

**India Forge**

MD	✓		BKC	✓
CS	✓		DPY	✓
RO	✓		DIV	✓
TRA	NA		AC	✓
ACM	✓		SHI	✓
YE	✓			✓

## 37th Annual Report

### 1996 - 97

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**INDIA FORGE AND DROP STAMPINGS LIMITED**

INDIA FORGE & DROP STAMPINGS LTD.

37th ANNUAL GENERAL MEETING

DAY : SATURDAY  
DATE : 27TH SEPTEMBER 1997.  
TIME : 11 A.M.  
VENUE : REGD. OFFICE.  
54, FACIT AVENUE  
OLD MAHABALIPURAM ROAD  
KANDANCHAVADI  
CHENNAI 600 096.

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The Company has arranged transport for the benefit of Shareholders which will leave from Madhya Kailash Temple located at the entrance of Old Mahabalipuram Road at 10.30 a.m. on 27.9.97.

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## INDIA FORGE & DROP STAMPINGS LTD.

### DIRECTORS

R.K. CHARI, *Chairman*  
 DIPAK RAJ SOOD, *Vice Chairman & Managing Director*  
 V. DWARAKNATH REDDY  
 R.G.PRESSWALA  
*(Nominee of LIC of India)*  
 G. KRISHNAN  
 RAKESH SOOD  
 A.K. MITRA, *Whole Time Director*

### PRINCIPAL EXECUTIVES

D.R. SOOD, *Vice Chairman & Managing Director*  
 RAKESH SOOD, *Director*  
 A.K.MITRA, *Whole Time Director*  
 M.CHANDIRAMANI, *Executive Director*  
 N.K. OBEROI, *Vice President*  
 R.SUBRAMANIAN, *Secretary*

### AUDITORS

SINGHI & CO., CHENNAI

### BANKERS

SYNDICATE BANK  
 BANK OF BARODA  
 STATE BANK OF MYSORE  
 ANZ GRINDLAYS BANK

### REGISTERED OFFICE

54, FACIT AVENUE, KANDANCHAVADI.  
 CHENNAI - 600 096.

### PLANTS

PUNE, FARIDABAD, AMBATTUR,  
 MARAIMALAI NAGAR.

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**INDIA FORGE AND DROP STAMPINGS LIMITED**

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**India Forge and Drop Stampings Limited**

Regd. Office. 54, Facit Avenue, Kandachavadi, Chennai - 600 096.

**NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the Thirty Seventh Annual General Meeting of the Members of the Company will be held at 11 A.M. on Saturday the 27th September, 1997 at the Registered Office of the Company at 54, Facit Avenue, Old Mahabalipuram Road, Kandanchavadi, Madras - 600 096.

1. To receive and adopt the Director's Report, the Audited Profit and Loss Account and the Balance Sheet for the year ended 31st March 1997.
2. To declare Dividend on Equity Shares.
3. To elect a Director in place of Shri. G.Krishnan who retires by rotation and is eligible for re-election.
4. To elect a Director in place of Shri Rakesh Sood who retires by rotation and is eligible for re-election.
5. To appoint Auditors and fix their remuneration. The retiring Auditors, M/s. Singhi & Co., are eligible for re-appointment.

By order of the Board  
for **INDIA FORGE & DROP STAMPINGS LTD**

Chennai  
26th July 1997.

(Sd/-) **(DIPAK RAJ SOOD)**  
Vice Chairman & Managing Director

**Notes**

1. A member entitled to attend and vote is entitled to appoint one or more proxies to attend instead of himself and the proxy need not be a member.
2. The instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid Meeting.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 23.9.1997 to 27.9.1997 (both days inclusive).
4. The dividend (tax free) that may be declared at this meeting shall be payable to those Shareholders whose names appear on Register of Members of the Company on 27th September 1997 or their mandatees.

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Thirty seventh Annual Report and Audited Balance Sheet as at 31st March 1997.

### WORKING RESULTS

	Year ended 31-03-1997	Year ended 31-03-1996
	Rupees in Lakhs	
Turnover	5486	4514
Gross Profit before interest and depreciation & Provision for Taxation	457	478
Interest	197	213
Depreciation	156	138
Provision for Taxation	40	61
Net Profit	64	66
Carried forward from last year	2	6
Proposed Dividend (including tax on distributed profits)	53	45
Transfer to General Reserve	5	25
Surplus carried to Balance Sheet	8	2

### PERFORMANCE

During the year ended 31st March, 1997 the Company has recorded a turnover of Rs. 55 Crores against Rs.45 Crores achieved in the previous year registering an increase of 22% .

