

# ANNUAL REPORT 2000 ~ 2001

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## AMBUJA CEMENT EASTERN LIMITED

### ANNUAL REPORT 2000-2001

#### BOARD OF DIRECTORS

Suresh Neotia

A L Kapur

Pulkit Sekhsaria

P B Kulkarni

B L Taparia

A C Singhvi

S K Dewan

R S Rathore, Special Director, BIFR

Santosh Senapati

Harshavardhan Neotia, Managing Director

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#### CORPORATE OFFICE

'Vishwakarma'  
86C Topsia Road(S)  
Kolkata 700 046

#### COMPANY SECRETARY

R Kalidas

#### REGISTERED OFFICE

Village - Rawan  
Tehsil - Baloda Bazar  
District - Raipur  
Chhattisgarh - 493 331

#### BANKS

State Bank of India  
Canara Bank  
State Bank of Travancore  
Bank of India  
Union Bank of India  
UTI Bank Limited  
Credit Lyonnais

#### AUDITORS

Lodha & Co.  
N. M. Raiji & Co.

**NOTICE**

**Notice** is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held on Friday, 28th September, 2001 at 3.00 pm at the Registered Office at Village: Rowan, Tehsil: Baloda Bazar, District: Raipur, Chhattisgarh 493 331 to transact the following business :-

1. To consider and adopt the Profit & Loss Account for the Corporate Financial Year ended 30th June, 2001, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Suresh Neotia who retires by rotation and being eligible, offers himself for reappointment.

Mr. Suresh Neotia is the Non-executive Chairman of the Board. He is an Industrialist and joined the Board in 1997. He holds Bachelors' Degrees in Commerce and Law. He is on the Board of several large Corporates.

3. To appoint a Director in place of Mr. A L Kapur who retires by rotation and being eligible, offers himself for reappointment.

Mr. A L Kapur is a Chartered Accountant and a Cost Accountant. He has over 43 years experience in the Industry and has held senior positions in large Companies of repute. He joined the Board in August, 1999.

4. To appoint a Director in place of Mr. P B Kulkarni who retires by rotation and being eligible, offers himself for reappointment.

Mr. P B Kulkarni is a Mechanical Engineer with 35 years of experience. He is a Director of the Company since December, 1997.

5. To appoint M/s. Lodha & Co. and M/s. N. M. Raiji & Co., retiring Auditors, as Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**SPECIAL BUSINESS :**

6. To appoint a Director in place of Mr. Santosh Senapati who was appointed as an Additional Director and who holds office upto the date of the ensuing Annual General Meeting of the Company and who is eligible for reappointment and in respect of whom the Company has received a Notice in writing from a Member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the Office of Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 and subject to approval

of the Central Government and other authorities, if any, as may be required and subject to such conditions, if any, that may be imposed by any authority while granting their permission, consent and approvals and which the Board of Directors is hereby authorised to accept, consent of the Company be and is hereby accorded to the payment of remuneration to Mr. Harshavardhan Neotia, Managing Director with effect from 1st April, 2001 for the remainder of the present term of his appointment i.e., till 8th December, 2002 on the terms and conditions set out below and incorporated in the Agreement dated 23rd May, 2001 entered into between the Company and Mr. Harshavardhan Neotia.

**I. Remuneration :****a) Salary :**

Rs. 1,50,000/- p.m. in the scale of 1,50,000 - 15,000 - 3,00,000.

**b) Perquisites :****i) Housing**

1) Residential accommodation or house rent allowance at the rate of 60% of salary.

2) Expenses pertaining to electricity will be borne/ reimbursed by the Company.

3) Company shall provide such furniture, fixtures and furnishings as approved by the Board of Directors of the Company from time to time.

**ii) Medical Expenses**

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalisation, nursing home and surgical charges for himself and family.

**iii) Leave Travel Concession**

Leave Travel Concession (LTC) in respect of himself and family not exceeding one month's salary per annum. The LTC entitlement for any one year to the extent not availed shall be allowed to be accumulated upto the next two years.

**iv) Club Fees**

Reimbursement of membership fee for upto 3 clubs in India including admission and life membership fee.

**v) Personal Accident Insurance**

Personal Accident Insurance Policy of such amount as may be decided by the Board of Directors, premium of which shall not exceed Rs. 10,000/- per annum.

vi) **Contribution to Provident Fund, Superannuation Fund and Annuity Fund**

Company's contribution to Provident Fund and Superannuation or Annuity Fund not exceeding 30% of salary in aggregate.

vii) **Gratuity**

Gratuity at a rate of half month's salary for each completed year of service.

viii) **Leave**

Leave with full pay or encashment thereof as per the Rules of the Company.

ix) **Other Perquisites**

Subject to overall ceiling on remuneration mentioned hereinbelow the Managing Director may be given other allowances, benefits and perquisites as the Board of Directors may from time to time decide.

