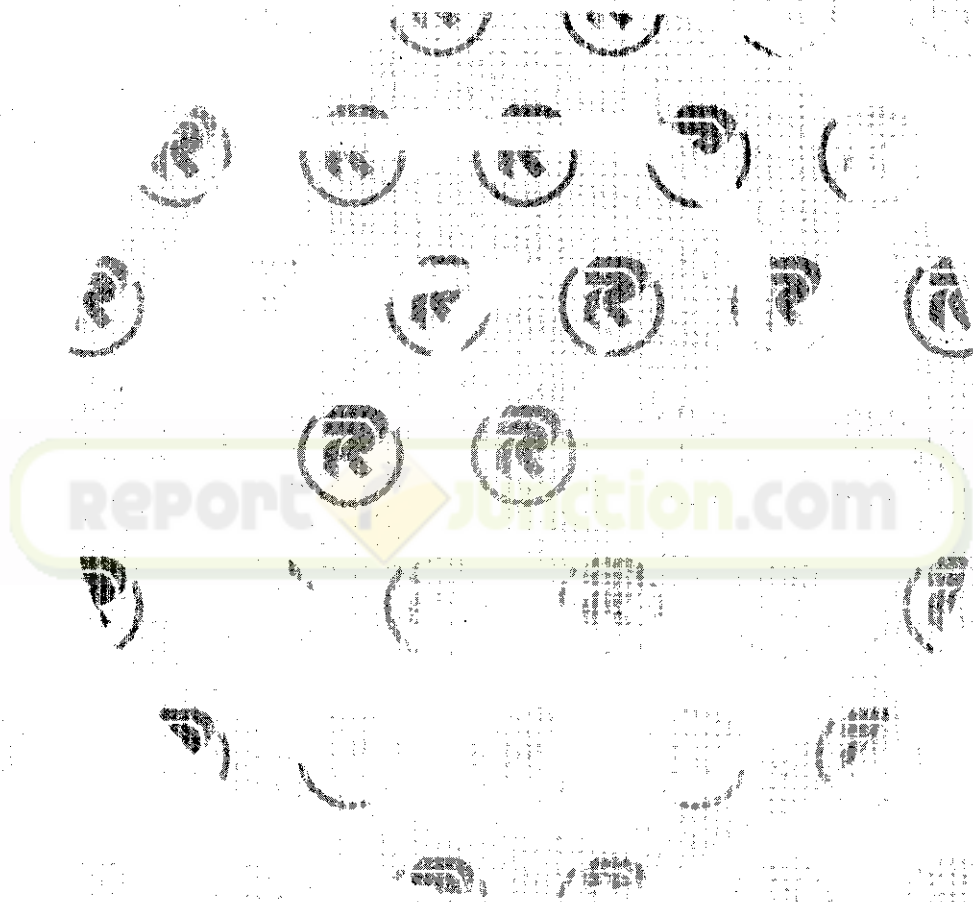
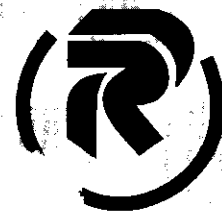


10 TH ANNUAL REPORT 1999-2000



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KEAL
STRIPS LIMITED



BOARD OF DIRECTORS	:	SHRI AMRITLAL K. KATARIA SHRI ARVINDKUMAR D. SANGHVI SHRI UGAMRAJ M. HUNDIA SHRI BABULAL S. JAIN SHRI PRAKASHRAJ S. JAIN SHRI CHANDRESH V. SHAH	CHAIRMAN MANAGING DIRECTOR DIRECTOR DIRECTOR DIRECTOR DIRECTOR
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AUDITORS : **M/S. MEHTA LODHA & CO.**
CHARTERED ACCOUNTANTS

BANKERS

Report : UNION BANK OF INDIA [junction.com](http://www.reportjunction.com)

REGISTERED OFFICE : 26, MANGAL MURTI COMPLEX,
 NR. SHIV CINEMA, ASHRAM ROAD,
 AHMEDABAD-380 009.

WORKS : SURVEY NO. 245
 VILLAGE : SARI
 AHMEDABAD-BAVLA HIGHWAY
 TALUKA : SANAND
 DIST. AHMEDABAD



NOTICE

NOTICE is hereby given that the **10th ANNUAL GENERAL MEETING** of the Members of REAL STRIPS LIMITED will be held on Saturday the 24th February, 2001 at 11.30 A.M. at the registered office of the company at Mangal Murti, Ashram Road, Ahmedabad-380 009 to transact the following business.

