



**20th Annual Report
1999-2000**

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VALLABH STEELS LIMITED



VALLABH STEELS LIMITED

BOARD OF DIRECTORS

Mr. Kapil Jain	Chairman
Mr. Rahul Jain	Whole Time Director
Mr. M. K. Jain	Director
Mr. Mohan Lal	Director
Mr. S.K. Soni	Director

AUDITORS

M/s Raj Gupta & Co.
Chartered Accountants
Miller Ganj, Ludhiana-141 003

BANKERS

Punjab National Bank,
International Banking Branch,
Industrial Area - 'A'
Ludhiana-141 003

REGISTERED OFFICE

G.T. Road, Pawa, Sahnewal,
Ludhiana -141 120

WORKS

- (i) G.T. Road, Pawa, Sahnewal,
Ludhiana-141 120
- (ii) G.T. Road, Nandpur, Sahnewal,
Ludhiana-141 120

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VALLABH STEELS LIMITED

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of **VALLABH STEELS LIMITED** will be held at Registered office of the company situated at G.T. Road , Village Pawa (Sahnewal), Ludhiana on Thursday, 28th September, 2000 at 10.00 A. M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2000 and the Audited Statements of Accounts for the year ended 31st March, 2000 and the Report of the Auditors and Directors thereon.
2. To declare dividend on Preference Shares.
3. a) To appoint a Director in place of Mr. S. K. Soni who retires by rotation and being eligible, offers himself for re-appointment.
b) To appoint a Director in place of Mr. Mohan Lal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**BY ORDER OF THE BOARD
OF DIRECTORS**

PLACE : LUDHIANA
DATED : 17TH AUGUST, 2000

Sd/-
(KAPIL JAIN)
CHAIRMAN



VALLABH STEELS LIMITED

NOTES :

1. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxy, in order to be effective must be delivered at the Registered Office of the company at least 48 hours before the scheduled time of the meeting .**
2. The Register of Members and Share Transfer Books of the company will remain closed from Tuesday, the 26th September, 2000 to Thursday, the 28th September, 2000 (both days inclusive).
3. The Members are requested to notify the change in their address, if any, to the company immediately.
4. Members are requested to send their queries on the accounts if any, so as to reach the Registered Office of the Company at least seven days before the meeting to enable the company to keep relevant information ready at the meeting.
5. Members are requested to bring their copy of Annual Report alongwith them to the Annual General Meeting.

**BY ORDER OF THE BOARD
OF DIRECTORS**

**PLACE : LUDHIANA
DATED : 17TH AUGUST, 2000**

**Sd/-
(KAPIL JAIN)
CHAIRMAN**

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VALLABH STEELS LIMITED

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 20th Annual Report of the Company alongwith the Audited Statements of Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

(Rupees In Lacs)

	Current Year	Previous Year
Operating Income	15789.79	14473.76
Profit before Interest, Depreciation and Tax	630.01	632.45
Less :		
Financial Expenses	177.51	197.26
Provision for Depreciation	177.41	171.91
Provision for Taxation	43.50	30.00
Profit after Tax	231.59	233.28
Balance brought forward	401.66	239.48
Profit available for appropriations	633.25	472.76
APPROPRIATIONS :		
Proposed Dividend on Preference Shares	0.22	0.22
Tax adjustment of earlier years	---	0.86
Tax on proposed dividend	0.05	0.02
Transfer to General Reserve	75.00	70.00
Surplus carried to Balance Sheet	557.98	401.66
	633.25	472.76

OPERATIONS

During the year, your company has achieved operating income of Rs. 15789.79 Lacs registering 9.09 % increase over the previous year Income of Rs. 14473.76 Lacs. This resulted in a gross profit of Rs.630.01 Lacs as compared to Rs. 632.45 Lacs of previous year and profit after tax of Rs. 231.59 Lacs as against Rs. 233.28 Lacs of previous year.

DIVIDEND

No dividend is recommended for the year under consideration. However dividend at the fixed rate of 11% is recommended for payment on preference share capital.

EXPANSION

During the year under review, your company has successfully implemented the expansion and modernisation of Cold Rolling Mill in February, 2000 with an expanded capacity of 45000 MT per annum. The project was partly financed by Punjab State Industrial Development Corporation Limited by term loans of Rs. 380 Lacs under Equipment Refinance Scheme.

LISTING OF SECURITIES

The Equity Shares of the Company are listed at The Delhi Stock Exchange Association Limited, DSE House, 3/1 Asaf Ali Road, New Delhi, The Ludhiana Stock Exchange Association Limited, Feroze Gandhi Market, Ludhiana, The Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai and The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Calcutta. Further the company has duly paid the listing fee to all the aforesaid Stock Exchanges upto 31st March, 2001.

FIXED DEPOSITS

The Company has not accepted any fixed deposits within the meaning of section 58-A of the Companies Act, 1956 and the Rules made thereunder.



VALLABH STEELS LIMITED

Y2K COMPLIANCE

Your Company has achieved year 2000 (Y2K) compliance for all its critical internal operations without any disruption in the operations. The compliance work have been completed in Hardware and Software. The issue is being taken up by the available in-house expertise. Most of the Softwares have been developed by EDP department of the Company. No major expenditure has been incurred by the Company for Y2K Compliance.

DIRECTORS

Mr. S. K. Soni and Mr. Mohan Lal Directors retire by rotation and being eligible offer themselves for re-appointment.

CORPORATE GOVERNANCE

Consequent upon amendments to listing agreement, the provisions of clause 49 relating to Corporate Governance are applicable to the Company from the financial year 2001-2002. However, the Company has already initiated the steps for implementing the same.

AUDITORS

M/s Raj Gupta & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. They have furnished a certificate to the effect that re-appointment, if made, will be in accordance with sub section (1B) of section 224 of the Companies Act, 1956.

AUDITORS' REPORT

As regards auditors observations, the relevant notes on the accounts, are self explanatory and therefore, do not call for any further comments.

COST AUDITORS

The Board of Directors has appointed M/s Verma, Verma & Associates, Cost Accountants as the Cost Auditors of the Company under section 233B of the Companies Act, 1956 for which approval of the Central Government has been taken to conduct audit for the year 2000-2001.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information as per section 217 (1) (e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the annexure forming part of this Report.

PERSONNEL AND INDUSTRIAL RELATIONS

The Management- Employees relations remained cordial throughout the year. The results during the year have been possible only with the dedication and hard work at all levels of workers and staff of the Company.

During the year, none of the employees of the company was in receipt of remuneration more than Rs. 6,00,000/- per annum or Rs. 50,000/- per month (if employed for part of the year) as required to be shown under the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT

The Directors take this opportunity to express their sincere thanks and appreciation to the team of executives, staff members and workers at all levels for their co-operation, hard work, dedication and devotion. Our thanks are also due to the Bankers, Financial Institution, Government Authorities and Business constituents for their continued support and co-operation extended from time to time to the Company.

**BY ORDER OF THE BOARD
OF DIRECTORS**

**PLACE : LUDHIANA
DATED : 17TH AUGUST, 2000**

**Sd/-
(KAPIL JAIN)
CHAIRMAN**