

14th Annual Report 2000-2001

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Ruchi
Strips & Alloys Ltd.

RUCHI STRIPS AND ALLOYS LIMITED**BOARD OF DIRECTORS**

Mr. Kailash Chandra Shahra - Chairman
 Mr. Santosh Kumar Shahra - Vice - Chairman
 Mr. Umesh Shahra - Managing Director
 Mr. P.S. Santhanakrishnan - Director
 Mr. Ashok Khasgiwala - Director
 Mr. Veer Kumar Jain - Director
 Mr. Sudama Ram - Director (Nominee IFCI Ltd)

AUDITORS

Arun Maheshwari & Company
 8/9, Mahesh Nagar, Indore

REGISTERED OFFICE

Village-Sejwaya,
 Chhattabillod,
 District-Dhar-454773 (M.P.).

REGISTRAR & SHARE TRANSFER AGENT

Avanti Finance Limited
 Avanti House,
 170/10, Film Colony,
 R.N.T. Marg,
 Indore (M.P.) 452 001.

FACTORY

Village : Sejwaya,
 District : Dhar-454773 (M.P)

BANKERS

State Bank of India
 State Bank of Saurashtra
 State Bank of Indore
 Dena Bank

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Members are requested to bring their copy of Annual Report alongwith them at the General Meeting

Annual General Meeting will be held on Friday, 28th September, 2001 at 4.00 p.m. at Factory Premises, Village-Sejwaya, Chhattabillod, District-Dhar (M.P)

RUCHI STRIPS AND ALLOYS LIMITED**NOTICE**

Notice is hereby given that the Fourteenth Annual General Meeting of the members of Ruchi Strips & Alloys Ltd. will be held at Factory premises, Village-Sejwaya, Chattabillod, District-Dhar-454773, Madhya Pradesh on Friday, 28th September, 2001 at 4.00 P.M. to transact the following business;

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2001 and the Profit & Loss Account for the year ended on that date together with the reports of Directors and Auditors thereon;
2. To appoint a Director in place of Shri Santosh Kumar Shahra, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri P.S. Santhanakrishnan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of Next Annual General Meeting and to fix their remuneration.

By order of the Board of Directors

Regd. Office:
Village-Sejwaya,
Chattabillod,
District-Dhar (M.P)

Place : Indore
Dated : July 31, 2001

UMESH SHAHRA
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during 2.00 p.m to 5.00 p.m on all working days upto the date of Annual General Meeting.
3. Members who are holding shares in identical orders of name in more than one Folios may request the Company's Registrar & Share Transfer Agent to consolidate their holdings in one Folio.
4. Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 2001 to 28th September, 2001 (both days inclusive).
5. Members are requested to bring their copies of Annual Report alongwith them at the Annual General Meeting.
6. Members desiring any information relating to this Annual Report are requested to write to the Company atleast 10 days before the date of Annual General Meeting to enable the Management to keep the information available at the Meeting.

By order of the Board of Directors

Regd. Office:
Village-Sejwaya,
Chattabillod,
District-Dhar (M.P)

Place : Indore
Dated : July 31, 2001

UMESH SHAHRA
Managing Director

ANNUAL REPORT 2000-2001**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting Fourteenth Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March, 2001.

	31.03.2001	[Rs. in Lacs] 31.03.2000
1. FINANCIAL RESULTS		
Sales & Other Income	13,498.51	15,557.55
Gross Profit	150.85	875.90
Depreciation and Interest	739.30	817.79
Profit / (Loss) Before Tax	(588.45)	58.11
Provision for Tax	-	6.10
Profit / (Loss) After Tax	(588.45)	52.01

Due to the Loss during the year, your Directors express their inability to recommend any dividend for the year under review.

2. OPERATIONS

During the year under review, the sales and other income was Rs. 13498.51 lacs as compared to the previous year figures of Rs. 15557.55 lacs. The production of finished goods was 44102.723 MT during the year 2000-2001.

3. PROSPECTS

The Company's performance during the year 2000-2001 was badly affected by the installation of over capacity in the Industry. This was also affected by the slackness in the demand of CR, levy of Anti dumping duty on the HR Coils of Russian Origin and other factors. The management is of the view that the new capacity will be settled in the market shortly. The company is also concentrating on the export front and trying to maximise its exports. During the year 2000-2001 the company had exported 11355.400 MT of CR Coils as against previous year export of 6377.315 MT. During the current year 2001-2002 company is trying to maintain the level of exports. The company's overall Export turnover during the year was Rs. 2929.12 lacs as compared to Rs.1548.58 lacs during the previous year registering an increase of around 89.15% over the previous year. The profit margin were under pressure due to the steep competition arising out of large imports at reduced rates of import duty as part of government policy of liberalisation.

4. PUBLIC DEPOSITS

The Company has not accepted or invited any deposits from public during the year under review.

