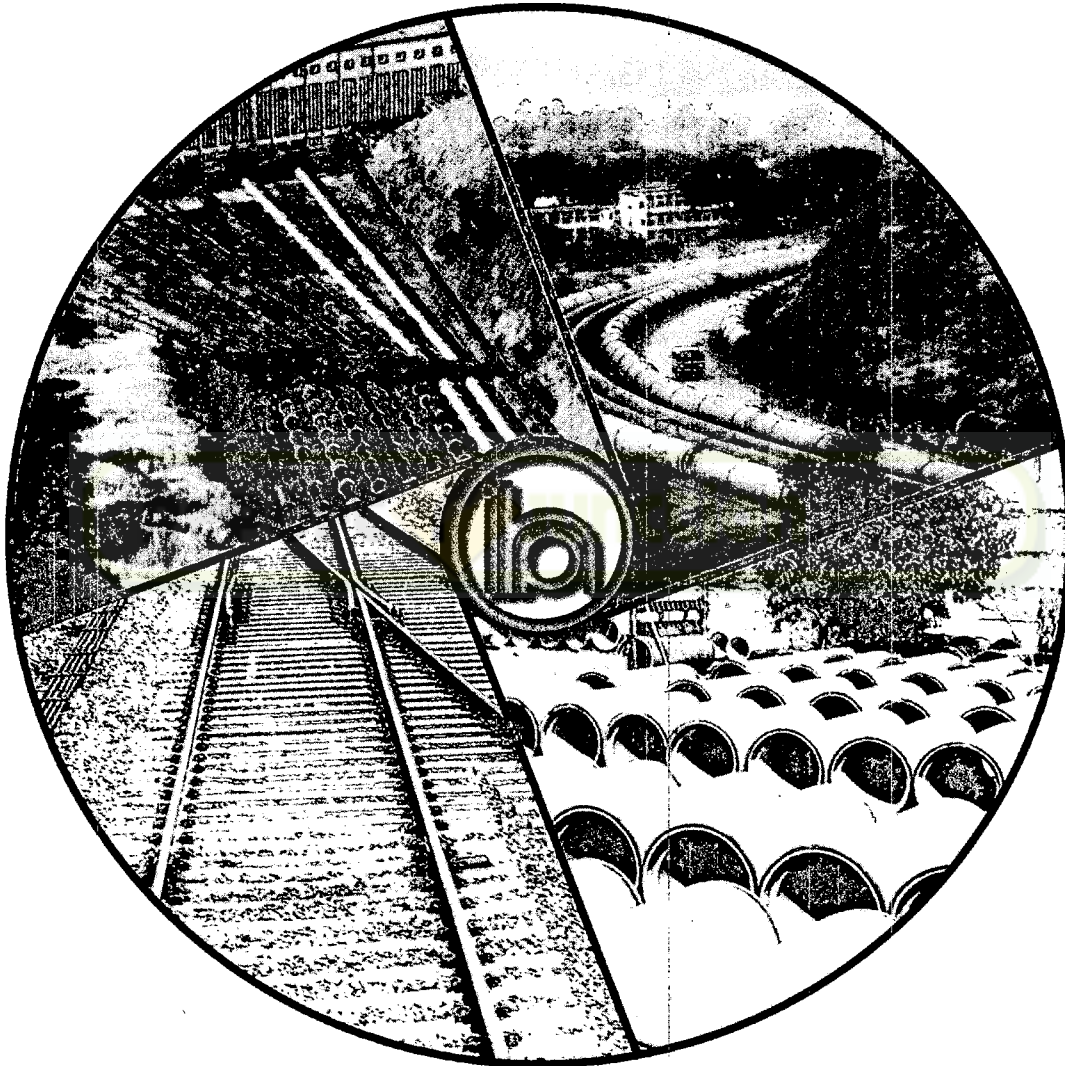
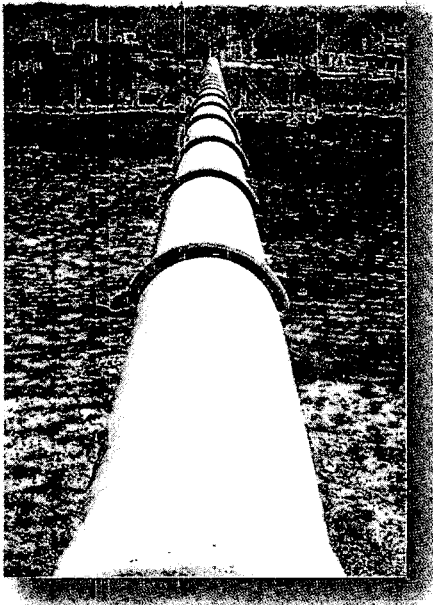


