

BHILAI ENGINEERING CORPORATION LIMITED

BALANCE SHEET AS AT 31ST MARCH, 1999

Particulars	Schedule	As At 31st March	
		1999 (Rs. '000)	1998 (Rs. '000)
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	'A'	46,695	46,695
Reserves & Surplus	'B'	290,343	265,530
		337,038	312,225
LOAN FUNDS			
Secured Loans	'C'	487,437	363,544
Unsecured Loans	'D'	86,428	87,304
Total Loan Funds		573,865	450,848
Total Funds Employed		910,903	763,073
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	'E'	524,114	495,777
Less : Depreciation		353,535	330,195
Net Block		170,579	165,582
Capital Work-in-Progress		6,133	4,922
		176,712	170,504
INVESTMENTS (At Cost)	'F'	14,529	16,744
CURRENT ASSETS, LOANS & ADVANCES	'G'		
Inventories		419,278	316,327
Sundry Debtors		322,007	281,224
Cash & Bank Balances		51,306	46,097
Other Current Assets		2,220	1,492
Loans & Advances		161,746	148,166
		956,557	793,306
Less :			
CURRENT LIABILITIES & PROVISIONS.	'H'		
Current Liabilities		217,895	200,981
Provisions		19,000	16,500
		236,895	217,481
Net Current Assets		719,662	575,825
Total Funds Utilised		910,903	763,073

ACCOUNTING POLICIES & NOTES ON ACCOUNTS 'I'

Schedules referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

FOR P.C. BAFNA & CO.;
Chartered Accountants(SUNIL KASHYAP)
Partner

Bhilai, 24 August 1999

V.P. MAHIPAL
Secretary

FOR AND ON BEHALF OF THE BOARD;

A.K. Jain	Joint Mg. Director
Veenu Jain	Joint Mg. Director
B.D. Save	Nominee Director
P.K. Jain	Director

BHILAI ENGINEERING CORPORATION LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1999

Particulars	Schedule	For the year ended 31st March	
		1999 (Rs. '000)	1998 (Rs. '000)
INCOME			
Income from Operations	'J'	1,071,488	1,037,349
Variation in Stock	'K'	106,841	(38,847)
TOTAL INCOME		1,178,329	998,502
EXPENDITURE			
Material	'L'	654,590	519,360
Operational Expenses	'M'	326,304	289,868
Central Excise duty		65,475	71,690
Financial Charges	'N'	67,811	59,293
Depreciation		25,833	23,287
		1,140,013	963,498
PROFIT BEFORE TAX		38,316	35,004
Provision for Tax		10,000	9,000
PROFIT AFTER TAX		28,316	26,004
Income tax for earlier years		(3,292)	6
Depreciation for earlier years		0	(313)
Previous Year Adjustments		(211)	(429)
		24,813	25,268
Transferred To/From Investment Allowance		2,000	2,098
Utilised Reserve			
Transfer To / From			
Debenture Redemption Reserve		7,875	1,125
Balance transferred to General Reserve		34,688	28,491

Schedules referred to above form an integral part of the Profit & Loss account

This is the Profit & Loss Account
referred to in our report of even date.

FOR P.C. BAFNA & CO.;
Chartered Accountants

(SUNIL KASHYAP)
Partner

V.P. MAHIPAL
Secretary

Bhilai, 24 August, 1999

FOR AND ON BEHALF OF THE BOARD;

A.K. Jain	Joint Mg. Director
Veenu Jain	Joint Mg. Director
B.D. Save	Nominee Director
P.K. Jain	Director

BHILAI ENGINEERING CORPORATION LIMITED
SCHEDULES TO ACCOUNTS

SCHEDULE "A" - SHARE CAPITAL

Particulars	As At 31st March	
	1999 (Rs. '000)	1998 (Rs. '000)
AUTHORISED :		
1,00,00,000 Equity Shares of Rs.10/- each	100,000	100,000
ISSUED, SUBSCRIBED & PAIDUP :		
4,669,520 Equity Shares of Rs.10/- each fully paidup (4,669,520)	46,695	46,695
TOTAL	46,695	46,695

Note :1) Share Capital includes 22,76,200 Equity Shares of Rs. 10/- each issued as fully paid Bonus Shares on Capitalisation of General Reserve.
 2) 174120 share of Rs. 10/- each have been allotted to erstwhile partners of M/s BECO Steel Castings for consideration other then cash.

