

**BELAPUR
INDUSTRIES LIMITED**

**ANNUAL REPORT
2000-2001.**

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BELAPUR INDUSTRIES LIMITED
(Formerly Belapur Sugar & Allied Industries Limited)
FORTY FIFTH ANNUAL REPORT 2000-2001

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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	47.75
2. Nationalised Banks and Insurance Companies	27,120	1.50
3. General Public	9,17,185	50.75
Total No. of Fully paid Equity Shares of Rs. 10/- each	18,07,030	100.00

NOTICE OF MEETING

NOTICE is hereby given that the FORTY FIFTH ANNUAL GENERAL MEETING OF BELAPUR INDUSTRIES LIMITED, will be held at Damodar Hall, Dr. Ambedkar Marg, Parel Naka, Parel, Mumbai - 400 012 on Saturday, the 29th September 2001 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2001 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 R. T. More 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 26th September 2001 to 29th September 2001 (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, 30th August, 2001.

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-fifth Annual Report together with the Audited Accounts for the year ended on 31st March 2001.

2. FINANCIAL RESULTS :

	2000 - 2001 Rupees	1999 - 2000 Rupees
Sales /Service Charges	41,56,442	1,25,52,775
Other Income	35,03,673	30,71,271
	76,60,015	1,56,24,046
Total Expenditure	84,41,444	1,74,43,729
Financial Expenses	7,55,003	1,59,233
Loss on sale of Fixed Assets	9,57,287	—
Gross (Loss) before Depreciation	(24,93,719)	(19,78,916)
Depreciation	15,14,714	44,84,116
Net (Loss) after Depreciation	(40,08,433)	(64,63,032)
(Short) /Provision of Income tax for earlier years	—	(4,39,013)
	(40,08,433)	(69,02,045)
(Loss) brought from Previous Year	(95,63,531)	(26,61,486)
(Loss) Carried Forward	(1,35,71,964)	(95,63,531)

3. DIVIDEND :

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

4. OPERATIONS :**TEXTILE DIVISION :**

The Company continued Textile operations only for part of the year as due to general slow down in economy and continuous recessionary trend prevailing in the Textile Industry more particularly in Spinning Industry. 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.21,49,391/- and cash loss of Rs. 9,86,377/- for the year under review in respect of Textile operations due to low production levels achieved by the Company. The losses could be minimised due to discontinuation of Textile operations.

DAIRY DIVISION :

Due to drought conditions in the factory area, the input cost had gone up substantially making the Dairy operations unviable. In spite of all efforts, the Company incurred net loss of Rs.9,01,755/- and cash loss of Rs.5,50,055/- in respect of Dairy operations for the year under reference.

The Company is evaluating various proposals in order to utilise the huge infrastructure available with the Company and earn reasonable profits for the benefit of shareholders 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. The Company is vigorously following up the matter to get the differential amount in respect of supplies made for Army Purchase and Exports also.

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 Limited (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. R.T. More is due to retire at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.
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.
11. **AUDITORS :**
M/s. N. S. Naik & Company - Chartered Accountants, Shirampur, 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 :**
Energy, Consumption Particulars as required has been given in the annexure on page 5.
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. **DEMATERIALIZATION :**
The Company is in the process of signing agreement with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the shares of your Company will be traded on the Stock Exchange in demat form no sooner the formalities are completed.
15. **DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956 :**
In compliance of Section 217 (2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000 the Directors of your Company confirm:
that the applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures;
that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2001 and of the loss of the Company for the year ended on that date;
that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
that the annual account have been prepared on a going concern basis.
16. **AUDIT COMMITTEE :**
The Company has constituted Audit Committee as per provisions of Companies Act, 1956 comprising of Shri B.B. Patil, Shri. A. G. Adik and Shri R.T. More Directors of the Company.
17. **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 : 30th August, 2001