

RISHAB SPECIAL YARNS LIMITED

11th Annual Report 1998 - 1999

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BOARD OF DIRECTORS

Shri Nathmall Hirawat, *Chairman*
Shri Amitabh Hirawat, *Managing Director*
Smt. Padam Devi Hirawat, *Director*
Shri K. Chandrashekar, *Executive Director*
Shri Anil Sharma, *Nominee Director, RIIQO*

COMPANY SECRETARY

Shri N.K. Modi

AUDITORS

M/s. R. Mohnot & Co.
Chartered Accountants

BANKERS

State Bank of Bikaner & Jaipur
Punjab National Bank

REGISTERED OFFICE

2070 ~~Pasta~~ ~~Bara~~ ~~Gandore~~,
Gandore

WORKS

Unit -1 : E-38-39, Ambaji Industrial
Area, Abu Road-307 026

Unit -2 : B-130A, Ambaji Industrial
Area, Abu Road-307 026

RISHAB SPECIAL YARNS LTD.**DIRECTOR'S REPORT**

To,
The members of
RISHAB SPECIAL YARNS LTD.

Your Directors have pleasure in presenting the Eleventh Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March, 1999.

	Year Ended 31.03.99 (Rs.)	15 Months Ended 31.03.98 (Rs.)
FINANCIAL RESULTS		
Profit before depreciation, misc. expenses w/off & taxes	40,818	1,26,20,508
Less Depereciation	75,38,711	76,33,792
Less Misc. Expenses w/off	3,26,941	3,85,380
Provision for Taxation	Nil	13,04,000
Prior period adjustments	12,418	Nil
Profit/ (Loss) after tax	(78,12,416)	32,97,336
Add Balance brought forward from the previous year	<u>2,63,20,819</u>	<u>2,50,23,483</u>
	<u>1,85,08,403</u>	<u>2,83,20,819</u>
APPROPRIATION		
(A) Debenture Redemption Reserve	Nil	20,00,000
(B) Balance surplus carried over to Balance Sheet	<u>1,85,08,403</u>	<u>2,63,20,819</u>
	<u>1,85,08,403</u>	<u>2,83,20,819</u>

PERFORMANCE

During the year ended on 31st March 1999, your company achieved a turnover of Rs. 2546.40 lacs (previous period 15 months turnover Rs. 42002.70 lacs). The market for the Company's products have *remained extremely sluggish. Recession in the economy coupled with the hike in the raw material prices have affected the Company's performance.* The company ended with a marginal cash profit of Rs. 0.40 lacs (previous year 15 months cash profit 117.13 lacs).

DIVIDEND

In view of such circumstances, your directors are not in a position to recommend any dividend.

FUTURE PROSPECTOUS

The market position continues to remain sluggish. The Company is therefore trying to develop and market niche products which can help in improving the performance.

11TH ANNUAL REPORT**FIXED DEPOSITS**

The company has not accepted any fixed deposit in contravention of section 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposit), Rules, 1975.

DIRECTORS

Smt. Padam Devi Hirawat, Director of the company retires by rotation pursuant to section 256 of the Companies Act, 1956 and being eligible, offers herself for reappointment.

AUDITORS

M/s. R. Mohnot & Co., Chartered Accountants, Jaipur retire at the ensuing Eleventh Annual General Meeting and have given their consent for reappointment.

PARTICULARS OF EMPLOYEES

There were no employees in receipt of remuneration in excess of limits specified under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC.

A statement containing the information as per section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure I forming part of this report.

Y2K COMPLIANCE

Your Company has taken appropriate/ effective steps to secure Y2K compliance of equipment, Data processing System and main applications. Significant progress has been made in this direction and your Company would become Y2K compliant by October'99.

ACKNOWLEDGEMENTS

The Board greatly acknowledges the co-operation and support given by the Financial Institutions, Company's Bankers, Auditors, Shareholders and Employees.

Place : JAIPUR
Dated : 30.10.99

For and on behalf of Board of Directors

NATHMALL HIRAWAT
Chairman

RISHAB SPECIAL YARNS LTD.**ANNEXURE TO DIRECTOR'S REPORT**

Statement containing particulars to Companies (Disclosure of particulars in report of Board of Directors)
Rules, 1988.

A. CONSERVATION OF ENERGY

The Company is making continuous efforts to conserve energy wherever practicable to economise the use of Power and Electricity in the factory and office. The total energy consumption as per prescribed form 'A' is as under :

Form 'A'
(See Rule 2)

Particulars with respect to conservation of energy**A. POWER AND FUEL CONSUMPTION****1. Electricity**

	Twelve months ended 31.03.99	Fifteen months ended 31.03.98
(a). Purchased Units	Nil	2,00,698
Total Amount	Nil	6,26,197
Average Rate/ Unit	N.A.	3.12
(b) Own Generation		
Through Diesel Generator (units)	72,72,352	92,85,484
Diesel Consumed (Ltrs.)	19,35,766	24,30,755
Unit/ Ltr. of Diesel	3.76	3.82
Total cost of Diesel & others (Rs.)	1,82,51,207	2,18,04,575
Average cost / units	2.51	2.35
(c) Coal : Quantity (Kg)	8,39,240	12,40,607
Cost (Rs.)	20,92,354	34,49,946
Average Rate	2.49	2.78

B. CONSUMPTION PER UNIT (KILOGRAM)**OF PRODUCTION**

Production (Kgs.)	24,25,675	33,67,413
Electricity (Units)	3.0	2.82
Furnace Oil	Nil	Nil
Coal	0.35	0.37
Others	Nil	Nil

C. TECHNOLOGY ABSORPTION

Company is in constant touch with the Machinery Suppliers and Technical Institution regarding the possibility of any change/ modification etc, to achieve better working & quality.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Earning	45,63,980	18,66,914
(b) Outgo	Nil	Nil