



Binani

Report  Junction.com

ANNUAL REPORT 1997-1998

Binani Industries Limited



Binani

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the Company will be held at 10.15 a.m at **KalaMandir, 48, Shakespeare Sarani, Calcutta - 700 017** on Monday, the 14th December, 1998 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and Audited Accounts in respect of the year ended 31st March, 1998.
2. To declare dividend.
3. To appoint a Director in place of Dr.V.C.Shah who retires by rotation.
4. To appoint a Director in place of Mr.Gokul Binani who retires by rotation.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

6. To consider, and if thought fit to pass, with or without modification the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to Section 372A of the Companies Act, 1956 and other applicable provisions, consent of the Company be and is hereby accorded to the Board of Directors to invest a sum not exceeding Rs.5 Crores in B.T.Composites Limited (BTCL) and a sum not exceeding Rs.1 Crore in RBW Minerals Industries Ltd., to give loans and advances to Binani Cement Limited (BCL) and Goodwill Equity & Finance Limited (GEFL) for an aggregate amount not exceeding Rs.45 Crores and to give guarantees in connection with loans given and/or to be given to BTCL by the Industrial Development Bank of India (IDBI) and to provide securities in addition to the securities already existing and to give guarantees in connection with loans granted to and/or to be granted by various lenders to and /or taken over by BCL so that the aggregate amount of such guarantees and securities does not exceed Rs.423.38 Crores on such terms and conditions as the Board may think fit or expedient notwithstanding that the aggregate of such investments, loans/advances and guarantees/securities together with all other investments so far made by the Company in bodies corporate and/or all other loans/advances so far given by the Company to bodies corporate and / or all other guarantees so far given / securities so far provided by the Company in connection with loans / advances made by any other person to or to any other person by bodies corporate exceeds or may exceed the percentages prescribed in Section 372A (1) of the Companies Act, 1956."

7. To consider, and if thought fit to pass, with or without modification the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956 and all other applicable provisions, consent of the Company be and is hereby given to the Board of Directors of the Company for creating a mortgage or charge on the whole or any part of the undertaking of the Company to secure the repayment of all or any of the loans obtained by the Company for its cement division with interest, costs and other charges as may be applicable in favour of Financial Institutions/Banks who may require the same in such form, in such manner and on such terms and conditions as may be required by all or any of them and agreed to by the Board of Directors and other chargeholders thereof."

8. To consider, and if thought fit to pass, with or without modification the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Mr.I.C.Agarwal who has offered himself for appointment as a Director be and is hereby appointed as a Director of the Company."

9. To consider, and if thought fit to pass, with or without modification the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Mr.Jagdish Prasad Saha who has offered himself for appointment as a Director be and is hereby appointed as a Director of the Company."

By Order of the Board

Mumbai
10th November, 1998

(T.R.CHANDRAMOHANAN NAIR)
VICE PRESIDENT (LEGAL)
& SECRETARY

Binani Industries Limited

NOTES:

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 a proxy need not be a member of the Company.
2. Instruments appointing proxies should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 10th December, 1998 to Monday 14th December, 1998 (both days inclusive).
4. Dividend, if declared will be paid to those members whose names appear on the Company's Register of Members as on 14th December, 1998.
5. Pursuant to the provisions of Section 205 A of the Companies Act, 1956, all Unclaimed dividends up to and inclusive of financial year 1994-1995 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from The Registrar of Companies, West Bengal, Nizam Palace, II M.S.O Building, 234/4, AJC Bose Road, Calcutta - 700 020. Those members who have not encashed their dividend warrants for the financial years ended 31st March, 1996 and 31st March, 1997 may claim or approach the Company.
6. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item nos.6 to 9 of the notice as set above is annexed hereto.
7. The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copy of the Annual Report and Attendance Slip duly completed to the meeting.
8. The accounts, the reports and all other documents required under the law to be annexed thereto will be available for inspection during working hours at the Registered Office of the Company on any working day except Saturdays and Sundays prior to the date of the Annual General Meeting.
9. **SHAREHOLDERS WHO ARE STILL HOLDING SHARE CERTIFICATES OF RS.100/- EACH ARE REQUESTED TO SURRENDER THEM IMMEDIATELY FOR EXCHANGE INTO SHARES OF RS.10/- EACH TO THE REGISTERED OFFICE OF THE COMPANY.**
10. Members are requested to send all correspondence relating to shares including requests for transfers, change of address, change of status, change of mandate, fresh mandate etc to our Share Registrars and Transfer Agents
M/s MCS Ltd
Unit: Binani Industries Limited
"Sri Venkatesh" Bhavan
Plot no.27, Road no 11,
M.I.D.C Area,
Andheri (East)
Mumbai - 400 093
11. Members who are holding shares in identical name(s) under different ledger folios are requested to apply for consolidation of such folios and send the relevant equity share certificate to M/s MCS Ltd.
12. Members who are holding shares in single name are advised, in their own interest to get the shares transferred in joint names.
13. Those shareholders who have not received the adhesive stickers for affixing in the share certificates consequent upon change of name are advised to write to the Registered Office indicating the number of share certificates held.
14. Members may note that the Company has been admitted to the National Securities Depository Limited (NSDL) and the shares are now available for scripless trading in the electronic format.
15. Members may note that the Company is now accessible on the internet at the website www.binani.com.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 6

BT Composites Limited (BTCL) was incorporated on 20th November, 1995 and has its Registered Office situated at No.11, AECS Layout, 1st Stage, Gadhahalli, Sanjay Nagar, Bangalore - 560 094. BTCL is engaged in the business of manufacture of downstream products of Glass Fibre and has its unit at Ponda, Goa. As you are aware, the Company has a Glass Fibre Unit at Colvale, Bardez, Goa, which is manufacturing Glass Fibre. For better value addition and to derive other advantages of integration of the said business of the Company and BTCL, take over of BTCL by the Company has been proposed by acquiring Equity Shares of BTCL by way of purchase, subscription or otherwise. R.B.W. Minerals Industries Ltd. (RBW) was incorporated on 16th July, 1997 and has its Registered Office at 226(3A), Sardarpura, Udaipur - 393 001. RBW has been incorporated for undertaking mining and mineral exploration activities as a joint venture with Rajasthan State Mineral Development Corporation Limited (RSMDC) and it is proposed to invest an amount of Rs.100 Lacs in RBW. The said investments are proposed to be made from the surplus resources of the Company.

The Scheme of Arrangement between the Company and Binani Cement Limited (BCL- formerly Binani Cement Private Limited)

Binani

and their respective shareholders was sanctioned with effect from 1st November, 1997 by the Hon'ble Calcutta High Court by its order dated 16th September, 1998 and became operative on 28th September, 1998 pursuant to the filing of certified copies of the said order with the Registrar of Companies. In terms of the said scheme and the said order, the Cement Division of the Company stands transferred to BCL with effect from 1st November, 1997. Towards the consideration under the Scheme BCL has issued and allotted to the Company 20 Crores Equity Shares of Rs.10/- each and 1 Crore 12% Cumulative Redeemable Preference Shares of Rs.100/- each credited as fully paid up aggregating to Rs.300 Crores, the balance in excess of Rs.300 Crores due from BCL to the Company being payable within such period and in such manner as may be mutually agreed between BCL and the Company. BCL is now a wholly owned subsidiary of the Company. In connection with the Cement Division's loans taken over by BCL from the Company under the Scheme, securities are already provided by the Company to some of the lenders and are required to be provided and guarantees are required to be given for other lenders of such loans as also for further loans granted and/or to be granted to BCL. The securities are to be created on such of the assets of the Company as may be required by lenders. The limits upto which such guarantees are required to be given and/or securities provided are as follows apart from interest and other charges payable are as under :-

