

7th ANNUAL REPORT 1997-98

| | | | |
|-----|-------------------------------------|-----|-------------------------------------|
| MD | <input checked="" type="checkbox"/> | BKC | <input checked="" type="checkbox"/> |
| CS | NA | DPY | NA |
| RO | <input checked="" type="checkbox"/> | DIV | NA |
| TRA | NA | AG | <input checked="" type="checkbox"/> |
| AGM | <input checked="" type="checkbox"/> | ... | <input checked="" type="checkbox"/> |
| VE | <input checked="" type="checkbox"/> | ... | <input checked="" type="checkbox"/> |

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CHIRAWA CEMENTS LIMITED





CHIRAWA CEMENTS LIMITED

BOARD OF DIRECTORS

Sh. Girish R. Gupta
Sh. Naresh K. Gupta
Sh. Naresh Kumar
Sh. C. K. Agarwal

Managing Director
Director
Director
Nominee Director (RIICO)

REGD. OFFICE

22, New Rajdhani Enclave
Vikas Marg,
Delhi-110 092

CORP. OFFICE

2nd Floor, 4 Manish Chamber,
L.S.C., Surajmal Vihar,
Delhi-110 092

Report

WORKS

Plot Nos. F-9 to 17
RIICO Industrial Area,
Chirawa, Distt. Jhunjhunu
Rajasthan-333 026

AUDITORS

SANJAY K. GUPTA & CO.
Chartered Accountants
C-24, C.C. Colony
Opp R.P. Bagh
Delhi-110 007

BANKERS

Indian Overseas Bank
State Bank of Bikaner & Jaipur

**CHIRAWA CEMENTS LIMITED****NOTICE**

NOTICE is hereby given that the Seventh Annual General Meeting of the Members of **CHIRAWA CEMENTS LIMITED** will be held at the Regd. Office of the company on Wednesday, the 30th September, 1998 at 11.00 A.M. to transact the following ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 1998 and Profit & Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Naresh Kumar who retires by rotation and being eligible offers himself for reappointment.
3. To appoint auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

By Order of the Board,

Sd/-

(Girish R. Gupta)
Managing Director

Date : 31st August, 1998

Place : Delhi.

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 OF THE COMPANY.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 25-09-98 to 30-09-98 (both days inclusive) for the purpose of Annual General Meeting.
3. Members are requested to bring their copy of Annual Report to the meeting.
4. All documents referred to in the Notice are open for inspection at the Registered Office of the company during office hours on all working days between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting.



CHIRAWA CEMENTS LIMITED

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the Seventh Annual Report alongwith audited accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS

During the under review, your company registered a total loss of Rs. 35.82 Lacs due to recession in the Cement Industry. The operations of the company had effected drastically due to slowing down of construction activities, poor economy, political instability and consequential depressed prices. Increase in the cost of raw materials and other inputs had also an adverse impact on prices. The summary of the Financial Results is as under:

| | 1997-98 | 1996-97 |
|-------------------------------|---------|---------|
| Sales | 138.69 | 205.58 |
| Other Income | 10.72 | 7.14 |
| Gross Profit/(Loss) before | | |
| Interest & depreciation | (10.15) | 15.01 |
| Less: Interest | 14.96 | 15.74 |
| Less: Depreciation | 10.71 | 10.35 |
| Profit (Loss) before Taxation | (35.82) | (11.08) |

PROJECTIONS Vs. PERFORMANCE

The Company had come out with a Public Issue of 4300000 Equity Shares aggregating to Rs. 430 Lacs in terms of Prospectus dated 11.04.1996. Pursuant to clause 43 of the Listing Agreement, following is the comparison of projections given in the Prospectus and the actual performance during the year.

(Rs. in lacs)

| | Projections for 1997-98 | Performance of 1997-98 |
|----------------------------|----------------------------|---------------------------|
| Sales | 950.40 | 138.69 |
| Other Income | 15.00 | 10.72 |
| Gross Profit/(Loss)(PBIDT) | 342.31 | (10.15) |
| Dividend | 10% | Nil |

Due to severe recession in the Cement Industry and delay in implementation of expansion project, the company could not achieve the projections.

