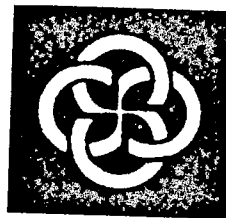


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RO	<input checked="" type="checkbox"/>		V	<input checked="" type="checkbox"/>
TRA	NA		IC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SH	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

<b>21<sup>st</sup></b>
<b>Annual</b>
<b>Report</b>
<b>1997-98</b>

Report Junction.com



**SIRHIND STEEL LIMITED**



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## SIRHIND STEEL LIMITED

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**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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## NOTICE

Notice is hereby given that the Twenty first Annual General Meeting of the Members of SIRHIND STEEL LIMITED will be held on Monday, the 21st September, 1998 at 10.00 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, 1998 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 R L Malhotra, who retires by rotation and being eligible, offers himself for re-appointment.
- 4 To appoint a Director in place of Shri M L Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
- 5 To appoint Auditors' and to fix their remuneration.

### SPECIAL BUSINESS :

- 6 To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution.

"RESOLVED THAT subject to the Provisions of Section 198, 269, 309 and 316 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any amendment or substitution thereof, consent of the company be and is hereby accorded for re-appointment of Shri Ravi Malhotra as Managing Director of the Company for a further period of 5 years with effect from 15th June, 1998 on following terms and conditions.

1. **Salary :** Rs.75000 (Rupees Seventy Five Thousand Only) per month with suitable increments at the discretion of the Board.
2. **Commission :** 1% of the Net Profit of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956.

#### 3. **Perquisites and Allowances :**

- i) In addition to the salary and commission payable, the Managing Director shall also be entitled to perquisites and allowances like, reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs for house occupied, club fees, medical reimbursement and leave travel concession for self and family, medical/accident insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr Ravi Malhotra. Such perquisites and allowances will however be subject to a maximum of 50% of his annual salary.

- ii) For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Provision for use of the Company's car for official duties and personal use, telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

- iii) Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income-Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

## **SIRHIND STEEL LIMITED**

- 4 The Company shall pay to or reimburse the Managing Director all costs, charges, and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.
- 5 The terms and conditions of the appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, in accordance with Schedule XIII to the Companies Act, 1956 or any amendments made hereafter in this regard.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of the Managing Director, the Company has no profit or its profits are inadequate, the Company will pay him remuneration by way of salary, perquisites and allowances as specified hereinabove subject to the ceiling laid down in Section II of part II of Schedule XIII of the Companies Act, 1956, or any statutory modification, substitutions or re-enactments thereof, as may be agreed to by the Board of Directors and Shri Ravi Malhotra, Managing Director.

By order of the Board  
For, **SIRHIND STEEL LIMITED**

Place : Ahmedabad  
Date : June 30, 1998

**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. Explanatory Statement Pursuant to Provision of Section 173(2) of the Companies Act, 1956 in respect of the Special Business set out above is annexed hereto.
3. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
4. 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.
5. Register of Members and Share Transfer Books will remain closed from 14/9/98 to 21/9/98 (Both days Inclusive) for the purpose of determining the entitlement of Dividend.

### **EXPLANATORY STATEMENT PURSUANT TO PROVISION OF SECTION 173 (2) OF THE COMPANIES ACT, 1956.**

#### **ITEM NO.6**

Mr. Ravi Malhotra is the Managing Director of the Company since its inception and his last appointment for a period of 5 years has expired on 14/06/98. Considering Mr. Malhotra's contribution in the growth of the Company, the Board of Directors in their meeting held on 30/06/98 have re-appointed Mr. Malhotra for a further period of 5 years w.e.f. 15/06/98 on the terms and conditions as set out in Resolution in Item No.6 of this Notice.

A copy of resolution passed by the Board of Directors indicating the terms of re-appointment of Mr. Malhotra is open for inspection at the Registered office of the Company on any working day between 10:00 AM to 5:00 PM.

The Directors recommend the special resolution for your approval.

None of the Directors of the Company except Mr. Ravi Malhotra, himself, Smt Rajika Malhotra and Mr. R L. Malhotra, relatives of Mr. Ravi Malhotra are concerned or interested in passing of the above Resolution.



## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting to you the Twenty First Annual Report together with Audited Accounts for the Year ended 31st March, 1998.

	Year ended 31st March, 1998	(Rs. In Lacs) Year ended 31st March 1997
<b>FINANCIAL RESULTS :</b>		
Profit before Depreciation & Interest	262.46	377.44
Depreciation	24.72	26.25
Profit before Tax	237.74	351.19
Provision for Tax	80.40	142.50
Profit after Tax	157.34	208.69
(Short) / Excess Provision of Tax	2.22	(0.76)
Balance of Profit	159.56	207.93
Balance brought forward	0.52	0.91
Balance available for appropriation	160.08	208.84
<b>APPROPRIATIONS :</b>		
Proposed dividend	80.15	100.29
Tax on Proposed Dividend	8.02	10.03
Transfer to General Reserve	70.00	98.00
	158.17	208.32
Balance carried to Balance Sheet	1.91	0.52
	160.08	208.84

## DIVIDEND :

The Directors have recommended dividend of 20% for the year ended 31st March, 1998 absorbing Rs.80.15 Lacs.

## REVIEW OF OPERATIONS :

The Company during the year could achieve operational income of Rs.2800.72 Lacs as against Rs.3440.32 Lacs in the year 1996-97, a decrease of 18.59%. The decline is mainly due to recession in construction industry as well as general recession in the market. The Company inspite of above achieved Profit before Tax of Rs.237.74 Lacs as against Rs.351.19 Lacs in the year 1996-97.

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## **SIRHIND STEEL LIMITED**

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### **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 R. L. Malhotra and Shri M. L. Sharma retire 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 the 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 30, 1998.

**R. L. Malhotra**  
Chairman