ORDINARY BUSINESS

1. To Consider and adopt the Audited Balance Sheet as on 30th September, 2000 and Profit and Loss Account for the year ended on the same date together with Directors and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri A. K. Kataria who retires by rotation and is eligible for re-appointment.
4. To appoint the Auditors and to fix their remuneration. In that connection, to consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution.
"RESOLVED THAT M/s. Mehta Lodha & Co. Chartered Accountants be and are hereby re-appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting (including adjournment thereof) till the conclusion of the next Annual General Meeting on such remuneration as may be mutually agreed upon between the Board of Directors and Auditors."

5. Special Business

RE-APPOINTMENT OF MANAGING DIRECTOR

To consider and, if thought fit to pass, with or without modification the following resolution as an ordinary resolution.

"RESOLVED THAT pursuant of Sec.198,296,309,310, 311 and other applicable provisions if any of the companies Act, 1956, Shri Arvind D. Saanghvi be and is hereby re-appointed as the Managing Director of the company for a period of five years with effect from 21st November, 2000 with liberty to either party to terminate the appointment on three months notice in writing."

"RESOLVED FURTHER THAT no remuneration and perquisites shall be paid to Shri Arvind D. Sanghvi as the Managing Director of the Company."

Regd. Office

26, Mangal Murti,
Ashram Road,
Ahmedabad-380 009.

Place : Ahmedabad

Date : 30-12-2000

By order of the Board

A. K. Kataria

Chairman

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/HERESELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19-02-2001 to 23-02-2001 (both days inclusive).
4. Members/proxies should bring their copy of Annual Report and Attendance Slip (duly completed) when attending the meeting.
5. The accounts, the reports and all other documents required under the law to be annexed thereto will be available for inspection during working hours at the Registered Office of the Company on any working days except Saturdays and Sundays prior to the date of Annual General Meeting.
6. Shareholders desiring 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.
7. Explanatory statement, as required under section 173(2) of the Companies Act, 1956 is annexed hereto.

EXPLANATORY STATEMENT

(Explanatory statement pursuant to Sec. 173(2) of the Companies Act, 1956)

Item No. 5

Shri Arvind D. Sanghvi has been actively taking interest in the business of the Company. thus it would be in the best interest of the Company as well as for better Administrative control and convenience of the affairs of the Company to re-appoint him as the Managing Director of the Company. The Board of Directors in its meeting held on 06.11.2000 had re-appointed Shri Arvind D. Sanghvi as the Managing Director of the Company.

The Board recommends the above resolution to the members for their approval.

Except Shri Arvind D. Sanghvi none of the Directors is interested in this resolution.

Regd. Office

26, Mangal Murti,
Ashram Road,
Ahmedabad-380 009.

Place : Ahmedabad

Date : 30-12-2000

By order of the Board

A. K. Kataria

Chairman

10TH ANNUAL REPORT 1999-2000**DIRECTOR'S REPORT**

To,
The Members,

Your Directors have great pleasure in presenting the **10TH ANNUAL REPORT** of the company alongwith Audited Accounts for the year ended on 30th September, 2000.

(1) FINANCIAL RESULTS

	1999-2000 (Rs.) (12 Months)	1998-1999 (Rs.) (15 Months)
Sales	28,28,16,432	20,55,03,068
Other Income	92,43,431	71,72,819
Profit before depreciation	2,25,05,783	1,13,36,568
Less : depreciation	92,78,652	88,15,999
Profit for the year	1,32,27,131	25,20,569
Less : Income-tax Provision	7,80,000	1,00,000
Less : Prior Period Adjustment	13,796	-
Profit after Income-tax	1,24,33,335	24,20,569
Add : opening Balance of Profit & Loss Account	1,06,92,119	82,71,550
Less : Proposed Dividend	26,24,000	0
Less : Dividend Tax	5,77,280	0
Net Profit carried forward	1,99,24,174	1,06,92,119

(2) OPERATIONS

As informed to you previous year, the company has successfully installed its state - of - the - Art second rolling mill. During the year the turnover has increased from Rs. 20.55 crores (15 Months) to Rs. 28.28 crores (12 Months).