IMPLEMENTATION OF EXPANSION PROJECT

The production on the expansion project from 15000 TPA to 66000 TPA could not be started as yet because of financial crises arised due to non-receipt of allotment money of Rs. 207.05 lacs and a term loan of Rs. 50.00 lacs from RIICO Ltd. Your Directors are doing efforts and hopeful of some positive results in the years ahead.



CHIRAWA CEMENTS LIMITED

FUTURE OUTLOOK

With the Govt. of India putting more emphasis on infrastructure development and improved economy, the demand for cement is expected to increase. Your company is very optimistic about the future prospects of the cement industry and simultaneously expecting some positive developments in the implementation of expansion project. Keeping in view all the above factors your Directors are hopeful of achieving goods results in the current year.

PUBLIC DEPOSITS

The company has not invited/accepted any deposits from the public till date.

DIRECTORS

Mr. Naresh Kumar, Director of the company retires by rotation and being eligible offers himself for re-appointment.

AUDITORS' REPORT

The Auditors' Report is self-explanatory and does not require any clarification.

AUDITORS

M/s Sanjay K. Gupta & Co., Chartered Accountants, Auditors of the company retire at the ensuing Annual General Meeting and have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limits as laid down under section 224 (1-B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

During the year under review, none of the employees had drawn remuneration over and above the limits as specified under section 217 (2A) of the Companies Act, 1956.

STATUTORY DISCLOSURE OF PARTICULARS

The requirement of disclosures, as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to the conservation of energy, technology absorption, foreign exchange earnings and outgo are furnished in Annexure-I attached to this Report.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their sincere gratitude for the support received from Financial Institutions, banks and other Government & regulatory agencies and look forward for their continued support.

Your Directors also wish to convey their sincere thanks and appreciation to the employees, shareholders, customers and agents for their confidence, co-operation and efforts to achieve maximum for the company.

FOR AND ON BEHALF OF THE BOARD

Sd/-

GIRISH R. GUPTA
MG. DIRECTOR

Sd/-

NARESH K. GUPTA
DIRECTOR

Date : 31st August, 1998

Place : Delhi

**CHIRAWA CEMENTS LIMITED****ANNEXURE - I**

Form for Disclosure of Particulars with respect to Conservation of Energy [Sec.217(1)(e) of the Companies Act, 1956]

| | Current Year (31.03.98) | Previous Year (31.03.97) |
|--|------------------------------------|-------------------------------------|
| A. Power & Fuel Consumption | | |
| 1. Electricity | | |
| a) Purchased | | |
| Unit | 1248380 | 1331965 |
| Total Amount (Rs.) | 41,02,522.00 | 37,53,666.30 |
| Rate/Unit (Rs.) | 3.29 Per Unit | 2.82 Per Unit |
| b) Own Generation. | | |
| (i) Through Diesel Generator | | |
| Unit | 28800 | 82550.70 |
| Unit per liter of diesel oil (Rs.) | 3.30 | 2.77 |
| Cost Per hour (Rs.) | 346.49 | 291.20 |
| (ii) Though steam turbine/generator | | |
| Units | | |
| Units per liter of fueloil/gas | N.A. | N.A. |
| Cost/Unit | | |
| 2. Coal (Specify Quality and where used) | | |
| Quantity (M.T.) | 1683.600 | 1587.710 |
| Total Cost (Rs.) | 37,75,799.00 | 40,57,906.20 |
| Average Rate (Rs.) | 2,242.69 | 2,555.82 |
| 3. Furnace Oil | | |
| Total Amount | N.A. | N.A. |
| Average Rate | | |
| 4. Others/Internal Generation (Please Give Details) | | |
| Quantity | N.A. | N.A. |
| Total Cost | N.A. | N.A. |
| Rate/Units | N.A. | N.A. |

B. Consumption per unit of production (Cement)

| | Standards (If any) | Current Year (MT) | Previous Year (MT) |
|------------------------|-------------------------------|------------------------------|-------------------------------|
| Electricity | — | 148.73 | 131.73 |
| Furnace Oil | — | — | — |
| Coal (Specify Quality) | — | 0.196 | 0.148 |
| Others (Specify) | — | — | — |

FOR AND ON BEHALF OF THE BOARD

Sd/-

GIRISH R. GUPTA
MG. DIRECTOR

Sd/-

NARESH K. GUPTA
DIRECTOR

Date : 31st August, 1998
Place : Delhi