMA MAJRA ROAD,  
P.O. MULLANA-133203  
DISTT. AMBALA, HARYANA

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## 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 21<sup>st</sup> Annual General Meeting

Notice is hereby given that 21<sup>st</sup> Annual General Meeting of the members of the Company "Scan Projects Limited (Formerly Known as Ambala Cements Limited)" will be held on Monday 30<sup>th</sup> day of September 2013 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 31<sup>st</sup> March 2013 and Balance Sheet as at that date together with reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Sh. Akshay Chandra, 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 31<sup>st</sup> March 2014 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. Chaitanya 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. Chaitanya Chandra who was appointed by the Board of Directors as an Additional Director of the company with effect from May 31, 2013 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. Chaitanya 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 members of the Company be and is hereby accorded for appointment of Sh. Chaitanya Chandra, as a Whole time Executive Director of the company with effect from July 15, 2013 for a period of 5 (Five) years (i.e. from 15-07-2013 to 14-07-2018) 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. Chaitanya Chandra shall be as has been given above in the years in which the Company incurs loss or earns inadequate profits.”

Place: Yamunanagar  
Dated: 29-08-2013

By Order of the Board of Directors  
  
(SUNIL CHANDRA)  
Managing Director

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 Thursday, September 26, 2013 to Monday 30, 2013, 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 and 5 of the accompanying Notice dated August 29, 2013:

#### Item no.4 & 5

The Board of Directors has appointed Sh. Chaitanya Chandra as Additional Director of the Company with effect from May 31, 2013. As per the provisions of Section 260 of the Companies Act 1956 and provisions of Articles of Association of the Company, Sh. Chaitanya Chandra hold office only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received notice under Section 257 of the Act, in respect of the candidate, proposing his appointment as 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 July 11, 2013 has, subject to the approval of Members, appointed Sh. Chaitanya Chandra as Whole time Executive Director with effect from July 15, 2013 for a period of 5 (Five) years (i.e. from 15-07-2013 to 14-07-2018) on the remuneration approved by the Board. It is proposed to seek Members' approval for the appointment of and remuneration payable to, Sh. Chaitanya Chandra, as Whole time Executive Director, in terms of the applicable provisions of the Companies Act, 1956. The detailed particulars of remuneration and other prerequisites payable to Sh. Chaitanya Chandra is given as under: -

1. Salary: ₹ 55500.00 per month for a period of five years commencing from 15-07-2013 to 14-07-2018.

Sh. Chaitanya 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. Chaitanya Chandra under Section 302 of the Act.

Sh. Chaitanya Chandra is a MBA 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 recommends the Resolutions as set out at item no. 4 & 5 of the Notice for approval of the Members.

Sh. Chaitanya 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. Sumil Chandra and Sh. Akshay Chandra may be deemed to be concerned or interested in the resolution pertaining to the appointment of and remuneration payable to Sh. Chaitanya 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.

Place: Yamunanagar

Dated: 29-08-2013

By Order of the Board of Directors



(SUNIL CHANDRA)  
Managing Director

## 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)

### Directors' Report

To The Members,

The Directors have pleasure in presenting their 21<sup>st</sup> Annual Report along with the Audited Annual Statements of Accounts for the financial year ended on 31-03-2013:

#### 1. Financial Highlights:

	2012-13	2011-12
<b>(₹ In Lacs)</b>		
<b>Receipts:</b>		
-Net Sales/Income from Traded Goods	12.32	352.71
-Erection, Commissioning, Supervision, Project Drawing and Designing Service Charges Received	292.97	499.62
	<b>305.29</b>	<b>852.33</b>
Other Income	11.45	10.54
Profit/(Loss) Before exceptional items and depreciation	59.24	141.07
Depreciation	6.27	6.95
Profit/(Loss) Before Tax and exceptional items	52.97	134.12
Exceptional Items	0.00	0.00
Profit/(Loss) Before Tax	52.97	134.12
Provision for Taxation (Net of Deferred tax and Minimum Alternate Tax)	0.11	15.57
Profit/(Loss) after tax	52.86	118.55
Reserves and Surplus	87.20	(140.06)

#### 2. Operations and Out Look for the Current Year:

After re-establishing 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 is good and encouraging since last three years. In the current year 2012-13, the company has earned the total revenue from operation is ₹ 305.32 against the previous years ₹ 852.33 Lacs and ₹ 476.38 Lacs in the year 2011-12 and 2010-11 respectively. The reason for decline in revenue of the Company in the current year is due to sluggish performance at site projects. However, the Company has sufficient work order for Erection and Commissioning in hand at different locations and has also received one overseas work at Nepal, which will be executed in the ensuing financial year. The net profit after tax of the company is ₹ 128.85 Lacs, ₹ 118.55 Lacs and ₹ 52.86 Lacs in the year 2010-11, 2011-12 and 2012-13 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 the above factors reflects that the management is serious for the revival of the company and is hopeful to achieve better results in the ensuing years 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, Non-executive Director has resigned from the directorship of the Company w.e.f. 31<sup>st</sup> May, 2013 and the same has duly been accepted in the Board of Directors meeting held on 31<sup>st</sup> May 2013.

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

Sh. Chaitanya Chandra has been appointed as Additional Director on May 31, 2013. As per the provisions of Section 260 of the Act, he holds office only up to the date of the forthcoming Annual General Meeting (AGM) of the Company and is eligible for appointment as Director. The Company has received notice under Section 257 of the Act, in respect of the above person, proposing his appointment as a Director of the Company. Resolution seeking approval of the members for the appointment of Sh. Chaitanya Chandra as Director of the Company has been incorporated in the Notice of the forthcoming AGM along with brief details about him.

Sh. Chaitanya Chandra was inducted as Whole time Executive Director of the Company w.e.f. July 15, 2012 to July 14, 2018.

Sh. Akshay Chandra has submitted the resignation from the office of the Whole Time Director of the Company w.e.f. 01/07/2013 and shall continue to be as Non-Executive Director of the company w.e.f. 01/07/2013

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

6. **Auditor and Auditors' Report:**

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.

The Auditors' Report is self-explanatory and the notes contained therein are mutually inclusive, which do not call for further comments.

7. **Cost Auditors:**

The Company has appointed M/s K. K. Sinha & Associates, Cost Accountants (Firms Regd, No 100279), 3396, Sector -46C, Chandigarh – 160047, as cost auditors to conduct the audit of cost accounting records for its Erection and Commissioning activities for the financial year 2012-13.

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 2013-14	178500.00
2.	Jaipur Stock Exchange Limited, Jaipur	1997-98 to 2013-14	170000.00
	<b>TOTAL</b>		<b>348500.00</b>

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. Management's Discussion and Analysis Report:

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

12. Particulars Pursuant to Section 217(D)(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.

13. 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 are NIL.

14. Employer-Employee Relations:

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

15. 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 31-03-2013 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 31<sup>st</sup> March 2013 and of the profit of the Company for the period from 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013;
- 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.

16. 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.

By Order of the Board of Directors

Place: Yamunanagar

Dated: 29-08-2013

  
(SUNIL CHANDRA)  
Managing Director

## SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

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

### REPORT ON CORPORATE GOVERNANCE (2012-13)

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-executive directors. The Independent directors constitutes minimum one-third of the board's strength. Composition and category of directors is as follows:

#### Category Name of the Director

1. Executive directors
  - Promoters
2. Non-Executive director
  - Sh. Sunil Chandra (Managing 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

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
Sh. Sunil Chandra (Managing Director)	8	8	Present
Sh. Krishan Kumar (Non-Executive Director)	8	8	Present
Sh. Akshay Chandra (Whole Time Executive Director)	8	8	Present
Sh. Sanjay Sharma (Non-Executive Independent Director)	8	8	Present
Sh. Om Parkash Bhola (Non-Executive Independent Director)	8	8	Present
Sh. Rajiv Puri (Non-Executive Independent Director)	8	8	Present

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 eight Board of Director meetings. The dates on which the meetings were held are given below:  
27-04-2012, 31-05-2012, 14-08-2012, 28-08-2012, 12-11-2012, 19-12-2012, 13-02-2013 and 22-03-2013

6. **Code of Conduct**

The Board of Directors has an important role in ensuring good Corporate Governance and has laid down the Code of Conduct for Directors and Senior Management of the Company. The Code has also been posted on the website of the Company. All Directors and Senior Management personnel have affirmed the compliance thereof for the year ended March 31, 2013.

