



BHARAT BERG LIMITED

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**13TH ANNUAL REPORT
1998-99**



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As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies at the meeting.

THIRTEENTH ANNUAL REPORT

BOARD OF DIRECTORS

R. R. KUMAR (Chairman)
DR. ING ROLF KOHLGRUBER
DR. B. V. BHOOTA
P. N. SHAH
K. A. PARDHI
N. K. SHINDE (IDBI Nominee)
R. C. AGARWAL (Managing Director)
D. V. KOLTE (Whole time Director)

AUDITORS

GHOSH & KHANNA
L-2A, Hauz Khas Enclave,
New Delhi-110 0016.

BANKERS

STATE BANK OF INDIA
STATE BANK OF TRAVANCORE
PUNJAB NATIONAL BANK

REGISTERED OFFICE & SHARE DEPARTMENT

168, Vidya Nagari Marg,
Kalina, Santacruz (East),
Mumbai-400 098.
Phones : 6497375, 6053211, 6053226
Fax : 022-6462830

FACTORY

MALWAN - 212664
Dist. Fatehpur, Uttar Pradesh
Phones : 05181 - 8230 - 8231 - 8232



BHARAT BERG LIMITED

NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the Members of BHARAT BERG LIMITED will be held on Saturday, 27th November, 1999 at 11.00 A.M. at Nehru Planetarium (A. C. Basement Hall), Dr. Anne. Besant Road, Worli, Mumbai - 400 018 to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June, 1999 and Profit and Loss for the fifteen months ended as on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri K. A. Pardhi who retires by the rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Dr. Ing. Rolf Kohlgruber who retires by the rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

By order of the Board

**(R. C. AGRAWAL)
MANAGING DIRECTOR**

"REGISTERED OFFICE"

168, Vidya Nagari Marg,
Kalina, Santacruz (East),
Mumbai - 400 098.

Date : 16th September, 1999.

NOTE :-

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 the proxy need not be a member of the company. The proxy in order to be effective must be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.
2. The register of members and share transfer books of the company will remain closed from 22nd November, 1999 to 27th November, 1999 both days inclusive.
3. Shareholder seeking any information with regard to accounts are requested to write to the company atleast seven days prior to the meeting so as to enable the management to keep the information ready.

THIRTEENTH ANNUAL REPORT

DIRECTORS REPORT

To the members of
Bharat Berg Limited,

Your Directors present herewith the Thirteenth Annual Report alongwith Audited Statement of Accounts for the Fifteen Month period ending 30th June, 1999.

FINANCIAL RESULTS :-

The financial results of the company for the
Period are as follows :

(Rs. in Lacs)

	Current Period As at 30th June, 1999. (15 Month)	Previous Year As at 31st. March, 1998 (12 Month)
Sales	3288.50	5498.42
Profit/(Loss) before Interest and Depreciation	(1107.59)	(1111.03)
Interest	1006.53	839.87
Depreciation	223.80	160.18
Profit/(Net Loss)	(2337.92)	(2111.08)

OPERATIONS :-

During the period under review your company achieved a turnover of Rs. 3288.50 Lacs as compared to Rs. 5498.42 Lacs in the previous period. The production of GP/GC Sheets during the period was 9318 MTS as against 18253 MTS in the preceding period.

Lower Capacity utilisation, cessation of Sales Tax exemption, sluggish and highly competitive market conditions had an adverse effect on the performance of the company. The cumulative effect of the above factors has resulted in net loss of Rs. 2337.92 Lacs during the period as against Rs. 2111.08 Lacs in the previous period.

FUTURE OUTLOOK :-

The period under review had not been good for the Steel Industry which has witnessed wide spread recession in India and abroad. As reported in our earlier reports, you are aware that the Board for Industrial and Financial Reconstruction (BIFR) had ordered winding up of the company in Oct'97. Appeal was made to Appellate Authority (AAIFR). In July'98, AAIFR upheld the BIFR order. The company thereafter filed an appeal in the High Court which was not considered in favour of the Company. Thereafter the Company also filed Special Leave Petition in the Supreme Court. The Supreme Court has vide it's order dated 19.07.1999, rejected our appeal. As such, the Law will take it's own course whereby the Company will have to be eventually wound up.

