

**11 TH**

**ANNUAL REPORT**

**2000-2002**

Report  junction.com



**REAL**  
**STRIPS LIMITED**



<b>BOARD OF DIRECTORS :</b>	<b>SHRI A. K. KATARIA</b>	<b>CHAIRMAN</b>
	<b>SHRI A. D. SANGHVI</b>	<b>MANAGING DIRECTOR</b>
	<b>SHRI UGAMRAJ M. HUNDIA</b>	<b>DIRECTOR</b>
	<b>SHRI BABULAL S. JAIN</b>	<b>DIRECTOR</b>
	<b>SHRI P. S. JAIN</b>	<b>DIRECTOR</b>
	<b>SHRI CHANDRESH V. SHAH</b>	<b>DIRECTOR</b>
	<b>SHRI PRAKASH M THAKKAR</b>	<b>DIRECTOR</b>

**AUDITORS :** M/S. MEHTA LODHA & CO.  
CHARTERED ACCOUNTANTS

**BANKERS :** UNION BANK OF INDIA

**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 11th ANNUAL GENERAL MEETING of the Members of REAL STRIPS LIMITED will be held on Monday, the 30th September 2002 at the registered office of the company at Mangal Murti, Ashram Road, Ahmedabad-380 009 at 3.00 p.m. to transact the following business.

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as on 31st March 2002 and Profit and Loss Account for the period ended on 31st March 2002 together with Directors and Auditor's Report thereon.
2. To appoint a Director in place of Shri Prakashraj Jain who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Shri Ugamraj Hundia who retires by rotation and is eligible for re-appointment.
4. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS :

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

"RESOLVED THAT Shri. Prakash Thakkar who was appointed as an additional director of the company under section 260 of the Companies Act, 1956 read with Article 148 of the Article of Association of the company and who holds office till conclusion of this Annual General Meeting and in respect of whom the company has received a notice from a member proposing his candidature for the office of director as per section 257, be and is hereby appointed as a director of the company liable to retire by rotation."

**Regd. Office**

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

Place : Ahmedabad

Date : 29th June'2002

**By order of the Board**

A. K. Kataria  
Chairman

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND THAT A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, FORMS MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed hereto and forms part of this notice.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company will remain closed from 24.09.2002 to 28.09.2002 (both days inclusive).
4. Members/proxies should bring the Attendance Slip duly filled in for 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 day except Saturday and Sunday prior to the date of the Annual General Meeting.
6. As per the Provisions of the amended Companies Act, 1956, the facility for making nominations is available to the shareholders in respect of the equity shares held by them, Members holding shares in physical form may send their request for nomination in the prescribed Form 2B duly filled in and signed to the Company's Register and Share Transfer Agents. The facility would be made available folio wise to individual shareholders including joint holders and for the entire shares registered under the folio. The member holding shares in dematerialised form may contact and consult their respective Depository participants (DP) for availing the nomination facility.
7. The trading in Company's equity shares on the Stock Exchange is permitted only in dematerialised form for all classes of investors. In view of the numerous advantages offered by the depository system, members are requested to avail of the facility of dematerialisation of the company's equity shares held by them.

**ANNEXURE TO THE NOTICE  
EXPLANATORY STATEMENT**

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 5

Shri Prakash Thakkar was appointed by the Board of Director as an independent additional director in its meeting held on 27th April, 2001. As per the provisions of section 260, he holds office of director till the conclusion of this Annual General Meeting. A notice under section 257 of the Companies Act, 1956 alongwith the requisite deposit has been received from a shareholder signifying intention to propose the candidature of Shri Prakash Thakkar for appointment as a director of the Company.

Shri Prakash Thakkar is senior Advocate of the Gujarat High Court.

The Board is of the view that knowledge and experience of Shri Prakash Thakkar will be of immense benefit and value to the Company and therefore, recommends the resolution for the approval of the members.

Your Director recommend appointment of Shri Prakash Thakkar as Director of the company.

Except Shri Prakash Thakkar none of the other Directors of the company is in anyway concerned or interested in the said resolution.

**Regd. Office**

26, Mangal Murti,

Ashram Road,

Ahmedabad-380 009

**By order of the Board**

Place : Ahmedabad

Date : 29th June'2002

A. K. Kataria

Chairman



## DIRECTOR'S REPORT

To,  
The Members,

Your Directors have pleasure in presenting the 11TH ANNUAL REPORT together with the Audited Accounts of the company for the period ended 31st March 2002.

