


ANNUAL REPORT AND ACCOUNTS 1999-2000



FOUNDRY FUEL PRODUCTS LIMITED

CERTIFIED TO BE TRUE COPY

For Foundry Fuel Products Ltd.


Company Secretary

FOUNDRY FUEL PRODUCTS LIMITED

Annual Report 1999-2000

CHAIRMAN

N. K. Agarwalla

MANAGING DIRECTOR

S. C. Lala

DIRECTOR

P. K. Agarwalla

SECRETARY

R. K. Sahoo

AUDITORS

Ashok Kedia & Co.

Chartered Accountants

BANKERS

State Bank of India

State Bank of Mysore

Bank of India

FINANCIER

Industrial Development Bank of India

State Bank of India

REGD. OFFICE

8, Waterloo Street

Calcutta - 700 069

HEAD OFFICE

Dhaiya, P. O. Nagnagar

Dhanbad, Bihar

WORKS :

G. T. Road, Govindpur

Dhanbad, Bihar

FOUNDRY FUEL PRODUCTS LIMITED**Annual Report 1999-2000****NOTICE OF THE ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 36th Annual General Meeting of the Members of FOUNDRY FUEL PRODUCTS LIMITED will be held at "MAHAJATI SADAN" (Annexee Building), 166, Chittaranjan Avenue, Calcutta - 700 007, on Friday, the 22nd September, 2000 at 11.30 A.M. to transact the following :

AS ORDINARY BUSINESS

1. To consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2000 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Pramod Kumar Agarwalla, who retires by rotation and being eligible offer himself for re-election.
3. To appoint Auditors of the Company and to fix their remuneration.

8, Waterloo Street
Calcutta - 700 069
8th August, 2000

By Order of the Board

R. K. SAHOO
Secretary

Notes :

1. A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a poll on his/her behalf. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 13th September, 2000 to 22nd September, 2000, both days inclusive.
3. Members who are holding shares in identical order of name (s) in more than one folio are requested to write to the Company quoting their Registered Folio Numbers and enclosing their Share Certificates to enable the Company to consolidate their holding in one folio.

FOUNDRY FUEL PRODUCTS LIMITED**Annual Report 1999-2000****DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

**For the year
ended 31.03.2000
Rs.**

Profit before interest and depreciation		13,07,063
Less : Interest	95,32,249	
Depreciation	57,23,578	
		<u>1,52,55,827</u>
Loss for the year		1,39,48,764
Add : Balance of loss brought forward		<u>7,00,81,003</u>
Balanace of loss carried over		<u>8,40,29,767</u>

PERFORMANCE & PROSPECTS

During the year under review the turnover of the Company has dwindled to Rs. 3.17 crores against Rs. 4.93 crores in last year which was basically due to shortfall in working capital. The loss containing at Rs. 139 lacs against Rs. 259 lacs in the last year despite the Company's efforts to reduce cost and proper financial management. Demand for the product went down in the previous year due to unfavourable market conditions. The situation for the current year is not encouraging till now. However, your Directors are hopeful that the restructuring package submitted to the BIFR in which the concession and reliefs sought are expected to improve the company's profitability as well as ensure its long term viability. In the mean time the Operating Agency of the BIFR namely the IDBI has visited the Company's factory and necessary rehabilitation scheme is under preparation with them. The case is still pending with the BIFR.

FOREIGN EXCHANGE EARNING AND OUTGO

There was no foreign exchange earning and outgo during the year under review.

FOUNDRY FUEL PRODUCTS LIMITED**Annual Report 1999-2000****DIVIDEND**

In view of the losses, your Directors regret their inability to recommend any dividend.

DIRECTORS

Mr. Pramod Kumar Agarwalla will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

COMPULSORY DEMAT

The shares of your Company have been mandated by SEBI for settlement only in dematerialised form by all investors with effect from 27.11.2000. Through dematerialisation of share certificates and screen based trading, the depository system is expected to eliminate the hardship faced by the share holders, particularly, relating to time consuming process of share transfers, loss of share certificates, fake certificates and bad deliveries in the market.

The following stock exchanges on which the securities of your Company are presently listed/traded in permitted category will be linked with both the depositories, NSDL & CDSL to facilitate trading and settlement of dematerialised securities :

- a. The Calcutta Stock Exchange Association Ltd. (CSE)
- b. The Stock Exchange, Mumbai (BSE)
- c. The Stock Exchange, Ahmedabad (ASE)
- d. The Magadh Stock Exchange Association Ltd.

AUDITORS

The Auditors Messrs Ashok Kedia & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible to offer themselves for re-appointment.

AUDITORS' REPORT

Appropriate notes to the Accounts explain the observations in the Auditors' Report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company used electricity as the only form of energy, the consumption of which is very minimal. No such technology absorbed by the Company during the period under review. There is no other information in accordance with the provisions of 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 to be furnished.

FOUNDRY FUEL PRODUCTS LIMITED**Annual Report 1999-2000****PARTICULARS OF EMPLOYEES**

During the year under review none of the employees of the Company was in receipt of remuneration as prescribed in Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, to be furnished.

Y2K COMPLIANCE

Your Company has smoothly rolled over to the new millenium and no failure of computer system was reported.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude for the co-operation and assistance which the Company continues to receive from the Bankers, Financial Institution and other Government and Semi Government bodies as well as the Shareholders. Your Directors also take this opportunity to express their appreciation of the dedicated service rendered by all employees for the smmoth operation of your company during the year.



For and on behalf of the Board

8, Waterloo Street
Calcutta - 700 069
8th August, 2000

N. K. Agarwalla
Chairman

FOUNDRY FUEL PRODUCTS LIMITED**Annual Report 1999-2000****AUDITORS' REPORT**

To
The Members of
Foundry Fuel Products Limited

We have audited the attached Balance Sheet of Messrs Foundry Fuel Products Limited as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date and report that :

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph 1 above :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
 - b) The Company has kept proper books of account as required by law, so far, as appears from our examination of such books.
 - c) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of the Company.
 - d) In our opinion, the Balance Sheet and Profit & Loss Account comply with the Accounting Standards referred to in sub-section 3(c) of section 211 of the Companies Act, 1956.
 - e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to "note no. 8" appearing in "Schedule 17" regarding change in method of valuation of inventories and read with notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i) in so far as it relates to Balance Sheet, of the State of affairs of the Company as at 31st March, 2000 and ;
 - ii) in the case of the Profit and Loss Account, of the Loss of the Company for the year as on that date.

For **ASHOK KEDIA & COMPANY**
Chartered Accountants

4, Gangadhar Babu Lane
Calcutta - 700 012
8th August, 2000

A. K. KEDIA
Partner