Sl. No.	Name of lender	Limit of Loans and advances/Guarantee to be given and/or security provided/to be provided. (Rs in Lacs)
1.	Industrial Development Bank of India	5900.00
2.	Industrial Development Bank of India (FCTL) (Rupee equivalent to US\$9.78MN)	4141.83
3.	Industrial Development Bank of India (Equipment Loan)	800.00
4.	Industrial Development Bank of India	6000.00
5.	Industrial Development Bank of India	4600.00
6.	Industrial Credit & Investment Corpn. of India Ltd.	1000.00
7.	Bank of India(FCTL) (Rupee equivalent to US\$ 12.40 MN)	5251.40
8.	Bank of India	1000.00
9.	Punjab National Bank	2000.00
10.	The South Indian Bank Limited	800.00
11.	Bajaj Auto Limited	375.00
12.	Unit Trust of India	400.00
13.	Life Insurance Corpn.of India	800.00
14.	General Insurance Corpn. Of India & its subsidiaries	400.00
15.	IAF Benevolent Association	200.00
16.	Term Loans to be Drawn / Tied up from Financial Institutions and banks including the above named	2170.00
		<hr/> 35838.23
17.	Working Capital Loans from Consortium of bankers presently led by Bank of Baroda.	4500 Lacs
Total		<hr/> 40338.23

In addition to the aforesaid guarantees / securities and for the purpose of take over of BTCL, the Company is also required to give a guarantee to IDBI for a sum not exceeding Rs. 20 Crores to secure repayment of loans given and/or to be given by IDBI to BTCL.

For the purpose of augmenting the financial resources of BCL and the other subsidiary of the Company namely, Goodwill Equity & Finance Limited (GEFL), further loans/ advances are proposed to be given to the said Companies as follows:-

1. To BCL a sum not exceeding Rs.43 Crores and
2. To GEFL a sum not exceeding Rs.2 Crores.

The aforesaid loans / advances are proposed to be made from the surplus resources of the Company.

In terms of Section 372A of the Companies Act, 1956 and other applicable provisions, the resolution will enable the Company to make the aforesaid investments and give / provide the aforesaid loans / advances and guarantees/securities as required.

None of the Directors of the Company is concerned or interested in the resolution.

Binani Industries Limited

Item No.7

In connection with the said Scheme of Arrangement whereby and whereunder the Cement Division of the Company has been transferred to BCL, charge on the assets of the Company in favour of some of the Financial Institutions/ Banks for the loans sanctioned for the Cement Division are required to be created, as per resolution No.6 above, in addition to similar charge already held by some of the Financial Institutions / Banks. Hence the resolution.

None of the Directors of the Company is concerned or interested in the resolution.

Item no. 8

Mr.I.C.Agarwal has by his letter dated 21st May, 1998 given notice to the Company under Section 257 of the Companies Act, 1956 proposing himself as a candidate for the office of Director of the Company.

The resolution for appointment of Mr.I.C.Agarwal is being included in the notice of the Annual General Meeting as required by law.

The management however does not support this resolution.

Item no. 9

Mr.Jagdish Prasad Saha has by his letter dated 3rd August, 1998 given notice to the Company under Section 257 of the Companies Act, 1956 proposing himself as a candidate for the office of Director of the Company.

The resolution for the appointment of Mr.Jagdish Prasad Saha is being included in the notice of the Annual General Meeting as required by law.

The management however does not support this resolution.

A copy of the Memorandum and Articles of Association of the Company, BTCL and RBW and relevant notices under item nos. 8 and 9 are available for inspection by the members of the Company at the Registered office of the Company between 10.00 a.m and 1.00 p.m on any working day of the Company except Saturdays and Sundays upto the date of the meeting.

