

**Annual Report**  
**2002-2003**



***SIRHIND STEEL LIMITED***

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# SIRHIND STEEL LIMITED

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**Board of Directors**

Ravi Malhotra  
Chairman & Managing Director

M. L. Sharma  
Executive Director

Amal Dhru

Rajika Malhotra

**Auditors**

M/s. Manubhai G. Patel & Co.

**Bankers**

State Bank of India

UTI Bank Ltd.

**Regd. Office**

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

**Works**

Malhotra Road,  
Odhav,  
Ahmedabad - 382 410

Report  junction.com

**CONTENTS**

Notice	2-3
Directors' Report	4-6
Auditors' Report	7-9
Balance Sheet	10
Profit & Loss Account	11
Schedules to Accounts	12-18
Balance Sheet Abstract	19
Cash Flow Statement	20



## NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of SIRHIND STEEL LIMITED will be held on Monday the 29th September, 2003 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, 2003 and Profit & Loss Account for the Year ended on that date together with Directors' and Auditors' Report thereon.
- 2 To appoint a Director in place of Mrs. Rajika Malhotra, who retires by rotation and being eligible, offers herself for re-appointment.
- 3 To appoint Auditors' and to fix their remuneration.

### SPECIAL BUSINESS

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

"RESOLVED THAT subject to the provisions of Section 198, 269, 309, Schedule XIII and such 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 Mr. Ravi Malhotra as Managing Director of the Company for a further period of 5 years with effect from 15th June, 2003 designated as Chairman & Managing Director (CMD) on following terms and conditions.

**A Salary :** Rs. 125000 (Rupees One Lac Twenty five thousand only) per month with suitable yearly increase at the discretion of the Board.

**B Perquisites and Allowances :**

- i) In addition to the salary, the CMD shall also be entitled to perquisites and allowances like, reimbursement of expenses for utilities such as gas, electricity, water, furnishings, maintenance of house, 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. Such perquisites and allowances will however be subject to such limits if any, as laid down by the Companies Act, 1956.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income-Tax Rules, wherever applicable and in the absence of any such rules at actual cost.

- ii) Provision for use of the Company cars for official purpose and personal use, telephones at residence including payment for local calls and long distance official calls.
- 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.

**C Commission :** 1% of the Net Profit of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956.

**D** The Company shall pay to or reimburse the CMD 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.

## SIRHIND STEEL LIMITED

- E** 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 Chairman & 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 to the Companies Act, 1956, or any statutory modification, substitutions or re-enactments thereof, as may be decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

By order of the Board  
For, SIRHIND STEEL LIMITED

**Ravi Malhotra**  
Chairman & Managing Director

Place : Ahmedabad  
Date : June 30, 2003

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. 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 provisions of Section 173(2) of the Companies Act, 1956, in respect of the Special Business set out above is annexed hereto.
3. Member/proxy 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 Book will remain closed from 22.09.2003 to 29.09.2003 (Both days inclusive).

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

#### ITEM NO: 4

Mr. Ravi Malhotra is the Managing Director of the Company since its inception. His last appointment for a period of 5 years has expired on 14.06.03 and considering his valuable contribution in the growth of the company the Board of Directors in their meeting held on 30.06.03 have re-appointed Mr. Malhotra for a further period of 5 years w.e.f. 15.06.03 designated as Chairman & Managing Director on the terms and conditions as set out in Resolution in item No. 4 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 and Mrs. Rajika Malhotra are concerned or interested in passing of the above Resolution.



## DIRECTORS' REPORT

To  
The Members

Your Directors are pleased to present the 26th Annual Report and the Audited Accounts for the Year ended 31st March, 2003.

(Rs. in Lacs)

	Year ended 31.3.2003	Year ended 31.3.2002
<b>Financial Results</b>		
Profit before Depreciation & Interest	158.99	169.82
Depreciation	12.33	15.08
Profit before Tax	146.66	154.74
Provision for Tax	55.17	57.44
Profit after Tax	91.49	97.30
Prior Year Adjustments	---	0.54
Balance of Profit	91.49	97.84
Balance brought forward	78.80	18.96
Balance available for appropriation	170.29	116.80
<b>Appropriations</b>		
Transfer to General Reserve	78.80	38.00
Balance carried to Balance Sheet	91.49	78.80
	170.29	116.80

## Operations

The sales income during the year was higher by 23.5% at Rs. 2893.47 lacs as compared to Rs. 2342.55 Lacs in the previous year. There has been overall revival in the steel industry, demand has also increased but margins continued to be depressed.

## Dividend

With a view to conserve resources, the Directors do not recommend any dividend for the year.

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## SIRHIND STEEL LIMITED

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### Director's Responsibility Statement

Pursuant to section 217 (2AA) of the Companies Act, 1956 the Directors to the best of their knowledge and belief confirm that:

- (i) in the preparation of the annual accounts the applicable accounting standards have been followed by the company.
- (ii) appropriate accounting policies have been selected and applied consistently and such judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that year.
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- (iv) the annual accounts have been prepared on a going concern basis.

### 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

There were no employees who were in receipt of remuneration in excess of the amount prescribed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

### Directors

Consequent to the demise of Shri R. L. Malhotra, Shri Ravi Malhotra has been appointed as the Chairman of the Company effective from 30th October, 2002.

Mrs. Rajika Malhotra retire by rotation and being eligible offer herself for re-appointment.

### Fixed Deposits

The Company has not accepted any deposits from the Public.

### Auditors

The Auditors M/s Manubhai G. Patel & Co., retire and are eligible for re-appointment. Your Directors recommend for their re-appointment as Auditors for the ensuing year until conclusion of the next Annual General Meeting.

For and on behalf of the Board

Place : Ahmedabad  
Date : June 30, 2003

**RAVI MALHOTRA**  
Chairman & Managing Director