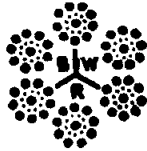


**BOMBAY
WIRE ROPES
LIMITED**



**BOMBAY
WIRE ROPES
LIMITED**

ANNUAL REPORT 2000-2001

BOARD OF DIRECTORS

KANTI KUMAR KANORIA

Chairman

KASHI NATH RAJGARIA

PRAKASH KHAITAN

J. P. BAIRAGRA

(Upto 24.7.2001)

R. K. GUPTA

Nominee Director,
Punjab National Bank

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 Fortieth Annual General Meeting of the members of Bombay Wire Ropes Limited will be held at Kasliwal Board Room, The Maharashtra Chamber of Commerce, 6th Floor, Orion House, 12, Rampart Row, Fort, Mumbai - 400 023 on Tuesday, the 18th September, 2001 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, 2001 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Kanti Kumar Kanoria who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Kashinath Rajgaria 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.

Mumbai, the 24th day of July, 2001

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/herself, 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 15th September, 2001 to 18th September, 2001 (Both days inclusive).





DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors hereby present the Fortieth Annual Report of the Company alongwith the audited statement of accounts for the year ended 31st March, 2001.

FINANCIAL RESULTS :

2000-2001
Rs. in Lakhs

Deficit for the year	198.49
Add : Previous Years' deficit	1130.03
Total deficit in the Profit & Loss A/c.	1328.52
Less : General Reserve	67.40
Balance deficit carried over to Balance Sheet	1261.12

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 :

As informed in the last report, the lockout declared by the Company w.e.f. 30.3.95 continues as on date. In the meantime, BIFR has issued a Show Cause Notice declaring scheme having failed and winding up orders to the Company. The Company has thereafter sent its reply to the said Show Cause Notice to BIFR. The outcome of the same is awaited as such the future prospects of the Company continue to remain uncertain.

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 2000-2001, unclaimed fixed deposits with the Company amounted to Rs. 41,000/-. There are no overdue fixed deposits with the Company other than these unclaimed deposits.

PARTICULARS OF EMPLOYEES :

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

DIRECTORS :

In accordance with the Articles of Association of the Company, Shri Kanti Kumar Kanoria and Shri Kashinath Rajgaria, Directors of the Company retire by rotation and are eligible for re-election.



**BOMBAY
WIRE ROPES
LIMITED**

INSURANCE :

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

DIRECTORS' RESPONSIBILITY STATEMENT :

As required under Section 217 of the Companies Act, the Directors hereby confirm that :

- i) In preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability.
- iv) The Directors have prepared the annual accounts on a going concern basis.

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 a part of this Report.

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

Mumbai,
Dated : the 24th day of July, 2001

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 :

Power & Fuel Consumption :

	<u>2000-2001</u>	<u>1999-2000</u>
1. Electricity :		
a) Purchased Unit (Kwh)	—	—
Total Amount (Rs.)	—	—
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

On behalf of the Board of Directors

K. K. KANORIA

Chairman

Place : Mumbai

Dated : the 24th day of July, 2001



**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, 2001 and the Profit & Loss Account of the said Company for the year ended on that date both annexed thereto and we 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 notes No. 3 and 14 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) The Company is under lock-out since last 6 years therefore it is not possible for us to check the compliance of the accounting standards issued by the Institute of Chartered Accountants of India as specified under section 211 (3C) of the Companies Act, 1956.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, and on the basis of written representation received from the Directors, taken on record by the Board of Directors, no director is disqualified as on March 31, 2001 from being appointed as a Director under section 274(1) (g) of the Companies Act, 1956.
 - (f) 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 Sales tax liability amounting to Rs. 42,90,565/- not provided for pending disposal of appeals before Sales Tax Authorities (refer note No. 1(c) in Schedule J).

Regarding Income tax liability amounting to Rs. 32,64,089/- not provided for pending disposal of appeal pending before Income Tax Authorities, refer note No. 1(e) in Schedule J.

Regarding gratuity liability not provided upto 31st March, 2001 amounting to Rs.12,48,756/-, refer note No. 3 in Schedule J.

Regarding non-provision towards the possible loss on account of diminution in quality and value of the inventory, if any, (refer note No. 10 in Schedule J).

Regarding non-provision of debtors, loans and advances and deposits (unconfirmed) considered doubtful Rs. 1,24,21,889/-, refer note No. 6 in Schedule J.

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

Regarding non-provision towards interest on non/delayed payments of sales tax dues, amount unascertainable 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, 2001.

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.

25, S. A. Brelvi Road,
Mumbai, the 24th day of July, 2001

For SINGHI & COMPANY
Chartered Accountants

PRAVEEN KUMAR SINGHI
Partner