**Explanation:**

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost.

c) **Amenities :**

i) **Conveyance facilities**

Company shall provide suitable conveyance facilities as may be required by the Managing Director.

ii) **Communication facilities**

Company shall provide telephone, telefax and other communication facilities at the Managing Director's residence as may be required.

II. **Overall remuneration :**

The aggregate of salary and perquisites in any corporate financial year shall not exceed the limits prescribed from time to time under Sections 198, 309, 310 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force. In the event of loss or inadequate profits in any financial year, the aggregate of salary and perquisites shall not exceed the amount as may be approved by the Central Government.

III. **Minimum Remuneration :**

In the event of loss or inadequacy of profits in any corporate financial year during the currency of tenure of service of the Managing Director, the payment of salary, perquisites and other allowances shall be made as specified above subject to the requisite approval of the Central Government being obtained."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution."

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 24th September, 2001 to Friday, the 28th September, 2001 (both days inclusive).
3. The documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days during working hours, upto the date of the Annual General Meeting.
4. The Company's shares have been activated for dematerialisation both with National Security Depository Limited (NSDL) and Central Depository Services (India) Ltd.(CDSL). Members can hold their shares in the Company in dematerialised form either through NSDL or CDSL.
5. Members holding shares in identical order of names in more than one folio are requested to write to the company's Share Transfer Agents enclosing their Share Certificates to enable them to consolidate their holdings into one Folio.
6. Members are once again requested to surrender their old share certificates held in the erstwhile Modi Cement Limited to the Company's Share Transfer Agents to enable them to issue fresh share certificates in exchange thereof in respect of the reduced Share Capital pursuant to the rehabilitation Scheme sanctioned by the Board for Industrial and Financial Reconstruction (BIFR).
7. Members are requested to send all communications relating to shares to our Share Registrars and Transfer Agents at the address given hereunder :

**MCS LIMITED**

[Unit: Ambuja Cement Eastern Ltd.]

77/2A Hazra Road

Kolkata 700 029

Phone : (033) 476-7350/51

Fax : (033) 474-7674

E.mail : mcsca1@cal2.vsnl.net.in

By Order of the Board of Directors

Place : Kolkata

Date : 6th August, 2001

R Kalidas

Company Secretary

**EXPLANATORY STATEMENT**

Pursuant to Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the special business under Items 6 & 7 of the accompanying Notice dated 6th August, 2001.

**Item No.6**

Mr. Santosh Senapati was appointed as an Additional Director by the Board on 5th June, 2001. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Senapati holds office till the conclusion of this Annual General Meeting. Notice pursuant to Section 257 of the Companies Act, 1956 has been received from a Member proposing the candidature of Mr. Senapati as a Director. Mr. Senapati being eligible, offers himself for reappointment as a Director.

Mr. Senapati is 37 years of age. He is a B.Tech and an MBA. He is a Director of AIG Investment Corporation (Mauritius) Limited and is presently based in India. The Board considers that it would be in the interest of the Company to continue to avail of his services.

The Board of Directors recommends the appointment of Mr. Senapati as a Director.

Save and except Mr. Senapati, none of the other Directors of the Company is, in any way, concerned or interested in the said appointment.

**Item No.7**

Mr. Harshavardhan Neotia was appointed as Managing Director of the Company on 9th December, 1997 without payment of remuneration. The appointment was also approved by the shareholders at their Extra-ordinary General Meeting held on 24th February, 1998. Having regard to the precarious financial position of the company and its continuing losses at that point of time, the Managing Director had agreed not to draw remuneration.

The Company's performance has improved all round under the dynamic leadership of Mr. Harshavardhan Neotia. Mr. Neotia has been instrumental in bringing about improvement in the company's operational efficiencies, increase in productivity, improvement in work culture and has inculcated a strong sense of belongingness and team spirit among the employees in the organisation.

The Company has commissioned a Clinker Grinding Unit at Sankrail, Howrah, West Bengal with a capacity of 1 million tonnes and the Plant has started commercial production during the year. The Company has installed a DG Set of 10 MW capacity at Bhatapara Plant, which has reduced the power cost considerably, apart from reducing the dependence on grid supply. Plant upgradation has also been taken up at Bhatapara to increase the clinkerisation capacity.

