

Bright Brothers Limited

51st Annual Report

1996-97

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YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

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Bright Brothers Limited***Brite*****BOARD OF DIRECTORS**

Mr. T.W. BHOJWANI

- Chairman & Managing Director

Mr. S.T. BHOJWANI

- Vice-Chairman

Mrs. HIRA T. BHOJWANI

Mr. D.S. MULLA

Mr. K.P. RAO

Dr. T.S. SETHURATHNAM

- Nominee Director ICICI

COMPANY SECRETARY

Mr. PRAKASH BHAVE

AUDITORS

N.S. GUBBI & CO.

Chartered Accountants Mumbai - 400 023.

BANKERS

BANK OF BARODA

CANARA BANK

THE BANK OF NOVA SCOTIA

REGISTRARS & TRANSFER AGENTS

PCS INDUSTRIES LTD.

HYFA BLDG., NO. 2, 1ST FLOOR

SAFED POOL (NEAR JOHNSON & JOHNSON)

KURLA ANDHERI ROAD

ANDHERI (E)

MUMBAI - 400 072

TEL: 8511520/8510647

REGISTERED OFFICE

35-C PT. M.M. MALVIYA ROAD

TARDEO

MUMBAI - 400 034

WORKS

L.B. SHASTRI MARG, BHANDUP,

MUMBAI - 400 078

B-7/3, B. ROAD

MIDC, TARAPUR, BOISAR,

THANE-401 506

NO. 4, ROZ KA MEO IND. AREA,

SOHNA-122 103

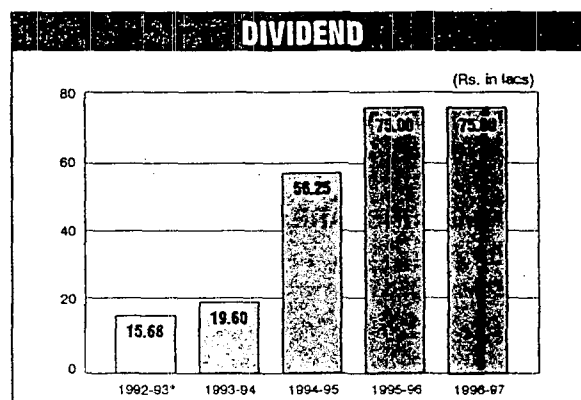
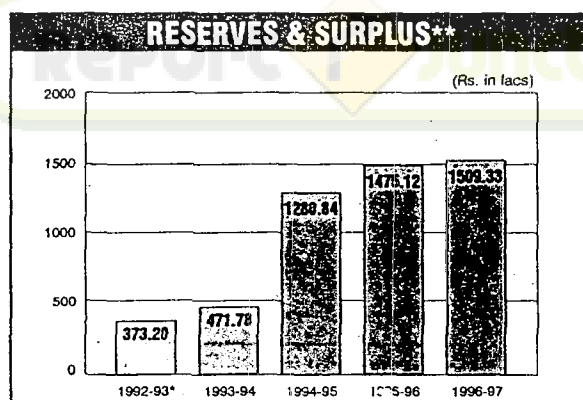
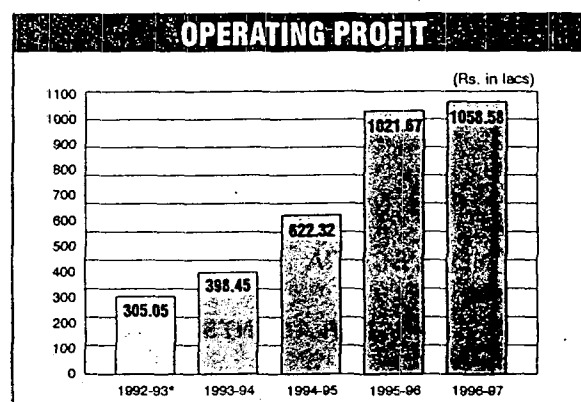
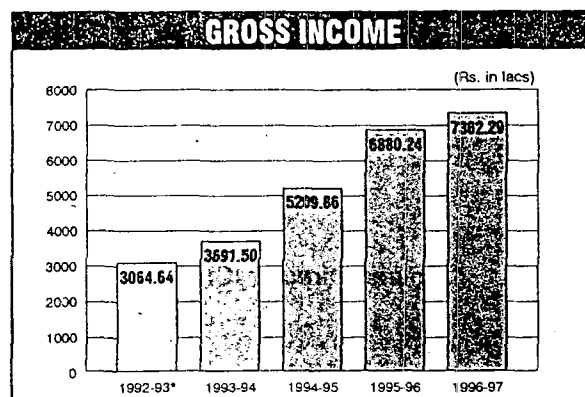
DIST. GURGAON