An outstanding feature of this financial year is the settlement reached before the Hon'ble Supreme Court with the workmen of our Ambattur unit which has remained closed since January, 1984. This settlement, though calls for a higher outgo of funds, has laid to rest the long drawn out legal battle.

### DIVIDEND

Your Directors have pleasure in recommending a tax free dividend of 16 % including proportionately, the increase in the Paid-up Capital of the Company for the year ended 31st March, 1997.

### PROSPECTS

Anticipating a sustained growth in demand, the Company had strengthened its manufacturing facilities over the last three years. Some equipment from our Ambattur plant has been diverted to our plants at Pune, Faridabad and Maraimalai Nagar. The Company is also exploring the possibilities of disposing unusable assets at Ambattur.

Even though the year under review witnessed a strong demand for our products, there has been a slowing down during the current year. Lately our customers manufacturing heavy and light commercial vehicles, two wheelers and other Auto ancillary products have experienced a marked reduction in demand. This has led to large scale cancellation of schedules affecting our production and sales. We hope that this phenomenon would be short lived and that demand for our products will be revived in the not too distant future.

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**INDIA FORGE AND DROP STAMPINGS LIMITED**

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**EXPORTS**

The Company continues to make efforts to export its products. While only a marginal improvement was achieved during the year under review, a lot of items are under development and we hope that exports will constitute a much larger percentages of our sales in the coming years.

**CAPITAL**

During the year under review, the Company increased its Paid-Up Capital from Rs.250 Lakhs to Rs.375 Lakhs on the basis of a Rights Issue. The Directors are happy to note that with the over-whelming response from the Shareholders, the issue was fully subscribed.

**DIRECTORS**

Shri G. Krishnan and Shri Rakesh Sood, Directors of the Company retire by rotation from the Board under Article 138 of the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offer themselves for re-election.

**DEPOSITS**

The Company has not obtained any deposit from Public or from Shareholders.

**AUDITORS**

The Statutory Auditors M/s Singhi & Co., Chartered Accountants retire and are eligible for re-appointment. They will also audit the branch accounts of the Company maintained at Faridabad and Pune.

**PARTICULARS OF EMPLOYEES**

The details pertaining to the employees as required by Section 217(2A) of the Companies Act, 1956 are furnished in the statement annexed hereto which forms part of this report.

**ACKNOWLEDGEMENT**

Your Directors acknowledge the continued assistance extended by the Customers, Financial Institutions, and Banks. Your Directors also wish to place on record their appreciation of the excellent contribution made by all ranks of employees throughout the year. Your Directors also thank the Shareholders for their continued patronage and support to the Company.

CHENNAI  
26-07-1997

**D.R. SOOD**  
Vice Chairman & Managing Director

## ANNEXURE TO DIRECTORS' REPORT

Statement Pursuant to Section 217(2A) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988 and Companies (Particulars of Employees) Rules 1975.

Name	Designa- tion Nature of duties	Remune- ration (Rs.in Lakhs)	Qualifi- cation	Experi- ence (Years)	Date of Commen- cement of Employment	Age (Years)	Previous Employ- ment
A. Employed throughout the Financial Year under review and were in receipt of remuneration aggregating to not less than Rs.3,00,000							
Dipak Raj Sood	Vice Chairman & Managing Director	10.06	B.Com	35	01.02.1976	55	Mg. Director Sudsons (P) Ltd
B. Employed for part of financial year under review and were in receipt of remuneration not less than Rs.25,000 per month.							
NIL							

## Notes:

1. Remuneration includes Salary, House Rent, Medical Allowance and Contribution to Provident Fund.
2. The post is contractual.
3. Shri. Dipak Raj Sood is related to Shri. Rakesh Sood, Director of the Company.

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Information in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

## CONSERVATION OF ENERGY

1. Energy Conservation measure taken : Power and fuel consumption are monitored regularly and control measures are taken to reduce consumption
2. Additional Investments and proposals, if any being implemented for reduction of consumption of energy : --
3. Impact of the Measures at (1) and (2) above for reduction of enegry consumption and consequent impact on the cost of porduction of goods. : --