# INDIAN HUME PIPE

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

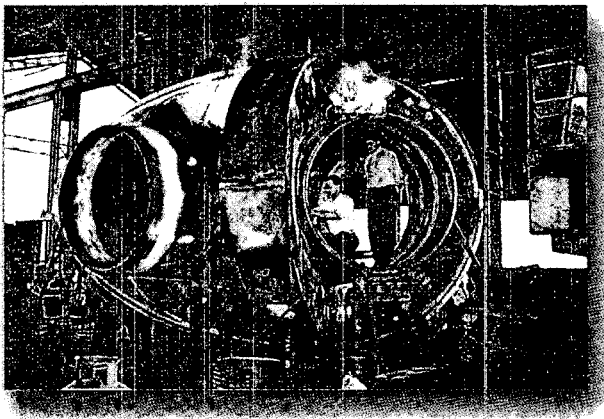
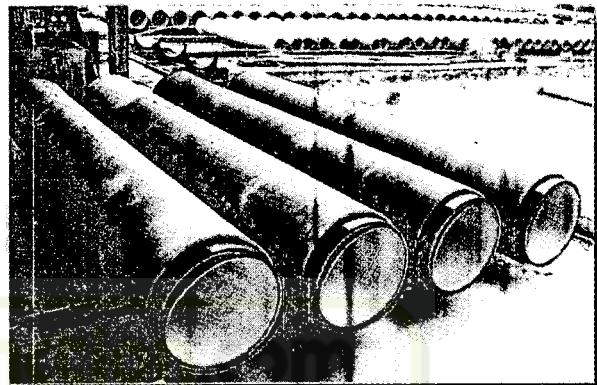


**ANNUAL REPORT**  
**1997-98**



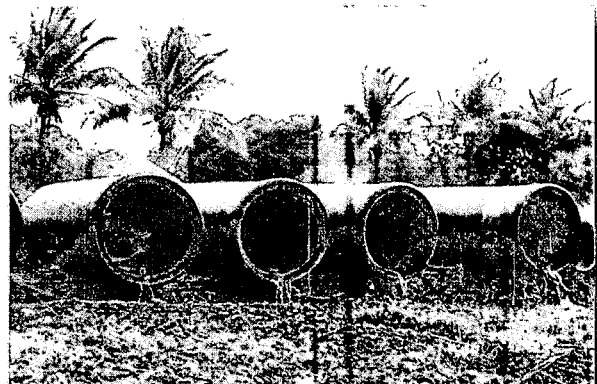
*A view of 1200mm dia PSC pipeline for Bhubaneswar water supply scheme.*

*The newly developed Bar Wrapped Steel cylinder pipes (BWSC)*



*A view of Fabrication of Trifurcation at Hadapsar factory for Bhivpuri Penstock Project*