By Order of the Board

Mumbai
10th November, 1998

(T.R.CHANDRAMOHANAN NAIR)
VICE PRESIDENT (LEGAL) & SECRETARY

SHAREHOLDER'S DIARY

- | | |
|---|---|
| 1. DATE OF ANNUAL GENERAL MEETING | : MONDAY, 14TH DECEMBER, 1998 |
| 2. TIME AND VENUE | : 10.15 A.M AT " KALAMANDIR"
48 SHAKESPEARE SARANI,
CALCUTTA - 700 017 |
| 3. DATE OF BOOK CLOSURE | : 10TH DECEMBER, 1998 TO 14th DECEMBER, 1998. |
| 4. DIVIDEND PROPOSED | : RS.1.50 PER SHARE (15%) |
| 5. TAX ON DIVIDEND | : DIVIDEND WOULD BE TAX FREE IN THE
HANDS OF THE SHAREHOLDER. |
| 6. DIVIDEND PAYMENT | : ON OR BEFORE 24TH JANUARY, 1999 TO
MEMBERS WHOSE NAMES APPEAR ON
THE REGISTER OF MEMBERS ON 14TH
DECEMBER, 1998. |
| 7. SHARE DETAILS
MARKET LOT
LISTED AT | : 50
BOMBAY, CALCUTTA, COCHIN, &
MADRAS STOCK EXCHANGES |
| TRADED AT
MEMBER | : NATIONAL STOCK EXCHANGE
NATIONAL SECURITIES DEPOSITORY
LIMITED (NSDL) |
| 8. SHARE TRANSFER AND OTHER
COMMUNICATIONS TO BE ADDRESSED
TO | : M/S MCS LTD
UNIT: BINANI INDUSTRIES LIMITED
"SRI VENKATESH BHAVAN", PLOT NO.27,
ROAD NO 11, M.I.D.C AREA, ANDHERI
(EAST), MUMBAI - 400 093. |
| 9. COMPLIANCE OFFICER
(AS REGISTERED WITH SEBI) | : MR.A BABU
DEPUTY SECRETARY,
BINANI INDUSTRIES LIMITED
"BINANI BUILDINGS, 38 STRAND ROAD,
CALCUTTA - 700 001 |

Binani

BOARD OF DIRECTORS

Mr. Gokul Binani

Mr. Braj Binani

Dr. Dara. P. Antia

Mr. K. A. Varugis

Mr. S. Padmakumar

Dr. V. C. Shah

Mr. S. Mukhopadhyay

Mr. A. C. Chakrabortti

VICE PRESIDENT (LEGAL) & SECRETARY

Mr. T. R. Chandramohan Nair

AUDITORS

S. R. Batliboi & Co. Mumbai

LEGAL ADVISORS

Menon & Pai-Ernakulam, Kerala

BANKERS

Bank of Baroda

State Bank of Travancore

ABN Amro Bank

Standard Chartered Bank

Bank Internasional Indonesia

Bank of India

Allahabad Bank

The South Indian Bank Ltd.

Punjab National Bank

LOCATIONS

REGISTERED OFFICE

Binani Buildings,
38, Strand Road,
Calcutta 700 001.

CORPORATE OFFICE

"Mercantile Chambers",
12, J N Heredia Marg,
Ballard Estate,
Mumbai 400 001.

MUMBAI OFFICE

702/703, Regent Chambers,
Nariman Point,
Mumbai 400 021.

PROJECT OFFICE

703-704 Sakar-II, Ellisbridge,
Ahmedabad-380 006.

WORKS

Binani Zinc

Binanipuram, Ernakulam, Kerala.

Binani Glass Fibre

Colvale, Bardez, Goa.

Chairman

**Vice Chairman-Cum-
Managing Director**

CORPORATE MANAGEMENT

Mr. Braj Binani - Co-ordinator

Mr. Sushil Bhatler - President (Projects)

Mr. S. S. Khandekar - President (Cement Divn.)

