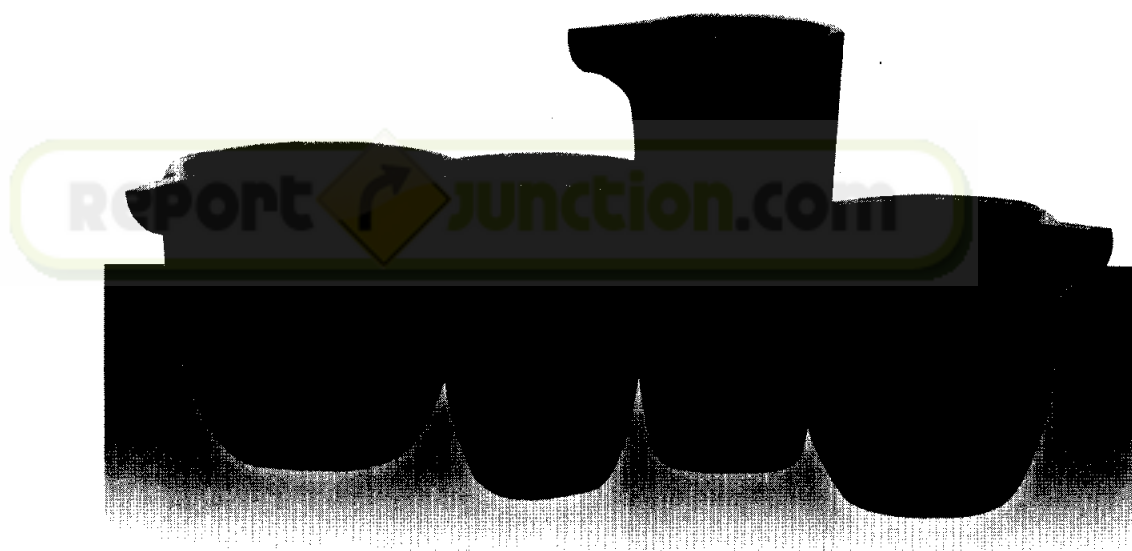


ANNUAL REPORT AND ACCOUNTS

2000-01



**GREAVES MORGANITE CRUCIBLE LTD.**

**CONTENTS**

<b>Board of Directors</b>	.....	<b>3</b>
<b>Notice</b>	.....	<b>4</b>
<b>Report of the Directors</b>	.....	<b>5</b>
<b>Auditors' Report</b>	.....	<b>10</b>
<b>Balance Sheet</b>	.....	<b>12</b>
<b>Profit and Loss Account</b>	.....	<b>13</b>
<b>Schedules forming part of the Balance Sheet and Profit and Loss Account</b>	.....	<b>14</b>
<b>Cashflow Statement</b>	.....	<b>25</b>
<b>Shareholder Information</b>	.....	<b>27</b>

GREAVES MORGANITE CRUCIBLE LIMITED

**BOARD OF DIRECTORS**

S. N. TALWAR Chairman

P. SACHDEV

S. K. ROY

J. P. WRIGHT

S. HALLIDAY

D. FINCK

W. LIPHARDT

**SECRETARY**

S. V. JOSHI

**AUDITORS**

PRICE WATERHOUSE & CO.

**SOLICITORS**

CRAWFORD BAYLEY & COMPANY

**BANKER**

STATE BANK OF INDIA

**REGISTERED OFFICE**

B-11, MIDC Industrial Area, Waluj, Aurangabad 431 136



## NOTICE TO MEMBERS

NOTICE is hereby given that the Sixteenth Annual General Meeting of GREAVES MORGANITE CRUCIBLE LIMITED will be held on 12th September, 2001 at 12.00 noon at Taj Residency, Pavilion Hall, 8-N-12, CIDCO, Aurangabad 431 003 to transact the following business:

1. To receive and adopt the Audited Balance Sheet as at 31st March, 2001 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint Auditors to hold office for the period from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

## NOTES:

- a. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIM/HER ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
- b. The Register of Members of the Company will remain closed from 1st September 2001 to 12th September 2001 (both days inclusive).
- c. The dividend, if any, that may be declared at the Annual General Meeting will be paid to those Members whose names appear in the Register of Members on 12th September 2001. The dividend warrants will be paid to them within 30 days from declaration.
- d. The Directors currently on the Board who are liable to retire were appointed by the shareholders by the system of proportional representation at the Extraordinary General Meeting held on 19th November, 1999 and as such will continue to hold office for three years from the date of their appointment viz. 19th November, 1999.

Registered Office

B-11, MIDC Industrial Area  
Waluj, Aurangabad 431 136.  
Dated : 23rd May, 2001

By Order of the Board of Directors

**S. V. JOSHI**  
Secretary

**REPORT OF THE DIRECTORS**

Your Directors submit herewith the Sixteenth Annual Report and Audited Statement of Accounts for the year ended 31st March, 2001.

**2. FINANCIAL RESULTS**

	Year ended 31.3.2001 Rs.	Year ended 31.3.2000 Rs.
Profit before interest and depreciation	2,49,34,085	2,40,25,566
Interest	19,81,521	19,08,950
Depreciation	31,33,045	24,40,069
Profit before taxation	1,98,19,519	1,96,76,547
Provision for taxation	50,00,000	74,00,000
Profit After tax	1,48,19,519	1,22,76,547
Profit brought forward from previous year	47,99,464	28,31,656
Profit available for appropriation	1,96,18,983	1,51,08,203
<b>Appropriations :</b>		
Interim Dividend	—	47,82,647
Proposed Final Dividend	70,00,000	—
Corporate Dividend Tax	7,14,000	5,26,092
General Reserve	50,00,000	50,00,000
Profit carried forward to Balance Sheet	69,04,983	47,99,464
	1,96,18,983	1,51,08,203

**3. DIVIDEND**

Your Directors recommend a dividend of 25% for the year ended 31st March, 2001 on the enhanced capital for the full year as against 25% for the previous year including prorata on the enhanced capital from November 1999 to March 2000.