*The newly developed Prestressed Concrete Cylinder Pipes (PCCP)*



## 72nd Annual Report 1997-98

<b>BOARD OF DIRECTORS</b>	: SHRI RAJAS R. DOSHI, Chairman & Managing Director SHRI C. K. VISSANJI SHRI G. KRISHNAMURTHY SHRI R. S. SHASTRI SHRI AJIT GULABCHAND SHRI P. M. DANDEKAR SMT. JYOTI R. DOSHI SHRI RAJENDRA M. GANDHI SHRI RAMESHWAR D. SARDA
<b>CHAIRMAN EMERITUS</b>	: SHRI BAHUBALI GULABCHAND
<b>COMPANY SECRETARY</b>	: SHRI NARENDRA R. JAIN
<b>EXECUTIVES</b>	: SHRI P. D. KELKAR, Chief Engineer (Prestressed Concrete Division) SHRI P. R. C. NAIR, Chief Engineer (Research & Development Division) SHRI S.K. SOMAN, Deputy Chief Engineer, SHRI A.H. PATEL, Deputy Chief Engineer, SHRI B.RAMASWAMY, Deputy Chief Engineer, SHRI P.R. BHAT, Deputy Chief Engineer, SHRI S.G. KHALADKAR, Controller of Accounts & Finance SHRI M.S. SAMPATKUMAR, Chief Auditor, SHRI J.H. ASHTIKAR, Personnel Manager.
<b>AUDITORS</b>	: M/S K. S. AIYAR & Co., Chartered Accountants, 49, Bombay Samachar Marg, Fort, Mumbai 400 023
<b>SOLICITORS &amp; ADVOCATES</b>	: M/S. DAPHTARY FERREIRA & DIVAN, MUMBAI.
<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>	: M/S. N.D. MANAGEMENT SERVICES PRIVATE LIMITED 516, Sir Vithaldas Chambers 16, Bombay Samachar Marg, Mumbai 400 023 Telephone Nos. : 2048405 & 2084682
<b>BANKERS</b>	: STATE BANK OF INDIA THE BANK OF TOKYO MITSUBISHI LTD. BANK OF BARODA STATE BANK OF HYDERABAD THE SOUTH INDIAN BANK LTD.
<b>REGISTERED OFFICE</b>	: Construction House 5, Walchand Hirachand Marg Ballard Estate, Mumbai 400 001 Telephone Nos. 2618091/2618092 Fax : 2656863 email : ihphobom@bom3.vsnl.net.in
<b>ANNUAL GENERAL MEETING:</b>	WEDNESDAY, 23rd September, 1998 at 4-00 P.M. At Walchand Hirachand Hall, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400020.

# The Indian Hume Pipe Company Limited

## NOTICE

NOTICE is hereby given that the SEVENTY-SECOND ANNUAL GENERAL MEETING of the Company will be held as scheduled below :-

DAY	:	WEDNESDAY
DATE	:	23RD SEPTEMBER, 1998
TIME	:	4.00 P.M.
PLACE	:	Walchand Hirachand Hall, Indian Merchants Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020

AGENDA for the meeting will be as under :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 1998, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on Equity Shares for the year ended 31st March, 1998.
3. To appoint a Director in place of Shri P.M. Dandekar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri C.K. Vissanji, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Smt. Jyoti R. Doshi, who retires by rotation and being eligible, offers herself for reappointment.
6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII as amended up-to-date and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals/sanctions as may be necessary, the Company hereby accords its consent and approval to the reappointment of Shri Rajas R. Doshi as the Chairman & Managing Director of the Company for a further period of 5 (five) years from 1st July, 1998 on the remuneration and perquisites and on other terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as are set out in the draft Agreement to be entered into between the Company and Shri Rajas R. Doshi, a copy whereof initialled by a Director of the Company for the purpose of identification, is placed before this meeting which agreement is hereby specifically approved with liberty to the Board of Directors to increase, alter or vary the terms of the remuneration and perquisites including monetary value thereof as set out in the Agreement at any time and from time to time and in such manner as the Board of Directors may deem fit and as may be agreed to between the Directors and Shri Rajas R. Doshi.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and are hereby authorised to do all acts, deeds, matters and things as the Board of Directors may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 224A of the Companies Act, 1956 M/s. K.S. Aiyar & Co., Chartered Accountants, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to do both continuous and final audit of the Company's accounts for the Financial Year 1998-99 on a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand only) and that they be paid, in addition, any out of pocket and/or travelling expenses they may incur in carrying out their duties as such Auditors."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to fix the remuneration payable to Auditors M/s. K.S. Aiyar & Co., Chartered Accountants in respect of branches of the Company to be audited by them for the Financial Year 1998-99 as required by Section 228 of the Companies, Act, 1956."

