



**ANNUAL REPORT
AND
ACCOUNTS
1998-99**



BENGAL STEEL INDUSTRIES LIMITED

Bengal Steel Industries Limited

*52nd Annual Report and Accounts for the year
ended 31st March, 1999*

BOARD OF DIRECTORS :

SRI V. N. AGARWAL

SRI M. P. CHATURVEDI

SRI G. K. AGARWAL

SRI K. K. GANERIWALA, *Director & Secretary*

AUDITORS :

Messrs : J. N. BANERJEE & CO.
Chartered Accountants

BANKERS :

UNITED BANK OF INDIA

REGISTERED OFFICE :

41, MIRZA GHALIB STREET,
CALCUTTA-700 016.

Bengal Steel Industries Limited

DIRECTORS' REPORT

Your Directors have pleasure in presenting 52nd Annual Report together with Accounts of the Company for the year ended 31st March, 1999.

FINANCIAL RESULTS :

	1998-99	1997-98
Profit before interest & depreciation	25,27,596	33,24,737
Less : Interest	5,19,418	8,20,746
	20,08,178	25,03,991
Less : Depreciation	18,40,291	20,99,933
Profit for the year	1,67,887	4,04,058
Prior Period Adjustment	93,566	(15,192)
Net Profit	2,61,453	3,88,866
Profit/(Loss) brought forward	(14,62,427)	(18,51,293)
Net Profit/(Loss) carried forward	(12,00,974)	(14,62,427)

GENERAL REVIEW :

The Company's steel division was Continued to be under suspension of work during the year under review. However, negotiations with the workers are going on for the settlement of the disputes at an early date. Besides, the Company's working during the year under review was satisfactory.

DIVIDEND :

Your Directors could not recommend any dividend in view of the carried forward loss.

AUDITORS NOTES :

The comments of Auditors are suitably explained in the notes on accounts and, therefore, do not call for any further comments or explanations.

EMPLOYEES :

Information as required to be given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 is not applicable.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE :

There are no information to be reported as required in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption as the Company's steel division was continued to be under suspension of work and there was no foreign exchange earnings or outgo during the year.

FIXED DEPOSIT :

The Company has not accepted any deposit from public during the year ended 31.03.99 which attracts the provisions of section 58A of the Companies Act, 1956.

DIRECTORS :

Sri V. N. Agarwal, Director retire by rotation and is eligible for re-appointment.

AUDITORS :

The Company's Auditors M/s. J. N. Banerjee & Co., Chartered Accountants, will retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

Calcutta,
Dated : 2nd July, 1999

For and on behalf of the Board
V. N. AGARWAL
Director

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AUDITORS' REPORT

TO THE MEMBERS OF

Bengal Steel Industries Limited

We have audited the Balance Sheet of Bengal Steel Industries Limited as at 31st March, 1999, and the Profit & Loss Account for the year ending on that date, both signed by us under reference to this report, and report that :—

1. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 said books ;
3. The Balance Sheet and Profit & Loss Account dealt with in this report are in agreement with the Books of Account ;
4. In our opinion and to the best of our information and explanations given to us, the said accounts together with the Schedules 1 to 16 give the information required by the Companies Act, 1956 in the manner so required and also give, subject to :
 - i) Change of method of accounting for gratuity from cash to accrual basis resulting to under statement of profit for the year by Rs. 1,64,716/-.
 - ii) Charge of depreciation on the Composite cost of land & Building, the value of which are not segregated ;
 - iii) Non-provision for doubtful debts and advances as indicated in Schedules 8 and 10 respectively ;

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, 1999.
 - b) In the case of the Profit & Loss Account, of the Profits for the year ended on that date.
5. 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. except for :
 - i) Non-accounting of claims relating to transport business on accrual basis.
 6. As required by Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4-A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate, we further report that :—
 - i) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The Fixed Assets do not appear to have been physically verified by the Management during the year under audit and therefore, the question of accounting of any material discrepancy on such physical verification of Fixed Assets does not arise.