



DECORA TUBES LIMITED

15th ANNUAL REPORT-1998-99



DECORA TUBES LIMITED

BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR :

Manohar B. Baheti

JOINT MANAGING DIRECTOR

Ravinder Nath Jain

DIRECTORS

V.B. Goyal

L.K. Shah

Pradeep Kasliwal

Machendran P. Chetty

A.K.Sureka (Alternate Director to Mr. Machendran)

BANKERS

State bank of Indore

The Bank of Rajasthan Ltd.

Indusind Bank Ltd.

AUDITORS

M.Mehta & Co.

Chartered Accountants

11/5, South Tukoganj

Indore (M.P.)

REGISTERED OFFICE

28/33, Pologround Industrial Estate

Indore - 452003

WORKS

S.S. DIVISION

55-56, Industrial Area No. 1

PITHAMPUR (Dist. Dhar) M.P.

W.T.P. DIVISION

55-56, Industrial Area No. 1

PITHAMPUR (Dist. Dhar) M.P.

ALUMINIUM EXTRUSION DIVISION

36, Industrial Area No. 1

PITHAMPUR (Dist. Dhar) M.P.



DECORA TUBES LIMITED

NOTICE

NOTICE : is hereby given that the Fifteenth Annual General Meeting of the members of the DECORA TUBES LIMITED will be held on Wednesday, the 29 day of September, 1999 at 4.00 P.M. at the registered office of the company situated at 28/33, Pologround Industrial Estate, Indore -452 003, to transact the following business ORDINARY BUSINESS :

1. To consider and adopt the audited balance sheet as at 31st March, 1999 and profit and loss account for the year ended that date together with the reports of the directors and auditors thereon.
2. To appoint a director in place of Shri Machendran P. Chetty who retires by rotation and, being eligible, offers himself for re- appointment.
3. To appoint a director in place of Shri V.B. Goyal who retires by rotation and, being eligible, offers himself for re- appointment.
4. To appoint a director in place of Shri L.K. Shah who retires by rotation and, being eligible, offers himself for re- appointment.
5. To consider re-appointment of the auditors of the company and fixing up of their remuneration.

SPECIAL BUSINESS

6. To consider, and if thought fit, to pass, with or without modifications, the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, consent of the company be and is hereby accorded for re-appointment of Shri Ravindra Nath Jain as Joint Managing Director of the company for a period of two years commencing from 8th April, 2000 on the same terms and conditions as are set out in the agreement entered by and between Shri Ravindra Jain and the company on 08.04.1998.

AND RESOLVED THAT the Managing Director of the company be and is hereby authorised to do all the needful acts, deeds, matters and things to give effect to this resolution."

Date : 28.08.1999
Place : INDORE

Registered Office : 28/33,
Pologround Industrial
Estate, INDORE - 452 003

By the Order of the Board
of Decora Tubes Limited

(M. B. BAHETI)
CHAIRMAN & MANAGING DIRECTOR

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES, AS PER ELIGIBILITY, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY(IES) NEED NOT BE MEMBER(S) OF THE COMPANY. PROXIES IN ORDER TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. Pursuant to section 154 of the Companies Act, 1956 the register of members and share transfer book will remain closed from the 28th day of September, 1999 to 29th day of September, 1999 (both days inclusive)
3. The members are requested to:
 - (a) intimate changes, if any, in their registered address immediately.
 - (b) quote their ledger folio numbers in all their correspondence.
 - (c) intimate to the company about consolidation of folios if shareholdings are under multiple folios.
 - (d) bring their copies of annual report and attendance slips with them at the annual general meeting.
4. The copy of the agreement entered by and between the company and the Joint Managing Director of the company is available for inspection at the annual general meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 6 :

Shri Ravindra Jain was appointed as Joint Managing Director of the company in the fourteenth A.G.M. of the company for a period of two years w.e.f. 8th April 1998. Accordingly his tenure becomes due for renewal on 7th April 2000. Shri Ravindra Jain with his vast experience in the field of marketing has proved to be a boon to the working efficiency of the company and it will be in the best interest of the company if he is re- appointed as the Joint Managing Director of the company for a further period of 2 years. The said re-appointment needs approval of the members of the company pursuant to Sections 198, 269 read with Schedule XIII of the Companies Act, 1956.

Therefore, your directors recommend this resolution and except Shri Ravindra Jain, to the extent of the remuneration payable to him, none of the directors may be deemed to be concerned or interested in the resolution.

