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13th Annual Report 1996-97





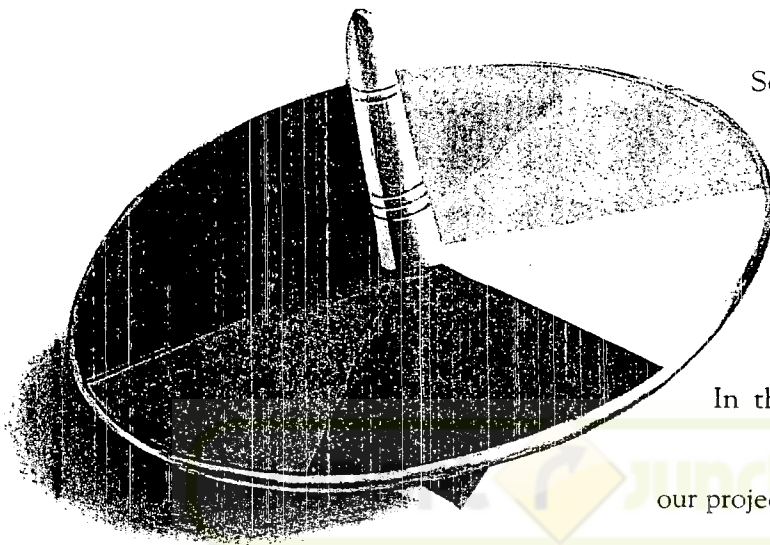
## CONSOLIDATION

# THE GOOD NEWS

The Company is proud to announce that it has bagged a prestigious order of **Rs. 468 Crores'** Lease from Maharashtra State Electricity Board, against stiff competition. The order is for installation, commissioning and maintenance for a period of 10 years, of Solid State Load Management Systems on the Board's Rural Electrification Network.

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## The Complete Picture - Financials And Beyond



Self-congratulations and complacency are easy temptations, especially so after 4 years of brilliant achievements.

In the recession hit 1996-97, we outperformed our projections again, that too by a margin of 84.5%.

But financials alone never complete the picture.

Good financial results often overshadow other substantive issues which have pivotal relevance to the future.

While cautiously avoiding both the temptations, we present a simple and brief insight into the various facets of the Company's working mechanisms and rationale, its directions for the future and also its shortcomings.

We recognise that we owe it to our shareholders and we have made a modest attempt towards achieving this objective.

## Purposeful Mutation - Change With Discipline

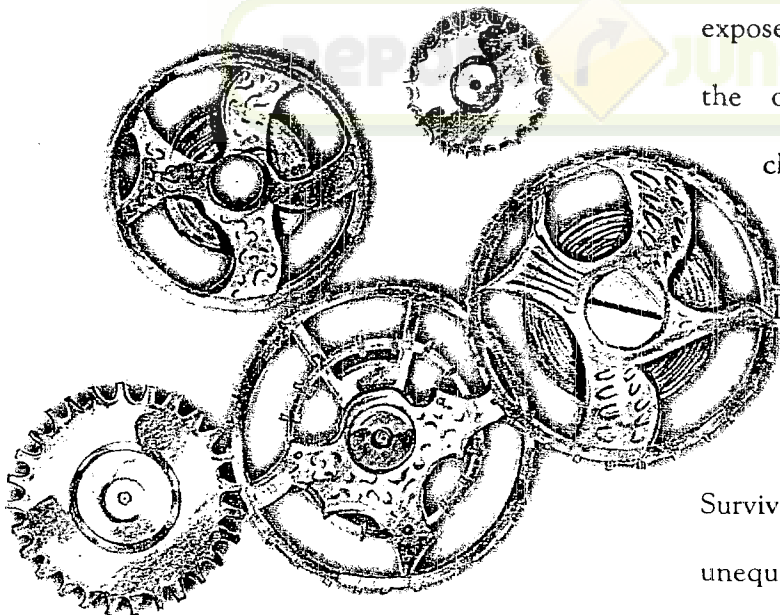
Ample evidence has been gathered by researchers world-wide to show how disaster strikes even international giants when change is haphazard or brought about merely for the sake of change.

