



**BALAJI GALVANISING
INDUSTRIES LIMITED**

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**10th
ANNUAL REPORT
1999-2000**

BGIL

BOARD OF DIRECTORS :

Shri Shiv Bhagwan Bagaria	Chairman
Shri Navneet Khemani	Director
Shri C.V. Prithvi Raj	Director
Shri Jugal Kishore Jethalia	Director
Shri Sanjay Kumar Bagaria	Director
Shri Chetan Kumar Bagaria	Director

REGISTERED OFFICE :

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

FACTORY :

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

AUDITORS :

M/s. Dagliya & Company
Chartered Accountants
5-5-9/13, 2nd Floor, Srinivasa Buildings,
Ranigunj, Secunderabad - 500 003.

BANKERS :

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

NOTICE:

Notice is hereby given that the Tenth Annual General Meeting of the members of the Company will be held on Friday, the 29th day of September, 2000 at 10.00 A.M at Agrasen Hall Trust, 5-8-512/517 - A2, Abids Road, Hyderabad - 500 001 to transact the following business.

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 and the Profit and Loss Account for the year ended on that date and the Reports of the Director's and Auditor's thereon.
2. To appoint a Director in place of Shri Shiv Bhagwan Bagaria, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of C.V.Prithvi Raj, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint retiring Auditors, M/s Dagliya & Company, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors.
5. Special Business:

To consider and if thought fit, to pass, with or without modifications, the following resolution, as an ordinary resolution:

"RESOLVED THAT Shri Navneet Khemani who was appointed as an Additional Director of the Company by the Board of Directors under Section 260 of the Companies Act, 1956 and who ceases to hold office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED THAT Shri Chetan Kumar Bagaria who was appointed as an Additional Director of the Company by the Board of Directors under Section 260 of the Companies Act, 1956 and who ceases to hold office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**By Order of the Board
for BALAJI GALVANISING INDUSTRIES LIMITED**

**(SHIV BHAGWAN BAGARIA)
Chairman**

Place: Secunderabad
Dated: 30.07.2000

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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 shall remain closed from 27th September, 2000 to 29th September, 2000 (Both days inclusive).

EXPLANATORY STATEMENT

(As required under section 173(2) of the Companies Act, 1956.)

Shri Navneet Khemani was appointed as an Additional Director of the Company w.e.f.09.06.2000 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956 he holds office as a Director only upto the date of ensuing Annual General Meeting. As required by Section 257 of the Companies Act, 1956, the Company has received a notice from a member signifying his intention to propose appointment of Shri Navneet Khemani as a director liable to retire by rotation.

None of the Directors except Shri Navneet Khemani is concerned or interested in the resolution.

Shri Chetan Kumar Bagaria was appointed as an Additional Director of the Company w.e.f.09.06.2000 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956 he holds office as a Director only upto the date of ensuing Annual General Meeting. As required by Section 257 of the Companies Act, 1956, the Company has received a notice from a member signifying his intention to propose appointment of Shri Chetan Kumar Bagaria as a director liable to retire by rotation.

None of the Directors except Shri Chetan Kumar Bagaria is concerned or interested in the resolution.

**By Order of the Board
for BALAJI GALVANISING INDUSTRIES LIMITED**

**(SHIV BHAGWAN BAGARIA)
Chairman**

Place: Secunderabad
Dated: 30.07.2000

DIRECTOR'S REPORT

To

The Members,

Your Directors are pleased to presenting the Tenth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2000.

1. Financial Results: The Financial year results for the year are as under:

	(Rs. in lacs)	
	1999-2000	1998-99
Sales & Other Income	444.19	703.85
Loss before Depreciation and Interest	(25.19)	(1.56)
Interest	13.30	12.59
Depreciation	11.00	10.62
Profit/Loss before Tax	(49.49)	(24.77)
Less: Income Tax of earlier year's	--	(6.65)
Written off		
Net Loss	(49.49)	(31.41)

2. Review of Operations : During the year under review though the economy showed signs of revival for the Steel Industry and in particular the Wire Industry continued to reel under recessionary pressure. The efforts of the Company for direct selling to customers and trading also could not generate good Turnover and Company could achieve sales of Rs.444.19 Lacs against Rs.703.85 lacs in the previous year. Due to this the Company, had incurred a loss of Rs.49.49 Lacs from 31.41 Lacs in the previous year.