7. **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 Bhole [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 eight times during the year on 27-04-2012, 31-05-2012, 14-08-2012, 28-08-2012, 12-11-2012, 19-12-2012, 13-02-2013 and 22-03-2013. 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	8	8
Sh. Sanjay Sharma (Non-Executive Independent Director)	Chairman	8	8
Sh. Om Parkash Bhole (Non-Executive Independent Director)	Member	8	8
Sh. Rajiv Puri (Non-Executive Independent Director)	Member	8	8

8. **Remuneration Policy:**

After re-established its business activities by starting the new business activities, the overall growth of the company is good and is in increasing trend since last three years. So, 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 31<sup>st</sup> March 2013 are given below: -

**-Executive Directors:**

Name	Salary	Amount Paid / Payable during the year 2012-13
Sh. Akshay Chandra (Whole time Executive Director)	₹ 55500.00 per month	666000.00
Sh. Sunil Chandra (Managing Director)	₹ 25000.00 per month w.e.f. April 1, 2012 onwards	300000.00

**-Non-Executive Directors:** The Company has not given any remuneration/benefits to non-executive directors of the company during the year 2012-13.

9.

**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 Bholia (Non-Executive Independent Director) : Chairman
2. Sh. Akshay Chandra (Executive Director) : Member
3. Sh. Krishan Kumar Gupta (Non-Executive Director) : Member
4. Sh. Rajiv Puri (Non-Executive Independent Director) : Member

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

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

10.

**General Body Meetings:**

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

Year	Type of Meeting	Venue	Date	Time
2010-11	AGM	Village Jorian, Delhi Road, Yamunanagar	30-09-2010	10.30 A.M.
	EOGM	Village Jorian, Delhi Road, Yamunanagar	04-11-2010	3.00 P.M.
2011-12	AGM	Village Jorian, Delhi Road, Yamunanagar	29-09-2011	10.30 A.M.
2012-13	AGM	Village Jorian, Delhi Road, Yamunanagar	29-09-2012	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. The particulars of special resolutions passed there at are as under:-  
**18<sup>th</sup> AGM held on 30<sup>th</sup> September 2010 at 10.30 A.M.**  
**19<sup>th</sup> AGM held on 29<sup>th</sup> September 2011 at 10.30 A.M.**  
**20<sup>th</sup> AGM held on 29<sup>th</sup> September 2012 at 10.30 A.M.**  
 -No Special resolution passed at this meeting.  
 -No Special resolution passed at this meeting.  
 -Appointment of Sh. Akshay Chandra as a Whole Time Executive Director of the Company and fix his remuneration.  
 -Appointment of Sh. Rajiv Puri as a Non-Executive Independent Director of the Company  
 -Appointment of Sh. Sunil Chandra as Managing Director of the Company and fix his remuneration
- **Extraordinary General Meeting held on 4<sup>th</sup> November, 2010:** 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.

11. **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 31-03-2013, 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 of financial statement forming part of the Annual Report.  
**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.

12. **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.

13. **General Shareholder Information:**

**Annual General Meeting**

Day and Date	21 <sup>st</sup> Annual General Meeting Monday, 30 <sup>th</sup> September 2013
Time	10.30 A.M.
Venue	Village Jorian, Delhi Road, Yamunanagar – 135 001 (Haryana)

**Financial Calendar**

Financial Year	April 1, 2013 to March 31, 2014
Un-audited Financial Results	
-First Quarter (30-06-2013)	Second week of August, 2013
-Half yearly (30-09-2013)	Second week of November, 2013
-Third Quarter (31-12-2013)	Second week of February, 2014

**Audited Financial Results**

-Fourth Quarter (31-03-2014)	Last week of May, 2014
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**Day of book Closure**

-Physical mode  
 Dividend  
 Listing on Stock Exchange

26-09-2013 to 30-09-2013 (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 2013-14 is pending)
- Jaipur Stock Exchange Limited, Jaipur (Listing fee for the period 1997-98 to 2013-14 is pending)

Registrar and Share Transfer Agents and Share Transfer System

M/s Beetal Financial and Computer Services (P) Limited, 3<sup>rd</sup> Floor, 99 BEETAL HOUSE, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdass Mandir, New Delhi – 110062 has been appointed by the company as agency for Dematerialization of shares and also appointed as Share Transfer Agent w.e.f. for 3<sup>rd</sup> Quarter of the financial year 2012-13.

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.

Dematerialization of Shares and Liquidity

The Company's shares are available for trading in the depository systems of NSDL. As on March 31, 2013, 1688970 equity shares of the Company, equal to 58.78% of total fully paid up capital of the company were dematerialized.

**Distribution of Shareholding as on 31-03-2013**

No. of Shares Form	No. of Shareholders		Shareholdings		
	To	Nos.	% to Total	Nos.	% to Total
1	500	86	35.39	35700	1.24
501	1000	73	30.04	68600	2.39
1001	2000	18	7.41	30800	1.07
2001	3000	11	4.53	29800	1.04
3001	4000	8	3.29	28100	0.98
4001	5000	4	1.65	18400	0.64
5001	10000	14	5.76	106500	3.71
10001	Above	29	11.93	2555400	88.93
		<b>243</b>	<b>100.00</b>	<b>2873300</b>	<b>100.00</b>

Factory Location

Herna Majra Road, Village Sohana  
P.O. Mullana, Distt. Ambala  
(Haryana)  
Village Jorian, Delhi Road,  
Yamunanagar – 135 001  
(Haryana))

Registered Office

14. **Certificates by Managing Director & General Manager- Corporate Accounts**  
The Board of Directors has received certificates issued by the Managing Director and Whole Time Executive Director of the Company as envisaged under clause 49 (V) of the Listing Agreement.
15. **Report on Corporate Governance**  
This chapter, read together with the information given in the chapter entitled as Management discussion and Analysis Report' constitutes a detailed compliance report on Corporate Governance during 2012-13 in terms of clause 49 of the Listing Agreement.
16. **Certificate on Corporate Governance**  
The Company has obtained the certificate from the Company Secretary regarding compliance with the provisions relating to Corporate Governance laid down in clause 49 (VII) of the Listing Agreement with the Stock Exchange. This certificate will be sent to Stock Exchanges, along with the annual report to be

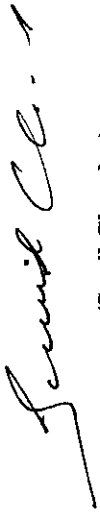
filed by the Company.

16.

**Declaration**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, we affirm that the Board Members and Senior Management personnel of the Company have confirmed compliance with the Code of Conduct of the Company during the year ended March 31, 2013.

**By Order of the Board of Directors**



**Place: Yamunanagar**

**Dated: 29-08-2013**

**(Sunil Chandra)**

**Managing Director**

## SCAN PROJECTS LIMITED

(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)

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

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

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

After 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 encouraging. 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 sufficient work order for Erection and Commissioning in hand at different locations and has also received one overseas work at Nepal, which will be executed in the ensuing financial year. The Company is also expecting 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:

After re-establishing 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 is good and encouraging since last three years. In the current year 2012-13, the company has earned the total revenue from operation is ₹ 305.32 against the previous years ₹ 852.33 Lacs and ₹ 476.38 Lacs in the year 2011-12 and 2010-11 respectively. The reason for decline in revenue of the Company in the current year is due to sluggish performance at site projects. However, the Company has sufficient work order for Erection and Commissioning in hand at different locations and has also received one overseas work at Nepal, which will be executed in the ensuing financial year. All these above efforts reflect that the Management of the Company is serious for revival of the company and is hopeful to achieve better results in the ensuing years 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 ₹ 476.38 Lacs, ₹ 852.33 Lacs and ₹ 305.32 Lacs during the year 2010-11, 2011-12 and 2012-13 respectively from its present business activities.



4. **OUTLOOK:**

After 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 has sufficient work order for Erection and Commissioning in hand at different locations and has also received one overseas work at Nepal, which will be executed in the ensuing financial year, which gives the confidence of registering good growth in revenue during the coming years. On the basis of that, the management of the company is quite hopeful to achieve better results in the coming years. All the above factors reflects that the management is serious for the revival of the company and is hopeful to achieve better results in the ensuing years 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 20 employees to 21 employees, in the year 2012-13. 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.

