

# Jai Corp

LIMITED

MD		BKC	
CS		DPY	
RO		DIV	
TRA		AC	
AGM		SH	
VE			

Report  junction.com

12th  
ANNUAL  
REPORT  
1996-97





# JAI CORP LIMITED

12TH ANNUAL REPORT 1996 - 97

## BOARD OF DIRECTORS

(As on 30th June, 1997)

J.K.Jain  
Executive Chairman

S.P.Jain  
Managing Director

Virendra Jain

K.M.Doongaji  
Nominee ICICI

S.H.Junnarkar

R.N.Bansal

D.K.Contractors

S.Rajendran

T.K.Rajan  
Director - Works

V.S.Pandit  
Director - Works

You are requested to kindly send the shares of erstwhile Sipta Coated Steels Ltd./ Comet Steels Ltd. for exchange with Shares of Jai Corp Ltd. to the Share Transfer Agents: M/s. Karvy Consultants Ltd., Karvy House, 46, Road No.4, St. No.1, Banjara Hills, Hyderabad 500 034.

## MANUFACTURING FACILITIES AT

### 1 Packaging Divisions :

Plot No.A-2/4 (Unit No.1)

Plot No.A-2/8 (Unit No.2)

M.I.D.C., Murbad,

Dist. Thane, Maharashtra

Plot No.79/1 (Unit No.3) Amli Village

Plot No.444 (Unit No.4) Masat Village

Silvassa, [Dadra & Nagar Haveli (U.T.) ]

### 2 Sipta Coated Steels Division

A-3, M.I.D.C. Indl. Area, Nanded 431 603

### 3 Comet Steels Division

A-4, M.I.D.C. Indl. Area, Nanded 431 603

## COMPANY SECRETARY

M.L.Somani

## SOLICITORS & ADVOCATES

Kanga & Company

## AUDITORS

Chaturvedi & Shah  
Chartered Accountants

## BANKERS

State Bank of India

Canara Bank

Central Bank of India

State Bank of Hyderabad

State Bank of Indore

SBI Commercial & International Bank Ltd.

## REGISTERED OFFICE

A-3, M.I.D.C. Indl. Area,  
Nanded 431 603  
Maharashtra

## REGISTRARS & TRANSFER AGENTS

### KARVY CONSULTANTS LIMITED

#### 1 "KARVY HOUSE"

46, Road No.4, Street No.1, Banjara Hills,  
Hyderabad 500 034

Tel: 040-3312454/3320251/751/752

Fax: 040-3311968

#### 2 7, Andheri Industrial Estate,

Off Veera Desai Road,

Andheri (West), Mumbai 400 053.

Tel: 022-6267226/6269044/6271802

Fax: 022-6290882

## HIGHLIGHTS

	1996-97 (Rs. in Lacs)	1995-96 (Rs. in Lacs)
Sales, services & other income	44846.38	39631.70
Depreciation	1345.03	1164.40
Profit before tax	2336.87	1499.93
Tax for the year	656.00	2.50
Profit after tax	1680.87	1497.43
Dividend (including tax thereon)	225.50	185.59
Plough back (Including depreciation)	2849.76	2346.96
Shareholders' fund (Net worth)	13186.68	11681.95
Debt/Equity Ratio	0.09/1	0.23/1

**NOTICE**

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of JAI CORP LIMITED will be held on Saturday, the 16th August, 1997 at 2.00 p.m. at the Registered Office of the Company at A-3, MIDC Industrial Area, Nanded 431 603 (Maharashtra) to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 1997 and Balance Sheet as at that date together with the Directors' Report and Auditors' Report thereon.
2. To declare a dividend on Equity Shares for the year ended 31st March, 1997.
3. To appoint a Director in place of Shri Virendra Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri S.H. Junnarkar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS :**

