



BAJAJ STEEL INDUSTRIES LIMITED
39th Annual Report 1999-2000

Chairman	Shri Hargovind Bajaj
Managing Director	Shri Rohit Bajaj
Executive Director	Shri Sunil Bajaj
Whole-time Director	Shri Ashish Bajaj
Directors	Shri Vinodkumar Bajaj Shri Laichand Mutha Smt. Ramadevi Ruia Shri Prakash Maheshwari Shri Kamal Kishore Kela Shri Mohan Agrawal
Company Secretary	Shri Anand Daga
Auditors	K. C. Agrawal & Co., Nagpur Bajaj Rege Patel, Mumbai

Bankers	Bank of Maharashtra State Bank of India
---------	--

Registered Office	Imambada Road NAGPUR - 440 018
-------------------	---

Works	Imambada Road NAGPUR - 440 018 D-5/2, MIDC Area NAGPUR - 440 028 Bajaj Gram, Post - Savli, Sausar - 480 106 Distt. - Chhindawara (M.P)
-------	---

BAJAJ STEEL INDUSTRIES LIMITED

NOTICE TO MEMBERS

NOTICE is hereby given that the Thirty-Ninth Annual General Meeting of the Members of Bajaj Steel Industries Limited will be held on Saturday, the 23rd day of September, 2000 at 4.00 P.M. at VIA Hall, Udyog Bhavan, Opp. Sales Tax Office, Civil Lines, Nagpur - 440 001 to transact the following business :

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2000 and the Balance Sheet as at that date and Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri Mohan Agrawal, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Kamal Kishore Kela, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

Registered Office :

Imambada Road,
Nagpur - 440 018

Dated : 29th July, 2000

By order of the Board,

Anand Daga
Company Secretary

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 AND THE PROXY NEED NOT BE A MEMBER.
2. The Register of Members of the Company will remain closed from 19th September to 23rd September, 2000 (both days inclusive).
3. Members are requested to :
 - a) Intimate to the Company the changes, if any, in their registered addresses alongwith Pin Code Number.
 - b) Quote their **Folio Number** in all their correspondence.
4. Members who have multiple folios with identical order of names are requested to intimate to the Company these folios to enable the Company to consolidate all share holdings into one folio.
5. All unclaimed dividends upto the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from The Registrar of Companies, Hakoba Compound, 2nd floor, Dattaram Lad Marg, Chinchpokli (East), Kala Chowki, Mumbai - 400 033.



REPORT OF THE DIRECTORS

The Directors present their Thirty-Ninth Annual Report on the affairs of the Company together with the Audited Accounts for the year ended 31st March, 2000 :

FINANCIAL RESULTS

		Rupees
SALES AND OTHER INCOME		702, 326, 726
Gross Profit		62,309,135
Less : Interest	25,981,730	
Depreciation	20,015,345	45,997,075
Profit before Tax		16,312,060
Less : Provision for Taxation		5,800,000
Profit after Tax		10,512,060
Add : Balance brought forward	2,030,987	
Previous period adjustment	1,469,499	3,500,486
		14,012,546
Less : Appropriations		
: Transfer to General Reserves	11,000,000	
: Interim Dividend	2,200,000	
: Tax on Interim Dividend	242,000	
: Provision for Doubtful Debts	176,000	13,618,000
Balance Carried Forward		394,546

DIVIDEND

The Board of Directors of the Company at its meeting held on 29th April, 2000 has declared an Interim Dividend @ 10% i.e. Rs. 1/- per Equity Share for the Financial Year 1999-2000. Looking to the performance, the Board of Directors of the Company has recommended that the said Interim Dividend shall be confirmed as the Final Dividend for the Financial Year 1999 - 2000.

WORKING & FUTURE PROSPECTS

During the year under review, the working of the Engineering and CNC (Steel) divisions of the company was satisfactory.

The working of the Plastic Division - Superpack was affected to great extent due to workers strike during the period 16th December 1999 to 30th April 2000. Further, the margins are under pressure due to increase in Sales tax from existing 4% to 25% on diesel which has increased the power cost, levy of Sales tax on the products manufactured by the division due to expiry of the exemption period, etc.

The Board of Directors are trying their best to improve the performance of the Company. Sales during the first 3 months of the current year is Rs 78.81 millions against Rs. 176.44 millions for the corresponding period of the previous year.

BAJAJ STEEL INDUSTRIES LIMITED**PUBLIC DEPOSITS :**

Out of the public deposits aggregating to Rs. 20,798,000/- as on 31st March 2000, Three deposits amounting to Rs. 7,000/- though matured before 31st March, 2000 were not claimed by the depositors as on the date of this report.

PARTICULARS OF EMPLOYEES :

As required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975; as amended, the particulars of employees covered thereunder, are given in the statement annexed hereto and forms part of this report.