8. To consider and if thought fit, to pass, with or without modification, the following resolution, as an Ordinary Resolution:

"RESOLVED THAT the Board of Directors be and they are hereby authorised to appoint any person or persons qualified for appointment, as Auditors of the Company under Section 226 and/or 228 of the Companies Act, 1956 for auditing accounts of



## 72nd Annual Report 1997-98

the Branches of the Company required to be audited under Section 228 of the said Act on such terms and conditions including remuneration as the Board may think fit, for the Financial Year 1998-99, in consultation with the Company's Auditors."

### Registered Office :

Construction House,  
5, Walchand Hirachand Marg,  
Ballard Estate,  
Mumbai 400 001.

By Order of the Board of Directors

**NARENDRA R. JAIN**  
Company Secretary

Dated : 30th July, 1998.

### NOTES :

- (a) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Item Nos. 6, 7 and 8 is annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH 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 48 hours before the time for holding this Annual General Meeting.
- (c) The Register of Members and the Share Transfer Books of the Company will remain closed from MONDAY, the 14th September, 1998 to WEDNESDAY, the 23rd September, 1998 (both days inclusive). The Dividend, if sanctioned, will be paid to those Members, whose names stand on Company's Register as on 23rd September, 1998.
- (d) In accordance with the provisions of Section 205A of the Companies Act, 1956 all unclaimed dividends upto and including for the Financial Year ended 31st March, 1994, have been transferred to the General Revenue Account of the Central Government. Members, who have not encashed their dividend warrants for the said period are requested to claim the same from the Registrar of Companies, Maharashtra, Mumbai in the prescribed manner.
- (e) Members are requested to notify immediately change in their Address, if any, to M/S. N. D. MANAGEMENT SERVICES PVT. LTD., Registrar and Share Transfer Agents of the Company, at their address given elsewhere in this annual Report.
- (f) Members are requested to kindly bring their copies of the Annual Report at the time of attending the Annual General Meeting.
- (g) Members/Proxy-holders are requested to produce at the entrance of the hall, Admission Slip, forwarded to them, duly completed and signed, in accordance with the specimen signature registered with the Company for admission to the Meeting Hall.

# The Indian Hume Pipe Company Limited

## EXPLANATORY STATEMENT

As required by Section 173 of the Companies Act, 1956

### Item No. 6 :

Shri Rajas R. Doshi was appointed as the Chairman & Managing Director of the Company on 14th April, 1994. The Board of Directors of the Company have reappointed Shri Rajas R. Doshi as the Chairman & Managing Director of the Company for a further period of 5 years with effect from 1st July, 1998 to 30th June, 2003.

The principal terms and conditions regarding the payment of remuneration and perquisites etc. proposed to be paid to Shri Rajas R. Doshi from 1st July, 1998 are set out in the draft Agreement placed before the meeting for its approval.

The Directors recommend the reappointment of Shri Rajas R. Doshi as Chairman & Managing Director of the Company for the aforesaid period for the approval of the Members.

The material provisions of the draft agreement are as follows :

#### 1) **Period of Agreement :**

5 Years with effect from 1st July, 1998.

#### 2) **Remuneration :**

a) Salary : Rs.60,000/- per month in the scale of Rs.60,000 - 5000 - 80,000/-

b) Commission :

Commission on the net profits of the Company shall be paid in addition to the salary and perquisites. The quantum of Commission will be limited to the sum total of the Salary and Perquisites for the relevant year. The payment of commission shall however be subject to the overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956.

#### 3) **Perquisites :**

In addition to the above, the Chairman & Managing Director shall be entitled to the following perquisites restricted to an amount equal to the annual salary :

i) Housing :

Fully furnished residential accommodation or house rent allowance @ 60% of the Salary.

The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall be, however, subject to a ceiling of ten percent of the salary of the Chairman & Managing Director.

ii) Medical Reimbursement :

Reimbursement of actual Medical Expenses incurred by Chairman & Managing Director in India and/or abroad, including hospitalisation for himself and his family.

iii) Leave Travel Concession :

For the Chairman & Managing Director and his family once in a year incurred in accordance with the rules specified by the Company.

iv) Club Fees :

Fees of clubs subject to a maximum of three clubs. This will not include admission and life membership fees.

v) Personal Accident Insurance :

Premium not to exceed Rs.10,000/- per annum.