All the aforesaid steps have led to a substantial improvement in the operating results. The company has turned the corner and has made a net profit of Rs.6.89 crores for the Corporate Financial Year ended 30th June, 2001.

In appreciation of the efforts put in by Mr. Neotia in bringing the company to its present state, the Board of Directors have unanimously decided to pay remuneration to Mr. Neotia with effect from 1st April, 2001 subject to the approval of the shareholders and the Central Government.

The particulars of the remuneration payable to Mr. Neotia have been incorporated in the Resolution set out in the accompanying Notice. The terms and conditions thereof may be treated as an abstract of the terms of the contract u/s 302 of the Companies Act, 1956.

Mr. Neotia is also holding the office of the Managing Director in Bengal Ambuja Housing Development Limited (BAHDL), a Joint Enterprise of Gujarat Ambuja Cements Ltd. and West Bengal Housing Board. The said Company has constructed a mass scale housing project at Kolkata, which has won widespread acclaim from all quarters of the Country. Mr. Neotia is being paid remuneration by BAHDL within the limits prescribed under the Companies Act, 1956.

Since the remuneration proposed to be paid by the Company as per the resolution exceeds the admissible limits (not requiring Central Government's approval), it is necessary that the remuneration payable to Mr. Neotia is approved by the shareholders and by the Central Government.

The Board recommends the passing of the above Resolution as an Ordinary Resolution.

Save and except Mr. Harshavardhan Neotia, none of the other Directors of the company is in any way concerned or interested in the said Resolution.

By Order of the Board  
For Ambuja Cement Eastern Ltd.

Place : Kolkata  
Date : 6th August, 2001

R Kalidas  
Company Secretary

**DIRECTORS' REPORT**

To The Members,

We have pleasure in presenting to you the Nineteenth Annual Report together with the Audited Statement of Accounts of the Company for the corporate financial year ended 30th June, 2001.

The year under review was a very difficult year for the Indian Economy as a whole. Most sectors of the Economy went through a recessionary phase. Government initiatives in the areas of housing and infrastructure building did not make much headway. The cement industry witnessed a negative demand growth. As against the overall negative growth in cement demand, Eastern India witnessed buoyancy in demand. Prices started improving during the second half of the year. As our major markets lie in the eastern states, we managed to achieve better realisations as compared to the previous year.

Costs of major inputs like power, coal, limestone, continued to rise. The transportation cost also went up due to increase in diesel prices.

In the year 1999-2000, we achieved an output of 12.54 lac tonnes of cement which was a milestone by itself, being the highest output recorded since inception. This year, we have gone one step ahead and recorded an output of 13.99 lac tonnes, an increase of 12% over the previous year.

With the upgradation at Bhatapara to enhance the clinker production and the commissioning of the Clinker Grinding Unit at Sankrail in the outskirts of Kolkata, we now have an installed capacity of 21.46 lac tonnes for cement production.

We are happy to report that by their efforts, our people have turned the company around. We have earned a net profit of Rs 689.07 lacs against a loss of Rs 4165.19 lacs in the previous year.

**FINANCIAL RESULTS**

The operating results for the corporate financial year ended 30th June, 2001 are summarised below:

	Current Year Rs. in lacs	Previous Year Rs. in lacs
Sales	34406.57	26092.28
Operating Profit / (Loss)	3705.92	(1670.89)
Interest and Finance Charges	1149.55	1062.64
Gross Profit / (Loss)	2556.37	(2733.53)
Depreciation & Amortisation	1867.30	1431.66
Profit / (Loss) before Taxation	689.07	(4165.19)
Provision for Taxation	—	—
Profit / (Loss) after Taxation	689.07	(4165.19)
Transfer to Debenture Redemption Reserve	600.00	320.00
Balance brought forward from previous year	(18953.32)	(14468.13)
Balance carried to Balance Sheet	(18864.25)	(18953.32)

**REVIEW OF PERFORMANCE****Production**

During the year, we produced 10.38 lac tonnes of clinker as against 9.58 lac tonnes in the previous year, a growth of 8%. Cement production during the year was 13.99 lac tonnes as compared to 12.54 lac tonnes in the previous year – an increase of 12%. The company's production this year was a record high.

**Marketing**

During the year, we sold 14.03 lac tonnes of cement as against 12.55 lac tonnes in the previous year, an impressive

rise of 12%. In value terms, sales were Rs.34406.57 lacs against Rs 26092.28 lacs in the previous year, an increase of 32%.