CONSERVATION OF ENERGY :

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in the per unit consumption of energy is an ongoing exercise in the Company. Effective measures have been taken to minimise the loss of energy as far as possible.

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT :

Production Departments of the Company are always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its products. The technology used by the Company is updated as a continuous exercise. The Company does not have a separate Research and Development activity.

FOREIGN EXCHANGE EARNINGS AND OUTGO :

Details of foreign exchange outgo on account of imports, expenditure on travelling, dividend, etc. and foreign exchange earnings are shown in the Notes No. 14,15 and 17 respectively of Notes on Account. To avoid repetition, the Members are requested to refer to these notes.

ACCOUNTS

The Directors Confirm that :

- a. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The accounting policies have been consistently applied and reasonable and prudent judgement and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2000 and the Profit and Loss Account of the Company for the period.
- c. Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 has been taken for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts have been prepared on a going concern basis.



DIRECTORS

Shri Mohan Agrawal and Shri Kamal Kishore Kela, retire by rotation and being eligible offer themselves for re-appointment.

AUDITORS

M/s. K. C. Agrawal & Co., Chartered Accountants, Nagpur and M/s. Bajaj Rege Patel, Chartered Accountants, Mumbai retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

Y2K COMPLIANCE :

The Directors are pleased to mention that the switch over of the Company's operation into the year 2000 passed off without any problem on 'Y2K' related issues.

LISTING OF SHARES :

The Equity Shares of the Company are listed on Stock Exchanges at Mumbai, Delhi and Calcutta.

ACKNOWLEDGEMENT

The Directors are grateful to the Bankers and Financial Institutions for their continued support, co-operation and assistance during the year.

The Directors express their thanks for the sincere and dedicated efforts put in by the workers, staff and officers during the year.

Report Junction.com

For and on behalf of the Board

NAGPUR

Dated : 29th July, 2000

Hargovind Bajaj
Chairman

BAJAJ STEEL INDUSTRIES LIMITED**ANNEXURE TO THE DIRECTORS' REPORT**

Statement of particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, and forming part of the Directors' Report for the year ended 31st March, 2000.

Sr. No.	Name	Designation/ Nature of duties	Remuneration (Subject to tax)	Qualification	Age/Experience (years)
1	Shri Rohit Bajaj	Managing Director	Rs. 835,536	B. A, B.J.	49/31
2	Shri Sunil Bajaj	Executive Director	Rs. 836,293	B. E. (Ele.)	46/26
3	Shri Ashish Bajaj	Whole-time Director	Rs. 921,972	B. Com	34/13

Sr. No.	Name	Date of Commencement of employment	Last employment held
1	Shri Rohit Bajaj	01.07.1980	---
2	Shri Sunil Bajaj	05.10.1985	---
3	Shri Ashish Bajaj	01.02.1999	Bajaj Plastics Limited

NOTES :

- i) Managing Director, Executive Director and Whole-time Director's nature of employment is contractual (renewable) and terms and conditions are as per contract of employment.
- ii) Remuneration received includes salary, allowances, commission, car perquisite value/allowances as applicable, employer's contribution to Provident Fund, leave travel facility, reimbursement of medical expenses, and all allowances/perquisites as applicable.
- iii) Shri Rohit Bajaj, Shri Sunil Bajaj and Shri Ashish Bajaj are related to each other and also to Shri Hargovind Bajaj, Shri Vinod Kumar Bajaj and Smt. Ramadevi Ruia.

For and on behalf of the Board

NAGPUR
Dated : 29th July, 2000

Hargovind Bajaj
Chairman



AUDITORS' REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of Bajaj Steel Industries Limited as on 31st March, 2000 and also the annexed Profit and Loss Account of the Company for the year ended on that date and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books of account of the Company.
3. The Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account of the Company.
4. In our opinion, the Balance Sheet and Profit & Loss Account comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable, and
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2000; and
 - b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.

As required by the Manufacturing and Other Companies (Auditors' Report) Order 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we further report that :

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. The fixed assets of the company have been physically verified by the management during the period and no serious discrepancies have been noticed on verification.
2. None of the fixed assets of the Company have been revalued during the year.
3. The stocks of finished goods, semi-finished goods, stores and spare parts and raw materials have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
4. In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on physical verification of stocks as compared to book records were not material and same have been properly dealt with in the books of account.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of the stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding years.
7. The Company has obtained unsecured loans from parties listed in the registers maintained under Section 301 and 372A(5)(a) of the Companies Act, 1956 and the rate of interest and the terms and conditions of such loans are not prima facie, prejudicial to the interest of the Company.
8. The Company has granted unsecured loans to parties listed in the registers maintained under Section 301 and 372A(5)(a) of the Companies Act, 1956 and the rate of interest and the terms and conditions of such loans are not, prima facie prejudicial to the interest of the Company.
9. Loans and Advances in the nature of loans given to employees and third parties are being repaid as stipulated together with interest, where applicable.