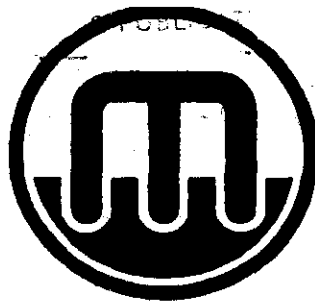


# **11th Annual Report 1999 - 2000**



For Mandsaur Ferro Alloys Ltd.

  
Managing Director

## **MANDSAUR FERRO ALLOYS LIMITED**

**BOARD OF DIRECTORS**

SHRI VINOD KUMAR JAIN (Chairman &amp; Managing Director)

SHRI NAVNITDAS PAREKH

SHRI PANKAJ JAIN

SHRI SUNIL PAREKH

**BANKERS**

DENA BANK, Mandsaur (M.P.)

**AUDITORS**

C. H. PADLIYA &amp; CO.

Chartered Accountants

INDORE (M.P.)

**REGISTERED & ADMINISTRATIVE OFFICE**

12-14, Industrial Estate,

Mhow-Neemuch Road,

Mandsaur (M.P.)

**PLANT**

Village : Botalganj,

Dist. Mandsaur (M.P.)

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**MANDSAUR FERRO ALLOYS LIMITED**  
**ANNUAL REPORT 1999-2000**

**Notice**

Notice is hereby given that the Eleventh Annual General Meeting of the Shareholders of Mandsaur Ferro Alloys Limited will be held on Monday, the 25th September, 2000 at 4.30 P.M. at the Registered office of the Company at 12-14, Industrial Estate, Mhow-Neemuch Road, Mandsaur-458 001 (M.P.) to transact the following business.

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance sheet as at 31st March, 2000 and the Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a director in place of Shri N.D. Parekh who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS :**

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

"Resolved that the registered office of the Company be shifted from its existing premises to Botalgunj, Distt. Mandsaur (M.P.) w.e.f. 1st Oct. 2000."

BY ORDER OF THE BOARD  
 FOR MANDSAUR FERRO ALLOYS LTD.

(V.K. JAIN)

CHAIRMAN AND MANAGING DIRECTOR.

Registered Office :  
 12-14, Industrial Estate Mhow-Neemuch Road,  
 Mandsaur- 458 001 (M.P.)

Dated : 29th May, 2000

**NOTES :**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a Poll instead of himself and the proxy need not be a member of the Company. Proxy forms in order to be valid and effective, must be deposited at the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

**MANDSAUR FERRO ALLOYS LIMITED**  
**ANNUAL REPORT 1999-2000**

2. "The explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of the items of special business is annexed hereto.
3. Members are requested to notify to the company changes, if any, in their registered address.
4. The Register of Members and Share Transfer Books of the company shall remain closed from Monday the 18th September, 2000 to Monday the 25th September, 2000 (both days inclusive)

**Annexure to notice**

Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 relating to the items of special business set out in the notice

**ITEM NO. 4**

Your Directors have decided to shift the Registered office of the Company to its factory premises at village Botalgunj, Distt. Mandsaur. Section 146 (2) (a) of the Companies Act, 1956 lays down that the Registered Office of a Company shall not be shifted outside the local limits of any city, town or village where such registered office is situated unless the company passes a special resolution to that effect. The special resolution proposed to be passed at item 4 of the notice is set out to comply with the requirements of the aforesaid provisions of the Act.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

BY ORDER OF THE BOARD  
FOR MANDSAUR FERRO ALLOYS LTD.

(V.K. JAIN)  
CHAIRMAN AND MANAGING DIRECTOR.

Registered Office :  
12-14, Industrial Estate, Mhow-Neemuch Road,  
Mandsaur- 458 001 (M.P.)  
Dated : 29th May, 2000

**MANDSAUR FERRO ALLOYS LIMITED**  
**ANNUAL REPORT 1999-2000**

**Directors Report**

Your Directors have the pleasure in presenting their Eleventh Annual Report together with the Audited Accounts for the year ended 31st March, 2000.

**FINANCIAL RESULTS :**

|  | For the Year<br>ended 31-3-2000<br>(Rs. In Lacs) | For the Year<br>ended 31.3.99<br>(Rs. In Lacs) |
|--|--|--|
| 1. Sales & Other Income                                | 14.95  | 23.78  |
| 2. Gross Profit before interest Depreciation and Taxes | (-) 69.29  | (-) 20.95                                      |
| 3. Interest  | 2.55   | 0.31   |
| 4. Depreciation  | 24.20  | 36.63  |
| 5. Net Profit before taxes                             | (-) 96.04  | (-) 57.89                                      |
| 6. Net Profit after tax (Carried to Balance Sheet)     | (-) 96.04  | (-) 57.89                                      |

As reported last the ferro chrome project had to be closed. The Ceramic tiles division also faced difficult market conditions during the year. The company had taken up additional activity of manufacturing sanitary ware, which also could not be continued due to unremunerative market conditions. The operations of the company's Plant had to be kept suspended. Since last week of May 1999. The figure of net loss of Rs. 96.04 lacs includes Rs. 77.26 lacs being the loss on sale of machinery.

