

# 13<sup>th</sup>

## ANNUAL REPORT 1996-97

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

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# MAHENDRA CEMENTS LIMITED


**DIRECTORS**

|              |                              |
|--------------|------------------------------|
| J.S. BAGGA   | CHAIRMAN & MANAGING DIRECTOR |
| S.S. ARORA   | DIRECTOR                     |
| B.S. BAGGA   | DIRECTOR                     |
| S.D. AGARWAL | NOMINEE DIRECTOR (MPSIDC)    |

**AUDITORS**

M/s RAKESH NARENDRA KUMAR & CO.,  
 CHARTERED ACCOUNTANTS  
 INDORE

**BANKERS**

STATE BANK OF INDORE  
 PUNJAB & SINDH BANK  
 CENTRAL BANK OF INDIA  
 PUNJAB NATIONAL BANK

**REGISTERED OFFICE & WORKS**

VILLAGE JEERABAD, TEHSIL GANDHWANI,  
 DISTRICT DHAR (M.P.).

**CORPORATE OFFICE**

202-203, CHETAK ARCH, 7, M.G.ROAD,  
 INDORE 452 001.

**SHARE TRANSFER AGENTS**

M/s ANKIT CONSULTANCY PVT.LTD.,  
 ALANKAR POINT,4A RAJGARH KOTHI,  
 A.B. ROAD, INDORE 452 001.



## NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Company will be held on Monday, the 1st September, 1997 at 1.00 P.M. at the Registered office of the Company at Village Jeerabad, Dist. Dhar (M.P.) to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Auditors' Report, and Audited Profit and Loss Account for the year ended 31st March, 1997 and the Balance Sheet as at that date.
2. To appoint a Director in place of Shri Bharat Singh Bagga, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company to hold office till the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration. The retiring Auditors, M/s Rakesh Narendra Kumar & Co. Chartered Accountants, being eligible offer themselves for re-appointment.

### SPECIAL BUSINESS

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

"RESOLVED THAT in terms of provisions of Section 31 of the Companies Act, 1956 the approval of the Members of the Company be and is hereby accorded to alter the Article

## MAHENDRA CEMENTS LIMITED

of Association of the Company, by adding the following clause after Article 16 as Article 16A:

'16A. The Company shall have power, subject to and in accordance with all applicable provisions of the Act and the guidelines made thereunder, to purchase any of its fully paid-up shares and may make a payment out of capital in respect of such shares'".

By order of the Board

Place : Indore

J.S. Bagga

Date : 22nd July, 1997

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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The explanatory statements setting out the material facts in respect of the business under item no. 4 in terms of provisions of Section 173(2) of the Companies Act, 1956 are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday the 29th August, 1997 to Monday the 1st September, 1997. (Both days inclusive).



## MAHENDRA CEMENTS LIMITED

4. Shareholders desiring any information as regards the accounts are requested to write to the Corporate office of the Company at least 10 days before the Annual General Meeting to enable the Company to reply the queries suitably.

### EXPLANATORY STATEMENTS PURSUANT TO PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956.

#### ITEM NO. 4

In view of the Government's proposal for allowing the Companies to buy back its own shares, it is proposed to amend the Articles of Association in anticipation of such powers to the Company so as to enable it to buy back its shares, subject to such directions and guidelines, as may be issued by Government from time to time in this regard.

The approval of the Members of the company is being sought to amend the Articles of Association of Company, in pursuance of provisions of Section 31 of the Companies Act, 1956 by passing this Special Resolution.

Directors recommend passing of this Special Resolution.

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

By order of the Board

Place : Indore

J.S. Bagga

Date : 22nd July, 1997

Managing Director

### DIRECTORS' REPORT

Dear Shareholders,  
Your Directors have pleasure in submitting the Thirteenth Annual Report and the Audited accounts of the Company for the year ended 31st March, 1997.

#### FINANCIAL RESULTS AT A GLANCE

| PARTICULARS  | (Rs. in lacs) |         |
|--|---------------|---------|
|  | 1996-97       | 1995-96 |
| Turnover   | 590.96        | 798.29  |
| Profit/(Loss) before Finance charges, Depreciation & Tax | (84.29)       | 122.96  |
| Finance Charges  | 42.59         | 32.62   |
| Depreciation   | 37.00         | 36.38   |
| Profit/(Loss) before Tax                                 | (163.88)      | 53.96   |
| Provision for Taxation                                   | ----          | ----    |
| Profit/(Loss) after Tax                                  | (163.88)      | 53.96   |

#### WORKING RESULTS

During the year under review the turnover of your Company reached at level of Rs. 590.96 lacs as against Rs. 798.29 in the previous year. The Net Loss before interest and depreciation comes to Rs. 84.29 lacs as against profit of Rs. 122.96 lacs in the previous year due to 25% loss of production as compared to previous year. The production has significantly reduced during the year due to shortage of power.

#### FUTURE OUTLOOK

The Company is contemplating to install a DG Set to surpass the Power Problem in the next years and hopeful that production level will positively be increased. The Company is in process to capture the market of Maharashtra & Rajasthan.