SCHEDULE "B" - RESERVES & SURPLUS

Particulars	As At 31st March	
	1999 (Rs. '000)	1998 (Rs. '000)
(I) CAPITAL RESERVE		
As per last Balance Sheet	6,831	6,831
Total (I)	6,831	6,831
(II) INVESTMENT ALLOWANCE UTILISED RESERVE		
As per last Balance Sheet	9,150	11,248
Transferred to Profit & Loss Account	(2,000)	(2,098)
Total (II)	7,150	9,150
(III) DEBENTURE REDEMPTION RESERVE		
As per last Balance Sheet	15,750	16,875
Tfd from/to Profit & Loss A/c.	(7,875)	(1,125)
Total (III)	7,875	15,750
(IV) GENERAL RESERVE		
As per last Balance Sheet	233,799	205,308
Transferred from Profit & Loss Account	34,688	28,491
Total (IV)	268,487	233,799
TOTAL (I TO IV)	290,343	265,530

HILAI ENGINEERING CORPORATION LIMITED

SCHEDULES TO ACCOUNTS

SCHEDULE "C" - SECURED LOANS

Particulars	As At 31st March	
	1999 (Rs. '000)	1998 (Rs. '000)
Debentures	7,500	15,000
Term Loan from Financial Institutions & Bank :		
Rupee Loan	80,672	85,202
Foreign Currency Loan	2,585	2,243
Working Capital Loans from Banks	331,504	227,842
Advances from Customers	64,380	31,107
Interest accrued & due on debentures	796	2,150
TOTAL	487,437	363,544

Notes :

1. Debentures are non convertible and are redeemable at a premium of 5 % during the 5th, 6th & 7th year from May, 1992.
2. Secured by way of charges on immovable and movable properties of the Company both present and future subject to prior charges on specified mortgage created/to be created in favour of the Company's Bankers.
3. Secured against hypothecation of Stock in trade including goods in transit. Book Debts etc., ranking pari passu between the financing bankers, viz. Central Bank of India, UCD Bank and State Bank of India.
4. Secured by guarantees from the Company's Bankers including the Guarantees expired but not yet discharged.
5. Term Loans, Working Capital Loans and advances from Customers have also been guaranteed by some of the Directors.

SCHEDULE "D" - UNSECURED LOANS

Particulars	As At 31st March	
	1999 (Rs. '000)	1998 (Rs. '000)
Short term Loans		
From Companies	400	400
Sales Tax Loans	11,376	12,219
Other Loans & Advances	74,652	74,685
TOTAL	86,428	87,304

BHILAI ENGINEERING CORPORATION LIMITED**SCHEDULE 'E' FIXED ASSETS**

Particulars	Gross Block			Depreciation					Net Block	
	As at	During the year		As at	Up to	During the year		Up to	As at 31st March	
	31st March 1998 Rupees'000	Addition Rupees'000	Sale/Transfer Rupees'000	31st March 1999 Rupees'000	31st March 1998 Rupees'000	Provided Rupees'000	Adjustments Rupees'000	31st March 1999 Rupees'000	1999 Rupees'000	1998 Rupees'000
Land-Free hold	64	0	0	64	0	0	0	0	64	64
Land-Lease hold	6117	0	0	6117	0	0	0	0	6117	6117
Buildings	74722	2860	0	77582	25410	3258	0	28668	48914	49312
Plant & Machinery	353948	19364	1394	371918	266211	17381	1325	282106	89724	87729
Water, Electricity & Telephone Installations	12341	645	0	12986	6325	540	0	6865	6122	6816
Furniture, Fixtures & Equipment	19873	1118	0	20991	12634	1800	0	13714	7277	7239
Vehicles	19468	5475	1789	23146	12600	2499	1167	14820	9126	6772
Computers	9260	2850	0	11310	6927	1155	0	8002	3236	2333
Total	495777	31520	3183	524114	338195	25833	2493	353535	178579	165582
Capital WIP	4923	4782	3572	6133	0	0	0	0	6133	4923
Grand Total:	500700	36302	6755	530247	338195	25833	2493	353535	176712	178585
Previous Year	484457	22767	6525	508700	306583	23601	1989	338195	178585	