Your Directors are happy to inform you that your company has successfully entered in the export market. The company has exported its product to Argentina and sophisticated markets of Taiwan and South Africa Exports have gone up from Rs. 6 lacs to Rs. 375 lacs. which shows the acceptance of the product of the company.

Due to very effective cost control measures adopted by the company profit for the year under report has gone up to Rs. 132 lacs (12 Months) from Rs. 25 lacs (15 Months) in the previous year. Your Directors are happy to explain their satisfaction about the performance of the company.

(3) FUTURE PROSPECTS

The long drawn recessionary trend in the steel industry in the international and domestic market seems to be over. The prices of the steel products have firmed up. The company will be able to take benefit of the uptrend in the market. With a view to cater to the export market, your Directors have decided to install equipments which will help in producing high quality products. This expansion cum modernisation will cost approx Rs. 9 crores. Your Directors are hopeful to complete the expansion cum modernisation during the current year, and it will help the company in higher value addition to its products.

(4) DIVIDEND

Your directors are happy to recommend maiden dividend @ 8% for the year under report.

(5) DIRECTORS

Shri Arvind D. Sanghvi was re-appointed as Managing Director of the company in the Board meeting held on 6-11-2000, in accordance with the provisions of the Companies Act, 1956 and Articles of Association. Shri A. K. Kataria retire by rotation at ensuing Annual General Meeting and is eligible for re-appointment.

(6) AUDITORS

M/s. Mehta Lodha & Co., Chartered Accountants, Auditors of the company will hold office till the conclusion of the ensuing Annual General Meeting. Your directors recommend to re-appoint them. A certificate is obtained from them that their re-appointment, if made, will be within the limit prescribed under section 224 (1B) of the Companies Act, 1956.

(7) INDUSTRIAL RELATION

During the year under review the relation between employees and management remained harmonious and cordial. Measures have been taken for Human Resources Development.

(8) INSURANCE

The Assets of the company have been adequately insured.

(3)

**(9) PUBLIC DEPOSIT**

During the year under review the company has not mobilized resources by way of deposit from the public.

(10) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EARNING AND OUTGO

The statement containing the necessary information required under the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given in annexure I and forms part of this report.

(11) PARTICULARS OF EMPLOYEES

The company does not have any employee drawing salary as stipulated under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

(12) ACKNOWLEDGEMENT

The directors extend their sincere thanks to the Bankers, Financial Institutions, Central Government and State Government Authorities and all others associated with the company for the co-operation.

The directors also place on record the efforts made by the employees, workers and all other associated with the company for making their organisation successful.

For and on behalf
of the Board.

Place : Ahmedabad

Date : 30th December, 2000

A. K. KATARIA
CHAIRMAN

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10TH ANNUAL REPORT 1999-2000**ANNEXURE - I**

Information under Section 217(1) of the Companies Act, 1956.

(A) Conservation of Energy

The company has oil fired annealing furnace for annealing the stainless steel coils, whereby heat loss is reduced and higher efficiency is achieved.

The details of total energy consumption and energy consumption per unit of production is given hereunder.

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

(a) Power and Fuel Consumption		1999-2000 (12 Months)	1998-1999 (15 Months)
1. Electricity			
Unit		20,63,505	19,18,383
Total Amount	Rs.	1,00,86,608	82,65,166
Rate / Unit	Rs.	4.89	4.31
2. Own Generation			
Through Diesel Generating Set			
Units		20,960	52,010
Diesel Consumed	Ltrs.	6,743	18,482
Unit per / Ltrs of diesel		3.10	2.81
Diesel cost	Rs.	1,03,370	1,95,541
Cost per unit	Rs.	4.93	3.75
3. Furnace Oil			
Consumption	Ltrs.	6,60,085	5,87,210
Value	Rs.	70,39,576	50,84,026
Rate / Unit	Rs.	10.66	8.66
(b) Consumption per unit of Production			
	Standards (if any)		
Product — S. S. Coil	M.T.	3,547.396	3,142.589
Electricity	Unit	581.695	610.446
Furnace Oil	Ltrs.	186.075	186.855
(B) Technology Absorption			
The company is using latest technology available.			
(C) Foreign Exchange earnings		3,75,27,043	6,06,955
Out go		6,40,715	NIL