



BALAJI GALVANISING INDUSTRIES LIMITED

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SEVENTH ANNUAL REPORT

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BOARD OF DIRECTORS :

Shri Shiv Bhagawan Bagaria
 Shri Suresh Kumar Bagaria
 Shri C.V.Prithviraj
 Shri Binod Kumar Bagaria
 Shri Jugal Kishore Jethalia
 Shri Sanjay Kumar Bagaria

Chairman
 Managing Director
 Director
 Director
 Director
 Director

Registered Office :

5-4-100 & 101/A, M.G.Road,
 Secunderabad - 500 003.

Corporate Office :

167, N.S.Road,
 Calcutta - 700 007.

Factory :

Survey No.10,
 Gaddapotharam Village,
 Medak Dist.,
 Andhra Pradesh.

Auditors :

M/s. K S Ramakrishna & Co.,
 Chartered Accountants,
 5-9-22/38/2, Adarshnagar,
 Hyderabad - 500 463.

Bankers :

Dena Bank
 M.G.Road,
 Secunderabad - 500 003.



NOTICE:

Notice is hereby given that the seventh Annual General Meeting of the Members of M/s Balaji Galvanising Industries Ltd will be held on Monday the 29th day of September, 1997 at 10 30 AM at Agrasen Hall, 5-8-512/517-A2, Abids Road, Chirag Ali Lane, Hyderabad - 500 001 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 & Profit & Loss A/c for the year ended on that date and the Reports of Director's and Auditors thereon.
2. To appoint Directors in place of Shri Binod Kumar Bagaria, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Director in place of Shri C.V.Prithviraj, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next meeting and to fix their remuneration.

By Order of the the Board
for BALAJI GALVANISING INDUSTRIES LTD

(SURESH KUMAR BAGARIA)
Managing Director

Place: Secunderabad

Date :28.06.1997.

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 such proxy need not be a Member of the Company.
- (2) Proxy, in order to be effective, must be deposited at the Company's Registered Office not less than 48 hours before the meeting.
- (3) Members are requested to notify immediately any change in their address to the Company's Registered Office with their Ledger Folio No(s).
- (4) The Register of Members and Share Transfer Books of the Company will be closed from 23rd September to 29th September, 1997 (both days inclusive).

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DIRECTORS'S REPORT

To

The Members,

Yours Directors have pleasure in presenting the Seventh Annual Report of the Company together with the Audited Accounts for the period ended 31st March, 1997.

1. FINANCIAL RESULTS:

	1996-97 Rs.	(Rs. in lacs) 1995-96 Rs.
Sales & Other Income	685.05	634.50
Profit before depreciation and Interest	28.95	45.99
Interest	10.94	5.08
Depreciation	8.54	2.87
Profit before Tax	9.47	37.04
Provision for Taxation	0.72	7.56
Net Profit	8.75	29.48

2. DIVIDEND:

The Directors do not recommend any dividend because of inadequacy of profit.

3. REVIEW OF OPERATIONS DURING THE YEAR:

Your Company continued with a strategy of stabilising its products by improving quality during the year under review and has successfully produced its new product which has been well accepted in the market. However, due to overall recession in the market, the company could not achieve desired working results.

The overall Sales Revenue of the Company during the year under review was Rs.621.50 lacs as compared to Rs.604.85 lacs during the previous year. Apart from this the job work receipts during the year under review were Rs.24.74 lacs as compared to Rs.0.36 lacs during the previous year.

4. PROJECTIONS VS PERFORMANCE:

	Projections	(Rs. in lacs) Performance
Turnover	3,498.83	621.51
Profit	274.85	8.75

Due to overall recession in the market and introduction of new product in to the market, projected results could not be achieved fully.

5. CURRENT YEAR OUTLOOK:

Encouraged by the acceptance of the new product in the market the Company is planning to enter into Export Market and to tie up with established consumers for our product in the local market. The Company is hopeful of achieving encouraging results.

6. DIRECTORS:

Shri Binod Kumar Bagaria and Shri C.V.Prithviraj will retire by rotation at this Annual General Meeting and being eligible offer themselves for reappointment.

7. DEPOSITS:

The Company did not accept any deposits from the public during the year under review.

8. AUDITORS:

The present Auditors of the Company viz. M/s. K.S.Ramakrishna & Co., Chartered Accountants, will retire at the conclusion of the ensuing Annual General Meeting and being eligible for reappointment or recommended for reappointment.