Explanation :

For the aforesaid purpose 'family' means the spouse and the children of the Chairman & Managing Director.

vi) The Company's contribution to Provident Fund and Superannuation or Annuity Fund as per rules of the Company. However, Company's contribution towards Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

## 72nd Annual Report 1997-98

Gratuity as per rules of the Company but shall not exceed half a month's salary for each completed year of service.

The Chairman and Managing Director will be entitled for privilege leave on full pay and allowance and/or encashment thereof as per the rules of the Company. However, the encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

The Company shall provide Car with Driver to the Chairman and Managing Director for use on Company's business and shall also provide at his residence Telephone, Telefax and other communication facilities. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Chairman & Managing Director.

Entitled to reimbursement of all entertainment expenses incurred in the course of the business of the Company.

### Minimum Remuneration :

If the Company has no profits or the profits are inadequate in any financial year/s during the term of his office as the Chairman and Managing Director, Shri Rajas R. Doshi will be entitled to receive the above remuneration and perquisites as minimum remuneration. However any excess over the limit on minimum remuneration prescribed under the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 shall be payable to the Chairman and Managing Director with the approval of the Central Government, if so required.

The Explanatory Statement together with the notice should be treated as an abstract of the terms of reappointment of Shri Rajas R. Doshi as Chairman & Managing Director and memorandum of interest under Section 302 of the Companies Act, 1956.

The draft Agreement to be made between the Company and Shri Rajas R. Doshi, Chairman and Managing Director will be available for inspection by the members of the Company at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company upto and including the date of Annual General Meeting.

None of the Directors except Shri Rajas R. Doshi and Smt. Jyoti R. Doshi, who is his wife, are concerned or interested in this resolution.

### Item No. 7 :

Messrs K.S. Aiyar & Co., Chartered Accountants have been working as Auditors of the Company since inception of the Company. As required by Section 224 of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1974, Messrs K.S. Aiyar & Co. have sent Certificate to the Company that their re-appointment if made, will be in accordance with the limits specified in Subsection (1-B) of the said Section 224 of the said Act. It may be further clarified that a Special Resolution is necessary for the appointment of the Auditors, under the provisions of Section 224A of the Companies Act, 1956 as the Financial Institutions, Banks and Insurance Companies together hold more than 25% of the subscribed Share Capital of the Company.

None of the Directors of the Company is concerned or interested in this resolution.

### Item No. 8 :

Pursuance to the provisions of Section 228 of the Companies Act, 1956 it is proposed that the Accounts of the Branches of the Company may be audited otherwise than by Company's Statutory Auditors. Hence, the Company in General Meeting will have to authorise the Board of Directors to appoint such person or persons Pursuant to the provisions of Section 228 of the Companies Act, 1956 who are qualified for appointment as Auditors of the Company under Section 226 and/or 228 of the said Act, for auditing the accounts of the Company's branches otherwise than by Company's auditors in consultation with Company's Auditors.

None of the Directors of the Company is concerned or interested in this Resolution.

### Registered Office :

Construction House,  
5, Walchand Hirachand Marg,  
Ballard Estate,  
Mumbai 400 001.

By Order of the Board of Directors

**NARENDRA R. JAIN**  
Company Secretary

Dated : 30th July, 1998.

# The Indian Hume Pipe Company Limited

## DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors are pleased to present to you the Annual Report on the business operations of the Company, together with the audited statement of accounts, for the Financial Year ended 31st March, 1998.

### FINANCIAL RESULTS :

	This Year		Previous Year	
	Rs.	Rs.	Rs.	Rs.
THE NET PROFIT IS :		<b>3,64,41,893</b>		2,93,23,528
After providing for				
i) Depreciation :	<b>1,20,78,928</b>		1,22,40,357	
ii) Taxation :	<b>2,56,50,000</b>		95,00,000	
Add : Balance Brought Forward from last year :		<b>4,62,96,834</b>		4,67,68,110
<b>Surplus available for allocation :</b>		<b>8,27,38,727</b>		7,60,91,638
ALLOCATION :				
Investment Reserve :		<b>1,49,000</b>		2,29,000
Reserve for doubtful debts :		—		10,39,110
Proposed Dividend :		<b>85,26,694</b>		77,51,540
Tax on proposed Dividend :		<b>8,52,670</b>		7,75,154
General Reserve :		<b>2,00,00,000</b>		2,00,00,000
Surplus Carried to Balance Sheet :		<b>5,32,10,363</b>		4,62,96,834
<b>TOTAL :</b>		<b>8,27,38,727</b>		7,60,91,638

### DIVIDEND :

In the light of the improved performance of the Company, your Directors are pleased to recommend to the Members a higher Dividend of 22% as compared to 20% paid for the previous year on the Equity Shares of the Company.