**Place: Yamunanagar**

**Dated: 29-08-2013**

**By Order of the Board of Directors**



**(Sunil Chandra)  
Managing Director**

## RELATED PARTY DISCLOSURES

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: -

A. Related parties and their relationship		B. Transactions with related parties for the year ended 31st March 2013				
		Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	(Rs. In Lacs)
1	<u>Key Management Personnel</u> -Sh. Sunil Chandra (Managing Director) -Sh. Krishan Kumar (Non-Executive Director) -Sh. Akshay Chandra (Whole Time Executive Director)					
2	<u>Relatives of Key Personnel</u> -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	<u>Associate Concerns owned or significantly influenced by key management personnel or their relatives</u> -M/s Chandrapur Works Private Limited, Yamuna Nagar -M/s Chandrapur Renewal Power Company Private Limited, Yamuna Nagar -M/s Chandrapur Industries Private Limited, Yamuna Nagar					
1	<u>Purchases</u> -Purchase of Stock-in-trade	0.00 0.00	0.00 0.00	0.00 0.00	0.00 (258.76)	0.00 (258.76)
2	<u>Sales</u> -Sale of Stock-in-Trade -Erection, Commissioning, Supervision, Project Drawing and Designing Charges)	0.00 0.00	0.00 0.00	12.97 (31.61)	12.97 (31.61)	12.97 (31.61)
	-Annual Maintenance Charges Received	0.00 0.00	0.00 0.00	243.40 (21.14)	243.40 (21.14)	243.40 (21.14)
3	<u>Sales of Fixed Assets:</u> -Sale of Fixed Asset	0.00 0.00	0.00 0.00	48.03 (118.52)	48.03 (118.52)	48.03 (118.52)
3	<u>Other Income</u> -Lease Rent Received	0.00 0.00	0.00 0.00	1.16 (3.47)	1.16 (3.47)	1.16 (3.47)
4	<u>Expenses</u> -Directors' Remuneration	9.66 (0.86)	0.00 0.00	0.00 0.00	9.66 (0.86)	9.66 (0.86)
	-Office Rent Paid	0.00 0.00	1.20 (1.20)	0.00 0.00	1.20 (1.20)	1.20 (1.20)
C.	<b>Balance with related parties as at 31st March 2013</b>					
1	Trade Receivables (concerns)	0.00 0.00	0.00 0.00	85.37 (31.74)	85.37 (31.74)	85.37 (31.74)
2	Trade Payables (concerns)	0.00 0.00	0.00 0.00	0.00 (14.85)	0.00 (14.85)	0.00 (14.85)

Note: Figures given in the bracket pertains to previous year



D. Disclosure of material transactions/balances with related parties

Particulars	2013	2012
<u>Director Remuneration</u>		
-Sh. Sunil Chandra, Managing Director	300000	0
-Sh. Akshay Chandra (Additional Director)	666000	86121.00
<u>Lease Rent Paid:</u>		
-Relative of Key Management		
Smt. Kavita Chandra w/o Sh. Sunil Chandra	60000.00	60000.00
Smt. Alka Chandra w/o Sh. Sudhir Chandra	60000.00	60000.00
	120000.00	120000.00
<u>-Machinery/Equipment Lease Rent Received from:</u>		
(Associate Concerns)		
-Generator Set Lease Rent Received from M/s Chanderpur Works Private Limited	0	115500.00
-Automatic Voltage Stabilizer Lease Rent Received from M/s Chanderpur Works Private Limited	0	115500.00
	0	231000.00
<u>-Land and Building Lease Rent Received</u>		
(Associate Concerns)		
-Land and Building Lease Rent Received from M/s Chanderpur Renewal Power Company (P) Limited	115500.00	115500.00
	115500.00	115500.00
<u>Income from Services</u>		
(Associate Concerns)		
-Erection, Commissioning, Supervision, Project Drawing and Designing Charges) received from M/s Chanderpur Works Private Limited (Including Service Tax)	4803390.00	11851736.00
-Annual Maintenance Charges Received M/s Chanderpur Works Private limited (Including Service Tax)	24339536.00	2114010.00
	29142926.00	13965746.00
<u>Sales of Traded Goods</u>		
(Associate Concerns)		
-Equipments, Fabricating Materials and other items etc. Sold to M/s Chanderpur Works Private Limited (Including Vat Tax)	1296628.00	2594440.00
-Equipments, Fabricating Materials and other items etc. Sold to M/s Chanderpur Industries Private Limited (Including Vat Tax)	0.00	566326.00
	1296628.00	3160766.00
<u>Sale of Fixed Assets</u>		
(Associate Concerns)		
-Fixed Assets i.e. Automatic Voltage Stabilizer & Generator Set etc.) Sold to M/s Chanderpur Works Private Limited (Including Vat Tax)	299963.00	0
	299963.00	0
<u>Purchase of Stock-in-Trade</u>		
(Associate Concerns)		
-Purchase of Stock-in-Trade from M/s Chanderpur Industries Private Limited (Including Vat Tax)	0.00	25876381.00
	0.00	25876381.00
<u>Trade Receivables:</u>		
-M/s Chanderpur Works Private Limited, Yamunanagar	8537179.00	3174207.00
	8537179.00	3174207.00
<u>Trade Payables:</u>		
-M/s Chanderpur Industries Private Limited, Yamunanagar	0.00	1485055.00
	0.00	1485055.00

*Sunil Chandra*

## 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 31<sup>st</sup> March, 2013, 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 31<sup>st</sup> March, 2013 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: 29-08-2013**

**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")

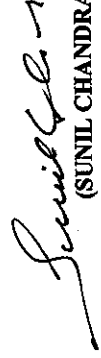
Sub: CEO/CFO Certificate (Issue in accordance with provisions of Clause 49 of the listing Agreement

Dear Sir,

We, Sunil Chandra (Chief Executive Officer & Managing Director) and Akshay Chandra (Whole Time Executive Director) 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 Balance Sheet, Statement of Profit and Loss and the cash flow statement and all the notes on accounts and Director's Report 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 and ethics.
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.
5. We further declare that all Board members and senior managerial personnel have affirmed compliance with the Code of Conduct and ethics for the current year.

Yours sincerely,

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

Place: Yamunanagar

Date: 29-08-2013

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS**

To,

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

**Report on the Financial Statements**

We have audited the accompanying Financial Statements of **SCAN PROJECTS LIMITED (FORMERLY KNOWN AS AMBALA CEMENTS LIMITED), YAMUNANAGAR** (the Company), which comprise the Balance Sheet as at 31<sup>st</sup> March 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) 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;
  - c) 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;
  - d) 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; and
  - e) On the basis of the written representations received from the Directors, as on 31<sup>st</sup> March, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2013 from being appointed as a director under Section 274(1)(g) of the Companies Act, 1956

**Place: Yamunanagar**

**Date: 31<sup>st</sup> May 2013**

**For Jayant Bansal & Co.,  
Chartered Accountants  
Firm Registration No. 004694N**

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



**ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF INDEPENDENT AUDITORS' REPORT OF EVEN DATE OF SCAN PROJECTS LIMITED (FORMERLY KNOWN AS AMBALA CEMENTS LIMITED) FOR THE YEAR ENDED MARCH 31, 2013**

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, 2013 for a period of more than six months from the date of becoming payable except annual stock exchange listing fee of ₹ 328000/-. The details of the same are given below: -

PARTICULARS	PERIOD	AMOUNT DUE (in ₹)	STATUS AS ON 31/03/2013
-Stock exchange listing fee:			
The Stock Exchange Ahmedabad	1997-2013	168000.00	Yet to be paid
Jaipur Stock Exchange	1997-2013	160000.00	-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 31-03-2013 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	NATURE OF DUES	YEAR WHICH RELATES	TO AMOUNT IT	AMOUNT	FORUM WHERE DISPUTE IS PENDING
Central Excise Duty	Difference in rate of excise duty	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 31-03-2013 is ₹ 10220339.13 (Previous year ₹ 15505710.64). The net worth of the company has become positive, due to earning of profits since last four years. The company has incurred cash profit of ₹ 5912359.51 in the current year and ₹ 12550033.45 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**

**For Jayant Bansal & Co.,  
Chartered Accountants  
Firm Registration No. 004694N**

**Date: 31<sup>st</sup> May 2013**

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


**M/S SCAN PROJECTS LIMITED, YAMUNANAGAR**  
**(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)**  
**BALANCE SHEET AS AT 31ST MARCH 2013**

