

29th ANNUAL REPORT 1999



BHORUKA STEEL LIMITED

BHORUKA STEEL LIMITED**BOARD OF DIRECTORS**

S.N. Agarwal

Chairman & Managing Director

M. Sreenivasa Rao

Vice Chairman

Dr. M.V. Kamath

Dr. E.R.C. Shekar

S.K. Sharma

C.S. Pani

A.V.S. Hameed

Nominee of IDBI

Janaki Kathpalia

Nominee of BIFR

R.C. Purohit

AUDITORS

R.S. Agarwala & Co

BANKERS

Canara Bank

**REGISTERED OFFICE
& WORKS**Whitefield Road
Mahadevapura Post
Bangalore-560 048Report  junction.com

Contents	Page
Board of Directors	3
Notice	4
Directors' Report	5-7
Auditor's Report	8-9
Balance Sheet	10
Profit & Loss Account	11
Schedules	12-20

Annual General Meeting	
Date	: 30th September 1999
Day	: Thursday
Venue	: Registered Office : Whitefield Road, Mahadevapura Post, Bangalore-560 048
Time	: 11 AM

29th ANNUAL REPORT 1999

NOTICE

Notice is hereby given that the **29th Annual General meeting** of the Company will be held on Thursday 30th September, 1999 at 11 A.M., at the Registered Office of the Company at Whitefield Road, Mahadevapura Post, Bangalore-560 048, to transact the following business:

1. To consider and adopt Accounts of the Company for the year ended 31st March, 1999 and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. M. Sreenivasa Rao who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. C.S. Pani who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Dr. E.R. C. Shekar who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors and fix their remuneration. R.S. Agarwala and Company, Chartered Accountants, who retire at this meeting are eligible for re-appointment.

By Order of the Board

Place: Bangalore
Date: 30th July, 1999

S.N. Agarwal
Chairman and Managing Director

NOTES:

1. The Register of members and Share Transfer Books of the Company will remain closed for one day i.e., Thursday, 30/9/99.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
3. The Members are requested to intimate the change in their address, if any, to the Company.
4. Members requiring information on the Accounts are requested to write to the company at least SEVEN DAYS before the meeting to enable the Company to furnish the information.



BHORUKA STEEL LIMITED**DIRECTORS' REPORT**

Your Directors' present the Company's 29th Annual Report together with the Audited Statements of Accounts for the twelve months ended 31st March, 1999.

1. FINANCIAL RESULTS:

The turnover of the Company was Rs.931 lakhs for the year ended 31st March, 1999 as against Rs. 1,266 lakhs for the year ended 31st March, 1998. The financial performance is summarized below:

Particulars	(Rs. in lakhs)	
	1998-1999	1997-98
Sales	94189	1266.19
Other Income	52420	3622.55
Total Expenses	165098	1878.20
Finance Charges	6277	193.47
Loss after interest but before depreciation and taxation	22466	182.93
Depreciation	11998	120.64
Net loss	36464	303.57

2. PERFORMANCE:

As mentioned in our earlier report, the Steel Melting Shop and Wire Rod Mill remained closed from 28/11/96. Consequently, no Steel production throughout the year under review. The refractory division operations also remained suspended from September, 1998 which resulted low turn-over. However, it is gratifying to note that the Stevedoring division of the Company is doing well.

3. DIVIDEND:

Your Directors do not recommend any dividend, in view of the loss.

4. FIXED DEPOSITS:

During the year under review, the Company has neither accepted nor renewed any deposits.

5. DIRECTORS:

Mr.M. Sreenivasa Rao, Mr. C.S. Pani and Dr. E.R.C.Shekar Directors retire by rotation and are eligible for reappointment.

Mr. A.S. Lakshmanan and Mr. M.S. Ram resigned from the Board with effect from 9/4/99 and 15/4/99 respectively. The Board placed on record its appreciation for the valuable services rendered by Mr. A.S. Lakshmanan and Mr. M.S. Ram during their tenure as Directors.

6. REFERENCE TO THE BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION (BIFR)

The Reference made to Board For Industrial and Financial Reconstruction is under consideration for Rehabilitation. The Draft Rehabilitation is expected to be circulated during the current year.

KEB has come out with a scheme for settlement of arrears. Your Company's application on approval would benefit the Company substantially.

Relentless efforts are on to settle the matter with Canara Bank.

7. PERSONNEL:

On the basis of deemed approval under Section 25(o) of the Industrial Disputes Act, 1947 your Company terminated the services of 98 workmen of Steel Melting Shop. The workmen of Wire Rod Mill resorted to illegal strike with effect from 8th of February, 1999.

Your Directors placed on record their appreciation for the services rendered by the employees despite trying times.

8. PARTICULARS OF EMPLOYEES:

None of the employees of the Company during the year or part thereof where in receipt of remuneration exceeding the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

9. DISCLOSURES:

The particulars required under Section 217 (1)(e) of the Companies Act, 1956 relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo are given in a separate statement attached to and forming part of this Report.

10. OBSERVATIONS OF THE AUDITORS:

The observations of the Auditors at para 4 of their report are explained by the Notes on Accounts at Schedule 15.

11. AUDITORS:

At the Annual General Meeting, the Members are requested to appoint auditors and to fix their remuneration for the ensuing year Ms. R.S.Agarwala & Company, Chartered Accountants, the present Auditors, have furnished their certificate of eligibility for appointment.

By Order of the Board

Place: Bangalore
Date: 30th July, 1999

S.N. Agarwal
Chairman and Managing Director

29th ANNUAL REPORT 1999**FORM - A**

Form for Disclosure of Particulars with respect to Conservation of Energy.

POWER AND FUEL CONSUMPTION**CURRENT YEAR****PREVIOUS YEAR****1) ELECTRICITY**

a) Purchased Units(kwh)	225,379	3,75,781
Total Amount (Rs)	10,39,000	15,67,942
Rate/Unit (Rs)	461	4.17
b) Own Generation		
i. Through Diesel Generator- Units(kwh)	32,160	38,409
Units Generated /1 Litre of Diesel	269	2.89
Rate /Unit (Rs)	441	3.20
ii. Through Steam Generator	N/A	N/A

2 COAL**N/A**

N/A

3 FURNACE OIL

Qty (Ltrs)	NIL	NIL
Total Amount(Rs)	NIL	NIL
Avg. Rate Per Litre (Rs)	NIL	NIL

4 L S H S**N/A**

N/A

a) L P G	N/A	N/A
b) L D O	N/A	N/A
c) H S D		
Qty. (Ltrs)	11,975	13,295
Total Amount (Rs)	1,41,904	1,22,846
Avg. Rate (Per Ltr)	1185	9.24

5 Consumption per Unit of Production

1) Electricity (Unit per MT)		
Rolled Products	NIL	NIL
Refractories	127	127
2) Furnace Oil/LS HS/HSD		
(Ltrs Per MT)		
Rolled Product	NIL	NIL
Refractory	101	77
3) Others	NIL	NIL

BHORUKA STEEL LIMITED**FORM - B**

Form for disclosure of particulars with respect to Technology Absorption

1. Research & Development

In view of suspended operations, no R & D activity carried out during the year under review.

2. Technology absorption, adoption and innovation

Nil

3. Foreign Exchange earnings and Outgo

- a. The foreign exchange earnings was Rs.6,04,858/- during the year.
- b. The details of foreign exchange outgo on various items are given below:

	Rs.
i. Raw materials imported (CIF Value)	39,41,483
ii. Components and Spare Parts (CIF Value)	83,457
iii. Expenditure on Travelling	-

Report  junction.com