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri D.K. Contractor, who was appointed by the Board of Directors as an Additional Director of the Company and who holds office upto the date of the Twelfth Annual General Meeting, being eligible for appointment and in respect of whom Notice in writing under Section 257 of the Companies Act, 1956 has been received by the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
7. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri S. Rajendran, who was appointed by the Board of Directors as an Additional Director of the Company and who holds office upto the date of the Twelfth Annual General Meeting, being eligible for appointment and in respect of whom Notice in writing under Section 257 of the Companies Act, 1956 has been received by the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
8. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri T.K. Rajan, who was appointed by the Board of Directors as an Additional Director of the Company and who holds office upto the date of the Twelfth Annual General Meeting, being eligible for appointment and in respect of whom Notice in writing under Section 257 of the Companies Act, 1956 has been received by the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
9. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT the Members in General Meeting hereby confirm the action of the Board of Directors in appointing Mr. T.K. Rajan as the Director - Works of the company for a period of five years from 1st April, 1997.  
RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, and subject to such approvals/sanctions as may be necessary, the Company hereby accords its consent and confirms the appointment and the terms of remuneration of Mr. T.K. Rajan as the Director - Works of the Company for a period of five years with effect from 1st April, 1997 on the 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 set out in the draft of the Agreement (the main features of which are enumerated in the Explanatory Statement Annexed hereto) and kept open for inspection by this meeting and initialled by the Chairman for the purpose of identification, which agreement hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or Agreement and that the Board of Directors of the Company be and is hereby authorised to enter into an Agreement with Mr. T.K. Rajan in terms of the said draft of the Agreement with such modifications as may be agreed to and acceptable to the Board of Directors and to Mr. T.K. Rajan.  
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary and desirable to give effect to this resolution"
10. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri V.S. Pandit, who was appointed by the Board of Directors as an Additional Director of the Company and who holds office upto the date of the Twelfth Annual General Meeting, being eligible for appointment and in respect of whom Notice in writing under Section 257 of the Companies Act, 1956 has been received by the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
11. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
"RESOLVED THAT the Members in General Meeting hereby confirm the action of the Board of Directors in appointing Mr. V.S. Pandit as the Director - Works of the company for a period of five years from 1st April, 1997.  
RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, and subject to such approvals/sanctions as may be necessary, the Company hereby accords its consent and confirms the appointment and the terms of remuneration of Mr. V.S. Pandit as the Director - Works of the Company for a period of five years with effect from 1st April, 1997 on the 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 set out in the draft of the Agreement (the main features of which are enumerated in the Explanatory Statement Annexed hereto) and kept open for inspection by this meeting and initialled by the Chairman for the purpose of identification, which agreement hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or Agreement and that the Board of Directors of the Company be and is hereby authorised to enter into an Agreement with Mr. V.S. Pandit in terms of the said draft of the Agreement with such modifications as may be agreed to and acceptable to the Board of Directors and to Mr. V.S. Pandit.  
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary and desirable to give effect to this resolution"

By Order of the Board of Directors,

Mumbai, 30th June, 1997

**J.K. JAIN**  
Executive Chairman

**NOTES :**

- a) An explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of item Nos. 6 to 11 is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing a proxy or the Power of Attorney, if any, under which it is signed should be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid Meeting.
- c) The Register of Members and Share Transfer books will remain closed from Tuesday, the 5th August, 1997 to Saturday the 16th August, 1997 (both days inclusive).
- d) MEMBERS are requested to notify to Registrars & Transfer Agents any change in their address immediately.
- e) Shareholders desirous of obtaining any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- f) Those shareholders of the Company, who have so far not encashed their Dividend Warrants for the year ended 31st March, 1995 and 31st March, 1996 may approach the Company for revalidation / payment as the same after expiry of the prescribed period will be transferred to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. The Unpaid Dividends that are due for transfer to the Central Government are as follows :
 

Financial Year ended	31.03.1995	Due for Transfer	27.10.1998
"	31.03.1996	"	07.11.1999

**ANNEXURE TO THE NOTICE**

Explanatory Statement setting out material facts as required by Section 173 of the Companies Act, 1956

**Item No.6**

Shri D.K. Contractor was appointed as an Additional Director by the Board of Directors at their meeting held on 30th November, 1996. According to the provisions of Section 260 of the Companies Act, 1956, Shri D.K. Contractor will hold office upto the date of this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose Shri D.K. Contractor as Director of the Company. The required deposit of Rs.500/- has also been received.

The Board considers it to be in the interest of the Company to continue the appointment of Shri D.K. Contractor as Director of the Company and thus recommends the resolution for the approval of the Members.

Shri D.K. Contractor may be deemed to be interested in the resolution. None of the other Directors are, in any way, concerned or interested.

**Item No.7**

Shri. S. Rajendran was appointed as an Additional Director by the Board of Directors at their meeting held on 30th November 1996. According to the provisions of Section 260 of the Companies Act, 1956, Shri S. Rajendran will hold office upto the date of this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose Shri S. Rajendran as Director of the Company. The required deposit of Rs.500/- has also been received.

The Board considers it to be in the interest of the Company to continue the appointment of Shri S. Rajendran as Director of the Company and thus recommends the resolution for the approval of the Members.