## MAHENDRA CEMENTS LIMITED

### DIVIDEND

In view of the heavy losses your Directors are unable to recommend any Dividend on Equity Shares for the year under review.

### DIRECTORS

Mr. Bharat Singh Bagga retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Mr. Akhilesh Rathi, Director of the Company resigned on 2nd of July, 1997 from Board of Directors due to his personal exigencies. The board of Directors placed on record their Appreciation for the valuable services rendered by him during his tenure of office.

### AUDITORS

M/s Rakesh Narendra Kumar & Co., Chartered Accountants, Auditor of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment.

### AUDITORS' REPORT

The Auditors in their report have referred to the notes forming part of accounts, which are self explanatory.

### FIXED DEPOSITS

Your Company has not accepted any deposits from the public during the year.

### PARTICULARS OF EMPLOYEES

None of the employees of the Company is covered under the provision of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### PARTICULARS OF CONSERVATION OF ENERGY ETC.

Information regarding conservation of energy etc., as per provisions of Section 217(1)(e) of the Companies Act 1956 are set out in the statement annexed hereto forming part of this report (Annexure-A)

### INDUSTRIAL RELATIONS

Your Directors are happy to report that the Industrial relations continued to be cordial during the year under review. Your Directors wish to place on record their appreciation for contribution made by the employees at all levels.

### ACKNOWLEDGMENT

Your Directors take this opportunity to offer their sincere thanks to the various department of Central and State Governments, Financial Institutions, Banks, Customers and Suppliers for their continued valuable assistance and support. Your Directors also wish to place on record their sincere appreciation of dedicated efforts by officers, staff and workers of the Company at all levels.

For and on behalf of the Board

Place : Indore

J.S. Bagga

Date : 22nd July, 1997 Chairman & Managing Director



## ANNEXURE- A

## I. CONSERVATION OF ENERGY

## FORM - A

|   | 31-03-1997 | 31-03-1996 |
|---|------------|------------|
| <b>(A) POWER &amp; FUEL CONSUMPTION</b>       |            |            |
| <b>1. ELECTRICITY</b>                         |            |            |
| a. Purchased Units (kwh)                      | 4116780    | 4280824    |
| Total Amount (Rs. in Lacs)                    | 168.54     | 127.99     |
| Rate/Unit (Rs.)                               | 4.09       | 2.99       |
| b. Own generation                             |            |            |
| i. Through diesel generator                   | —          | —          |
| Units   | —          | —          |
| Units per Ltr of diesel oil                   | —          | —          |
| Cost/Unit                                     | —          | —          |
| ii. Through Steam                             |            |            |
| Turbine/Generator Units                       | —          | —          |
| Units per Ltr of Fuel Oil/Gas                 | —          | —          |
| Cost/Unit                                     | —          | —          |
| <b>2. COAL (Coke Breeze)</b>                  |            |            |
| Quantity (Tonnes)                             | 6444.00    | 9279.00    |
| Total Cost (Rs. in Lacs)                      | 132.66     | 185.59     |
| Average rate (Rupees/Tonne)                   | 2058.65    | 2000.00    |
| <b>3. FURNACE OIL</b>                         |            |            |
| Quantity (K.Ltrs)                             | —          | —          |
| Total Amount                                  | —          | —          |
| Average Rate                                  | —          | —          |
| <b>4. OTHER/INTERNAL GENERATION</b>           |            |            |
| Quantity                                      | —          | —          |
| Total Cost                                    | —          | —          |
| Rate/Unit                                     | —          | —          |
| <b>(B) CONSUMPTION PER UNIT OF PRODUCTION</b> |            |            |
| Production (OPC)/Tonnes                       | 30199      | 40380      |
| Electricity P/T Unit                          | 136.32     | 106.01     |
| Furnace Oil                                   | —          | —          |

## II. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&amp;D)

During the year under review the Company did not carry out any activity of research and development and no expenditure were made on R&D, Technology and Absorption.

There was no foreign exchange earning & outgo during the year under review.

For and on behalf of the Board

Place : Indore  
Date : 22nd July, 1997

J.S. Bagga  
Chairman & Managing Director



## AUDITORS' REPORT

To,  
The Members,  
Mahendra Cements Limited,

We have audited the attached Balance Sheet of MAHENDRA CEMENTS LIMITED as at 31st March, 1997 and the Profit & Loss Account for the year ended on that date and report that:-

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph (1) above :
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
  - (c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of accounts.
  - (d) To the best of our information and according to the explanations given to us, the accounts read with the notes thereon subject to notes no. 5 and 6 appearing under notes to the accounts in schedule 15.

- i) Arrears of Depreciation on Plant & Machinery upto 31st March, 1991 amounting to Rs. 979044/- remains to be provided in the books of accounts. (Note No.5)
- ii) Non-provision of compound interest of Term Lending Financial Institutions Rs. 5.21/- lacs (Previous year 5.21 lacs) (Note No.6)

Subject to above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :

- i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1997,
- and
- ii) In the case of the Profit and Loss Account of the Loss of the Company for the year ended on that date.

For RAKESH NARENDRA KUMAR & CO.,  
Chartered Accountants

Place : Indore  
Date : 22nd July, 1997

RAKESH KUMAR JAIN  
Proprietor