

Annual Report 1998-99



RUCHI INFRASTRUCTURE LIMITED

Ruchi Infrastructure Limited

ANNUAL REPORT 1998-99

Board of Directors

Shri Dinesh Shahra
Shri P. S. Santhanakrishnan
Shri Darshan S. Desai
Shri Naveen Gupta

Company Secretary

Shri Ashok Khandelwal

Auditors

M/s. M. M. Singla & Company
Mumbai

Bankers

State Bank of Indore
HDFC Bank Limited
Development Credit Bank Limited

Registered Office

706, Tulsiani Chambers, Nariman Point,
Mumbai 400 021

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Notice

NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF RUCHI INFRASTRUCTURE LIMITED WILL BE HELD AT ITS REGISTERED OFFICE 706 TULSIANI CHAMBERS, NARIMAN POINT, MUMBAI - 400 021 ON WEDNESDAY, THE 29TH SEPTEMBER, 1999 AT 2 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 1999 and the Profit & Loss Account for the year ended 31st March 1999 together with the Report of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Shri P.S. Santhanakrishnan who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging by the Board of Directors of the Company of all the immovable and movable properties of the Company situated at Jamnagar Port, present and future, and/or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of the Industrial Development Bank of India (IDBI) to secure Rupee Term Loan under the project finance scheme not exceeding Rs.1080 lacs (Rupees One Thousand Eighty Lacs Only) lent and advanced/agreed to be lent and advanced by IDBI to the Company for setting up a lighterage jetty and storage tank projects at Jamnagar Port together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, guarantee commission, costs, charges, expenses and other monies payable by the Company to IDBI under the Loan Agreement/Letters of Sanction/Memorandum of terms and conditions entered into/ to be entered into by the company in respect of said term loan.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with IDBI the documents for creating aforesaid mortgage and/or the charge and to do all such acts, deeds, matters and things to the above resolution".

Registered Office :
Ruchi Infrastructure Ltd.
706, Tulsiani Chambers,
Nariman Point,
Mumbai - 400 021

By order of the Board of Directors
For Ruchi Infrastructure Ltd.

Dinesh Shahra
Director

Dated August 27, 1999

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. such a proxy need not be a member of the company. The proxy form duly completed must be deposited at the registered office of the company not less than 48 hours before the time fixed for the meeting.
2. Share Transfer Books and the Register of Members of the Company will remain closed from 23rd September 1999 to 29th September 1999 (both days inclusive).
3. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
4. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
5. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
6. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company during the office hours on all working days except Saturday between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
7. Members seeking any further information about the accounts are requested to write to the Company at least ten days before the date of the Annual General Meeting so as to enable the management to keep the information ready at the meeting.
8. Dividend as recommended by the Directors, if declared at the ensuing Annual General Meeting will be paid on or after, 29th September 1999, to those members whose names appear in the Register of Members of the Company on 29th September 1999.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 5**

The Company has been sanctioned a Rupee Term Loan of Rs.1080 lacs by IDBI for setting up a lighterage jetty and construction of storage tank at Jamnagar Port. The financial assistance from the above institution has to be secured by way of a first pari-passu charge on all the immovable and movable properties of the company situated at Jamnagar port, present and future. Section 293(1)(a) of the Companies Act, 1956 provides inter-alia that the Board of Directors of public company in general meeting, sell, lease, or otherwise dispose off the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertakings whole or substantially the whole, of any such undertakings. Since the mortgaging by the Company of its immovable and movable properties as aforesaid in favour of the Financial Institutions may be regarded as disposal of the Company's properties/undertakings, the directors commend this resolution for your approval under section 293 (1)(a) of the Companies Act, 1956.

None of the directors of the company is concerned or interested in the resolution.

Registered Office :
Ruchi Infrastructure Ltd.
706, Tulsiani Chambers,
Nariman Point,
Mumbai - 400 021

By order of the Board of Directors
For Ruchi Infrastructure Ltd.

Dinesh Shahra
Director

Dated August 27, 1999

Directors' Report

Dear Shareholders,

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

(Rs.in Crores)

FINANCIAL RESULTS

	1998-99	1997-98
Sales & Services	293.77	191.89
Profit before Depreciation & Taxation	6.25	5.78
Less: Depreciation	3.45	2.49
Profit before Taxation	2.80	3.29
Less: Provision for Taxation	0.57	0.27
Profit after Taxation	2.23	3.02
Add: Balance brought forward from previous year	0.62	1.23
Amount available for appropriation	2.85	4.25
APPROPRIATIONS:		
General Reserves	1.50	3.00
Proposed Dividend	0.58	0.58
Tax on Proposed Dividend	0.05	0.05
Surplus carried to Balance Sheet	0.72	0.62
	2.85	4.25

OPERATION:

During the year under review, the company's total income has increased to Rs. 293.77 Crores reflecting a healthy growth of 53% over the previous years figure of Rs.191.89 Crores. The company's gross profit has also increased to Rs.6.25 Crores from Rs.5.78 Crores. The company has posted a net profit of Rs.2.23 Crores during the current financial year as against Rs.3.02 Crores during the previous financial year. The Net Profit was low due to higher provision of depreciation.

DIVIDEND:

Your Directors are pleased to recommend dividend @ 12.00% (Rs.1.20 per equity share) on Equity Share Capital of Rs.4.80 Crores for the year 1998-99. The net out flow on account of dividend shall be Rs. 0.58 Crores.

FUTURE OUTLOOK:

As you are aware your company has already implemented storage tank projects at Cochin, Chennai, Kakinada, Mangalore ports. The Company has constructed a lighterage jetty at Jamnagar Port under Licence from Gujarat Maritime Board. The Company has also set up liquid storage tanks having capacity of 11,000 MT at the Jamnagar Jetty. The Company is in process of setting up more tanks to make the total storage capacity at Jamnagar Port at 26,000 MT. The company has also completed its Haldia storage tank project during the year under review. The impact of all above projects and expansions shall be reflected in coming years working.

Y2K COMPLIANCE:

The Hardwares and Softwares of the Company are Y2K compliant and thus no substantial operations, processes, functions which are computerised would be adversely affected. The Company had phased programme to achieve comprehensive Y2K compliance. Appropriate contingency plans are also being formulated to ensure that our processes and operations are not affected by the year 2000 problem.

PARTICULARS OF EMPLOYEES:

None of the employees of the company is covered by Section - 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 (as amended).

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE:

Information required under Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the Annexure forming part of this Report.

FIXED DEPOSITS:

During the year under review, the Company has not accepted any deposits from the public.

DIRECTORS :

Shri P.S. Santhanakrishnan retires by rotation in accordance with the provisions of Articles of Association of the Company and being eligible, offers himself for reappointment.

AUDITORS:

M/s.M.M. Singla & Co., Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The notes referred to by the Auditors in their report are self-explanatory and hence do not require any explanation.

ACKNOWLEDGEMENTS:

The Directors acknowledge with gratitude and wish to place on record their appreciation for the support and co-operation received by the Company from Financial Institutions, Bankers, Press, Shareholders and Employees for their contribution to the Company's successful operations during the year and look forward to their continued support.

By order of the Board of Directors

Place : Mumbai
Date : August 27, 1999

Dinesh Shahra
Director