<b>PARTICULARS</b>		<b>NOTE</b>	<b>AS AT</b>	<b>AS AT</b>
		<b>NO.</b>	<b>31-03-2013</b>	<b>31-03-2012</b>
			<b>(₹)</b>	<b>(₹)</b>
<b>I EQUITY AND LIABILITIES</b>				
<b>SHARE HOLDERS' FUND</b>				
-Share Capital		2	39990500.00	39990500
-Reserves and Surplus		3	(8720339.13)	(14005711)
			31270160.87	25984789
<b>NON-CURRENT LIABILITIES</b>				
-Long Term Borrowings		4	0.00	150003
-Deferred Tax Liabilities (Net)		5	0.00	0
-Long Term Provisions		6	551672.19	530256
			551672.19	680259
<b>CURRENT LIABILITIES</b>				
-Short Term Borrowings		7	5689706.96	7368680
-Trade Payables		8	6069126.00	3534745
-Other Current Liabilities		9	7386716.34	8386030
-Short Term Provisions		10	1013270.00	1644923
			20158819.30	20934378
<b>Total ₹</b>			<b>51980652.36</b>	<b>47599426</b>
<b>II ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
-Fixed Assets				
Tangible Assets		11	5410902.96	6290471
Intangible Assets			0.00	0
Capital Work-in-Progress			0.00	0
Intangible Assets Under Development		6	0.00	0
			5410902.96	6290471
-Deferred Tax Assets (Net)		5	72731.00	64167
-Long Term Loans and Advances		12	4943295.99	2327316
-Other Non-Current Assets		13	29172.00	29172
			10456101.95	8711126
<b>CURRENT ASSETS</b>				
-Inventories		14	629688.00	369598
-Trade Receivables		15	26133701.25	21167480
-Cash and Bank Balances		16	10864049.60	11044845
-Short Term Loan and Advances		17	3897111.56	6306377
			41524550.41	38888300
<b>Total ₹</b>			<b>51980652.36</b>	<b>47599426</b>
			0.00	0.00

**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

For and on behalf of the Board  


**SUNIL CHANDRA**  
(MANAGING DIRECTOR)

**AKSHAY CHANDRA**  
(EXECUTIVE DIRECTOR)

**(JAYANT BANSAL)**  
PARTNER  
M.No. 086478  
Place: Yamunanagar  
Dated: 31/05/2013

**M/S SCAN PROJECTS LIMITED, YAMUNANAGAR**  
**(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013**

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31-03-2013 (₹)	FOR THE YEAR ENDED 31-03-2012 (₹)
<b>REVENUE</b>			
-Revenue form Operations	18	30529050.00	85232817
-Other Income	19	1144311.18	1053874
<b>Total Revenue ₹</b>		<b>31673361.18</b>	<b>86286691</b>
<b>EXPENSES</b>			
-Purchase of Stock-in-Trade	21	1122220.00	30318118
-Changes in inventories of Stock-in-Trade	22	0.00	0
-Employees Benefit Expenses	20	5948977.00	9161512
-Operation and Other Expenses	23	18112030.83	32581210
-Finance Costs	24	566958.84	119110
-Depreciation and Amortization Expenses	11	626988.00	695292
<b>Total Expenses ₹</b>		<b>26377174.67</b>	<b>72875242</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>5296186.51</b>	<b>13411449</b>
<b>EXCEPTIONAL ITEMS</b>		<b>0.00</b>	<b>0</b>
<b>PROFIT BEFORE TAX</b>		<b>5296186.51</b>	<b>13411449</b>
<b>TAX EXPENSES</b>			
-Provision for Current Taxation	25	1656590.00	1644923
-Deferred Tax Liability/(Adjustment)		(8564.00)	(88215)
-Minimum Alternate Tax Credit Entitlement		(1637211.00)	0
<b>NET PROFIT FOR THE YEAR AFTER TAX</b>		<b>5285371.51</b>	<b>11864741</b>
<b>EARNING PER SHARES:</b>			
-Basic and Diluted Earning Per Share	26	1.84	4.13
-Number of Shares used in computing earning per Share		2873300	2873300
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			
<b>OTHER NOTES FORMING PART OF THE ACCOUNTS</b>			
	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: 31/05/2013

For and on behalf of the Board

  
SUNIL CHANDRA  
(MANAGING DIRECTOR)

AKSHAY CHANDRA  
(EXECUTIVE DIRECTOR)

**M/S SCAN PROJECTS LIMITED, YAMUNANAGAR**  
**(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013**

PARTICULARS	2012-13 (₹)	2011-12 (₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
-Net Profit/(Loss) before tax	5296186.51	13411449
-Adjustment for:-		
Depreciation	626988.00	695292
Provision for Retirement Gratuity Benefit to employees	21416.00	105498
Provision for Doubtful Advances	0.00	205000
Written Back of Provision for Doubtful Capital Advances	0.00	(492308)
Interest Expenses	566958.84	119110
( Profit)/Loss on Sale of Assets	(25240.00)	0
Interest Income	(975162.00)	(706674)
	214960.84	(74081)
<b>Operating profit before working capital changes</b>	<b>5511147.35</b>	<b>13337368</b>
<b>Adjustment for changes in working capital:-</b>		
-/(Increase)/Decrease in Trade Receivables	(4966221.25)	(18196223)
-/(Increase)/Decrease in Inventories	(260090.00)	(256688)
-/(Increase)/Decrease in Loans & Advances	1777612.48	4364939
-Increase/(decrease) in Trade and other Payables	1620228.52	(415207)
	(1828470.25)	(14503179)
<b>Cash generated from operation</b>	<b>3682677.10</b>	<b>(1165811)</b>
i) Interest paid	(566958.84)	(119110)
ii) Direct taxes paid	(2747859.18)	(2945912)
	(3314818.02)	(3065022)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>367859.08</b>	<b>(4230834)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
-Sale Proceed of fixed assets/refund/written back of Capital advances received	306800.00	492308
-Investment in Fixed Deposits with bank having original maturity over three months	48883.00	(4723640)
-Purchase of Fixed Assets and Capital Advances	(28980.00)	(1809872)
-Increase in Security Deposits	112500.00	(19500)
-Interest Income	975162.00	706674
	1414365.00	(5354030)
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>1414365.00</b>	<b>(5354030)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
-Proceeds from long term borrowings	0.00	0
-Repayment of long term borrowings	(235164.16)	(209968)
-Increase/(Decrease) in Short term Bank Borrowings	(1678972.60)	7366679.56
	(1914136.76)	7158712
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(1914136.76)</b>	<b>7158712</b>
<b>NET CASH FLOW DURING THE YEAR (A+B+C)</b>	<b>(131912.68)</b>	<b>(2426151)</b>
<b>Cash and Cash Equivalent (Opening Balance) [Note no. 16]</b>	<b>430800.28</b>	<b>2856952</b>
<b>Cash and Cash Equivalent (Closing Balance) [Note no. 16]</b>	<b>298887.60</b>	<b>430800</b>

*Savitri Chandra*

Earmarked Short-term Bank Deposits

10565162.00

10614045

Cash and Bank Balances at the end of the year [Note no. 16]

10864049.60

11044845

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

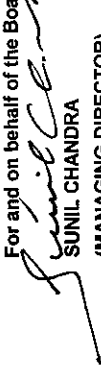
As per our report on even dated attached  
For Jayant Bansal & Co.,  
Chartered Accountants

(JAYANT BANSAL)  
PARTNER

M.No. 086478

Place: Yamunanagar

Dated: 31/05/2013

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

AKSHAY CHANDRA  
(EXECUTIVE DIRECTOR)

**SCAN PROJECTS LIMITED, YAMUNANAGAR  
(FORMERLY KNOWN AS AMBALA CEMENTS LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

**[1A] GENERAL INFORMATION**

Scan Projects Limited ('the Company') is a Public limited company engaged in Engineering Services (i.e. Erection, commissioning, supervision, project drawing and designing services) and trading of fabricating material, equipment parts and other items etc. The Company's registered office is at Village Jorian, Delhi Road, Yamunanagar (Haryana). The company is also listed on Bombay Stock Exchange Limited (BSE), Delhi Stock Exchange Limited (DSE), Jaipur Stock Exchange and Ahmedabad Stock Exchange.