5. INSURANCE

All the properties and insurable interest of the Company including building, plant and machinery and stocks have been adequately insured.

6. DIRECTORS

Shri Santosh Kumar Shahra and Shri P.S. Santhanakrishnan retires by rotation in accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company and being eligible, offer themselves for re-appointment.

During the current year IFCI had withdrawn the nomination of Shri K.R. Rajora from the Board of Directors of the Company and nominated Shri Sudama Ram as their new nominee. The board places on record its appreciation for the valuable guidance received from Shri K.R. Rajora during his tenure as director.

RUCHI STRIPS AND ALLOYS LIMITED

7. AUDITORS

The Auditors of the Company M/s Arun Maheshwari & Company, Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment. The comments of the Auditors read with the relevant notes to the accounts are self-explanatory and hence, do not require any clarification.

8. AUDIT COMMITTEE

Pursuant to the provisions of new Section 292A of the Companies Act, 1956 and the provisions of the listing agreement with the Stock Exchanges, your Company had constituted the Audit Committee of the Board of Directors with the following composition:

- 1) Mr. Ashok Khasgiwala - Chairman
- 2) Mr. P.S.Santhanakrishnan
- 3) Mr. Veer Kumar Jain

This Committee has reviewed the accounts for the year ended 31st March, 2001. Subsequently the composition has been changed by induction of one more Nominee Director and the revised composition is as follows:

- 1) Mr. Ashok Khasgiwala - Chairman
- 2) Mr. P.S.Santhanakrishnan
- 3) Mr. Veer Kumar Jain
- 4) Mr. Sudama Ram

9. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 217 (2AA) of the Companies Act, 1956 the Directors of your Company confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- d) that they have prepared the annual accounts on a going concern basis.

10. PARTICULARS OF EMPLOYEES

None of the employee of the company was paid remuneration in excess of the limit, therefore, the particulars of employees, as required by the provision of section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of Employee) Rules, 1975, as amended by the Companies (Amended) Act, 1988 are nil.

11. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY & FOREIGN EXCHANGE ETC.

Details of Energy Conservation and Research and Development activities undertaken by the Company alongwith the 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 the Board of Directors) Rules, 1988 are given in Annexure - A to the Directors' Report.

ANNUAL REPORT 2000-2001**12. EXPORTS**

During the year 2000-2001, Company has made export of Rs.2929.12 lacs as compared to Rs. 1548.58 lacs during the previous year registering an increase of around 89.15%.

13. INDUSTRIAL RELATIONS

Relations with the employees continued to remain cordial throughout the year. Your Directors wish to place on record their appreciation for sincere and dedicated services rendered by the executives, staff and workers at all levels.

14. ACKNOWLEDGMENT

Your Directors acknowledge with gratitude and wish to thanks IFCI Limited (formerly known as Industrial Finance Corporation of India Ltd) and other Financial Institutions, State Bank of India, State Bank of Indore, State Bank of Saurashtra, Dena Bank and suppliers for their valued support and co-operation.

Your Directors deeply acknowledge the trust and confidence, you have placed in them and also wish to place on record their appreciation for the confidence shown by you in past years.

For and on behalf of the Board of Directors

Place : Indore
Dated : July 31, 2001

KAILASH CHANDRA SHAHRA
CHAIRMAN

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UCHI STRIPS AND ALLOYS LIMITED**ANNEXURE TO THE DIRECTORS' REPORT****ANNEXURE - A**

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2001:

FORM - A

Form for disclosure of particulars with respect to conservation of energy.

A. POWER AND FUEL CONSUMPTION

	2000-2001	1999-2000
1. Electricity		
a. Purchased Unit (KWH)	96,78,718	1,17,74,333
Amount (Rs.)	4,25,63,755	5,06,71,772
Rate/Unit (Rs.)	4.40	4.30

B. OWN GENERATION

1. i) Through Diesel Generator	Nil	Nil
ii) Through Steam Generator	Nil	Nil
2. Coal	Nil	Nil
3. Furnace Oil	Nil	Nil
4. Others		
a. HSD		
Quantity (Ltrs)	3,07,360	9,08,350
Total Amount (Rs.)	39,02,952	1,01,70,164
Avg. Rate (per Ltr.)	12.70	11.20
b. L.P.G	Nil	Nil
c. Kerosene (Ltrs)	5,99,000	6,84,010
Total Amount	81,81,248	59,24,904
Avg. Rate (per Ltr)	13.66	8.66

C. CONSUMPTION PER UNIT OF PRODUCTION (PMT)

Product : Cold Rolled Steel Strips/Sheets		
Electricity (KWH)	219.46	215.81
Coal	Nil	Nil
Furnace Oil	Nil	Nil
Others		
a. HSD (Ltrs.)	6.97	16.65
b. L.P.G (Ltrs)	Nil	Nil
c. Kerosene (Ltrs.)	13.58	12.54