

**BELAPUR
INDUSTRIES LIMITED**

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Annual Report 1999-2000

BELAPUR INDUSTRIES LIMITED

(Formerly Belapur Sugar & Allied Industries Limited)

FORTY FOURTH ANNUAL REPORT 1999-2000

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SOLICITORS**Dhru & Company**

Natwar Chambers,
Nagindas Master Road,
Mumbai - 400 001.

AUDITORS**N. S. Naik & Company**

Chartered Accountants,
SHRIRAMPUR - 413 709

BANKERS

Bank of Maharashtra
Punjab National Bank

SECRETARIAL DEPARTMENT

Brady House, 2nd Floor,
12/14, Veer Nariman Road,
Fort, MUMBAI - 400 023.

REGISTERED OFFICE

Brady House, 2nd Floor,
12/14, Veer Nariman Road,
Fort, MUMBAI - 400 023.

FACTORY

P. O. Harigaon - 413 718
Taluka : Shrirampur
Dist : Ahmednagar - (M.S)

THE PEOPLE WHO OWN BELAPUR INDUSTRIES

CATEGORY OF SHAREHOLDERS	NUMBER OF SHARES	PERCENTAGE
1. Directors, Relatives & Companies in which Directors are interested	8,62,725	47.74
2. Nationalised Banks and Insurance Companies	27,120	1.50
3. General Public	9,17,185	50.76
Total No. of Fully paid Equity Shares of Rs. 10/- each	18,07,030	100.00

**44th Annual General Meeting on Tuesday,
26th September, 2000 at 10.30 A. M. at
Maharashtra Chamber Of Commerce &
Industry, Oricon House, 6th Floor,
12, K. Dubash Marg, Fort, Mumbai 400 023.**

NOTICE OF MEETING

NOTICE is hereby given that the FORTY FOURTH ANNUAL GENERAL MEETING OF BELAPUR INDUSTRIES LIMITED, will be held at Maharashtra Chamber of Commerce & Industry, Orion House, 6th Floor, 12, K. Dubash Marg (Rampart Row), Fort, Mumbai 400 023, on Tuesday, the 26th September 2000 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2000 and Profit and Loss Account for the year ended on that date and Auditors' Report and the Directors' Report thereon.
2. To appoint a Director in place of Shri A. G. Adik who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing the Proxy should be deposited at the Registered Office of the Company not less than Forty Eight hours before the commencement of the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 27th September 2000 to 29th September 2000 (both days inclusive).
4. SHAREHOLDERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT WITH THEM TO THE GENERAL MEETING, AS THE PRACTICE OF MAKING AVAILABLE ADDITIONAL COPIES OF THE REPORT AT THE MEETING HAS BEEN DISCONTINUED, AS A MEASURE OF ECONOMY.
5. MEMBERS DESIRING ANY INFORMATION ON THE ACCOUNTS ARE REQUESTED TO WRITE TO THE COMPANY ATLEAST SEVEN DAYS IN ADVANCE, SO AS TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY.
6. Members are requested to notify immediately any change in their Address to the Company.

By Order of the Board of Directors

G.W.ADIK

Chairman &
Managing Director

Mumbai, 24th August, 2000.

FOR THE ATTENTION OF THE MEMBERS

MEMBERS WHO HAVE NOT YET EXCHANGED THEIR SHARE CERTIFICATES OF BELAPUR SUGAR & ALLIED INDUSTRIES LIMITED OF THE FACE VALUE OF Rs. 50/- EACH WITH FIVE SHARES OF Rs. 10/- EACH OF BELAPUR INDUSTRIES LIMITED AS INTIMATED EARLIER ARE REQUESTED TO SEND THE OLD SHARE CERTIFICATES OF BELAPUR SUGAR & ALLIED INDUSTRIES LIMITED IMMEDIATELY TO ENABLE US TO SEND YOU THE NEW SHARE CERTIFICATES OF BELAPUR INDUSTRIES LIMITED.

DIRECTORS' REPORT

To

The Members
Belapur Industries Ltd.

The Board of Directors present their Forty-fourth Annual Report together with the Audited Accounts for the year ended on 31st March 2000.

2. FINANCIAL RESULTS :

	1999 - 2000 Rupees	1998 - 99 Rupees
Sales / Receipts	1,25,52,775	1,02,66,347
Other Income	30,71,271	45,99,709
	1,56,24,046	1,48,66,056
Total Expenditure	1,74,43,729	1,70,89,589
Financial Expenses	1,59,233	1,55,179
Fixed Assets Written Off	—	1,386
Gross (Loss) before Depreciation	(19,78,916)	(23,80,098)
Depreciation	44,84,116	53,06,818
Net (Loss) after Depreciation	(64,83,032)	(76,86,916)
(Short) / Excess Provision of Income tax for earlier years	(4,39,013)	27,31,824
	(69,02,045)	(49,55,092)
(Loss) / Profit brought from previous year	(26,61,486)	22,93,606
(Loss) Carried forward	(95,63,531)	(26,61,486)

3. DIVIDEND :

The Directors regret their inability to recommend Dividend for the year due to loss incurred by the Company.

4. PERFORMANCE REVIEW :**TEXTILE DIVISION :**

The Textile Industry more particularly the Spinning Industry has been passing through a very difficult phase continuously for the past few years and the financial year under review is no exception to the prevailing scenario. In spite of series of measures for controlling cost on one side and improving productivity on the other side the Company incurred operating loss of Rs. 89,04,685/- and cash loss of Rs. 48,25,718/- for the year under review in respect of Textile operations due to low production levels achieved by the Company. Since it has not been possible for the Company to improve the Working of Textile unit due to circumstances and factors beyond the control of the Management. It has been decided to close down the Textile division after taking necessary Permission from the concerned authorities.