### DEBENTURES :

Your Company has already redeemed substantial amount of its Debentures and only the last installments are outstanding. The position is as under:

- (i) 50,000 13.5% Convertible Debentures of the aggregate original value of Rs.1.00 Crore  
Only Rs. 10.00 Lakhs is outstanding, i.e. the last installment @ Rs.20/- per debenture is due for redemption on 1st October, 1998.
- (ii) 2,00,000 14% Non-Convertible privately placed Debentures of the aggregate original value of Rs. 2.00 Crores.  
The balance outstanding against these Debentures is Rs. 40.00 lakhs which is due for redemption on 28th February, 1999. Your Directors confirm that the proceeds of these debentures are being utilised for the purpose for which they were issued.

Thus, both the above Debentures will be fully redeemed during the Financial Year 1998-99 itself.

### FACTORIES/PROJECTS :

The Company's factories at Arkkonam and Hubli and project establishment at Bhira were permanently closed. Thus, the total number of factories and project establishments as on the date of the report was 40.

### HIGHLIGHTS OF WORKING :

Following are the Highlights of working of your Company during the period under report :

#### (a) Water Supply and Sewerage Projects :

Your Company has **successfully completed** the following major works :-

- i] In all 15.45 Kms. long Pipelines for various Schemes under the Chief General Manager (Projects), World Bank Construction Circle, Hyderabad Metropolitan Water Supply & Sewerage Board, Hyderabad of the total value of Rs. 12.11 Crores.
- ii] 16.75 Kms. long Raw Water Main and Clear Water Main for Water Supply to Kangayam a project of TWAD Board, Coimbatore, valued at Rs. 5.50 Crores.
- iii] 21.79 Kms. long Pipeline for Vijayanagaram Water Supply Scheme of PHE Circle, Visakhapatnam which was completed within the scheduled time limit of 12 months, valued at Rs. 5.37 Crores.
- iv] 21.30 Kms. long Pipeline for Koppal Water Supply Scheme of Karnataka Urban Water Supply & Drainage Board, valued at Rs. 3.79 Crores.
- v] 13.40 Kms. long Pipeline for Kumbakonam Water Supply Scheme of TWAD Board, Tanjore, Tamil Nadu, valued at Rs. 3.76 Crores, received during the year.



## 72nd Annual Report 1997-98

- vi] 13.00 Kms. long Pipeline for Deoli Growth Centre Water Supply Scheme of MIDC, Nagpur, valued at Rs. 3.10 Crores.
- vii] 10.00 Kms. long Steel Pipeline for Transmission Main from Tavarekere towards Bangalore and the Cauveri Project Mechanical Division, Malleswaram for Bangalore Water Supply & Sewerage Board, valued at Rs. 2.78 Crores.
- viii] 1.00 Kms. long Special Type PSC Pipes and lined & outcoated Specials for the Enron Power Project through M/s Afcons Infrastructure Limited, Mumbai, valued at Rs. 1.50 Crores.
- ix] Your Company has Exported 4 Nos. R.C.C. Pipe-Moulds of 1400mm dia to M/s Albilad Concrete Company of Saudi Arabia, valued at Rs. 13.33 Lacs.

