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# India Forge

Report



**49<sup>th</sup> Annual Report**  
**2008-2009**

**INDIA FORGE AND DROP STAMPINGS LIMITED**

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**49<sup>th</sup> ANNUAL GENERAL MEETING**

DAY : FRIDAY  
DATE : 31.07.2009  
TIME : 12.00 NOON  
VENUE : REGD. OFFICE  
5, SRINIVASA NAGAR,  
KOTTIVAKKAM,  
CHENNAI – 600 096.

**INDIA FORGE & DROP STAMPINGS LTD.**

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**INDIA FORGE & DROP STAMPINGS LTD.**

**DIRECTORS**

DIPAK RAJ SOOD,  
Vice Chairman & Managing Director  
V.DWARAKNATH REDDY  
V.R. RAMAKRISHNAN  
G. KRISHNAN  
RUPA SOOD  
AMARNATH LULLA  
SAMIR SOOD

**AUDITORS**

M/s. KANNAN & RAM, CHENNAI.

**BANKERS**

BANK OF BARODA  
HDFC BANK  
INDIAN OVERSEAS BANK  
STATE BANK OF MYSORE  
SYNDICATE BANK

**REGISTERED OFFICE**

5, SRINIVASA NAGAR,  
KOTTIVAKKAM,  
CHENNAI – 600 096.

**PLANTS**

PUNE, FARIDABAD, CHENNAI, RUDRAPUR

## NOTICE TO THE SHAREHOLDERS

Notice is hereby given that Forty Ninth Annual General Meeting of the Members of the Company will be held at 12 Noon on Friday, the 31st July, 2009 at the Registered Office of the Company at 5, Srinivasa Nagar, Kottivakkam, Chennai 600 096.

### ORDINARY BUSINESS:

1. To receive and adopt the Directors Report, the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2009 and the Balance Sheet as at that date.
2. To elect a Director in place of Mr. G. Krishnan, who retires from office by rotation and being eligible, offers himself for re-election.
3. To elect a Director in place of Mr. V. Dwarknath Reddy, who retires from office by rotation and being eligible, offers himself for re-election.
4. To appoint Auditors to hold office until the conclusion of the next Annual General Meeting and fix their remuneration. The retiring Auditors, M/s Kannan & Ram are eligible for re-appointment.

### SPECIAL BUSINESS:

5. To consider and if thought fit to pass, with or without modification the following resolutions as Ordinary Resolutions:
  - (a) "RESOLVED that Shri V.R.Ramakrishnan, a Director of the Company appointed under Article 130 of the Company's Articles of Association and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director be and is hereby reappointed a Director of the Company, whose period of office is liable to termination through retirement of Directors by rotation".
  - (b) "RESOLVED that Shri Samir Sood, a Director of the Company appointed under Article 130 of the Company's Articles of Association and who holds office till the date of of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director be and is hereby reappointed a Director of the Company, whose period of office is liable to termination through retirement of Directors by rotation".

By Order of the Board

for India Forge & Drop Stampings Limited

CHENNAI  
28<sup>th</sup> May, 2009

sd/-  
DIPAK RAJ SOOD  
Vice Chairman & Managing Director

## **INDIA FORGE & DROP STAMPINGS LTD.**

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### **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 Hrs before the time of holding the aforesaid meeting.
  3. The Register of Members and Share Transfer Books of the Company will remain closed from 27-07-2009 to 31.07.2009 (both days inclusive)
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### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956**

#### **ITEM 5:**

Shri V.R. Ramakrishnan and Shri Samir Sood who were appointed as additional Directors on 27-02-2009 can hold office upto the date of the next General Meeting in pursuance of Article 130 of the Articles of Association of the Company. The Company has received notices of the following resolutions proposing their appointment pursuant to Section 257 of the Companies Act, 1956.

- (1) "RESOLVED that Shri V.R. Ramakrishnan, a Director of the Company appointed under Article 130 of the Company's Articles of Association and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director be and is hereby reappointed a Director of the Company, whose period of office is liable to termination through retirement of Directors by rotation
- (2) "RESOLVED that Shri Samir Sood, a Director of the Company appointed under Article 130 of the Company's Articles of Association and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director be and is hereby reappointed a Director of the Company, whose period of office is liable to termination through retirement of Directors by rotation."

