

MD	✓	BKC	✓
CS	NA	DEY	NA
RC	✓		NA
TRA	NA		✓
AGM	✓		✓
VE	✓		✓

BOMBAY WIRE ROPES LIMITED

Report  junction.com

## ANNUAL REPORT 1997-98



**BOMBAY  
WIRE ROPES  
LIMITED**



**BOMBAY  
WIRE ROPES  
LIMITED**

**ANNUAL REPORT 1997-98**

**BOARD OF DIRECTORS**

KANTI KUMAR KANORIA	Chairman
KASHI NATH RAJGARIA	
PRAKASH KHAITAN	
J. P. BAIRAGRA	
P. K. GUHA	Nominee Director, Punjab National Bank
B. M. L. SEHGAL	Special Director, BIFR
M. K. CHAKRABORTY	Executive Director

**BANKER**

PUNJAB NATIONAL BANK

**REGD. OFFICE**

401/405, JOLLY BHAVAN NO.1  
10, NEW MARINE LINES  
MUMBAI - 400 020

**FACTORY**

KOLSHET ROAD  
THANE - 400 607

**AUDITORS**

SINGHI & CO.



**BOMBAY  
WIRE ROPES  
LIMITED**

## **NOTICE**

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the members of Bombay Wire Ropes Limited will be held at Babasaheb Dahanukar Sabhagriha, The Maharashtra Chamber of Commerce, 6th Floor, Orion House, 12, Rampart Row, Fort, Mumbai - 400 023 on Wednesday, the 23rd September, 1998 at 3.00 P. M. to transact the following business :

### **Ordinary Business :**

1. To receive, consider and adopt the Audited Statement of Accounts for the year ended 31st March, 1998 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Prakash Khaitan who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri J. P. Bairagra who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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Mumbai, the 8th day of July, 1998

#### **Registered Office :**

401/405, Jolly Bhavan No. 1  
4th Floor, 10, New Marine Lines  
Mumbai - 400 020.

By Order of the Board of Directors  
For BOMBAY WIRE ROPES LIMITED

K. K. KANORIA  
Chairman

### **Notes :**

- a) 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 of the Company.
- b) Members are requested to notify change in their addresses, if any, to the Company.
- c) The register of members and the Transfer Book of the Company will be closed from 21st September, 1998 to 23rd September, 1998 (both days inclusive).



**BOMBAY  
WIRE ROPES  
LIMITED**

## ***DIRECTORS' REPORT TO THE SHAREHOLDERS***

Your Directors hereby present the Thirty Seventh Annual Report of the Company alongwith the audited statement of accounts for the year ended 31st March, 1998.

### **FINANCIAL RESULTS :**

	1997-98
	Rs. in Lakhs
Deficit for the year	132.08
Add : Previous Years' deficit	708.59
Total deficit in the Profit & Loss A/c.	840.67
Less : General Reserve	67.40
Balance deficit carried over to Balance Sheet	773.27

### **DIVIDEND :**

Your Directors regret their inability to recommend any dividend on account of there being a carry forward loss as mentioned in the aforesaid paragraph.

### **OPERATIONS :**

The lock-out declared by the Company with effect from 30.3.95 continues as on date. The workmen of the wire rope factory, who have all along opposed the maintenance of proper productivity and discipline, have recently indicated their willingness to abide by the revival scheme sanctioned by the BIFR on 27.2.94 which includes the renderation of standard productivity norms. A meeting of the BIFR has since been held on 15.4.98 wherein the workmen have been directed to enter into a suitable long term agreement with the Company. Accordingly, detailed discussions are on between the concerned parties though the above agreement is yet to be finalised, on account of the unwillingness of the workmen to accept certain stipulations of the scheme of 20.7.94. In the meantime, the Company has submitted necessary financial data to the Operating Agency, viz. Punjab National Bank in order to enable the latter to up-date the revival scheme of 27.2.94.

Under the circumstances it is difficult to forecast the future of the Company at this stage.

### **THE SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985 :**

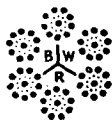
The Company continues to be a Sick Industrial Company under the Sick Industrial Companies (Special Provisions) Act, 1985.

### **FIXED DEPOSITS :**

At the end of the financial year 1997-98, fixed deposits with the Company amounted to Rs. 41,000/-. There are no overdue fixed deposits with the Company other than unclaimed deposits.

### **PARTICULARS OF EMPLOYEES :**

No employee of the Company is covered under Section 217 (2A) of the Companies Act, 1956.



**BOMBAY  
WIRE ROPES  
LIMITED**

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**DIRECTORS :**

In accordance with the Articles of Association of the Company, Shri Prakash Khaitan and Shri J. P. Bairagra, Directors of the Company retire by rotation and are eligible for re-election.