Mr. B. N. Rathi - President (Zinc Divn.)

Mr. Rajesh Patel - President (Glass Fibre Divn.)

Mr. Deo Hirawat - Secretary to Committee

ADVISORS TO CORPORATE MANAGEMENT

Mr. Ibrahim Ali - Projects

Mr. V. Subramanian - Finance

Mr. H. L. Jain - Cement Marketing

Mr. S. P. Saigal - Treasury

Mr. R. C. Mittal - Cement

DIVISIONS

MUMBAI OFFICE

Mr. R. Venkiteswaran - Vice President
(Corporate Affairs)

Mr. A. R. Beriwal - Vice President
(Resource Mobilisation)

PROJECTS

Mr. K. Vijayan - Vice President (Projects)

BINANI ZINC

Mr. George Thomas - Executive Vice President

Mr. Paul P. Paliath - Vice President (HRD)

Mr. T. V. Peter - Vice President (Maintenance)

Dr. K. Sasi - Vice President (R&D)

BINANI GLASS FIBRE

Mr. S. Bansal - General Manager (Technical)

Mr. S. Nigam - General Manager
(Technical Services)

Mr. S. Ramachandran - General Manager (Finance)

Mr. M. Subramanian - General Manager (Production)

BINANI CEMENT

Mr. S. S. Khandekar - President

Mr. V. K. Beri - Executive Vice President.

BINANI CEMENT LIMITED

Regd. Office

Binani Buildings,
38, Strand Road,
Calcutta 700 001.

Works

Binanigram,
Pindwara, Sirohi,
Rajasthan - 307 022.



Shri Ghanshyamdas Binani

(3rd May 1932 - 30th Sept 1998)

Chairman, Binani Industries Limited

(1965 - 1998)

A Tribute

September 30th, 1998, was a dark day at Binani and for the entire Metal Industry, as Shri Ghanshyamdas Binani, Chairman of Binani Industries Limited breathed his last in London. Sadness and sorrow descended as the news of Shri Ghanshyamdasji's passing away spread.

Born on May 3rd, 1932, Shri Ghanshyamdas Binani, the only son of Founder-Chairman, Late Shri Govardhandas Binani, hailed from the illustrious Binani family of Rajasthan and was associated with Non-ferrous metal industry for over three generations. Since his teens, Shri Ghanshyamdasji, actively engaged himself in the business activities with his father, while his education at Calcutta simultaneously continued. He was blessed with a natural inheritance of profound vision and business acumen.

According to an ancient Chinese proverb, 'A journey of a thousand miles must begin with a single step'. Shri Ghanshyamdas Binani with his father took the first tentative step in the Zinc business in the early sixties. From here began a journey, studded with milestones of unparalleled achievements. With the sudden demise of his father, at an early age, he had to shoulder the huge responsibilities of leading the Binani Companies in India and abroad. He became a legend in his own right by setting up the first Electrolytic Zinc Smelter at Kerala and registering a host of firsts and notching up enviable records.

Shri Ghanshyamdas Binani, has been the Chairman of the company ever since 1965. With his progressive approach, hardwork and meticulous planning the company diversified into the core sectors - Glass Fibre and Cement. He also expanded activities of the Binani International Division in U. K., by acquiring the Kawambwa Tea Estates, Luanshya & Baluba Mines and Precious Metals in Zambia, with the active participation of his sons Shri Gokul Binani and Shri Braj Binani.

He was a symbol of humanity with a pure soul. His philanthropic deeds are well reflected with his heartfelt concern for the less fortunate. He could not see anyone suffering. His heart was magnanimous and warmth incomparable.

He will be remembered as a patriarch - the guiding spirit and over and above all a perfect leader.

Ghanshyamdasji lives for ever.....

Binani

Shri Ghanshyamdas Binani

- Had imbibed the spiritual essence of "Bhagwad Gita".
- This became the core content of the philosophy of his life.