**DIVIDEND :**

In view of losses suffered by the company, your directors are unable to recommend dividend for the year.

**FTUTURE OUTLOOK :**

The market conditions still persist to be unfavourable. your directors are however, looking for new opportunities to come out of the crunch.

**DIRECTORS :**

Shri N.D. Parekh retires by rotation and is eligible for reappointment.

**PUBLIC DEPOSITS :**

The company has neither invited nor accepted any deposits from the public during the year.

**PARTICULARS OF EMPLOYEES :**

Since no employee was in receipt of remuneration in aggregate of Rs. 3,00,000/- or above during the year while employed through the year or at the rate of not less than Rs. 25,000/- per month, if employed for part of the year, statement showing information under section 217 (2A) of the companies Act, 1956 has not been furnished.

**PARTICULARS U/S 217 (1) (E) OF THE COMPANIES ACT, 1956**

The particulars to be disclosed as required U/s 217 (1) (a) of the Companies Act, 1956 read with (Disclosure of particulars in the Report of the Board of Directors Rules, 1988) are detailed in annexure to this report.

The company has neither faced nor envisages any Y-2K problem.

**AUDITORS :**

You are requested to appoint auditors and fix their remuneration. The retiring auditors M/s C.H. Padliya & Co. are eligible for reappointment.

FOR & ON BEHALF OF THE BOARD

PLACE : MANDSAUR (M.P.)  
 DATED : 29TH MAY, 2000

(V.K. JAIN)  
 (CHAIRMAN & MANAGING DIRECTOR.)

# MANDSAUR FERRO ALLOYS LIMITED

## ANNUAL REPORT 1999-2000

ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 1999-2000 PARTICULARS U/S 217 (1) (E) OF THE COMPANIES ACT, 1956

### (A) CONSERVATION OF ENERGY

#### (A) ENERGY CONSERVATION MEASURES TAKEN.

The Company has been taking specific care in using better quality of Raw material thereby reducing the energy consumption.

#### (B) ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.

The company does not have any proposals, to make additional investment in this regard.

#### (C) IMPACT OF MEASURES (A) AND (B) ABOVE FOR REDUCTION OF ENERGY CONSUMPTION AND CONSEQUENT IMPACT ON THE COST OF PRODUCTION OF GOODS.

The selection of better quality of Raw Material has helped marginally in keeping the cost of energy consumption per unit of production consistent.

#### (D) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION POWER AND FUEL CONSUMPTION

|   | Current Year 31.03.2000 | Previous Year 31.03.99 |
|---|-------------------------|------------------------|
| 1. Electricity                            |                         |                        |
| (a) Purchased Units (in lacs)             | Nil                     | Nil                    |
| Total Amount (Rs. in lacs)                | Nil                     | Nil                    |
| Rate per Unit (Rs.)                       | Nil                     | Nil                    |
| (b) Own Generation :                      |                         |                        |
| i) Through Diesel Generator Unit          | 32,000                  | 70,000                 |
| Unit per itr. of Diesel Oil               | 3                       | 3                      |
| Cost per Unit                             | 3.3                     | 3.25                   |
| ii) Through steam turbine/generator units | Nil                     | Nil                    |
| Units per itr. Of fuel Oil/gas            | Nil                     | Nil                    |
| Cost per Unit                             | Nil                     | Nil                    |
| 2. Coal                                   |                         |                        |
| Quantity (Tonnes)                         | Nil                     | Nil                    |
| Total Cost                                | Nil                     | Nil                    |
| Average Rate                              | Nil                     | Nil                    |
| 3. Furnace Oil                            |                         |                        |
| Quantity (K.ltrs)                         | Nil                     | Nil                    |
| Total Cost                                | Nil                     | Nil                    |
| Rate/Unit                                 | Nil                     | Nil                    |
| 4. Other Internal Generation              |                         |                        |
| Quantity                                  | Nil                     | Nil                    |
| Rate/Unit                                 | Nil                     | Nil                    |
| <b>CONSUMPTION PER UNIT OF PRODUCTION</b> |                         |                        |
| Product : Ceramic Tiles                   | 320                     | 325                    |
| Electricity (Units Per M. Ton)            | 234                     | 240                    |
| Kerosens Oil (Litre per M. Ton)           | Nil                     | Nil                    |
| Coal                                      | Nil                     | Nil                    |
| Other                                     | Nil                     | Nil                    |

### (B) TECHNOLOGY ABSORPTION

#### Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company.

The Company has not carried out R&D activity during the year.

2. Benefits derived as a result of the above R&D

Not applicable