



**ANNUAL REPORT
AND
ACCOUNTS
2003 – 2004.**



BENGAL STEEL INDUSTRIES LIMITED

Bengal Steel Industries Limited

*57th Annual Report and Accounts for the year
ended 31st March, 2004*

BOARD OF DIRECTORS :

SRI V. N. AGARWAL
SRI PRAKASH AGARWAL
SRI G. K. AGARWAL
SRI K. K. GANERIWALA
Director & Secretary

AUDITORS :

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

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BANKERS :

UCO BANK
UNITED BANK OF INDIA

REGISTERED OFFICE :

41, MIRZA GHALIB STREET,
KOLKATA-700 016



Bengal Steel Industries Limited

DIRECTORS' REPORT

Your Directors have pleasure in presenting 57th Annual Report together with Accounts of the Company for the year ended 31st March, 2004.

FINANCIAL RESULTS :

	<u>2003-2004</u>	<u>2002-2003</u>
Profit Before Interest & Depreciation	38,01,271	16,26,703
Less : Interest	30,296	2,68,238
	<u>37,70,975</u>	<u>13,58,465</u>
Less : Depreciation	10,69,127	11,93,848
Net Profit Before Tax	<u>27,01,848</u>	<u>1,64,617</u>
Tax for Earlier Year	—	(74)
Provision for Tax for the year	(2,00,000)	(1,21,000)
Profit Brought Forward	<u>18,46,169</u>	<u>18,02,626</u>
Net Profit Carried Forward	<u>43,48,017</u>	<u>18,46,169</u>

GENERAL REVIEW :

The Company's working during the year under review were satisfactory.

DIVIDEND :

Your Directors could not recommend any dividend in view of the inadequate profit.

DIRECTORS :

Sri V. N. Agarwal & Sri Prakash Agarwal, Directors retires by rotation and are eligible for re-appointment. Sri M. P. Chaturvedi, Director resigned from the Board during the year. The Board places on record the appreciation for the guidance provided by him.

AUDITORS :

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

AUDITORS NOTES:

The Comments of Auditor's Report are replied in seriatim :

- i) Value of Land & Building could not be segregated in absence of adequate details and without incurring huge expense.
- ii) Doubtful debts and advances are in the process of realisation / adjustment and hence do not require any provision.

- iii) The diminution in market value of investments held at cost are temporary in nature in the opinion of the Management.

EMPLOYEES :

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

FIXED DEPOSIT :

The company has not accepted any deposit from public during the year ended 31.03.2004 which attracts the provisions of section 58A of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirements under section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed :-

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2004, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that they were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for the year under review;
- (iii) that the Directors has taken proper and sufficient care 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;
- (iv) that the Directors had prepared the accounts for the financial year ended 31st March, 2004 on a 'going concern' basis.

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.

(a) Total Foreign exchange used	NIL
(b) Total Foreign exchange earned	NIL

Kolkata,
Dated : 15.07.2004

For and on behalf of the Board
V. N. AGARWAL
K. K. GANERIWALA
Directors

**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, 2004, and the Profit and Loss Account for the year ending on that date, together with Schedules annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We 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 explanation given to us, the said accounts together with the Schedules 1 to 15 give the information required by the Companies Act' 1956, in the manner so required and also give, subject to;

- (i) **Charge of depreciation on the Composite cost of Land & Building, the value of which are not segregated;**
- (ii) **Non-provision for doubtful debts and advances as indicated in Schedules 7 and 9 respectively,**
- (iii) **Non-provision in diminution in value of investments, the amount of which could not be ascertained in absence of adequate information.**

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, 2004.
 - (b) In the case of the Profit & Loss Account, of the Profits for the year ended on that date.
 - (c) In the case of the Cash Flow Statement, of the cash flows for 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 subsection (3C) of Section 211 of the Companies Act. 1956.