Place : INDORE

Date : 28.08.1999

By the Order of the Board
of Decora Tubes Limited

(M.B. BAHETI)
Chairman & Managing Director



DECORA TUBES LIMITED

DIRECTORS REPORT

Dear members,

Your directors present you the fifteenth annual report of your company together with the audited accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

	(Rs. in Lakhs)	
	As on 31.03.99	As on 31.03.98
Sales and other income	2306.51	2217.19
Loss before Depreciation	397.93	486.20
Depreciation for the year	120.79	118.45
Depreciation for earlier year	NIL	106.08
Net Loss	518.72	710.73

APPROPRIATIONS :

Deficit to Balance Sheet	1244.37	725.65
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OPERATING PERFORMANCE :

The management of the company has been successful in meeting the variable expenses by keeping the plant in operation throughout the year under review. Though there is a drop in the sales turnover in the current year as compared to preceding year, there is a quantum jump in the job charges receipt for the company which has favourably contributed to the performance of your company during the year under review. As reported last year, the company had a reference to BIFR for declaring the company as a sick company under the circumstances, where the accumulated losses have exceeded the net worth of your company. On hearing, the BIFR has declared your company a Sick Company within the meaning of Sec. 3(1)(o) of SICA, 1985. The management of the company therefore, is in the process of preparing a suitable financial scheme in consultation with the Operating Agency, ICICI, for submission of the same to BIFR so as to ensure that with the help of reliefs, concessions and sacrifices, the company gets its net worth exceeding its accumulated losses within a reasonable time period.

DIRECTORATE :

Shri Machendran P. Chetty, Shri V.B. Goyal and Shri L.K. Shah, the directors of the company retire by rotation and being eligible offer themselves for re-appointment.

AUDITORS :

M/S. M. Mehta & Co. Chartered Accountants, retire at the end of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Auditors Report read with notes to accounts are self explanatory and needs no further clarification.

PUBLIC DEPOSITS :

Your company has accepted deposits from public within the meaning of Section 58A of the Companies Act, 1956, during the year under review and the same have been within the prescribed limits

PARTICULARS OF EMPLOYEES :

There have been no employee in the company during the year under review whose particulars are required to be annexed under the provisions of Sec. 217 (2A) of the Companies Act, 1956 together with the provisions of Companies (Particulars of Employees) Rules, 1975.

ENERGY CONSERVATION MEASURES,
TECHNOLOGY ABSORPTION AND R & D EFFORTS :

The requisite particulars required to be furnished under Section 217 (1)(e) of the Companies Act, 1956, regarding energy conservation, technology absorption and R & D efforts are given in statement as Annexure which forms part of this report.

SAFETY AND INSURANCE :

All the properties and insurable interests of the company have been adequately insured.

ACKNOWLEDGEMENT :

Your directors place on record their sincere appreciation for the assistance and co-operation received from various authorities, financial institutions and banks. The Board also appreciates the dedicated performance of its employees at all levels.

For and on behalf of the Board of
DECORA TUBES LIMITED

Place : INDORE

Date : 28.08.1999

M. B. BAHETI

Chairman & Managing Director

DECORA TUBES LIMITED



ANNEXURE TO DIRECTORS REPORT ON ANNUAL ACCOUNTS : 1998-99

Information pursuant to Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 forming part of the Directors' Report for the year ended 31st March, 1999

	As on 31.03.99	As on 31.03.98
I. CONSERVATION OF ENERGY :-		
Power and Fuel Consumption		
1. ELECTRICITY PURCHASED :-		
Total Units (Lakhs)	16.52	13.68
Total Amount (Rs. in Lakhs)	76.01	62.86
Cost/Unit (Rs.)	4.60	4.60
2. COAL :	NIL	NIL
3. L.D.O.		
Quantity in Ltr. (Lakhs)	1.79	1.36
Total Amount in Rs. (Lakhs)	13.91	11.13
Average Rate Per Unit Rs.	7.77	8.18
4. CONSUMPTION PER UNIT OF PRODUCTION :		
Total Production (M.T.)	2285.23	2298.03
Electricity per M.T. (Rs.)	3325.70	2735.41
LDO per M.T. (Rs.)	NIL	NIL
Coal	NIL	NIL

II. TECHNOLOGY ABSORPTION :-

1 Research and Development (R & D) :

There were no expenditure on Research and Development.

2 Technology absorption, adaption and innovation :

The company has adopted the technology of United Kingdom for aluminium extrusion and efforts are being made to absorb and adopt the technology for maximum indigenisation. However, for the purpose of maintenance and innovation your company has got full expertise available indigenously.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO :-

The company has spent foreign exchange worth Rs. 3.66 lakhs on import of raw materials. The company has also earned foreign exchange to the tune of Rs. 17.98 lakhs during the year under review.

For and on behalf of the Board of
DECORA TUBES LIMITED

Place : INDORE

Date : 28.08.1999

M. B. BAHETI
Chairman & Managing Director