



# SIRHIND STEEL LIMITED

MD	/	BKC	/
CS	/	DPY	NA
RO	/	DIV	/
TRA	/	AC	/
AGM	/	SHI	/
YE	/		/



Annual Report  
1996-97

**Board of Directors**

R. L. Malhotra

Chairman

Ravi Malhotra

Managing Director

M. L. Sharma

Executive Director

Amal Dhru

Rajika Malhotra

M. M. Singhi

**Auditors**

M/s. Manubhai G. Patel &amp; Co.

**Bankers**

State Bank of India

**Regd. Office**

7th Floor, Shalin,  
Ashram Road,  
Ahmedabad - 380 009.

**Works**

Malhotra Road,  
Odhav,  
Ahmedabad - 382 410.

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## **SIRHIND STEEL LIMITED**

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### **NOTICE**

Notice is hereby given that the Twentieth Annual General Meeting of the Members of SIRHIND STEEL LIMITED will be held on Tuesday, the 23rd September, 1997 at 10.30 A.M. at the Registered Office of the Company, 7th Floor, Shalin, Ashram Road, Ahmedabad-380 009 to transact the following business :-

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and Profit & Loss Account for the year ended on that date together with Directors' and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri M M Singhi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Smt. Rajika Malhotra, who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint Auditors' and to fix their remuneration.

Report

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By order of the Board  
For, SIRHIND STEEL LIMITED

Place : Ahmedabad  
Date : June 27, 1997

**Ravi Malhotra**  
Managing Director

#### **NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
3. Members intending to require information with regard to Accounts are requested to write to the Company at least ten days in advance of the Meeting date to enable the management to keep the information ready.
4. Register of Members and Share Transfer Books will remain closed from 15.09.97 to 23.09.97 (both days inclusive) for the purpose of determining the entitlement of Dividend.



## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting to you the Twentieth Annual Report together with Audited Accounts for the Year ended 31st March, 1997.

	(Rs. In Lacs)	
	For the year ended 31.3.97	For the year ended 31.3.96
<b>FINANCIAL RESULTS :</b>		
Profit before Depreciation & Interest	377.44	378.52
Depreciation	26.25	16.07
Interest	---	1.28
	<u>26.25</u>	<u>17.35</u>
Profit before Tax	351.19	361.17
Provision for Tax	142.50	135.25
Profit after Tax	208.69	225.92
Short Provision for Tax	0.76	3.26
Balance of Profit	207.93	222.66
Balance brought forward	0.91	0.65
Balance available for appropriation	<u>208.84</u>	<u>223.31</u>
<b>APPROPRIATIONS :</b>		
Proposed dividend	100.29	76.40
Tax on proposed Dividend	10.03	---
Transfer to General Reserve	98.00	146.00
	<u>208.32</u>	<u>222.40</u>
Balance carried to Balance Sheet	0.52	0.91
	<u>208.84</u>	<u>223.31</u>

## DIVIDEND :

The Directors have recommended dividend of 25% for the year ended 31st March, 1997 absorbing Rs. 100.29 Lacs.

## REVIEW OF OPERATIONS :

The Company during the year could achieve operational income of Rs. 3440.32 Lacs as against Rs. 4268.67 Lacs in the year 1995-96, a decrease of 19.41 %. The decline is mainly due to recession in construction industry as well as general recession in the market. It is, however gratifying to report that inspite of decline in Sales the Company has been able to maintain the bottomline and have achieved Profit before depreciation and interest of Rs. 377.44 Lacs as against Rs. 378.52 Lacs in the year 1995-96.

## SIRHIND STEEL LIMITED

### PROJECTIONS Vs PERFORMANCE :

Information as per requirement of Clause 43 of the Listing Agreement is as under :

	Projections	(Rs. In Lacs) Actuals
Net Sales & Other Income	8375.00	3440.32
Gross Profit	602.56	377.44
Net Profit	346.54	208.69
Dividend	20%	25%

The Company could not achieve the projections due to overall recessionary condition in General and Construction Industry in particular.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information pursuant to 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 annexed and forms part of this Report.