Shri S. Rajendran may be deemed to be interested in the resolution. None of the other Directors are, in any way, concerned or interested.

**Item No.8 & 9**

Shri T.K. Rajan was appointed as an Additional Director by the Board of Directors at their meeting held on 25th March 1997 w.e.f. 1st April, 1997. According to the provisions of Section 260 of the Companies Act, 1956, Shri T.K. Rajan will hold office upto the date of this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose Shri T.K. Rajan as Director of the Company. The required deposit of Rs. 500/- has also been received.

The Board of Directors have at their meeting held on 25th March, 1997 approved the appointment of Mr. T.K. Rajan as the Director - Works of the Company for a period of 5 years w.e.f. 1st April, 1997 on the terms and conditions mentioned herein below, subject to the confirmation of the Shareholders and subject to all other necessary approvals/sanctions. Mr. T.K. Rajan has been very actively involved in managing the affairs of the Company's works at Nanded. With the growing need of professionalism and with a view to achieve coordinated approach at all levels, it was felt desirous by the Board of Directors to elevate Mr.T.K. Rajan to the post of Director - Works. The Board considers that the services of Mr. T.K. Rajan as the Director - Works of the Company will be very valuable for the growth of the Company.

The appointment of Mr. T.K. Rajan as the Director - Works of the Company would be pursuant to the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956.

The terms and conditions for the appointment of Mr. T.K. Rajan as the Director - Works are mentioned below :

1. PERIOD OF APPOINTMENT : 5 Years from 1st April, 1997
2. REMUNERATION : The Director - Works shall be entitled to the following terms of remuneration:
  - (1) A monthly remuneration not exceeding Rs. 50,000/- per month including Accommodation or House Rent Allowance in lieu thereof on the last working day of each calendar month as may be decided by the Board of Directors from time to time.
  - (2) Benefit of Provident Fund in accordance with the Company's Rules and Regulations in force from time to time but not exceeding 10% of the salary at any time, except overall ceiling given in (3) below.
  - (3) Benefit of Superannuation or Retirement or Pension Scheme in accordance with the Company's practice and rules and regulations in force from time to time, subject to the condition that the Company's contribution in this behalf together with the contribution towards the Provident Fund shall not exceed 25% of the salary.
  - (4) Benefit of Gratuity in accordance with the Company's practice and rules and regulations in force from time to time and as applicable to its senior executives, subject to the condition that the total gratuity shall not exceed maximum 15 days salary per completed year of service as may be approved by the Board of Directors.
  - (5) Medical benefits including hospitalisation charges for self and family subject to the condition that the cost to be borne by the Company in this behalf shall not exceed Rs. 30,000 over a period of three years.
  - (6) Other perquisites, benefits or amenities as stated below :
    - (A) Free use of motor car with a driver at the entire cost of the Company
    - (B) Free residential telephone at the cost to the Company.
    - (C) Personal accident insurance for the Director - Works's own benefit at the cost of the Company. The monetary value of the perquisites, benefits or amenities referred to in items (A) to (C) of this sub-clause shall not exceed the sum of Rs. 75,000/- in any financial year.



3. The Director- Works shall not be entitled to sitting fees for attending meetings of the Board of Directors or Comitees thereof so long as he continues as Director - Works.
4. The remuneration referred to above is subject to the limit of 5% of the annual profits of the company and subject further to the overall limit of 10% on the remuneration of all the Executive Directors of the company. Provided however that in the event of absence or inadequacy of profits in any financial year the remuneration to the Director - Works by way of salary, prerequisites and other allowances shall be restricted to the ceiling prescribed in a Para 1 of section II of part II of Schedule XIII.
5. If the Director - Works' employment shall cease during the currency of any financial year he or his executors or administrators shall be entitled to rateable proportion of what he would have received if he had lived and been employed for the whole of that year.
6. The Director - Works shall be entitled to reimbursement of all expenses including travelling , entertainment and other out-of- pocket expenses incurred in connection with the business of the company.
7. Other facilities: He will be eligible for all other facilities, privileges and amenities as may be applicable from time to time to the Senior Management Cadre Executives of the Company.

This Explanatory Statment together with Resolution under serial 9 to the accompanying Notice is and should be treated as abstract under Section 302 of the Companies Act., 1956.

Shri T.K Rajan is interested. Save and except none of the other Directors of the company are, in any way, concerned or intrested.