**INSURANCE :**

All property and insurable interests of the Company, including plant and machinery and stock are adequately insured.

**AUDITORS :**

Auditors are to be appointed to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and their remuneration is to be fixed.

**AUDITORS REPORT :**

With regard to the Notes given in their report by the Auditors, your Directors are of the opinion that the same are self explanatory and no further explanations are deemed necessary.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

In accordance with the requirements of Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 a Statement showing particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed hereto and form part of this Report.

By Order of the Board of Directors  
For BOMBAY WIRE ROPES LIMITED

Mumbai,  
Dated : the 8th day of July, 1998

K. K. KANORIA  
Chairman



**BOMBAY  
WIRE ROPES  
LIMITED**

## **ANNEXURE TO THE DIRECTORS' REPORT :**

Statement containing particulars pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report.

### **A. Conservation of Energy :**

Particulars with respect of Conservation of Energy :

<b>Power &amp; Fuel Consumption :</b>	<u>1997-98</u>	<u>1996-97</u>
1. Electricity :		
a) Purchased Unit (Kwh)	—	—
Total Amount (Rs.)	*13,81,200	*12,90,075
Rate/Unit (Kwh) (Rs.)	—	—
b) Own Generation :		
i) Through Diesel Generator	—	—
Unit (Kwh)	—	—
Unit per Ltr. of Diesel Oil	—	—
Cost per Unit (Kwh) (Rs.)	—	—
ii) Through Steam Turbine/Generator	—	—
2. Coal (Special & Where Used)	—	—
3. Furnace Oil :		
Qty. (K. Ltrs.)	—	—
Total Amount (Rs.)	—	—
Avg. Rate/Ltr. (Rs.)	—	—
4. Other/Internal Generation	—	—
5. Consumption per MT on Production of Steel Wire Ropes/Sale Wires :		
Electricity (Kwh)	—	—
Furnace Oil (Ltr.)	—	—
Coal	—	—
Others	—	—

### **B. Technology Absorption**

### **C. Foreign Exchange Earnings & Outgo :**

#### **Earnings :**

Export of goods - FOB Value (Rs.)  
(Including through Merchant Exporters)

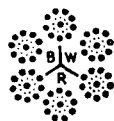
#### **Outgo :**

Export Returned Goods	2,62,981	—
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\* Minimum Demand charges by MSELB during the period of lock-out (under dispute).

Place : Mumbai  
Dated : 8th day of July, 1998

On behalf of the Board of Directors  
K. K. KANORIA  
Chairman



**BOMBAY  
WIRE ROPES  
LIMITED**

## **AUDITORS' REPORT TO THE SHAREHOLDERS**

We have audited the attached Balance Sheet of BOMBAY WIRE ROPES LTD. as at 31st March, 1998 and the Profit & Loss Account of the said Company for the year ended on that date both annexed thereto and report that :

1. As required by the manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) 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.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we state 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 accounts as required by the Company Law have been kept by the Company so far as appears from our examination of those books subject to note No. 3 in Schedule J.
  - (c) The Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of account.
  - (d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with and subject to the notes :

Regarding Income tax liability amounting to Rs. 40,12,752/- not provided for pending disposal of appeals pending before Income Tax Authorities, refer note No. 1(e) in Schedule J.

Regarding Sales tax liability amounting to Rs. 42,85,565/- not provided for pending disposal of appeals pending before Sales Tax Authorities, refer note No. 1(c) in Schedule J.

Regarding non-confirmation of Balances standing to the debit/credit of parties, refer note No.12 in Schedule J.

Regarding gratuity liability not provided upto 31st March, 1998 amounting to Rs.12,48,756/-, refer note No. 3 in Schedule J.

Regarding non-provision towards interest on non/delayed payments of sales tax dues, amount unascertainable.

Regarding non-provision for the possible loss on account of diminution in the quality and value of the stocks, refer note No. 11 in Schedule J.

Regarding non-provision of debtors, loans and advances and deposits considered doubtful Rs.1,04,09,159/-, refer note No. 6 in Schedule J and pending adjustment of zinc auctioned as referred in note No. 9 in Schedule J, resulting in under statement of the loss for the year and over statement of current assets and read with other notes in Schedule J give the information as required by the Companies Act, 1956 (as amended) in the manner so required and give a true and fair view.

- (i) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1998.

and

- (ii) In the case of the Profit & Loss Account of the loss (subject to aforesaid notes) of the Company for the year ended on that date.

For SINGHI & COMPANY  
Chartered Accountants

25, S. A. Brelvi Road,  
Mumbai, the 8th day of July, 1998

PRAVEEN KUMAR SINGHI  
Partner