### PARTICULARS OF EMPLOYEES :

Particulars of Employees as required by Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are annexed and forms part of this Report.

### DIRECTORS :

Shri M M Singhi and Smt. Rajika Malhotra retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### DEPOSITS :

The Company has not accepted any deposits from Public.

### AUDITORS :

M/s. Manubhai G. Patel & Co, Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956. Accordingly the said auditors may be appointed as auditors for the current year to hold office until the conclusion of the next Annual General Meeting.

For and on behalf of the Board

Place : Ahmedabad  
Date : June 27, 1997

**R. L. Malhotra**  
Chairman



## ANNEXURE TO DIRECTORS' REPORT

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31st March, 1997.

### A. CONSERVATION OF ENERGY :

(a) Energy Conservation Measures taken :

All possible measures have been taken to ensure reduction in consumption of Electricity and Fuel.

(b) Additional Investment in proposals if any, being implemented for reduction of consumption of energy.

No additional investment is envisaged.

(c) Impact of above measures :

As a result of measures taken, consumption of electricity and fuel has been maintained at reasonable level.

(d) The Particulars with respect to Conservation of energy as per Form A is as under:

### FORM - A

	Year ended 31.3.97	Year ended 31.3.96	
<b>(A) Power &amp; Fuel Consumption</b>			
<b>1. Electricity</b>			
(a) Purchases			
Units	20,99,865	31,46,675	
Total Amount (Rs.in lacs)	95.33	120.00	
Average Rate/Unit Rs.	4.54	3.81	
(b) Own Generation	-	-	
<b>2. Coal</b>	-	-	
<b>3. Furnace Oil</b>			
Quantity (K.Ltrs)	1406	1922	
Total Amount (Rs.in lacs)	90.30	101.76	
Average Rate (Rs./K.Ltrs)	6422	5294	
<b>(B) Consumption per Unit of Production</b>			
	Standards (if any)		
Electricity (Units/MT)	-	78	86
Furnace Oil (Ltr./MT)	-	52	53

## SIRHIND STEEL LIMITED

### B TECHNOLOGY ABSORPTION :

#### FORM - B

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

- |  |   |   |
|--|---|---|
| 1. Specific area in which R & D Carried out by the Company | : | - |
| 2. Benefits derived as a result of the above R & D         | : | - |
| 3. Future Plans or action                                  | : | - |
| 4. Expenditure on R & D                                    | : | - |

#### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

- |   |   |   |
|---|---|---|
| 1. Efforts, in brief made towards technology, absorption, adaptation and innovation   | : | - |
| 2. Benefits derived as a result of the above efforts, e.g. product improvement cost reduction, product development, import substitution etc,                    | : | - |
| 3. In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial years) following information may be furnished. |   |   |
| (a) Technology Imported   | : | - |
| (b) Year of Import  | : | - |
| (c) Has technology been fully absorbed  | : | - |
| (d) If not fully absorbed areas where this has not taken place reasons therefore and future plans of action   | : | - |

### C FOREIGN EXCHANGE EARNINGS AND OUTGO :

Earning in foreign exchange	:	NIL
Outgo in foreign exchange	:	NIL

### ANNEXURE TO DIRECTORS' REPORT

Information U/s 217 (2A) of the Companies Act, 1956 forming part of the Directors' Report for the year ended 31st March, 1997.

Name of Employee	Age years	Designation Nature of duties	Remuneration received Rupees	Qualification	Experience No. of years	Date of Commence- ment of Employment	Particulars of Last Employment
Mr Ravi Malhotra	43	Managing Director	1226193	B.Com.	23	1/1/81	NIL

#### NOTES :

- Mr Ravi Malhotra is related to Mr R L Malhotra & Mrs Rajika Malhotra Directors of the Company and nature of his employment is contractual.
- Remuneration includes Salary, House Rent Allowance, Company's Contribution to PF, etc. and other perquisites valued in accordance with provisions of the Income Tax Act, 1961 and rules thereunder.