DAIRY DIVISION :

As reported earlier the Company has already constructed sheds for housing 500 animals in first phase however Dairy operations could be carried on with 151 buffaloes only during the year under review. The Company could not procure balance animals and could not start Dairy operations in full swing due to non availability of finance at reasonable terms. The Company made a cash profit of Rs. 94,592/- but incurred operating loss of Rs. 3,10,557/- for the year under review in respect of dairy operations due to lower capacity utilisation and non availability of requisite finance for working capital.

The Company has now decided to expand the Dairy operations by setting up a Chilling Plant and Collecting Milk from nearby areas where Milk is available in plenty and market the same in packed pouches. The Company is making all efforts to overcome the problem of Working Capital by collecting the outstanding dues receivable so as to employ the same in Dairy operations for making the same viable and profitable. Once the Chilling Plant is put up, the Management is very much confident of generating substantial profits from Dairy operations.

The Company is also exploring the possibilities for other diversification projects in order to exploit the infrastructure available with the Company. Once these plans are materialised, your Company is likely to achieve substantial growth in the operations and overall profitability of the Company.

5. DIFFERENTIAL LEVY SUGAR PRICES :

The Members may be aware that the Company had already received from the Ministry of Food differential amount in the year 1996-97 towards differential Levy Sugar Price for the seasons 1974-75 to 1979-80 as per revised price notification issued by Government as per the Order of the Supreme Court dated 22nd September 1993.

While fixing the revised prices the Government ignored to include the element of additional cane prices payable by the sugar producers under Clause 5A of the Sugar Cane (Control) Order 1966. The Industry therefore filed a Civil Application in the Supreme Court for an appropriate direction to the Union Government to amend the notifications of refixation of levy sugar prices taking into account the liability of the sugar producers under Clause 5A of the Sugar Cane (Control) Order 1966. The Supreme Court by its judgement

dated 28th January 1997 vindicated the stand and directed the Union Government to issue an additional notification. The Government although notified the additional revised prices for the seasons 1974-75 to 1979-80 as per its Order dated 1st July 1998. However the claims for difference in prices is yet to be settled by the Government.

6. WINDING UP PETITIONS AGAINST THE COMPANY :

The Members were informed earlier that the High Court of Mumbai passed an interim order dated 26th June 1995 in the winding up petitions filed by Maharashtra State Farming Corporation Ltd. (MSFC Ltd) asking the Company to pay a sum of Rs. 73,74,371/- within a period of six months, otherwise petitions will be admitted. Against the said order, the Company had filed two appeals which were admitted as per the Order dated 15th December 1995 on payment of Rs. 25.00 lacs in the High Court of Mumbai. Subsequently MSFC Ltd filed the appeals against the order dated 15th December 1995 and took out Notice of Motions for certain reliefs which were not granted. The company deposited further sum of Rs. 25.00 lacs out of the sale proceeds of Plant & Machinery as per the order of the High Court. The MSFC Ltd. further took Notice of Motions in appeals and the Company deposited further sum of Rs. 15.00 lacs as per the Order of the High Court dated 29th September 1997. The total amount deposited so far works out to Rs.65.00 lacs. The appeals filed by the Company as well as by MSFC Ltd., will be heard in due course.

7. DIRECTORS :

As per the requirements of the Companies Act, 1956 and the Articles of Associations of the Company Shri. A.G. Adik is due to retire at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Shri. N. M. Thakkar resigned and his resignation was accepted by the Board on 29th April 2000. The Board wishes to place on record their appreciation for the valuable services rendered by Shri. Thakkar during his tenure of Directorship of the Company.

8. DEPOSITS :

The Company has not accepted any deposits from the public during the year under Report.

9. PARTICULARS OF EMPLOYEES :

Particulars of Employees, as required under Section 217(2A) of the Companies (Particulars of Employees) Rules, 1975 are not given since none of the employees has drawn remuneration in excess of the amount prescribed thereunder.

10. AUDITORS' REPORT :

Observations made in the Auditors' Report are self explanatory; and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

10. AUDITORS :

M/s. N. S. Naik & Company - Chartered Accountants, Shrirampur, Auditors of the Company retire at the Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a letter from the Auditors confirming their eligibility and willingness to be re-appointed as Auditors of the Company. The Members are requested to appoint Auditors for the Current Year and fix their remuneration.

12. POLLUTION, ENVIRONMENT AND SAFETY :

Adequate anti pollution measures for the protection of environment and industrial safety have been taken at our Harigaon Factory. Such measures are being reviewed from time to time to ensure full compliance with statutory requirements.

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

The Company Started its Textile Spinning Unit in the month of November 1997. Energy, Consumption Particulars as required has been given in the annexure to Directors' Report on page 5.

Various electric equipments are being constantly monitored in order to ensure that the Consumption of Energy is always at peak efficiency level. The Company has not incurred any capital expenditure on research and development. The Company has not entered into foreign collaboration for the purpose of technical assistance and technology was not imported for the purpose of product or process improvement. There were no foreign exchange earnings and outgo during the year under review.

14. ACKNOWLEDGEMENT :

We record our appreciation for the co-operation received from our employees, and the Government of Maharashtra during the year. The Board of Directors also express its gratitude to all the shareholders of the Company for having shown big deal of patience and giving support to the present Management in taking steps for revival of the Company.

By Order of the Board of Directors

G.W.ADIK

Chairman & Managing Director

Mumbai : 24th August, 2000