### (1) ACCOUNTS AND FINANCIAL MATTERS

	2000-2002 (Rs.) 18 Months	1999-2000 (Rs.) 12 Months
Income for the year was	47,61,23,019	33,11,91,007
The year's working shows a Gross Profit of	3,52,79,145	2,25,05,783
Out of which, Provisions have been made for :-		
Less : Depreciation	1,36,69,526	92,78,652
Less : Provision for Taxation :		
(i) Current Income Tax	17,00,000	7,80,000
(ii) Deferred Tax	66,57,011	0
Profit after Income Tax	1,32,52,608	1,24,47,131
Add/(Less): Income Tax for earlier year	(7,86,328)	0
Add/(Less) : Prior Period adjustment	1,837	(13,796)
	1,24,68,117	1,24,33,335
Add : Opening Balance of Profit & Loss Account	1,99,24,174	1,06,92,119
Less : Amount Transferred to Deferred Tax Liability	78,47,632	0
Proposed Dividend	0	26,24,000
Corporate Dividend Tax	0	5,77,280
Transfer to General Reserve	0	0
Net Profit carried forward to Balance Sheet	2,45,44,659	1,99,24,174

### (2) DIVIDEND :

Your Directors regret their inability to recommend dividend for the period under review.

### (3) OPERATIONS

As informed to you previous year, the expansion cum modernisation programme undertaken by the company will be fully completed during the current year. It will help in achieving improved surface finish of the end product. It will also help in providing value addition in the exports. The demand for steel products has seen spurt in the international market. The Steel Industry is coming out of the recessionary pressure. Your directors are hopeful to achieve better performance during the current year.

### (4) INDUSTRIAL RELATIONS :-

Industrial relations remained cordial throughout the year. your Directors place on record their deep appreciation of the contribution made by the employees at all levels.

Measures have been taken for Human Resources Development.

### (5) DIRECTORS

Shri Prakash Thakkar was appointed as additional independent Director on the Board with effect from 27th April 2001. He hold office upto the date of ensuing Annual General Meeting and is eligible for re-appointment. The Company has received notice under section 257 of the Companies Act, 1956 proposing his appointment at the said meeting as Director, liable to retire by rotation.

Shri Prakashraj Jain and Shri Ugamraj Hundia retire from the Board by rotation and being eligible, offer himself for re-election.

### (6) INSURANCE

The Assets of the company have been adequately insured.

### (7) PUBLIC DEPOSIT

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

### (8) DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed :

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- 1) that the preparation of the Account for the period ended 31st March, 2002 the applicable standards have been followed along with proper explanation relating to material departures ;
- 2) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the, state of affairs of the company as at 31st March 2002 and of the profit of the company for the period ending on that date ;
- 3) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;
- 4) that the Directors have prepared the accounts for the period ended On 31st March, 2002 on a going concern basis.

**9) AUDITORS**

M/s Mehta Lodha & Co., Chartered Accountants, retire as Auditor of the company and being eligible, offer themselves for re-appointment. 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.

**(10) ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**

As required under section 217(1) (e) of the Companies Act, 1956 and the rules made therein, the concerned particulars relating to Energy conversion, Technology Absorption, Foreign Exchange Earning and outgo are given, in Annexure-I, which is attached hereto and forms part of the Directors' Report.

**(11) PARTICULARS OF EMPLOYEES**

Particulars of employees in accordance with the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rules, 1975 as amended are not given as none of the employees qualify for such disclosure.

**(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

A. K. KATARIA

Date : 29th June 2002

CHAIRMAN



## 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		2000-2002 (18 Months)	1999-2000 (12 Months)
1. Electricity			
Unit		36,83,956	20,63,505
Total Amount	Rs.	1,78,98,313	1,00,86,608
Rate / Unit	Rs.	4.86	4.89
2. Own Generation			
Through Diesel Generating Set			
Units		20,934	20,960
Diesel Consumed	Ltrs.	7,081	6,743
Unit per / Ltrs of diesel		2.96	3.10
Diesel cost	Rs.	1,37,036	1,03,370
Cost per unit	Rs.	6.55	4.93
3. Furnace Oil			
Consumption	Ltrs.	8,57,076	6,60,085
Value	Rs.	90,30,241	70,39,576
Rate / Unit	Rs.	10.54	10.66
(b) Consumption per unit of Production			
	Standards (if any)		
Product - S.S.Coil	M.T.	5,863.039	3,547.396
Electricity	Unit	628.336	581.695
Furnace Oil	Ltrs.	146.183	186.075
(B) Technology Absorption			
The company is using latest technology available.			
(C) Foreign Exchange earnings		1,04,74,024	3,75,27,043
Out go		13,83,624	6,40,715