#### Item No. 10 & 11

Shri V.S. Pandit was appointed as an Additional Director by the Board of Directors at their meeting held on 25th March 1997 w.e.f. 1st April, 1997. According to the provisions of section 260 of the Compaines Act.1956, Shri V.S. Pandit will hold office upto the date of this Annual General Meeting . A Notice under section 257 of the Compaines Act 1956 has been received from a Member signifying his intention to propose Shri V.S..Pandit as Director of the company. The required depoist of Rs 500/- has also been received.

The Board of Directors have at their meeting held on 25th March,1997 approved the appointment of Mr.V.S. Pandit as the Director-works of the Company for a period of 5 years w.e.f. 1stApril, 1997 on the terms and conditions mentioned herein below, subject to the confirmation of the shareholders and subject to all other necessary approvals/ sanctions. Mr. V.S. Pandit has been very actively involved in managing the affairs of the company's works at Murbad and Silvassa. With the growing need of professionalism and with a view to acheive coordinated approach at all levels, it was felt desirous by the Board of Directors to elevate Mr. V.S. Pandit to the Post of Director- works. The Board considers that the services of Mr. V.S. Pandit as the Director-Works of the company will be very valuable for the growth of the company.

The appointment of Mr. V.S. Pandit as the Director - Works of the company would be pursuant to the provisions of section 269 read with Schedule XIII to the Compaines Act, 1956.

The terms and conditions for the appointment of Mr. V.S. Pandit as the Director - Works are mentioned below:

1. PERIOD OF APPOINTMENT : 5 years from 1st April,1997
2. REMUNERATION: The Director - works shall be entitled to the following terms of remuneration:
  - (1) A monthly remuneration not exceeding Rs.50,000/- per month including Accommodation or House Rent Allowance in lieu thereof on the last working day of each calendar month as may be decided by the Board of Directors from time to time.
  - (2) Benefit of Provident Fund in accordance with the Company's Rules and Regulations in force from time to time but not exceeding 10% of the salary at any time, except overall ceiling given in (3) below.
  - (3) Benefit of Superannuation or Retirement or Pension Scheme in accordance with the Company's practice and rules and regulations in force from time to time, subject to the condition that the Company's contribution in this behalf together with the contribution towards the Provident Fund shall not exceed 25% of the salary.
  - (4) Benefit of Gratuity in accordance with the Company's practice and rules and regulations in force from time to time and as applicable to its senior executives, subject to the condition that the total gratuity shall not exceed maximum 15 days salary per completed year of service as may be approved by the Board of Directors.
  - (5) Medical benefits including hospitalisation charges for self and family subject to the condition that the cost to be borne by the Company in this behalf shall not exceed Rs. 30,000 over a period of three years.
  - (6) Other perquisites, benefits or amenities as stated below :
    - (A) Free use of motor car with a driver at the entire cost of the Company
    - (B) Free residential telephone at the cost to the Company.
    - (C) Personal accident insurance for the Director - Works's own benefit at the cost of the Company. The monetary value of the perquisites, benefits or amenities referred to in items (A) to (C) of this sub-clause shall not exceed the sum of Rs. 75,000/- in any financial year.
3. The Director - Works shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof so long as he continue as Director- Works.
4. The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% on the remuneration of all the Executive Directors of the Company. Provided however that in the event of absence or inadequacy of profits in any financial year the remuneration to the Director - Works by way of salary, prerequisites and other allowance shall be restricted to the ceiling prescribed in Para 1 of Section II of Part II of Schedule XIII.
5. If the Director - Works' employment shall cease during the currency of any financial year he or his executors or administrators shall be entitled to rateable proportion of what he would have received if he had lived and been employed for the whole of that year.
6. The Director - Works shall be entitled to reimbursement of all expenses including travelling, entertainment and other out-of-pocket expenses incurred in connection with the business of the Company.
7. Other facilities : He will be eligible for all other facilities, privileges and amenities as may be applicable from time to time to the Senior Management Cadre Executives of the Company.

This Explanatory Statement together with Resolution under serial 11 to the accompanying Notice is and should be treated as abstract under section 302 of the Companies Act, 1956.

Shri V.S. Pandit is interested. Save and except none of the other Directors of the Company are, in any way, concerned or interested.

By Order of the Board of Directors,

**J.K.JAIN**

Executive Chairman

Mumbai, 30th June, 1997



## DIRECTORS' REPORT

Your Directors have pleasure to present the Twelfth Annual Report and Accounts for the year ended 31st March, 1997.