**BHARAT BERG LIMITED**

FINANCE :-

In view of the losses sustained by the company, its accounts with the Bankers are irregular on account of inability of the company to honour commitments under Letter of Credit. The Bankers are not extending any fresh working capital to the company.

ACCOUNTS :-

As regards the Auditors Report, the explanation given in Notes on Accounts No. 2,9,10 and 11 are self explanatory. The accounts have been prepared on going concern basis as the Supreme Court Order was received after the closing date of the balance sheet. Adequate disclosures are made as required in Accounting Standards of ICAI.

DIRECTORS :-

Shri H.K. Bajpai, Shri. N.S.Datar and Shri. K.D.Sultanpuri have resigned during the period. Your Directors wish to place on record their appreciation for services rendered by them.

Dr. ING ROLF KOHLGRUBER and Shri K A Pardhi retire by rotation and being eligible offer themselves for re-appointment.

AUDITORS :-

M/s Ghosh Khanna & Co., Chartered Accountants, Auditors of the company retire at the conclusion of the Annual General Meeting and being eligible offer themselves for re-appointment.

PERSONNEL :-

The relations with the personnel throughout the period under review have remained cordial. None of the employees of the company was in receipt of the remuneration in excess of the Limits prescribed Under Section 217 (2A) of the companies act 1956 read with companies. (Particulars of Employee's) Rules 1975 as amended.

OTHER STATUTORY INFORMATION :-

Particulars with respect to conversation of energy technology absorption and foreign exchange earnings and outgo as required Under Section 217(1)(e) of the companies act, 1956 read with companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 are set out in Annexure -I forming part of the Report.

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ACKNOWLEDGMENT :-

Your directors take this opportunity to offer their sincere thanks to the Financial Institutions, Banks, Central and State Governments and various departments of Central and State Governments and are especially grateful to you for your reposing faith and confidence in the Company's Management. Your Directors also place on record their deep sense of appreciation for the devoted services rendered by all the employees of the company at all levels.

For and on behalf of the board

PLACE : MUMBAI
DATE :- 16th September, 1999

R.R.KUMAR
(CHAIRMAN)





BHARAT BERG LIMITED

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Annexure for directors Report

Information as per section 217(1) (e) of the companies Act. 1956 read with companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 for the period ended 30th June, 1999.

A) Conservation of energy

a) Energy Conservation measures taken :

Various energy saving equipments like capacitors, economizers, motors of optimum capacity insulated pipe lines and tip covers special type of imported burners, sophisticated automatic temperature control etc have been used.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:

Efforts are being made to locate the possible areas for consumption per unit production.

c) Total energy consumption per unit production as under :

FORM - A

	<u>1998-99</u>	<u>1997-98</u>
1) POWER & FUEL CONSUMPTION: ELECTRICITY		
A). PURCHASED UNIT (K.W.H.)	958675	1797566
TOTAL AMOUNT (RS. IN LACS)	43.88	67.76
RATE/UNIT (RS.)	4.57	3.66
B). OWN GENERATION THROUGH DIESEL GENERATOR UNIT (K.W.H.)	183546	247856
UNIT PER LTR. OF DIESEL OIL	2.23	3.11
COST /UNIT(RS.)	4.94	3.65
2) COAL	NIL	NIL
3) FURNACE OIL:		
QUANTITY (LTR.)	370269	494000
TOTAL AMOUNT (RS. IN LACS)	20.65	33.05
AVERAGE RATE (RS.)	5.60	6.69
CONSUMPTION PER UNIT OF PRODUCTION :		
GP/GC SHEET (IN M. T.)	9318	18253
ELECTRICITY (IN KWH)	122.58	117.06
FURNACE OIL (IN LTR.)	39.73	27.06