The Directors consider that in view of the vast experience and ability of Shri V.R. Ramakrishnan and Shri Samir Sood, their addition will greatly strengthen the Board and will be of great benefit and advantage to the company.

Accordingly the Resolutions set out in the Notice as Item No.5 are submitted to the meeting.

## DIRECTORS REPORT TO THE SHAREHOLDERS

Your Directors are pleased to present the Forty Ninth Annual Report of the Company together with the Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2009.

### FINANCIAL RESULTS

	31-03-2009	31-03-2008
	(RUPEES IN LACS)	
Turnover	10015	10436
Earning before Depreciation & Income-Tax	269	310
Depreciation	268	241
Profit before Taxation	1	69
Provision for Taxation		
For Current Year	55	50
For Fringe Benefit Tax	7	5
For Earlier Year	14	—
Deferred Tax Expense/(Saving)	(101)	16
Securities Transaction Tax Written off	1	—
Profit/(Loss) after Taxation	25	(2)
Balance brought forward	100	102
Profit available for appropriation	125	100
Transfer to General Reserve	—	—
Surplus carried to Balance Sheet	125	100

### PERFORMANCE

Automotive industry witnessed a major set back during the year. Despite this, the Company's turnover remained at the same level, however with reduced profit.

### DIVIDEND

Since there is no improvement in the operations during the year under review, the Board of Directors has not recommended any dividend on the Equity Capital of the Company.

### OUTLOOK

Global economic slow down has not spared the auto industry and our customers have either dropped or reduced their off-take. Unless there is some sign of global revival, we do not foresee any positive signs in the fortunes of our Company.

The company is striving hard to maintain its operations at a profitable level, but there is tremendous pressure from customers to reduce prices. There being no other opportunity, we are conceding to some of their demands.

### DIRECTORS

Life Insurance Corporation of India has withdrawn their nominee Director Shri V. R. Ramakrishnan, effective from 27-02-2009.

## **INDIA FORGE & DROP STAMPINGS LTD.**

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The Directors place on record the valuable services rendered by Shri V. R. Ramakrishnan.

In view of the vast experience of Shri V.R. Ramakrishnan, the Board of Directors has decided to co-opt him as an additional Director in the Meeting of the Board of Directors held on 27<sup>th</sup> February, 2009.

Under Article 130 of the Articles of Association of the Company, Shri V. R. Ramakrishnan will hold office till the conclusion of this Annual General Meeting. Accordingly a resolution is placed before the shareholders for his reappointment.

Shri Samir Sood, co-opted as Director with effect from 27<sup>th</sup> February, 2009 will hold office till the conclusion of this Annual General Meeting. Accordingly a resolution is placed before the shareholders for his reappointment.

Shri G. Krishnan & Shri V. Dwarknath Reddy, 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.

### **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.**

Information required 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 has been given in the Annexure forming part of this Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors state that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The accounting policies as listed in the Schedule 16 to the financial statements have been selected and consistently applied and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the company as on 31<sup>st</sup> March, 2009 and of the Profit of the Company for the accounting year ended on that day.
- c. Proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- d. The annual accounts have been prepared on a going concern basis.

## **AUDITORS**

The Statutory Auditors M/s Kannan & Ram, Chartered Accountants, Chennai retire at the conclusion of the forthcoming Annual General Meeting and are eligible for reappointment. They will also conduct the branch audit of Faridabad, Pune, and Rudrapur units.

## **ACKNOWLEDGMENT**

The Directors wish to extend their thanks and appreciation to all the employees of the company at all levels and other business associates for their continued support dedication and valuable contribution to the Company's operations during the year under review.

CHENNAI  
28<sup>th</sup> May, 2009

By Order of the Board  
For INDIA FORGE & DROP STAMPINGS LIMITED  
Sd/- (DIPAK RAJ SOOD)  
Vice Chairman & Managing Director