### FINANCIAL RESULTS

	31-03-1997	(Rs. in lacs)	31-03-1996
Sales & Services	44,779.96		39619.23
Operating Profit	4,083.28		3515.84
Less: Interest (Net)	401.38		851.51
Gross Profit	3,681.90		2664.33
Less: Depreciation	1,345.03		1164.40
Profit before tax	2,336.87		1499.93
Less: Provision for tax	656.00		2.50
Profit after tax	1,680.87		1497.43
Balance brought forward from Last Year	697.66		286.68
Prior Period Adjustments(Net)	49.36		(129.28)
Profit available for appropriations	2,427.89		1654.83
<b>Appropriations:</b>			
Debenture Redemption Reserve	—		37.84
Transfer to General Reserve	1,483.63		1200.00
Proposed Dividend	205.00		185.59
Tax on Proposed Dividend	20.50		—
Balance carried to Balance Sheet	718.76		231.40
	2,427.89		1654.83

### DIVIDENDS

The Directors recommend a dividend of Rs.2.20 per equity share on 92,63,522 equity shares of Rs.10/- each for the financial year ended 31st March 1997, which if approved at the forthcoming Annual General Meeting will be paid to all those Equity Shareholders whose names appear on the Register of Members as on 16th August, 1997.

### OPERATIONS

The Company was able to achieve better volume of sales for its products. Exports during the year under review amounted to Rs.4016.52 lacs including through Export House Rs.3164.97 lacs.

### PROJECTS AND EXPANSIONS :

For new projects and further expansions, the Company is evaluating alternative lines and locations and after considerable investigations, it will come out with sound proposals for better returns to Company.

### PROMISE VS PERFORMANCE

The Company has given following projections in prospectus dated 20th October, 1994 in respect of the public offer of 11,00,000 Equity Shares of Rs.10/- each at premium of Rs.100/- each for the year 1996-97

Particulars	Projections (Prior to amalgamation)	Actuals
Sales & Services	7304.00	44,779.96
Interest (Net)	263.00	401.38
Depreciation	85.00	1,345.03
Profit before tax	794.00	2,336.87
Profit after tax	711.00	1,680.87
EPS (Rs.)	16.50	18.15

### FIXED DEPOSITS

The Company has not accepted any fixed deposits within the meaning of Section 58-A of the Companies Act, 1956, and the rules framed thereunder. Fixed deposit of Rs.6000 remained unclaimed of erstwhile Sipta Coated Steels Limited as on 31.3.1997.

### DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association Mr. Virendra Jain and Mr. S. H. Junnarkar retire by rotation and are eligible for re-appointment.

Shri D.K. Contractor was appointed as an Additional Director on the Board of the Company on 30th November, 1996 and as such holds office upto the date of the ensuing Annual General Meeting. Notice has been received under Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director of the Company.

Shri S. Rajendran was appointed as an Additional Director on the Board of the Company on 30th November, 1996 and as such holds office upto the date of the ensuing Annual General Meeting. Notice has been received under Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director of the Company.

Shri T.K. Rajan was appointed as an Additional Director on the Board of the Company w.e.f. 1st April, 1997 and as such holds office upto the date of the ensuing Annual General Meeting. Notice has been received under Section 257 of the Companies Act, 1956, proposing his candidature to the office of Directors of the Company.

Shri T. K. Rajan has also been appointed as Wholtime Director of the Company with effect from 1st April, 97.

Shri V.S. Pandit was appointed as an Additional Director on the Board of the Company w.e.f. 1st April, 1997 and as such holds office upto the date of the ensuing Annual General Meeting. Notice has been received under Section 257 of the Companies Act, 1956, proposing his candidature to the office of Directors of the Company.

Shri V.S. Pandit has also been appointed as Wholtime Director of the Company with effect from 1st April, 97.

The Board welcomes the incoming Directors.

### AUDITORS AND AUDITORS' REPORT

M/s. Chaturvedi & Shah, Chartered Accountants, Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting. The company has received a letter from them to the effect that their appointment if made, would be within the prescribed limits under Section 224 (1-B) of the Companies Act, 1956. The notes to the Accounts referred to in the Auditors' Report are self explanatory and, therefore, do not call for any further comments.

### INDUSTRIAL RELATIONS

The relations with the employees continue to be cordial and satisfactory.

### ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure "A" forming part of this report.

### PERSONNEL

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure "B" to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary.

### ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions and the Banks, during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company.

For and on behalf of the Board

Mumbai, 30th June, 1997

**J. K. JAIN**  
Executive Chairman