(Bhagwad Gita - Chapter II)

स्थितप्रज्ञस्य का भाषा समाधिस्थस्य केशव ।
स्थितधीः किं प्रभाषेत किमासीत ब्रजेत किम् ॥54॥

क्रोधादवति सम्मोहः सम्मोहात्समृतिविभ्रमः ।
स्मृतिभ्रंशाद् बुद्धिनाशो बुद्धिनाशात्प्रणश्यति ॥63॥

प्रजहाति यदा कामान्सर्वान्पार्थ मनोगतान् ।
आत्मन्येवात्मना तुष्टः स्थितप्रज्ञस्तदोच्यते ॥55॥

रागद्वेषविमुक्तैस्तु विषयानिन्द्रियैश्चरन् ।
आत्मवश्यैर्विधेयात्मा प्रसादमधिगच्छति ॥64॥

दुःखेष्वनुद्विग्नमनाः सुखेषु विगतस्पृहः ।
वीतरागभयक्रोधः स्थितधीर्मुनिरुच्यते ॥56॥

प्रसादे सर्वदुःखानां हानिरस्योपजायते ।
प्रसन्नचेतसो ह्याशु बुद्धिं पर्यवतिष्ठते ॥65॥

यः सर्वत्रानभिस्नेहस्तत्तत्प्राप्य शुभाशुभम् ।
नाभिनन्दति न द्वेष्टि तस्य प्रज्ञा प्रतिष्ठिता ॥57॥

नास्ति बुद्धिरयुक्तस्य न वायुक्तस्य भावना ।
न चाभावयतः शान्तिरशान्तस्य कुतः सुखम् ॥66॥

यदा संहरते वायं कूर्माऽडानीव सर्वशः ।
इन्द्रियाणीन्द्रियार्थेभ्यस्तस्य प्रज्ञा प्रतिष्ठिता ॥58॥

इन्द्रियाणां हि चरतां यन्मनोऽनुविधीयते ।
तदस्य हरति प्रज्ञां वायुर्नावमिवाम्भसि ॥67॥

विषया विनिवर्तन्ते निराहारस्य देहिनः ।
रसवर्ज रसोऽप्यस्य परं दृष्ट्वा निवर्तते ॥59॥

तस्मद्यस्य महाबाहो निगृहीतानि सर्वशः ।
इन्द्रियाणीन्द्रियार्थेभ्यस्तस्य प्रज्ञा प्रतिष्ठिता ॥68॥

यततो ह्यपि कौन्तेय पुरुषस्य विपश्चितः ।
इन्द्रियाणि प्रमाथीनि हरन्ति प्रसभं मनः ॥60॥

या निशा सर्वभूतानां तस्यां जागर्ति संयमी ।
यस्यां जाग्रति भूतानि सा निशा पश्यतो मुनेः ॥69॥

तानि सर्वाणि संयम्य युक्त आसीत मत्परः ।
वशे हि यस्येन्द्रियाणि तस्य प्रज्ञा प्रतिष्ठिता ॥61॥

आपूर्यमाणमचलप्रतिष्ठं समुद्रमापः प्रविशान्ति यद्दत् ।
तद्वत्कामा यं प्रविशन्ति सर्वे स शान्तिमाप्नोति न कामकामी ॥70॥

ध्यायतो विषयान्पुंसः सङ्गस्तेषूपजायते ।
सङ्गात्सञ्जायते कामः कामात्क्रोधोऽभिजायते ॥62॥

विहाय कामान्यः सर्वान्पुमांश्चरति निःस्पृहः ।
निर्ममो निरहङ्कार स शान्तिमधिगच्छति ॥71॥

एषा ब्राह्मी स्थितिः पार्थ नैनां प्राप्य विमुह्यति ।
स्थित्वास्यामन्तकालेऽपि ब्रह्मनिर्वाणमृच्छति ॥72॥