The 1 Million Tonne Clinker Grinding Unit at Sankrail, West Bengal was commissioned during the year. This has helped in improving our market share in Kolkata and other places in West Bengal. Through the Sankrail grinding unit, we have been able to provide fresh cement to the customers of West Bengal. We have improved our realisation and despatches in other markets of Orissa, Bihar, Madhya Pradesh etc. Ambuja Cement has gained the preference further due to its freshness.

Consumer awareness camps were set up in Kolkata and other towns. Mason Meets were organized on a regular basis by our Technical Services Cell. The Technical Services Team have continued their efforts to satisfy the customers. The team is constantly advising the end-users on the sound construction practices on the theme of 'How to build a better house.' The above steps have resulted in the product gaining wide spread preference in the market and in establishing the Ambuja Brand in the premium segment.

The marketing team is constantly increasing the distribution network. Their efforts to cultivate more and more retail networking backed up by strong after sales services and have yielded better sales realisation during the year.

#### **Cost Reduction Efforts**

##### **Captive Power Plant at Bhatapara :**

With a view to reduce power cost, we have increased our captive power generation capacity at Bhatapara by commissioning a 10 MW DG set at a cost of Rs.32 crores. Our captive power capacity has gone up to 18 MW which will substantially meet our requirements of power at Bhatapara. The cost of grid power being much higher than that of captive power, we will save substantial amounts on cost of power. As the DG set was commissioned only in January, 2001, cost saving on this account was available only for the part of this year and the full benefits shall accrue from the current year onwards.

##### **Other Costs :**

Our people have been continuously finding ways and means to reduce the cost of production as well as other costs. This year, they have gone for higher usage of slag, use of fly ash, optimising gypsum mix etc. and have reduced the cost of production. Efficient logistics and material handling management have helped in saving on transportation and handling costs.

##### **Clinker Grinding Unit & Plant Upgradation**

In January 2000, the foundation stone for the 1 million tonne clinker grinding unit at Sankrail at the outskirts of Kolkata was laid. We are pleased to report that the Plant has been commissioned during the year. The first mill of 0.5 million tonnes was commissioned in February 2001 and the second mill of the same capacity was commissioned in early June 2001. We have now come closer to the consumers and have started supply of fresh cement whenever they want. The clinker for the Unit is supplied by the Bhatapara Unit. To become increasingly cost effective, we use fly ash which is procured from the thermal power station nearby. Ambuja cement has now become one of the most preferred brands in the markets of Eastern India.

Due to this Grinding Unit, we have saved substantial amounts on transportation costs, handling costs, distribution costs and many other indirect costs which were incurred earlier while bringing cement from our Plant at Bhatapara. The full benefits will accrue from the current year onwards.

We have upgraded the Plant at Bhatapara to increase the clinkerisation capacity from 3300 tpd to 3700 tpd and have put up a clinker loading facility for transfer of clinker to Sankrail Grinding Unit cost effectively. Our Engineers are working on enhancing the productivity still further.

We have spent Rs.133 crores on the Grinding Unit at Sankrail and upgradation at Bhatapara.

#### **FUTURE PROSPECTS**

Although India ranks the second largest producer of cement in the world, its per capita consumption is abysmally low. We do not expect, in the near future, much increase in capacity. With a satisfactory monsoon, we expect that demand should move up in the post monsoon period. It is, therefore, envisaged that the present gap between demand and supply should narrow down.

The proposed Golden Quadrilateral Highways, Rural Road Development Project and other initiatives taken by the Government should also provide an impetus to the Industry.

We believe that there is enormous potential for growth in the industry. With the enhanced capacity in place, we are geared to encash the opportunities that lie ahead.

#### **ISSUE OF CAPITAL**

In order to meet the long term requirements of funds, the company has issued 1,50,00,000 equity shares at a premium of Rs.13/- per share by way of a preferential allotment to the parent Company, Ambuja Cement India Ltd. for an aggregate sum of Rs.34.50 crores.

#### **BIFR SCHEME - IMPLEMENTATION**

The implementation of the rehabilitation scheme has progressed as scheduled. The company has made payments to both the secured and unsecured creditors as per stipulations contained in the scheme.

#### **DIRECTORS**

Dr D K Modi resigned from the Board on 21st April, 2001. The Board of Directors place on record their sincere appreciation for the valuable contribution made by Dr Modi during his long tenure of association with the Company.