#### 4. OPERATIONS

Your Directors report that the operations of the Company have achieved a turnover of Rs. 935.80 lacs as against Rs. 966.88 lacs in the previous year. On account of sluggish demand in the automotive and foundry industry, the demand was slack and the Company had endeavoured to offset the negative impact mostly through increased exports. The exports increased from Rs. 14.47 lacs to Rs. 194.24 lacs reporting robust growth over the previous year. Although there is a marginal fall in the turnover, your Company could achieve profit after tax of Rs. 148.19 lacs as against Rs. 122.77 lacs in the previous year recording an increase of 20.7%.

The Company has completed its expansion programme for manufacture of Clay Graphite Crucibles and the commercial production of Clay Graphite Crucibles commenced from 24th February 2001. The export of products has commenced and they have been well received in the market.

#### 5. EXPORTS

The Crucibles manufactured by the Company, including Clay Graphite Crucibles, have a very good export potential. The export of the Company for the year more than doubled from Rs. 14.47 lacs to Rs. 194.24 lacs recording impressive performance.

#### 6. DIRECTORATE

All the Directors with the exception of Mr. J.P. Wright and Mr. P. Sachdev who are non-retiring Directors, have been appointed by the system of proportional representation at Extraordinary General Meeting of the Company held on 19th November, 1999 and as such are not eligible to retire for a period of 3 years from 19th November, 1999.

Mr. J. Halford resigned from the Board of the Company with effect from 23rd January 2001 and the Board wishes to place on record their deep appreciation of the valuable services rendered by him during his tenure as Director.

Mr. S. Halliday has been nominated on the Board of the Company by the Collaborators viz. Morganite Crucible Limited as Director with effect from 23rd January 2001 in the casual vacancy of Mr. J. Halford.

#### 7. PERSONNEL

Industrial relations during the year have been cordial. The Directors take this opportunity to record their appreciation for the sincere and devoted efforts of the management, staff and workers during the year.

#### 8. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO, ETC.

The statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in Annexure I forming part of this Report.

**9. PARTICULARS OF EMPLOYEES**

There are no employees falling under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**10. AUDITORS**

The Company's Auditors Messrs. Price Waterhouse & Co. have signified their willingness to be re-appointed Auditors of the Company and a resolution is included for their re-appointment and to fix their remuneration.

**11. DIRECTORS RESPONSIBILITY STATEMENT**

Directors confirm :

1. that in the preparation of the Annual Accounts, the applicable standards have been followed along with proper explanation relating to material departures;
2. that the Directors have selected prudent accounting policies;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the Annual Accounts on going concern basis.

**12. ACKNOWLEDGEMENT**

Your Directors record their appreciation of the continued support received from the Company's Bankers and the Company's Collaborators.

On behalf of the Board of Directors

Mumbai  
23rd May, 2001

**S.N. TALWAR**  
Chairman



**Annexure to Directors' Report for the year ended 31st March, 2001**  
**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**  
**Section 217(1)(e) of the Companies Act, 1956**

**The Companies (Disclosure of Particulars in the Report of  
The Board of Directors) Rules, 1988**

**A. CONSERVATION OF ENERGY**

- a. Measures taken : Setting all the parameters of new Kiln and Drying Oven as per the specification and make it fully automatic.
- b. Additional investments and proposals, if any, for reduction of consumption of energy : 1. Providing heat recuperator at Kiln and to study its impact on cycle time.  
2. Using Kiln and Drying Oven to full capacity.  
3. Reducing the consumption of electrical energy by automatic power factor correction system.
- c. Impact of (a) and (b) : Expected to reduce the Energy consumption in the coming year.
- d. Total energy consumption : As per FORM A given below in respect of Industries specified in the schedule.

**FORM A**

Form for disclosure of particulars with respect to Conservation of Energy

**A. Power and Fuel ConsumptionB. Consumption per unit of production**

	2000-01	1999-00		2000-01	1999-00
1. Electricity			Product		
a. Purchased:			Silicon Carbide		
Units -	487020	499461	Crucible +		
Total amount	2113671	2172240	Accessories	941.19 MT	1035.04 MT
Rate/Unit Rs.	4.34	4.34	Clay Graphite		
			Crucibles +		
			Accessories	9.94 MT	-
b. Own Generation:			Electricity		
Units	8500	7852	incl. in house	495520 Units	507313 Units
Diesel					
Consumption	2672 lit	1833 lit.			
Rate/Lt.					
Diesel Rs.	19.59	16.80			
Rate/Unit Rs.	*6.15	4.02			
2. Others(LPG)**			Others (LPG)		
Quantity (MT)	332.09	336	a. Silicon Carbide	304.04 MT	33.5.54 MT
Total cost Rs	6849906	4907534	b. Clay Graphite	28.05 MT	-
Rate/Unit (Kg) Rs.	20.62	14.8	LPG(Kgs.)/		
			MT Prod.		
			a. Silicon Carbide	323.03Kg/MT	324.19 Kgs.
			b. Clay Graphite	2821 KG/MT	-
			Ele(Kwh)/		
			MT Prod.	526.48 MT	490.14 MT

\* The cost per unit is high on account of higher consumption arising out of the trial operations of new Plant for producing Clay Graphite Crucibles carried out by generating power through diesel generating set which could not be run on a continuous load on a consistent basis.

\*\* Net of quantity and value of LPG consumed and included in preoperative expenses.