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Bright Brothers Limited

*Brite***FINANCIAL PERFORMANCE FOR LAST 5 YEARS**

* 1992-93 figures have been annualised
 ** Excluding Revaluation Reserves

Bright Brothers Limited

*Brite***NOTICE**

NOTICE is hereby given that the Fifty First Annual General Meeting of the members of BRIGHT BROTHERS LIMITED will be held at Amar Gian Grover Auditorium, The Lala Lajpat Rai College Building, Haji Ali, Mumbai 400034 on Thursday the 18th DECEMBER, 1997 at 4.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the period ended 30th June, 1997, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend for the year ended 30th June, 1997.
3. To appoint a Director in place of Mr.S.T.Bhojwani, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.K.P.Rao, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors
for **BRIGHT BROTHERS LIMITED**

Registered Office:
35C Pt.M.M.Malviya Road,
Mumbai 400 034

PRAKASH BHAVE
COMPANY SECRETARY

Dated: 25th September, 1997

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the company will remain closed from 4th December, 1997 to 18th December, 1997 (both days inclusive) for the purpose of payment of dividend.
3. The dividend as recommended by the Board of Directors, if declared at the meeting, will be paid to those Members whose names appear in the Register of Members of the Company as on 18th December, 1997.
4. Non-resident Indian Shareholders are requested to inform the Company immediately:
 - a) the change in the Residential status on return to India for permanent settlement.
 - b) the particulars of NRE Bank Account in India, if not furnished earlier.
5. Members are requested to intimate the Company under the signature of the Sole/First Joint Holder the Account Number, Type of Account - Saving (SB) or Current (CA), Name and address of the Bank, in which they intend to deposit the Dividend Warrant, so that the same can be printed on Dividend Warrant, to avoid the incidence of fraudulent encashment of the instrument.

Registered Office:
35C Pt.M.M.Malviya Road,
Mumbai 400 034.

By Order of the Board of Directors
for **BRIGHT BROTHERS LIMITED**

PRAKASH BHAVE
COMPANY SECRETARY

Dated: 25th September, 1997

Bright Brothers Limited

*Brite***DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Fifty First Annual Report with the Audited Accounts for the year ended 30th June, 1997.

FINANCIAL RESULTS:

The Financial highlights are summarised below:

	Year ended 30th June '97	(Rs. in lacs) Year ended 30th June '96
GROSS INCOME	7362.29	6880.23
PROFIT BEFORE INTEREST, LEASE RENT AND DEPRECIATION	1058.57	1021.66
DEPRECIATION	344.28	273.94
INTEREST AND LEASE RENT	573.72	478.44
PROFIT BEFORE TAX	140.57	269.28
TAXATION	23.87	NIL
PROFIT AFTER TAX	116.71	269.28
ADD: DEBENTURE REDEMPTION RESERVE	25.50	NIL
ADD: SURPLUS BROUGHT FORWARD FROM PREVIOUS YEAR	149.78	90.49
AMOUNT AVAILABLE FOR APPROPRIATIONS	291.99	359.77
APPROPRIATIONS:		
TAX ON DIVIDEND	7.50	-
PROPOSED DIVIDEND ON EQUITY SHARES	75.00	75.00
GENERAL RESERVE	35.00	135.00
BALANCE CARRIED FORWARD IN THE PROFIT & LOSS ACCOUNT	174.49	149.77
	291.99	359.77

REVIEW OF OPERATIONS:

The Company's gross income during the year was higher by Rs.482.06 lakhs at Rs.7362.29 lakhs as against Rs.6880.23 lakhs for the year ended 30th June, 1996. The profit after tax was, however, lower at Rs.116.71 lakhs as against Rs.269.28 lakhs during the previous year.

In order to streamline the Company's cost of operations, the Voluntary Retirement Scheme was offered to the Workmen of its Mumbai factory. 108 employees have availed of this offer during the year. This has resulted in an extraordinary cost increase during the year. This will, however, make the company stronger in the future.

The Company's Customers, specially in the business of White Goods, Commercial Vehicles, Television and Two-Wheelers, faced a depressed market and could not meet their projections. This resulted in the company falling short of its targeted turnover.

The Company has completed investments for increasing its market share in the Automobile Industry, specially with Maruti Udyog Limited and for the new Fiat UNO Vehicle, manufactured by Premier Automobiles Limited.

FUTURE OUTLOOK

The Plastic Industry continues to grow rapidly with an average compound growth of 15% per annum during last 5 years. Consumption of polymer is expected to rise by 1.5 million tonnes per annum to make the total consumption of 3.5 million tonnes during the next 3 years from 2.00 million tonnes during 1996-97.

Bright Brothers Limited



The Plastic processing industry will be required to invest approximately Rs.6000 crores to cope up with the growth envisaged in the next 3 years. As a logical impact of rapid liberalisation the industry will be facing more opportunities on the one hand and dynamic challenges on the other.

Your company is geared to achieve larger volumes of business which will yield cost advantages. Your company is also keeping itself updated in Technology absorption required by the Automotive and White Goods Industry.

THE YEAR 1997-98

The steps taken by the Government to bouy up the economy has resulted in lower inflation and softening of interest rates. It is expected that we have witnessed the bottom of the economy curve and in the quarter starting October, 1997, there will be a respectable growth in demand.