**[1B] SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) 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                      At cost or net realizable value whichever is less.
  - Finished/Traded goods   At cost or net realizable value whichever is less.
- 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.

i) **Government Grants/Subsidy**

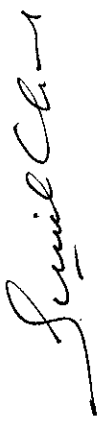
The Government grants relating to particular fixed assets are presented by deducting them from the gross value of fixed assets. The grant is recognized as income over the life of depreciable asset by way of a reduced depreciation charge. In respect of Government grants in the nature of Project Subsidy (capital investment state subsidy) are credited to capital reserves.

j) **Excise and Other Duties**

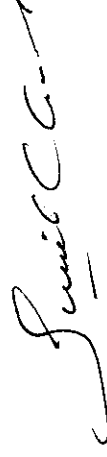
Excise duty is accounted on finished goods on clearance thereof. CENVAT benefit is accounted for by reducing the purchase cost of material/fixed assets

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 asset 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.
- s) **Lease Accounting:**  
**As a Lessor:** The Company has given assets on an operating lease basis. Lease rentals are accounted on accrual basis in accordance with the respective lease agreements.  
**As a Lessee:** Operating lease payments are recognized as expenditure in the Statement of Profit and Loss as per the terms of the respective lease agreements.



[2]

**SHARE CAPITAL**

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

PARTICULARS	AS AT	AS AT
	31-03-2013 (₹)	31-03-2012 (₹)
<u>Authorised Share Capital</u>		
6000000 (Previous year 6000000) Equity Shares of ₹ 10/- each	60000000.00	60000000
<u>Issued and Subscribed Share Capital</u>		
5011700 (Previous year 5011700) Equity Shares of ₹ 10/- each	50117000.00	50117000
<u>Paid-up Share Capital</u>		
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
<b>TOTAL ₹</b>	<b>39990500.00</b>	<b>39990500</b>

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:**

PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	NUMBER OF SHARES	AMOUNT (₹)	NUMBER OF SHARES	AMOUNT (₹)
<u>EQUITY SHARES</u>				
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
<b>Total Paid-up Equity Shares at the End of the year</b>	<b>5011700</b>	<b>39990500</b>	<b>5011700</b>	<b>39990500</b>

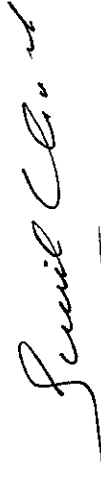
c) **DETAILS OF EQUITY SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY**

NAME OF THE SHAREHOLDER	AS AT 31-03-2013		AS AT 31-03-2012	
	NO. OF SHARES	% HELD	NO. OF SHARES	% HELD
Sh. Vijay Kumar S/o Sh. Luxmi Narain	0	0.00%	386500	13.45%
Sh. Sumil Chandra S/o Sh. Sumesh Chandra	315910	10.99%	253910	8.84%
Sh. Sudhir Chandra S/o Sh. Sumesh Chandra	300460	10.46%	240250	8.36%
Sh. Sumesh Chandra S/o Late Sh. Kailash Chandra	181100	6.30%	181100	6.30%
Haryana Financial Corporation, Chandigarh	8000	0.28%	200000	6.96%
Smt. Vijay Laxmi W/o Late Sh. Vijay Kumar	451500	15.71%	0	0.00%

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
	31-03-2013 (₹)	31-03-2012 (₹)
a) <u>Capital Reserves</u>		
As per last Balance Sheet	1500000.00	1500000
b) <u>Surplus of Statement of Profit and Loss</u>		
As per last Balance Sheet	(15505710.64)	(27360452)
Add: Net Profit after tax transferred from statement of Profit and Loss	5285371.51	11854741
Amount available for appropriation	(10220339.13)	(15505711)
Less: Appropriation (if any)	0.00	0
	(10220339.13)	(15505711)
<b>TOTAL ₹</b>	<b>(8720339.13)</b>	<b>(14005711)</b>

**[4] LONG TERM BORROWINGS**

Long-term borrowings consist of following:

PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	NON CURRENT ASSETS	CURRENT ASSETS	NON CURRENT ASSETS	CURRENT ASSETS
SECURED				
<b>TERM LOAN FROM BANK</b>				
-HDFC Bank Limited, Yamunanagar (Crane Loan)	0.00	150002.82	150003	235164
[Refer Note No. 4(i) below]				
<b>TOTAL ₹</b>	<b>0.00</b>	<b>150002.82</b>	<b>150003</b>	<b>235164</b>

**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. Sunil Chandra.*

*The terms of repayment/maturity profile of term loan is given as under:*

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

*Sunil Ch. 1*

**[5] 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
	31-03-2013 (₹)	31-03-2012 (₹)
a) <u>DEFERRED TAX LIABILITIES (NET)</u>		
-Related to Depreciation and amortisation	50617.00	52563
b) <u>DEFERRED TAX ASSETS (NET)</u>		
-Provision for Retirement Gratuity Benefits to Employees debited to Statement of Profit and Loss	60003.00	53385
-Provision for Doubtful Advances debited to Statement of Profit and Loss	63345.00	63345
<b>TOTAL ₹</b>	<b>123348.00</b>	<b>116730</b>
	<b>(72731.00)</b>	<b>(64167)</b>

The break-up of the deferred tax liability up to the year ended March 31, 2013 is as under: -

Liability/(Assets) on account of

PARTICULARS	DEFERRED TAX LIABILITIES/ (ASSETS) AS AT 31-03-2012 (₹)	CHARGE/ CREDIT TO STATEMENT OF PROFIT AND LOSS (₹)	DEFERRED TAX LIABILITIES/ (ASSETS) AS AT 31-03-2013 (₹)
<u>DEFERRED TAX LIABILITIES (NET)</u>			
-Related to Depreciation and amortisation	52563.00	(1946.00)	50617.00
<b>TOTAL ₹</b>	<b>52563.00</b>	<b>(1946.00)</b>	<b>50617.00</b>
<u>DEFERRED TAX ASSETS (NET)</u>			
-Provision for Retirement Gratuity Benefits to Employees debited to Statement of Profit and Loss	53385.00	6618.00	60003.00
-Provision for Doubtful Advances debited to Statement of Profit and Loss	63345.00	0.00	63345.00
<b>TOTAL ₹</b>	<b>116730.00</b>	<b>6618.00</b>	<b>123348.00</b>
<b>NET DEFERRED TAX LIABILITIES/(ASSETS) (a - b)</b>	<b>(64167.00)</b>	<b>(8564.00)</b>	<b>(72731.00)</b>

Note: In accordance with the Accounting Standard 22" Accounting for Taxes on Income" the deferred tax liabilities (net) ₹ 8564.00 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 2013 amounts to ₹ 72731.00 [Previous year ₹ 64167.00]



[6] **LONG TERM PROVISIONS**

Long-term provision consist of the following:

PARTICULARS	AS AT 31-03-2013 (₹)	AS AT 31-03-2012 (₹)
-Provision for Retirement Gratuity Benefit to Employees [Refer to Note No. 27 (i)]	194183.00	172767
-Provision for Disputed Excise Duty for the year (2002-03)	357489.19	357489
<b>TOTAL ₹</b>	<b>551672.19</b>	<b>530256</b>

[7] **SHORT TERM BORROWINGS**

Short-term borrowings consist of the following:

PARTICULARS	AS AT 31-03-2013 (₹)	AS AT 31-03-2012 (₹)
<b>SECURED</b>		
<b>LOAN REPAYABLE ON DEMAND</b>		
-Overdraft Facility from Oriental Bank of Commerce, Yamunanagar	5689706.96	7368680
<b>TOTAL ₹</b>	<b>5689706.96</b>	<b>7368680</b>

**Notes:**

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

[8] **TRADE PAYABLES**

Trade payables consist of the following:

PARTICULARS	AS AT 31-03-2013 (₹)	AS AT 31-03-2012 (₹)
Due to related parties: -Associate Companies	0.00	1485055
Due to others	6069126.00	2049690
<b>TOTAL ₹</b>	<b>6069126.00</b>	<b>3534745</b>

**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 31-03-2013 (₹)	AS AT 31-03-2012 (₹)
-Current Maturities of Term Loans from Bank ( Refer to Note no. 4 )	150002.82	235164
-Advance Received from Customers	2194480.00	0
-Others Creditors	260035.00	126397
-Amount of Retention Monies held from Contractors	2490046.52	2243174
-Expenses Payables	2108932.00	5545963
-Income Tax Deducted at Source Payable	183200.00	235332
<b>TOTAL ₹</b>	<b>7386716.34</b>	<b>8386030</b>

[10] **SHORT TERM PROVISIONS**  
Short-term provisions consist of the following:

PARTICULARS	AS AT 31-03-2013 (₹)	AS AT 31-03-2012 (₹)
-Provision for Current Taxation		
Provision for Current Taxation	1656590.00	1644923
Less: MAT Credit Entitlement Utilized during the year	643320.00	0
	1013270.00	1644923
<b>TOTAL ₹</b>	<b>1013270.00</b>	<b>1644923</b>

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PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	AS ON 01/04/2012	ADDITIONS DURING THE YEAR	DEDUC- TIONS/AD- JUSTMENTS	TOTAL	UP TO 31/03/2012	FOR THE YEAR	DEDUC- TIONS/AD- JUSTMENTS	TOTAL	W.D.V. AS ON 31/03/2013	ADDITIONS AS ON 31/03/2013	DEDUC- TIONS/AD- JUSTMENTS	TOTAL

Land & Site development	1405587.96	0.00	0.00	1405587.96	0.00	0.00	0.00	1405587.96	0.00	0.00	0.00
Factory Building	6102880.91	0.00	0.00	6102880.91	4216315.91	188656.00	0.00	4404971.91	1697909.00	0.00	0.00
Furniture & Fixtures	192256.14	0.00	0.00	192256.14	123942.14	12365.00	0.00	136307.14	55949.00	0.00	0.00
Electric fitting & installations	115350.14	0.00	0.00	115350.14	89116.14	3649.00	0.00	92765.14	22585.00	0.00	0.00
Machinery & Equipments	1133500.00	0.00	0.00	1133500.00	213453.00	127979.00	0.00	341432.00	792068.00	0.00	0.00
Workshop Equip. & Tools	1648789.62	28980.00	0.00	1677769.62	261487.62	196866.00	0.00	458353.62	1219416.00	0.00	0.00
Generator Set	1144403.00	0.00	1144403.00	0.00	940174.00	7063.00	947237.00	0.00	0.00	0.00	0.00
Automatic Voltage Stabilizer	216273.00	0.00	216273.00	0.00	151355.00	2251.00	153606.00	0.00	0.00	0.00	0.00
Office Equipments	250722.00	0.00	5690.00	245032.00	113913.00	18973.00	1463.00	131423.00	113609.00	0.00	0.00
Computer & Printers	299249.00	0.00	17500.00	281749.00	108784.00	69186.00	0.00	177970.00	103779.00	0.00	0.00
<b>Total Rs.</b>	<b>1250911.77</b>	<b>28980.00</b>	<b>1383866.00</b>	<b>11154125.77</b>	<b>6218540.81</b>	<b>626988.00</b>	<b>1102306.00</b>	<b>5743222.81</b>	<b>5410902.96</b>	<b>0</b>	<b>6218541</b>
<b>Previous year figures</b>	<b>10699140</b>	<b>1809872</b>	<b>0</b>	<b>1250912</b>	<b>5523249</b>	<b>695292</b>	<b>0</b>	<b>6218541</b>	<b>5410902.96</b>	<b>0</b>	<b>6290471</b>

Note:

-Depreciation on Plant, Machinery and Equipments has been provided on single shift basis

-In respect of provision for impairment [Refer to Note No. 27(f)]

-Part of Land and Factory Building has been given on operating lease by the company during the year.

*Scan Projects Ltd.*



**[12] LONG TERM LOANS AND ADVANCES**

Long term loans and advances consist of the following:

PARTICULARS	AS AT 31-12-2012 (₹)	AS AT 31-03-2012 (₹)
(Unsecured, considered good)		
-Securities Deposits	135126.00	247626
-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 ₹ 1314988.99 [Previous year ₹ 564700.81] )	3614278.99	1879690
-Minimum Alternate Tax Credit Entitlement:		
Minimum Alternate Tax Credit Entitlement	1637211.00	0
Less: MAT Credit Entitlement Utilized during the year	643320.00	0
<b>TOTAL ₹</b>	<b>4943295.99</b>	<b>2327316</b>

**[13] OTHER NON-CURRENT ASSETS**

Other non-current assets consist of the following:

PARTICULARS	AS AT 31-03-2013 (₹)	AS AT 31-03-2012 (₹)
a) Trade Receivables (Unsecured)		
Considered Doubtful	1473247.50	1473248
Less: Provision for Doubtful Receivables during the year	1473247.50	1473248
	0.00	0
b) Others		
-Agriculture Expenses incurred (unamortized)	29172.00	29172
<b>TOTAL ₹</b>	<b>29172.00</b>	<b>29172</b>

**[14] INVENTORIES**

Inventories consist of the following:

PARTICULARS	AS AT 31-03-2013 (₹)	AS AT 31-03-2012 (₹)
-Inventories		
(As taken, valued and certified by the Management)		
Finished/Traded goods	0.00	0
Consumable Stores and spares etc.	629688.00	369598
<b>TOTAL ₹</b>	<b>629688.00</b>	<b>369598</b>

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



**[15] TRADE RECEIVABLES**

Trade Receivables consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2013 (₹)	31-03-2012 (₹)
<b>TRADE RECEIVABLES (Unsecured)</b>		
Debits outstanding for a period exceeding six months	13821226.25	0
-Considered good		
b) Other Debits (Unsecured)		
-Considered good	12312475.00 **"	21167480
<b>TOTAL ₹</b>	<b>26133701.25</b>	<b>21167480</b>
<b>Note: **"</b>		
-Trade Receivables (Other Debits) includes due from companies/Associate Concerns where directors and their relatives are interested	8537179.00	3174207

**[16] CASH AND BANK BALANCES**

Cash and bank balances consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2013 (₹)	31-03-2012 (₹)
a) <b>Cash and Cash Equivalents</b>		
-Cash-in-Hand	135030.67	145929
-Balance with Bank in Current Accounts	163856.93	284872
	298887.60	430800
b) <b>Other Bank Balances</b>		
-Fixed Deposits with Oriental Bank of Commerce, Yamunanagar (Including interest accrued thereupon) **"		
(Maturity more than 3 months but Less than 6 months)	0.00	10614045
(Maturity more than 12 months)	10565162.00	0
	10565162.00	10614045
<b>TOTAL ₹</b>	<b>10864049.60</b>	<b>11044845</b>

**Note: \*\*"**

-The company has availed the overdraft facility from Oriental Bank of Commerce, Yamunanagar against pledge of the fixed deposit receipts.  
 -The fixed deposit receipt is due for maturity on dated 01/08/2014



**[17] SHORT TERM LOANS AND ADVANCES**  
Short term loans and advances consist of the following:

PARTICULARS	AS AT	
	31-03-2013 (₹)	31-03-2012 (₹)
a) (Unsecured, considered good)		
-Prepaid Expenses	38137.00	166098
-Balance of Service Tax Recoverable from the Department	158663.00	10561
-Service Tax Paid on Advance Amount Received against Services	199351.00	0
-Income Tax Deducted at Source Receivable	1013270.00	1644923
-Advances for Supply of goods and rendering services	2312625.00	4029813
-Other Advances (i.e. Advance to Employees)	175065.56	454982
	3897111.56	6306377
b) (Unsecured but considered doubtful)		
-Advances for Supply of goods and rendering services	205000.00	205000
Less: Provision for doubtful Loan and advances for supply of goods/rendering services	205000.00	205000
	0.00	0
<b>TOTAL ₹</b>	<b>3897111.56</b>	<b>6306377</b>

**[18] REVENUE FROM OPERATIONS**  
Revenue from operations consist of revenue from:

PARTICULARS	31-03-2012	
	31-03-2013 (₹)	31-03-2012 (₹)
a) <u>Income from Services</u>		
-Erection, Commissioning, Supervision, Project Drawing and Designing Charges)	7635000.00	48045000
-Annual Maintenance Service Charges Received	21662100.00	1916600
	29297100.00	49961600
b) <u>Sales of Traded Goods</u> (i.e. Equipments, Fabricating Materials, Electrical Material/Components and other items etc.)	1231950.00	35271217
<b>TOTAL ₹</b>	<b>30529050.00</b>	<b>85232817</b>

**[19] OTHER INCOME**  
Other income (net) consist of the following:

PARTICULARS	31-03-2012	
	31-03-2013 (₹)	31-03-2012 (₹)
-Machinery/Equipment Lease Rent Received	0.00	231000
-Land and Building Lease Rent Received	115500.00	115500
-Interest Received on Income Tax Refund	53649.18	700
-Interest received on Fixed Deposit with Bank	975162.00	706674
<b>TOTAL ₹</b>	<b>1144311.18</b>	<b>1053874</b>