3. Directors: During the year the Company, has suffered a major loss due to sudden demise of Shri Suresh Kumar Bagaria who was the Promoter and Managing Director of the Company. He had single handedly driven the Company for setting up the project and running the same with an objective to create value.

The Board places on record its appreciation for his distinguished services and expresses its condolence on his sad demise.

Shri Shiv Bhagwan Bagaria and Shri C.V.Prithvi Raj, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

Shri Navneet Khemani & Shri Chetan Kumar Bagaria are being appointed as Additional Directors of the Company and they hold office until conclusion of ensuing Annual General Meeting. The Board of Directors recommend their appointment as Directors liable to retire by rotation.

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

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5. **Auditors:** The present Auditors of the Company, viz., M/s Dagliya & Company, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible for re- appointment, are recommended for re-appointment.
6. **Particulars of Employees:** The particulars required 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 as Rs.6,00,000/- or more per year nor was in receipt for any part of the year of Rs.50,000/- or more per month.
7. **Industrial Relations:** The Company 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.
8. **Y-2K Compliance:** The transition to the year 2000 on computerised systems was smooth for the Company. Your Company had upgraded the systems suitably and there was no contingency.
9. **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.
10. **Acknowledgement:** Your Directors have pleasure in recording their appreciation for the valuable assistance extended to the Company by the financial institutions and bankers of the Company, Dena Bank.

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

**By Order of the Board
for BALAJI GALVANISING INDUSTRIES LIMITED**

**(SHIV BHAGWAN BAGARIA)
Chairman**

Place: Secunderabad
Dated: 30.07.2000

ANNEXURE TO DIRECTOR'S REPORT

Disclosure of particulars with respect of Conservation of Energy, Technology, Absorption and Foreign Exchange Earning and outgo as required under Companies (Disclosure of Particulars in the Board of Director's Report) Rules, 1988.

I. CONSERVATION OF ENERGY

- A. Energy conservation measures taken: Running of Lead and Zinc Furnace with Furnace oil.
- B. Additional Investment and Proposals, if any being implemented for reduction in consumption of Energy: NIL
- C. Impact of measures of (A) and (B) above for reduction in energy consumption and consequent impact on the cost of production of goods: Company is able to run the GI Section during powercut with 40KW instead of 300KW power because of oil fire furnace.
- 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:

a. Purchased	Rs.	23,56,599	
b. Total Units(KWH)		473982	
c. Rate per Unit	Rs.	4.97	per unit
 2. Furnace Oil:

a. Total Amount	Rs.	9,55,581	
b. Consumed		116.837	
c. Rate per KL	Rs.	8178.75	
 3. Own Captive Generation (Diesel)

a. Total Amount	Rs.	94,076	
b. Consumed		7300	
c. Unit per Litre	Rs.	12.89	
 4. Charcoal

a. Total Amount	Rs.	38,712	
b. Consumed		7.065	
c. Rate per MT	Rs.	5479.40	
- B. Consumption per Unit of Production
1. Total Amount of Fuel and Power Rs. 35,48,886
 2. G.I/M.S/S.S.Wire (M.T) 2225.502
 3. G.I/M.S/S.S.Wire per M.T. Rs. 1594.64

- II. Technology Absorption : Nil
- III. Foreign Exchange Earnings & outgo : Nil

For and on Behalf of the Board

Place: Secunderabad
Dated: 30.07.2000

(SHIV BHAGWAN BAGARIA)
Chairman

AUDITOR'S REPORT

The Members of
BALAJI GALVANISING INDUSTRIES LIMITED
SECUNDERABAD.

We have examined the attached Balance Sheet of Balaji Galvanising Industries Limited as at 31st March, 2000 and the annexed Profit and Loss Account for the year ended on that date which are in agreement with the books of account 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 Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and as per the information and explanations given to us during the course of our audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we state 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 audit;
 - b. 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;
 - c. The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the Books of Account;
 - d. In our opinion, the Profit & Loss Account and the Balance Sheet comply with the accounting standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956;
 - e. 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 schedules and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view;
 - i) in the case of Balance Sheet, of the state of affairs of the company as the 31st March, 2000. and
 - ii) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.

for **DAGLIYA & COMPANY**
 Chartered Accountants,

Place: Secunderabad
 Date : 30.07.2000

(JITENDRA KUMAR JAIN)
 Partner