A major development undertaken during 1996-97 for the new Telco Vehicle -SAFARI is reaching completion. The commercial production will start in November, 1997. This will add to the Company's turnover significantly. The Company has shown leadership, in the new technologies employed for this development. The Company has also started manufacturing large components for the new model 800cc Car being introduced by Maruti Udyog Ltd.

COLLABORATIONS

The company's technical collaboration with Reydel Italia S.P.A., Italy, for the manufacture of the FIAT UNO Car components, has been completed and product qualification has been achieved in a smooth manner. Further the Company's Tarapur Unit has been visited by Senior Representatives of FIAT, Italy and our operations have found approval. The indigenous production will start from December 1997.

EXPORTS

The Exports during the year were lower at Rs. 176.96 lakhs as against Rs. 386.81 lakhs during 1995-96. The Company is restructuring its market focus strategies, to concentrate on the Development Country Markets.

DIVIDEND

The Board of Directors recommend a Dividend of 20 per cent on the Equity Share Capital, subject to the approval of the shareholders at the Annual General Meeting. If approved at the Annual General Meeting, the outgo of dividend payment will amount to Rs 75 lakhs. The tax payable by the Company on dividend amounts to Rs.7.5 lakhs.

FIXED DEPOSITS

Fixed Deposits as on 30th June, 1997 was Rs.91.16 lakhs. A sum of Rs.0.23 lakhs remained unclaimed as on that date, for want of instructions from depositors.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Directors Mr. S.T.Bhojwani and Mr. K.P.Rao retire from office by rotation, and being eligible, offer themselves for re-appointment.

AUDITORS

The Auditors M/s. N.S.Gubbi & Co. retire and offer themselves for re-appointment.

Bright Brothers Limited*Brite***PERSONNEL**

Industrial Relations in the company has been cordial.

Statement of particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is annexed hereto and forming part of this report.

CONSERVATION OF ENERGY

As per the requirements of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the details required under Form A regarding Conservation of Energy, is not applicable to the Company. However the Company is well aware of the importance of the energy conservation and is making continuous efforts in this direction.

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with respect to Technology Absorption etc. required as per Section 217(1)(e) of the Companies Act, 1956 are annexed hereto.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the untiring contribution of the employees of the company, who have exhibited excellent team-work and co-operation to complete the projects in time and to achieve the goals of the company. The Directors are pleased to take this opportunity to express their sincere gratitude for the assistance and continued co-operation extended by the Financial Institutions - ICICI, IDBI, SICOM UTI and LIC, Banks - Bank of Baroda, Canara Bank, Bank of Nova Scotia and Government Authorities, Shareholders, Suppliers and Customers. The company looks forward to the continued support in the current year.

On behalf of the Board of Directors

T.W. BHOJWANI

Chairman & Managing Director

Mumbai

Dated : 25th September, 1997

Bright Brothers Limited

Brite**ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 30TH JUNE, 1997**

Statement showing the particulars of employees in terms of Section 217(2A) read with Companies (Particulars of Employees) Rules 1975 and Forming part of Directors' Report for the year ended 30th June, 1997

Names, Designation & Nature of duties	Remuneration (Rs.)	Qualification	Experience (Years)	Age (Years)	Date of Commencement of employment	Previous Employment
A. EMPLOYED THROUGHOUT THE YEAR						
1. Mr. T. W. Bhojwani Chairman & Managing Director	609225	Matriculation	48	79	23-8-1948	
2. Mr. A. H. Khan Technical Director	820350	B.Sc. Eng. (Mech)	37	59	6-1-1964	Design Engineer, Battenfield Machinfabriken GmbH, W. Germany
3. Mr. I. G. Advani Executive Director	782325	B.E (Mech) Dip. in Op. MGT.	27	49	1-8-1970	Sales Engineer, Fouress India Pvt. Ltd.
4. Mr. A. D'Souza Profit Centre Head	381100	B.Sc. M.B.A.	28	52	3-1-1995	Vice President Share Registry Birla Consultancy & Software Service
5. Mr. I. Lobo General Manager	335445	Inter Sc.	27	49	4-9-1972	Design Engineer, Westworth Mould & Die Co. Ltd. Ontario, Canada.
6. Mr. S. H. Uchat General Manager Operations	321600	B.E. (Mech) M.E. (Mech)	23	48	3-4-1984	Technical Manager, Arora Plastics Pvt. Ltd.
7. Mr. P. S. Batra General Manager	320060	B.Sc. Engg. (Mechanical)	17	39	25-6-94	Marketing Services Manager Singer India Ltd. New Delhi

NOTES :

- Except Mr. T.W. Bhojwani, Chairman & Managing Director, and Mrs. Hira T. Bhojwani, Director, whose employment is contractual, all other officers are on permanent service subject to normal notice.
- Gross remuneration includes salaries, Company's contribution to Provident Fund and Superannuation Funds, Medical Reimbursement, Leave Travel Assistance and value of other perquisites as per Income Tax Rules, wherever applicable.
- Mr. T. W. Bhojwani is related to Mrs. H. T. Bhojwani, Mr. S. T. Bhojwani, Directors of the Company.