9. PARTICULARS OF EMPLOYEES:

The particulars require under Section 217(2A) of the Companies Act, 1956 read with the provisions contained in the companies (particulars of employee) Rules, 1975 as amended to date were not applicable to your company as none of the employee was in receipt of remuneration which in aggregate was Rs.3,00,000/- or more per year nor was in receipt of remuneration for any part of the year of Rs.25,000/- or more per month.

10. INDUSTRIAL RELATIONS:

The Company has had harmonious industrial relations throughout the year under review at all levels of organisation. The Company would endeavour hard to maintain this cordial relationship in future also.

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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (disclosure of particulars in the report of the Board of Directors) Rules, 1988 regarding conservation of energy, Technology absorption and foreign exchange earnings and outgo has been given in a separate statement annexed hereto, which forms part of the Director's Report.

12. ACKNOWLEDGEMENT:

The Directors have pleasure in recording their appreciation for the valuable assistance extended to the Company by the financial institutions and Bankers of the Company.

Your Directors also place on record their deep sense of appreciation for the dedicated service rendered by all the executives, staff and workers of the company.

for and on behalf of the Board

Place: Secunderabad
Date 28.06.1997

(SHIV, BHAGAWAN BAGARIA)
Chairman

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ANNEXURE TO DIRECTOR'S REPORT

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earning and outgo as required under Companies (Disclosure of particulars in the Board of Directors Report) Rules, 1988:

I. Conservation of Energy:

- A) Energy Conservation Measures taken: Running of Lead and Zinc Furnaces with Furnace Oil.
- B) Additional Investments and proposals, if any, being implemented for reduction in consumption of Energy: NIL
- C) Impact of measures of 9a) and (b) above for reduction in Energy consumption and consequent impact on the cost of production of goods: Company is able to run the G I Section during the power shortage. Instead of 300 K W required for running G I Wire, Company is able to manage with only 40 KW power.
- D) Total Energy consumption and Energy Consumption per unit of production as per Form-A of the Annexure to the Rules in respect of Industries specified in the Schedule thereto:

A) Power and Fuel Consumption:

1) Electricity:

i) Purchased	12,51,824
ii) Total Units (KWH)	3,28,246
iii) Rate per Unit	3.081

2) Furnace Oil:

i) Total Amount	20,40,888
ii) Consumed	283.473 KL
iii) Rate per KL	7,199.58

3) Own Captive Generation (Diesel)

i) Total Amount	1,51,033
ii) Diesel consumed	17.2 KL
iii) Unit per Litre	8.78

4) Charcoal:

i) Total Amount	1,31,681
ii) Consumption	27.66 MT
iii) Rate per MT	4,760.70

B) Consumption per unit of Production:

i) Total Amount of Fuel & Power	35,75,426
ii) G I Wire/S S Wire (MT)	3,316.860 MT
iii) Energy Consumption per MT of G I Wire/ SS Wire	1,077.95

II TECHNOLOGY ABSORPTION: NIL

III FOREIGN EXCHANGE EARNINGS AND OUTGO: Not Applicable

Place: Secunderabad
Date : 28.06.1997.

for and on behalf of the Board
(SHIV BHAGAWAN BAGARIA)
Chairman

AUDITOR'S REPORT**TO THE MEMBERS OF BALAJI GALVANISING INDUSTRIES LIMITED, SECUNDERABAD**

We have audited the attached Balance Sheet of M/s BALAJI GALVANISING INDUSTRIES LIMITED, as at 31st March, 1997 and the Profit and Loss Account for the year ending on that date annexed there to and report that :

- 1 As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Sec. 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in the paragraph 1 above we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our order audit :
 - b) In our opinion, the company has maintained proper books of accounts as required by law as it appears from our examination of such books :
 - c) The Balance Sheet and Profit and Loss Account of referred to in this report are in agreement with the books of account :
 - d) In our opinion and to the best of our information and according the explanations given to us, the said Balance Sheet and the Profit and Loss account 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 :
 - 1) in so far as it relates the Balance Sheet, of the state of affairs of the Company as at 31st March, 1997.
 - and
 - 2) in so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

Place : Hyderabad
Date : 28.06.1997

for **K S RAMAKRISHNA & CO**
Chartered Accountants,

(K S RAMAKRISHNA)
Partner