Mr. Santosh Senapati was appointed as an Additional Director of the Company on 5th June 2001 and he holds Office until the conclusion of this Annual General Meeting. Notice pursuant to Section 257 of the Companies Act, 1956 has been received from a Member, proposing the candidature of Mr. Senapati as a Director at the forthcoming General Meeting.

In accordance with the provisions of the Companies Act, 1956, Mr. S K Neotia, Mr. P B Kulkarni and Mr. A L Kapur being longest in the Office, retire by rotation and being eligible, offer themselves for reappointment.

**CORPORATE GOVERNANCE CODE**

As per the Listing Agreement with the Stock Exchange, the requirements of the Corporate Governance Code need to be implemented by your Company during the current Financial Year. However, several steps have already been taken to implement the requirements of the code. The Code will be fully implemented during the current year. A separate Section on Corporate Governance, which forms an integral part of this Report is annexed.

**FIXED DEPOSITS**

The Company has not received any fixed deposits from the shareholders / public during the year under review.

**AUDITORS**

Note No.5 in Schedule 'O' of the Accounts as referred to in the Auditors Report is self-explanatory and therefore, does not call for any further comments or explanation.

M/s Lodha & Co., and M/s N. M. Raiji & Co., Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for reappointment.

You are requested to reappoint the Auditors and to fix their remuneration.

M/s. G.P.Agrawal & Co, Chartered Accountants have been reappointed as Concurrent Auditors for a further period of one year effective from 1st April ,2001.

M/s. N. Radhakrishnan & Co., Cost Accountants, have been appointed as Cost Auditors of the Company for the year 2001-02, subject to approval of the Central Government.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors have:

- a) followed in the preparation of the Annual Accounts, the applicable accounting standards with proper explanation relating to material departures;
- b) selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company at the end of the financial year and of the profit of your company for that period;
- c) 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 your company and for preventing and detecting fraud and other irregularities; and

- d) prepared the Annual Accounts on a going concern basis.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto marked Annexure-I and forms part of this Report.

**EMPLOYEES**

Labour relations continued to be cordial at the Plant. Information required to be given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 is annexed hereto and marked Annexure-II and forms part of this Report.

**ACKNOWLEDGEMENTS**

We are extremely thankful to the Government of West Bengal and Government of Chhattisgarh for their continued cooperation and support.

Our grateful thanks also go to the Financial Institutions and Banks for their active support and encouragement.

We place on record our sincere appreciation of the total commitment, dedication and hard work put in by all the employees of the Company.

We also thank our shareholders, the BIFR and various Departments of Central and State Governments and local Authorities for the continued support received from them.

For and on behalf of the Board

B L Taparia  
Director

Place : Kolkata  
Date : 6th August, 2001

Harshavardhan Neotia  
Managing Director



**ANNEXURE – I**

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

**A) CONSERVATION OF ENERGY****a) Energy Conservation Measures Taken :**

1. Dynamic separator in the existing Vertical Roller Mill for raw material grinding.
2. Replacement of Pneumatic conveying to Mechanical conveying in cement mills.
3. Modification of grate cooler to enhance the cooler efficiency.

**b) Additional investment and proposals, being implemented for reduction of consumption of Energy :**

1. Replacement of Pneumatic conveying to mechanical conveying in raw mill silo.
2. Modification of Gas conditioning tower.
3. Slag drying & grinding system.
4. Clinker cooler ESP installation.
5. Replacement of Raw Mill aeropole by bucket elevator for energy conservation.

Total investment on the above is estimated at Rs.1500 lacs.

**c) Impact of the measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods :**

Measures referred to in (a) and (b) above, will result in saving of Rs.780 lacs (approx.) and Rs.640 lacs (approx.) respectively on account of power and fuel cost.

**d) Total energy consumption and energy consumption per unit of production :**

Information is given in the prescribed Form – A annexed.

**B) TECHNOLOGY ABSORPTION**

Efforts made in technology absorption are given in prescribed Form – B annexed.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO****a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans :**

The Company exported 14271.60 MT and 10933.50 MT of cement and clinker respectively during the year. As against this the quantity of cement exported in the previous year was 45021 MT. The total FOB value of exports was Rs.400.39 lacs as against Rs.719.68 lacs in the previous year. Cement exports for the year were lower due to unremunerative prices in the international markets.

**b) Total Foreign Exchange used and earned :**

	2000-2001 (Rs.in lacs)	1999-2000 (Rs.in lacs)
Used	234.92	1828.37
Earned	400.39	719.68