

**FIFTH
ANNUAL REPORT
1998-99**

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METAL COATINGS (INDIA) LIMITED



METAL COATINGS (INDIA) LIMITED

CORPORATE INFORMATION

DIRECTORS

A. P. Khandelwal	Chairman
R. C. Khandelwal	Managing Director
Virendra Hajela	
Pramod Khandelwal	
V. P. Khandelwal	
R. S. Khandelwal	
D. P. Khandelwal	
K. L. Dhingra	Nominee, HSIDC

AUDITORS

Anil Khandelwal & Associates
Chartered Accountants

BANKERS

Canara Bank

REGISTERED OFFICE

A-12, Lajpat Nagar-II
New Delhi - 110024

WORKS

Sector - 45, Mewla Maharajpur,
Faridabad - 121003

113, HSIDC Industrial Estate
Sector-59, Faridabad - 121004

5TH ANNUAL GENERAL MEETING

Day	:	Monday
Date	:	20th September, 1999
Time	:	11.00 A.M.
Venue	:	The Country Club Sainik Farms, New Delhi - 62

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METAL COATINGS (INDIA) LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Fifth Annual General Meeting of Metal Coatings (India) Limited will be held at The Country Club, Sainik Farms, New Delhi - 110062 on Monday the 20th day of September 1999 at 11.00 A.M. to transact the following business :-

ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999, the Profit and Loss Account for the year ended on that date, and the report of the Directors and Auditors thereon.
02. To declare a dividend for the financial year ended 31st March, 1999
03. To appoint a Director in place of Mrs. V.P. Khandelwal who retires by rotation and who, being eligible, offers herself for re-appointment.
04. To appoint a Director in place of Mr. D.P. Khandelwal who retires by rotation and who, being eligible, offers himself for re-appointment.
05. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Anil Khandelwal and Associates, Chartered Accountants, retiring Auditors being eligible have given their consent for being considered for reappointment.

By Order of the Board

Date : August 20, 1999

Place : New Delhi

(Pramod Khandelwal)

Director (Commercial)

NOTES

01. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the Company. A Blank proxy form is enclosed. If used, it should be deposited with the Company, duly executed not later than 48 hours before the commencement of the annual general meeting.
02. The Register of Members and share transfer books of the Company will remain closed from Friday 17th of September, 1999 to Monday the 20th day of September, 1999 (both days inclusive).
03. Members are requested to notify immediately any change in their address to the Company's Registered Office.
04. Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
05. Shareholders are requested to kindly bring their copies of Annual Report to the meeting.
06. The dividend on shares as recommended by the Board of Directors, if declared at the meeting will be paid to those shareholders whose name appear in the Register of Members on 20th September, 1999.

By Order of the Board

Date : August 20, 1999

Place : New Delhi

(Pramod Khandelwal)

Director (Commercial)



METAL COATINGS (INDIA) LIMITED

DIRECTORS' REPORT

TO THE MEMBERS,

The Directors of your Company have pleasure in presenting their FIFTH ANNUAL REPORT together with the Audited Statements of Accounts for the year ended 31st March, 1999.

01. FINANCIAL HIGHLIGHTS

	(Rs. lacs)	
	1998-99	1997-98
Total Income	4310	3162
Operating Profit	345	234
Profit before Tax	145	61
Provision for Taxation	15	6
Profit after Tax	130	55
Proposed Dividend (10%)	49	—
Tax on Proposed Dividend	5	—

02. PERFORMANCE

The country's economy has started showing upward trend towards the end of the financial year 1998-99. But for most part of the year the recessionary condition continued. However, sustained efforts to enhance the capacity utilisation, prudent buying of raw materials and cost control in every activity made it possible for the company to achieve the turnover of Rs. 4302.52 lakhs, a growth of 36 % over previous year (Rs. 3156.18 lakhs) and the net profit after tax of Rs. 130.01 lakhs a growth of 137 % over the previous year (Rs. 54.77 lakhs). As a part of efforts to improve the economies of the operation, the company has set up its own Hot Rolled Coil slitting plant which will further add to the profitability of the company.

03. DIVIDEND

Your Directors are pleased to recommend a dividend of 10% on the equity capital for the year 1998-99. If approved, the dividend pay-out will be Rs. 49.04 lakhs and taxation on proposed dividend Rs. 5.39 lakhs.

04. Y2K PREPAREDNESS

Your Company has taken effective and appropriate steps to be Y2K compliant by September, 1999.

The cost to the Company on this account is estimated at Rs. 5 lakhs. The Company has adequate contingency plan to cover any eventuality of breakdown in Hardware or Software systems.

05. PERSONNEL

Industrial relations remained cordial throughout the year. Particulars of employees within the meaning of section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees)



METAL COATINGS (INDIA) LIMITED

Rules 1975 as amended, are as follows :-

Employee Name	: A. P. Khandelwal	R. C. Khandelwal	Pramod Khandelwal
Designation	: Chairman	Managing Director	Director (Commercial)
Remu. (Rs. in lacs)	: 7.92	7.86	6.69
Qualification	: M.Com., F.I.C.W.A.	B.E. (Mech.)	B.Com., F.C.A.
Age	: 60 years	49 years	33 years
Total Experience	: 37 years	26 years	10 years
Date of commencement of Employment	: April, 1998	May, 1995	May, 1995
Particulars of previous Employment	: Pyrites Phosphates & Chemicals Ltd.	Metal Coatings (India)	Hindustan Lever Ltd.
Designation	: Chairman cum M.D.	Managing Partner	Manager

06. BOARD OF DIRECTORS

In accordance with the Articles of Association of the Company Mr. D.P. Khandelwal and Mrs. V. P. Khandelwal, Directors, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re appointment.

07. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE :

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 are enclosed as part of the report.

08. LISTING AND LISTING AGREEMENT :

Shares of the company are listed at the following Stock Exchanges. The company has paid the annual listing fees of all the Stock Exchanges mentioned below :

- The Delhi Stock Exchange Association Limited, West Plaza, Indira Gandhi Stadium, New Delhi-110002
- The Stock Exchange, Mumbai, Phiroze Jeejeebhoy towers, Dalal Street, Mumbai - 400001.
- Jaipur Stock Exchange Limited, Stock Exchange Building, Jawahar Lal Nehru Marg, Malviya Nagar, Jaipur-302017.

Information as required under clauses 32 & 43 of the listing agreement is enclosed as part of the report.

09. AUDITORS :

The auditors, M/s Anil Khandelwal & Associates, Chartered Accountants, New Delhi retire at the conclusion of the ensuing Annual General Meeting and being eligible have given their consent for being considered for re-appointment.

10. ACKNOWLEDGMENT :

The Directors wish to place on record their appreciation to Canara Bank, Haryana State Industrial Development Corporation, Haryana Financial Corporation and the employees of the company for their support and co-operation.

For and on behalf of the Board of Directors

Date : August 20, 1999

Place : New Delhi

(R. C. Khandelwal)

Managing Director