Change programs, to be effective and acceptable, are required to be proactive, with enough time and incentive for voluntary action for those who are to change.

Our explosive growth over the last few years has undoubtedly equipped us with brimming confidence, but to be brutally honest, it has exposed the need for preparing ourselves for the opportunities and challenges ahead. We

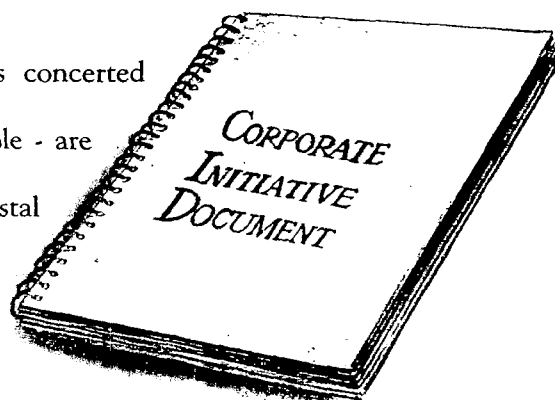
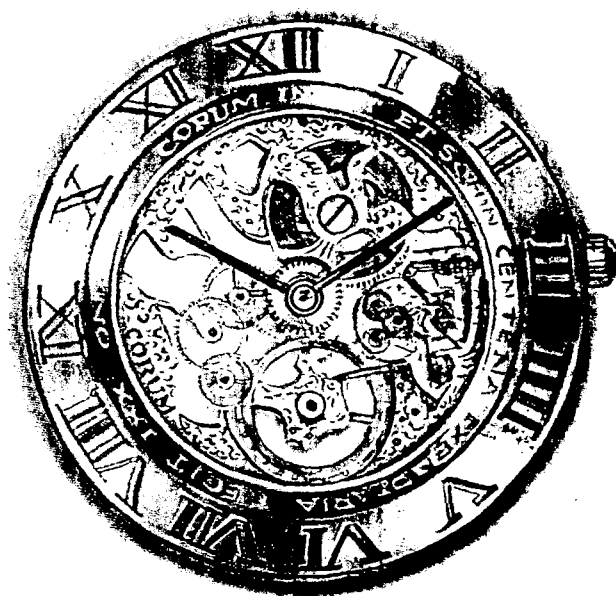
cherish our deep roots in rural Maharashtra (about 70% of our work force is from rural areas) but are alert to the systematic onslaught of the MNCs who enjoy global resources - both technical and commercial.

Surviving and growing with such unforgiving and unequal competition demands extraordinary, disciplined changes in our attitude and culture, in our perspective and policy.



Our change program (named internally: 'Corporate Initiative Document') encompasses every functional group and has a tenure of 3 years. We have built this change program around consensus and voluntary introspection with extreme discipline being the basis. Each Functional Group has made a detailed SWOT analysis of its respective function, laying the foundation for time-bound, micro-level targets concerning: a) Qualitative, b) Quantitative, and c) Strategic objectives. Quarterly inter-disciplinary reviews and liberal achievement rewards are vital features of this initiative program. The program has commenced after extensive brain-storming since Jan '97 with enthusiasm and determination.

The tremendous benefits of this concerted effort - both tangible and intangible - are sure to bring us on the same pedestal of professionalism as that of the world's best managed companies.



## Critical Mass - The Growth Imperative

Slowly but surely the winds of international trends are reaching the Indian shores. Mergers, acquisitions, take-overs and strategic alliances are the emerging reality on our business horizon.

Strategic positioning, market shares and capacity consolidation will be leveraged in the market as never before.

Our humble beginning as a SSI cannot stand in the way of protecting and increasing our market share, although we may take a more independent approach in dealing with these market forces. It is therefore imperative that to be competitive and viable, new investments be highly focussed and match global scale operations. We have taken solid steps in that direction by identifying capacity gaps, shortlisting the alternatives and moving quickly to bridge those gaps with world-class equipment - world scale capacities.