*Sanjay Chandra*

**[20] EMPLOYEE BENEFIT EXPENSES**

Employee Benefit expenses consist of the following:

PARTICULARS	31-03-2013 (₹)	31-03-2012 (₹)
a) <b>Salary and wages</b>		
-Directors' Remuneration	966000.00	86121
-Salary and wages to Staff at site (Including Amenities & Bonus to Staff)	4004900.00	8297839
-Salary to Staff (Including Amenities & Bonus to Staff)	<u>723451.00</u>	<u>264036</u>
	5694351.00	8647996
b) Provision for Retirement Gratuity Benefits to Employees	21416.00	105498
c) Employees Provident and Family Pension Fund (Arrear for earlier year)	0.00	31197
d) <b>Staff and Labour Welfare Expenses</b>		
-At various site by staff	233210.00	367683
-At Office	<u>0.00</u>	<u>9138</u>
	233210.00	376821
<b>TOTAL ₹</b>	<u><b>5948977.00</b></u>	<u><b>9161512</b></u>

**[21] PURCHASE OF STOCK-IN-TRADE**

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

PARTICULARS	31-03-2013 (₹)	31-03-2012 (₹)
Purchase of Stock-in-Trade		
-Traded goods (i.e. Equipment, Fabricating material, Electrical material/components and other items etc.)	1118170.00	30293848
-Packing/Forwarding and Freight and Cartage Expenses	<u>4050.00</u>	<u>24270</u>
	1122220.00	30318118
<b>TOTAL ₹</b>	<u><b>1122220.00</b></u>	<u><b>30318118</b></u>

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

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

PARTICULARS	31-03-2013 (₹)	31-03-2012 (₹)
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
<b>TOTAL ₹</b>	<u><b>0.00</b></u>	<u><b>0</b></u>

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**[23] OPERATION AND OTHER EXPENSES**

Operation and other expenses consist of the following:

PARTICULARS	31-03-2013 (₹)	31-03-2012 (₹)
a) <u>Direct Operation Expenses</u>		
-Erection and Commissioning Charges paid to others	13275319.00	23310530
-Civil Drawing and Designing Charges paid to others	67500.00	401050
-Machinery and Equipment Running and Maintenance (Including Hire Charges)	129825.40	1059067
-Consumable Store and Spares Consumed [Refer Note No. 27(p)]	2430365.75	4435894
-Insurance Charges paid for various sites	275280.00	788872
-Telephone Expenses at site	78678.00	86929
-Electrical Expenses at site	5625.00	90987
-Freight and Cartage paid at site	124020.00	0
-Testing Charges	0.00	20000
-Travelling and Conveyance Charges at site	823621.00	927518
	17210234.15	31120847
b) <u>Other Expenses</u>		
-Travelling and Conveyance Expenses (Others)	162458.00	22779
-Printing and Stationery	16485.00	42734
-Postage and Courier Charges	6503.00	7283
-Telephone Expenses	5345.00	1763
-Electricity Charges	28883.00	82154
-Legal and Professional Charges	164161.00	131944
-Auditor's Remuneration and Re-imbusement of out-of-pocket expenses	148500.00	109770
-Office Rent [Refer Note No. 27(j)(2)]	180000.00	483500
-Office Repair and Maintenance	39185.00	168000
-Insurance Charges	11670.00	11059
-Stock Exchange Listing Fee	31015.00	85800
-National Securities Depository Limited Fee	15000.00	15000
-Miscellaneous Expenses	0.00	15134
-Duties and Taxes paid	406.00	16360
-Bank Changes	13310.68	6230
-Advertisement and Publicity Expenses	107499.00	69581
-Unrecoverable Balances written-off/(written back)	0.00	492308
-Provision for Doubtful Advances	0.00	205000
-Short and Excess Recoveries	(3384.00)	(13728)
	927036.68	1952671
	18137270.83	33073517
<u>Less:</u>		
-Written Back of Provision for Doubtful Capital Advances	0.00	492308
-Profit on sale of Generator set/Stabilizer	25240.00	0
<b>TOTAL ₹</b>	<b>18112030.83</b>	<b>32581210</b>

**[24] FINANCE COSTS**

Finance costs consist of the following:

PARTICULARS	31-03-2013 (₹)	31-03-2012 (₹)
-Interest Paid to:		
Bank on Crane Loan	31835.84	57032
Bank on Overdraft Facility	497889.00	53222
Department on late payment of Tax Deducted at Source	37234.00	8856
	566958.84	119110
<b>TOTAL ₹</b>	<b>566958.84</b>	<b>119110</b>

*Sunid Chandra*

**[25] TAX EXPENSES**

Tax Expenses consist of following:

PARTICULARS	31-03-2013 (₹)	31-03-2012 (₹)
-Provision for Current Taxation	1656590.00	1644923
-Deferred Tax Liability/(Adjustment)	(8564.00)	(88215)
-Minimum Alternate Tax Credit Entitlement	(1637211.00)	0
<b>TOTAL ₹</b>	<b>10815.00</b>	<b>1556708</b>

**Notes:**


a) **Provision for taxation on current profit:** The Company has made the provision for current income tax liability based on the assessable profit as computed in accordance with the Income Tax Act, 1961.

b) In accordance with the Accounting Standard 22" Accounting for Taxes on Income" the deferred tax liabilities (net) ₹ 8564.00 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 2013 amounts to ₹ 72731.00 [Previous year ₹ 64167.00]

**[26] EARNING PER SHARE (EPS)**

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

PARTICULARS	31-03-2013 (₹)	31-03-2012 (₹)
<b>Basic</b>		
-Profit after tax as per accounts	5285371.51	11854741
-Number of Shares used in computing earning per Share	2873300	2873300
-Basic EPS (₹)	1.84	4.13
<b>Diluted</b>		
-Profit after tax as per accounts	5285371.51	11854741
-Number of Shares used in computing earning per Share	2873300	2873300
-Diluted EPS (₹)	1.84	4.13
Face Value per share (₹)	10.00	10.00



[27]

**OTHER NOTES FORMING PART OF THE ACCOUNTS**

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. 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 and Commitments (To the extent not provided for)

	2012-13	2011-12
-Contingent Liabilities (if any)	NIL	NIL
-Commitments	NIL	NIL

d) The Company has 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.

**g) RELATED PARTY DISCLOSURES:**

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:-

**A. Related parties and their relationship**

**1. Key Management Personnel**

- Sh. Sunil Chandra (Managing Director)
- Sh. Krishan Kumar (Non-Executive Director)
- Sh. Akshay Chandra (Executive 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

Transactions with related parties for the year ended 31st March 2013					(₹ in Lacs)
B.	Particulars	Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
1	<b>Purchases</b>				
	-Purchase of Stock-in-trade	0.00	0.00	0.00	0.00
		(0.00)	(0.00)	(258.76)	(258.76)
2	<b>Sales</b>				
	-Sale of Stock-in-Trade	0.00	0.00	12.97	12.97
		(0.00)	(0.00)	(31.61)	(31.61)

*Sunil Chandra*

	-Erection, Commissioning, Supervision, Project Drawing and Designing Charges)	0.00	0.00	48.03	48.03
		(0.00)	(0.00)	(118.52)	(118.52)
	-Annual Maintenance Charges Received	0.00	0.00	243.40	243.40
		(0.00)	(0.00)	(21.14)	(21.14)
3	<b>Sales of Fixed Assets:</b>				
	-Sale of Fixed Asset	0.00	0.00	3.00	3.00
		(0.00)	(0.00)	(0.00)	(0.00)
4	<b>Other Income</b>				
	-Lease Rent Received	0.00	0.00	1.16	1.16
		(0.00)	(0.00)	(3.47)	(3.47)
5	<b>Expenses</b>				
	-Directors' Remuneration	9.66	0.00	0.00	9.66
		(0.86)	(0.00)	(0.00)	(0.86)
	-Office Rent Paid	0.00	1.20	0.00	1.20
		(0.00)	(1.20)	(0.00)	(1.20)
C.	<b>Balance with related parties as at 31st March 2013</b>				
1	Trade Receivables (concerns)	0.00	0.00	85.37	85.37
		(0.00)	(0.00)	(31.74)	(31.74)
2	Trade Payables (concerns)	0.00	0.00	0.00	0.00
		(0.00)	(0.00)	(14.85)	(14.85)
	<i>Note: Figures given in the bracket pertains to previous year</i>				