A number of important Projects are **nearing completion and/or progressing well**. Noteworthy among them are -

- i) 5.00 Kms. long RCC Pipes for A-Main Sewerage Scheme, a World Bank aided Project of Hyderabad Metropolitan Water Supply & Sewerage Board, Hyderabad of the value of at Rs. 12.52 Crores.
- ii) 38.50 Kms. long PSC Pipeline for Kota Water Supply Scheme of PHED, Kota of the value of Rs. 9.05 Crores.
- iii) 31.90 Kms. long PSC Pipeline for Rasipuram Water Supply Scheme of TWAD Board, Coimbatore of the value of Rs. 8.80 Crores.
- iv) 26.80 Kms. long PSC Pipeline for Mehaboobnagar Water Supply Scheme of PHED, Hyderabad of the value of Rs. 8.23 Crores.
- v) The supply of PSC and Mild Steel Pipes to M/s. Malvika Steel Ltd., Jagdishpur against their orders worth Rs. 8.09 Crores which was at standstill for some time has now restarted.
- vi) Two Pipelines of 23.05 Kms. length for water supply to TACID Industrial Growth Centres, Perundurai against order from TWSD of the value of Rs. 4.77 Crores.
- vii] 14.64 Kms. long Pipeline for Water Supply to M/s. Sterlite Industries, Tuticorin of the value of Rs. 4.57 Crores.
- viii] 20.00 Kms. long PSC Pipeline for Koppal Water Supply Scheme from Karnataka Urban Water Supply & Drainage Scheme of the value of Rs. 3.00 Crores.
- ix) 10.10 Kms. long PSC Pipeline for Wanaparthi Water Supply Scheme of PHED, Hyderabad of the value of Rs. 2.48 Crores.
- x) Augmentation of Degloor Water Supply Scheme PSC Gravity Main of Maharashtra Water Supply & Sewerage Board of the value of Rs. 2.00 Crores.
- xi) 5.50 Kms. long Pipeline for M/s. Birla Cellulosic, Kharach, Dist. Bharuch of the value of Rs. 1.87 Crores.
- xii] 15.00 Kms. long Pipeline for Murtizapur Growth Centre of MIDC, Amravati of the value of Rs. 1.73 Crores.
- xiii] 2.44 Kms. long NP-3 Class (S&S) RCC Pipes for Somajiguda Drainage Scheme of Hyderabad Metropolitan Water Supply & Sewerage Board of the value of Rs. 1.72 Crores.
- xiv) 6.70 Kms. long PSC Pipes for Jamnagar Rising Main Water Supply Scheme of Jamnagar Municipal Corporation of the value of Rs. 1.09 Crores.

Some of the **noteworthy New Orders secured** by your Company are :

- [i] For 4.60 Kms. 2400 mm dia. M. S. Pipes of the value of Rs. 20.73 Crores for Urmodi Lift Irrigation Scheme at Satara of Maharashtra Krishna Valley Development Corporation.
- [ii] For 21.00 Kms. 500mm to 800mm dia. PSC Pipes of the value of Rs. 5.43 Crores for Water Supply to Combined Cycle Power Plant Project at Bidadi from M/s. Bidadi Power Corporation Ltd., Bangalore.
- [iii] For 4.20 Kms. 1200mm dia. PSC Gravity Main of the value of Rs. 1.98 Crores for Kurnool Water Supply Scheme from Public Health Engineering Department, Hyderabad.
- [iv] For 14.20 Kms. 350mm dia. PSC Pipes of the value of Rs. 1.81 Crores for Nilakottai Water Supply Scheme from TWAD Board, Madurai.
- [v] For 5.30 Kms. 420mm/720mm dia. PSC Pipes of the value of Rs. 1.39 Crores for Madurai Feeder Main Water Supply Scheme from TWAD Board, Madurai.
- [vi] For 10.70 Kms. 610mm dia. PSC Pipes of the value of Rs. 1.27 Crores for Mandya Water Supply Scheme from Karnataka Urban Water Supply & Sewerage Board, Mysore.
- [vii] For 6.91 Kms. 420mm dia. PSC Pipes of the value of Rs. 1.21 Crores for Water Supply to Palayamkottai from TWAD Board, Madurai.
- [viii] For 11.22 Kms. 400mm dia. PSC Pipes of the value of Rs. 1.08 Crores for Malavai Water Supply Scheme from Karnataka Urban Water Supply & Sewerage Board, Mysore.

