

| | | | | |
|-----|----|---|-----|----|
| MD | ✓ | | BKC | NA |
| CS | ✓ | | DPY | NA |
| RO | ✓ | | DIV | NA |
| TRA | NA | | AC | ✓ |
| AGM | NA | - | SHI | ✓ |
| YE | ✓ | - | | |

38TH

ANNUAL
REPORT

1997-98

Report  junction.com



Bhilai Engineering Corporation Limited



BHILAI ENGINEERING CORPORATION LIMITED



BOARD OF DIRECTORS

Directors

A.K. Jain, Joint Managing Director
Veenu Jain, Joint Managing Director
Pramod Jain
B.D. Save, Nominee Director (IDBI)

Secretary

V.P. Mahipal

Auditors

P.C. Bafna & Co.
Chartered Accountants
Durg (M.P.)

Bankers

Central Bank of India
State Bank of India
UCO Bank

Regd. Office & Works I

Hathkoj Village
Industrial Area
Bhilai (MP)

Works II

BEC Fertilizers
Sirgitti Industrial Complex
Bilaspur (MP)

Works III

BEC (Projects Division)
Urla Industrial Area
Raipur (MP)

Works IV

BEC Foods
Village Kuthrel
PO Anda
Durg (MP)



BHILAI ENGINEERING CORPORATION LIMITED

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting their Thirty-Eighth Annual Report together with the Audited accounts of the Company for the financial year ended 31st March, 1998.

FINANCIAL RESULTS

| | (Rs. in lacs) | |
|---|----------------------|-------------|
| | 1998 | 1997 |
| Profit before depreciation | 582.92 | 503.64 |
| Depreciation | (232.88) | (227.19) |
| | 350.04 | 276.45 |
| Provision for Income Tax | (90.00) | (75.00) |
| | 260.04 | 201.45 |
| Income-tax for earlier years | 0.06 | 61.71 |
| Depreciation for earlier year | (3.13) | — |
| Previous year adjustments | (4.29) | (4.37) |
| | 252.68 | 258.79 |
| Investments Allowance Utilised Reserve | 20.98 | 46.00 |
| | 273.66 | 304.79 |
| Transferred from Debenture Redemption Reserve | 11.25 | (33.75) |
| Balance transferred to General Reserve | 284.91 | 271.04 |

The overall performance of the Company during the year under report was satisfactory. The sales and other income was Rs. 10481.39 lacs against Rs. 9405 lacs in the previous year. The profit before tax was Rs. 350.04 lacs against Rs. 276.45 lacs in the previous year.

PERSONNEL:

As per Section 217 (2 A) of the Companies Act, 1956, as amended vide notification No. GSR752 (E) dated 17.10.94, issued by the Deptt. of Co. Affairs, there is no employee in receipt of remuneration under the said rules.

AUDITORS:

Your Auditors M/s. P.C. Bafna & Company, Chartered Accountants retire and offer themselves for re-appointment.

COST AUDIT:

Pursuant to Section 233-B, the Central Government has directed your Company to carry out audit of the Company's Cost account records in respect of Engineering & Fertilizer Divisions. Accordingly your Directors have appointed Mr. Satish Chander, Cost Accountant to conduct Cost Audit for the year ending March, 1998.

BHILAI ENGINEERING CORPORATION LIMITED**DIRECTORS' REPORT (Continued)****APPRECIATION :**

Your Directors would like to express their profound gratitude to the Financial Institutions and the Company's Bankers for their guidance, assistance, co-operation and support.

Full credit for all the achievements of your Company must go to the sincere & devoted working of Executives, Staff & Workers. We wish to place on record our deep appreciation of all members of the BEC family.

We also wish to express our deep gratitude to all our loyal customers who have reposed their confidence in the Company & its products.

DIRECTORS :

Shri P.K. Jain retires from the Board by rotation and being eligible offers himself for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXCHANGE EARNING AND OUTGO.**a) Conservation of Energy :**

Information relating to Energy consumption and conservation as required under rule 2 of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1989 is given in Annexure-I forming part of this report.

b) Technology Absorption and Research & Development :

The Company has Research & Development Section recognised by the Department of Science & Technology and steps have been taken during the period for :

- a. Improvement in product quality
- b. Reduction in raw material consumption
- c. Improvement in cost effectiveness.

c) Foreign Exchange Earning & Outgo.

| | |
|----------|------------------|
| Earnings | Rs. 794.72 Lacs |
| Outgo | Rs. 2035.79 Lacs |

Registered Office :

Hathkhaj Village,
Industrial Area,
BHILAI (MP)

BHILAI

1st September, 1998

FOR AND ON BEHALF OF THE BOARD:

| | |
|------------|--------------------|
| VEENU JAIN | Joint Mg. Director |
| B.D. SAVE | Nominee Director |
| P.K. JAIN | Director |

BHILAI ENGINEERING CORPORATION LIMITED



ANNEXURE - I TO DIRECTORS' REPORT

For disclosure of particulars with respect to conservation of Energy :

| Power & Fuel Consumption | 1997-98 | 1996-97 |
|--|-------------|-------------|
| 1. Electricity | | |
| a) Purchased | | |
| Units | 1,19,16,757 | 1,21,89,834 |
| Total Amount | 4,22,01,476 | 4,22,46,887 |
| Average rate per unit | 3.54 | 3.47 |
| b) Own Generation | | |
| i) Through Diesel Generator | | |
| Units | 6,54,157 | 1,52,340 |
| Units/Litre of Diesel Oil | 2.58 | 2.84 |
| Cost/Unit | 4.65 | 5.51 |
| ii) Through Turbo Generator | | |
| Units | — | — |
| Cost/Unit | — | — |
| 2. Furnace Oil | | |
| Qty. (Kg./Ltrs.) | 439. | 445 |
| Total Amount/K. Ltrs of Oil) | 8980 | 7,458 |
| B. Consumption per Unit of Production : | | |
| Standard (if any) | | |
| Electricity consumption (KWH)/MT Finished Steel and Iron Castings Structural Steels & Equipments | 750 | 750 |
| Electricity Consumption (KWH)/MT of SSP | 30.78 | 31.65 |
| Electricity Consumption (KWH)/MT Fruit pulp and concentrate | 176.82 | 237 |
| Furnance Oil Consumption (KL) per MT of Steel & Iron Castings | 0.075 | 0.075 |



BHILAI ENGINEERING CORPORATION LIMITED**AUDITORS' REPORT**

The Members,
Bhilai Engineering Corporation Ltd.,
BHILAI (M.P.)

We have audited the attached Balance Sheet of Bhilai Engineering Corporation Limited as at 31st March, 1998 and the annexed Profit and Loss Account for the year ended on that date and report that :

1. As required by the Manufacturing & other Companies (Auditor's Report) Order, 1998 issued by the Company Law Board in terms of Section 227 (4-A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order, to the extent applicable to the company.
2. Further to our comments in the annexure referred to in paragraph above, we report that :
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - (b) 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 those books.
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account maintained by the company.
3. In our opinion and to the best of our information and according to the explanations given to us and read together with accounting policies and notes on accounts the said accounts give the information required by the Companies Act, 1956 in the manner so required and give 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, 1998 and
 - (b) In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date.

For P. C. BAFNA & COMPANY
Chartered Accountants

Place : Bhilai
Date : 1st September, 1998

SUNIL KASHYAP
Partner