**D. Disclosure of material transactions/balances with related parties**

Particulars	2013	2012	(In ₹)
<b>Director Remuneration</b>			
-Sh. Sunil Chandra, Managing Director	300000.00	0.00	0.00
-Sh. Akshay Chandra (Executive Director)	666000.00	86121.00	86121.00
<b>Lease Rent Paid:</b>			
-Relative of Key Management			
Smt. Kavita Chandra w/o Sh. Sunil Chandra	60000.00	60000.00	60000.00
Smt. Alka Chandra w/o Sh. Sudhir Chandra	60000.00	60000.00	60000.00
<b>-Machinery/Equipment Lease Rent Received from (Associate Concerns):</b>			
-Generator Set Lease Rent Received from M/s Chanderpur Works Private Limited	0.00	115500.00	115500.00
-Automatic Voltage Stabilizer Lease Rent Received from M/s Chanderpur Works Private Limited	0.00	115500.00	115500.00
<b>-Land and Building Lease Rent Received (Associate Concerns):</b>			
-Land and Building Lease Rent Received from M/s Chanderpur Renewal Power Company (P) Limited	115500.00	115500.00	115500.00
<b>Income from Services to (Associate Concerns)</b>			
-Erection, Commissioning, Supervision, Project Drawing and Designing Charges) received from M/s Chanderpur Works Private Limited (Including Service Tax)	4803390.00	11851736.00	11851736.00
-Annual Maintenance Charges Received M/s Chanderpur Works Private limited (Including Service Tax)	24399536.00	2114010.00	2114010.00

*Sunil Chandra*



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)	1296628.00	2594440.00
-Equipments, Fabricating Materials and other items etc. Sold to M/s Chanderpur Industries Private Limited (Including Vat Tax)	0.00	566326.00
<u>Sale of Fixed Assets to (Associate Concerns):</u>		
-Fixed Assets i.e. Automatic Voltage Stabilizer & Generator Set etc.) Sold to M/s Chanderpur Works Private Limited (Including Vat Tax)	299963.00	0.00
<u>Purchase of Stock-in-Trade from (Associate Concerns)</u>		
-Purchase of Stock-in-Trade from M/s Chanderpur Industries Private Limited (Including Vat Tax)	0.00	25876381.00
<u>Trade Receivables:</u>		
-M/s Chanderpur Works Private Limited, Yamunanagar	8537179.00	3174207.00
<u>Trade Payables:</u>		
-M/s Chanderpur Industries Private Limited, Yamunanagar	0.00	1485055.00

h) **Disclosure Under Clause 32 of the Listing Agreement**

	2012-13	2011-12
-Loan and Advances in the nature of Loan to Subsidiaries	NIL	NIL
-Loan and Advances in the nature of Loan to Associate Concerns	NIL	NIL
-Loans or Advances in the nature of loans to Firms/Companies in which directors are interested.	NIL	NIL
-Investment by the loanee in the shares of the company, when the company has made a loan or advance in the nature of loan	NIL	NIL

- i) 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 ₹ 21416.00 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, 2013 amounts to ₹ 194183.00 (Previous year ₹ 172767.00).

j) **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.

	2012-13	2011-12
Total Lease Rental Receipts for the year	115500.00	346500.00

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

	180000.00	483500.00
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k) **Disclosures pursuant to Accounting Standard (AS) 7 (Revised) "Erection, Commissioning and Supervision Contracts"**

	2012-13	2011-12
-Erection, Commissioning and Supervision Contract revenue recognised for the financial year [ Note no. 18]	29297100.00	49961600.00
-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	46260000.00	42900000.00
-Amount of Customer advances outstanding for Erection, Commissioning and Supervision Contracts in progress as at the end of the financial year	1672231.00	0.00
-Retention amount due from customers for Erection, Commissioning and Supervision Contracts in progress as at end of the financial year	0.00	0.00

*Sunil Chandra*

D)	Details of sales and purchase of stock-in-trade:				
A)	<u>Sales:</u>				
	<u>Income from Services</u>				
	-Erection, Commissioning, Supervision, Project Drawing and Designing Charges	7635000.00			48045000.00
	-Annual Maintenance Charges Received	21662100.00			1916600.00
	<b>Sub-total (₹)</b>	<b>29297100.00</b>			<b>49961600.00</b>
	<u>Sales of Traded Goods</u> (i.e. Equipments, Fabricating Materials, Electrical Material/components and other items etc.)	1231950.00			35271217.00
	<b>Sub-total (₹)</b>	<b>1231950.00</b>			<b>35271217.00</b>
	<b>Grand Total (₹) [ Note no. 18]</b>	<b>30529050.00</b>			<b>85232817.00</b>
B)	<u>Purchase of Stock-in-Trade:</u>				
	-Traded goods (i.e. Equipment, Fabricating material, Electrical Material/Components and other items etc.)	1118170.00			30293848.00
	-Packing/Forwarding and Freight and Cartage Expenses	4050.00			24270.00
	<b>Grand Total (₹) [Note no. 21]</b>	<b>1122220.00</b>			<b>30318118.00</b>
m)	Auditors' Remuneration and expenses charged to the accounts				
	-Statutory Audit fee (Including quarterly audits)	2012-13	2011-12		
	-Tax Audit Fee	118000.00	75000.00		
	-Service Tax	20000.00	15000.00		
	-Reimbursement of out-of-pocket expenses	17057.00	9270.00		
	<b>Total ₹</b>	<b>10500.00</b>	<b>10500.00</b>		
	Note: Service Tax credit has been/will be availed.	<b>165557.00</b>	<b>109770.00</b>		
n)	Value of imports (on C.I.F. basis) by the company during the financial year in respect of				
	-Raw Materials	2012-13	2011-12		
	-Components and spare parts	NIL	NIL		
	-Capital Goods	NIL	NIL		
		NIL	NIL		
o)	Expenditure in foreign Currency during the financial year on account of				
	-Royalty and technical know how fee	2012-13	2011-12		
	- Professional consultation fee	NIL	NIL		
	-Interest and other matters	NIL	NIL		
p)	Value of imported and indigenous raw material and consumable stores and spares consumed: -				
		2012-13	2011-12		
	<u>Raw Material:</u>				
	Imported	NIL	NIL		
	Indigenous	NIL	NIL		
	<u>Consumable Store and Spares consumed:</u>				
	Imported	0.00	0.00		0%
	Indigenous	2430365.75	4435894.00		100%
		<b>2430365.75</b>	<b>4435894.00</b>		<b>100%</b>

*Sanil Chand*

- q) Dividends remitted in foreign currency:  
 -Dividends remitted in foreign currency  
 Earnings in foreign exchange  
 -Export of goods on F.O.B. basis  
 -Royalty, know how and professional consultation fee.  
 -Interest and dividend etc.  
 -Other receipts

2012-13  
NIL

2011-12  
NIL

2012-13  
NIL  
NIL  
NIL  
NIL

2011-12  
NIL  
NIL  
NIL  
NIL

  
 SUNIL CHANDRA  
 (Managing Director)

AKSHAY CHANDRA  
 (Director)

Place: Yamanagar

Date: 31-05-2013

For Jayant Bansal & Co.,  
 Chartered Accountants

JAYANT BANSAL  
 (PARTNER)  
 M. No. 086478

# SCAN PROJECTS LIMITED

## SCAN PROJECTS LIMITED

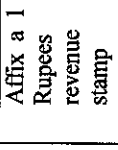
(Formerly - Ambala Cements Ltd.)  
Regd. Office: Vill. Jorian, Delhi Road,  
Yamuna Nagar-135001.

### PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a Member/ members of

SCAN PROJECTS LIMITED.  
Hereby appointed \_\_\_\_\_  
of \_\_\_\_\_ (Full Name)  
of failing him \_\_\_\_\_ in the district of \_\_\_\_\_  
of \_\_\_\_\_ (Full Name)  
of \_\_\_\_\_ (Full Name)  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
of \_\_\_\_\_ (Full Name)

as my/ or proxy to vote for me/ us on my/ our behalf at the 21<sup>st</sup> Annual General Meeting of the Company to be held on Monday, the 30<sup>th</sup> September, 2013 and at adjournment thereof.  
Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2013.



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

21<sup>st</sup> Annual General Meeting, 30<sup>th</sup> September, 2013

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 21<sup>st</sup> Annual General Meeting of the company held at Regd. Office: Village Jorian, Delhi Road, Yamuna Nagar-135001 on Monday, the 30<sup>th</sup> September 2013.

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**