### (b) Power Projects :

- (i) The work of Fabrication of Penstocks for Koyna Hydro Electric Project Stage-IV is completed and the Erection of the same is in progress. This is expected to be completed during the year 1998-99.
- (ii) Erection of Steel Liner work in Pressure Shafts Lines Nos. 4 and 5 for Narmada Project has been completed and the finishing/painting work is in progress. Erection of line No. 6 is in progress. This work is expected to be completed by June, 1999.

# The Indian Hume Pipe Company Limited

- (iii) Fabrication of Penstock for Tata Electric Companies' 24 K.W. Hydro Power Plant at Bhivpuri as per order received from M/s. Larsen & Toubro Ltd. (E.C.C. Construction Group) of the total value of Rs.5.42 Crores is progressing well.
- (iv) The Company has received an Order of the value of Rs.13.12 Crores from M/s. Nathpa Jhakri Joint Venture for Fabrication and Erection of Steel liners for the Nathpa Jhakri Hydro Electric Project in Himachal Pradesh.

## (c) Railway Sleepers :

Manufacture and Supply of PSC Sleepers for Central Railway as per their existing Order is in progress. The balance quantity as on 31st March 1998 was 65, 277 Sleepers.

## INDUSTRIAL RELATIONS :

By and large, the Industrial relations remained peaceful and cordial during the period under report.

## INCOME TAX ASSESSMENT :

The Income-tax assessments of your Company have been completed till the Financial Year ended 31st March, 1995. Company's appeals against assessment orders for the Financial years ended 31-03-1983 to 31st March, 1995 are pending with the Appellate Authorities. The amount involved in appeal is Rs.641.89 Lakhs.

## FIXED DEPOSITS :

Fixed Deposits of the total amount of Rs. 3,44,000/- from 62 Depositors, which became due for repayment on or before 31st March, 1998 were not claimed by the Depositors as on that date. Out of the same, deposits of Rs.68, 000/- from 14 Depositors have been either repaid or renewed till the date of this report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO :

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 relating to foregoing matters, wherever applicable, is given by way of an Annexure and forms part of this report.

### [a] Conservation of Energy :

Effective control measures/systems to conserve energy are already in force at our establishments. Consciousness of energy conservation is also cultivated among the employees to optimise the use of Electricity/ Fuel, etc.

### [b] Technology Absorption, Adaptation and Innovation :

The required information in the prescribed FORM-B under the Companies Act, 1956 in respect of technology absorption is given in the Annexure forming part of this report.

### [c] Foreign Exchange Earnings and Outgo :

The required information in respect of foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the Financial Year ended 31st March, 1998.

## DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and Article 152 of the Articles of Association of the Company Shri P.M. Dandekar, Shri C.K. Vissanji and Smt. Jyoti R. Doshi, Directors of the Company, retire by rotation and being eligible, offer themselves for reappointment.

Your Board of Directors have reappointed Shri Rajas R. Doshi as Chairman & Managing Director of the Company for a further period of Five Years with effect from 1st July, 1998 in view of his valuable contribution to the progress of the Company. The Directors recommend to the Shareholders the Resolution under Item No. 6 of the Notice of this Annual General Meeting.

## PARTICULARS OF EMPLOYEES :

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and under Section 217(1)(e) of the said Act read with the Companies (Disclosures of particulars in the Report of the Board of Directors) Rules 1988 forms part of this report. However, as per provisions of Section 219(1)(b)(iv) of the Companies Act, 1956 the Report and Accounts are being sent to the Shareholders excluding the aforesaid information. Any Shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

## APPOINTMENT OF COST AUDITORS :

The Company has appointed Shri V. V. Deodhar, Cost Auditor, to do the Cost Audit in respect of one of the Company's products, viz. Steel Pipes and Specials for the Financial Year ending 31st March, 1999 and necessary approval for the same has also been received from the Central Government.

## AUDITORS :

You are requested to appoint Auditors for the current year and fix their remuneration.

The Directors wish you all good health, wealth and prosperity.

## Registered Office :

Construction House,  
5, Walchand Hirachand Marg,  
Ballard Estate,  
Mumbai 400 001

Dated: 30th July, 1998.

For and on behalf of the Board of Directors

**RAJAS R. DOSHI**

Chairman and Managing Director