



Annual Report 1998-99



CRYSTAL CABLE INDUSTRIES LTD.

CRYSTAL CABLES

BOARD OF DIRECTORS

SHRI K. K. DUTT

Chairman

SHRI N. L. GUPTA

Vice Chairman & Managing Director

SHRI V. K. GUPTA

Managing Director

SHRI J. GUPTA

Jt. Managing Director

SHRI J. TODI

Director

SHRI M. M. BHAGAT

Director

SHRI A. K. BAL

(WBIDC Nominee)

SHRI M. SOOD

Director

AUDITORS

GHOSH & BASU

Chartered Accountants

SHARE TRANSFER AGENT

Computech International Ltd.

77/2A Hazra Road

Calcutta - 700 029

Ph. No. : (033) 476-7350/54

BANKERS

BANK OF BARODA

STATE BANK OF BIKANER & JAIPUR

STATE BANK OF INDIA

WORKS

ANDUL ROAD, P. O. New Kolorah,

Alampur, Howrah - 711 302

Ph. No. : (033) 669 0419/669 0720

: (033) 669 1584/669 1596/669 2590/3522/3524/3530

REGISTERED OFFICE

32, GANESH CHANDRA AVENUE (3rd Floor)

CALCUTTA - 700 013

Ph No. : (033) 236 5190/91/92/93/94, 236 6284, 237-7628

Fax : (033) 225 9841/27 4619

E-mail : Crystal@wiprobt.ams.vsnl.net.in

NOTICE TO THE MEMBERS

Notice is hereby given that the Annual General Meeting of CRYSTAL CABLE INDUSTRIES LTD will be held at the Registered Office at 32, Ganesh Chandra Avenue, Calcutta - 700 013 on Monday, the 28th February, 2000 at 4.00 P.M. to transact the following business :

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 30.06.99 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Shri Jagdish Todi who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolutions :

(i) **As an ordinary Resolution :**

"RESOLVED that Shri Mukesh Sood, an Additional Director of the company, who holds office upto the date of the Annual General Meeting under Article 94 of the Company's Articles of Association, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

(ii) **As a Special Resolution :**

To consider and, if though fit, to pass, with or without modification, the following resolution as a special Resolution :

RESOLVED THAT pursuant to the provisions of the Companies Act, 1956, (including any statutory modification(s) and re-enactment thereof, for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions, and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, by the Board of Directors of the Company, consent is hereby accorded to the Board to delist its Equity Shares from the following stock exchanges :

- 1) Delhi Stock Exchange.
- 2) Ahmedabad Stock Exchange.

Further Resolved that the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary for delisting the equity shares of the Company from the aforesaid Stock Exchanges.

CRYSTAL CABLES

The Directors have no interest in the Resolution other than as members of the Company.

Registered Office :

32 Ganesh Chandra Avenue
3rd Floor
Calcutta 700 013
Dated 31st January, 2000

By Order of the Board

(V K Gupta)
Managing Director

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy, to attend and vote instead of himself and a proxy need not be a member. Proxies, in order to be effective must be received at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Book of the company will be closed from 22nd February, 2000 to 28th February, 2000 (both days inclusive)
3. An explanatory statement under Section 173 of the Companies Act, 1956 in respect of above items of Special Business is annexed hereto.
4. Member are requested to :
 - a. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - b. Send their questions 10 days in advance before the Annual General Meeting about any further information on accounts, so as to enable the Company to answer their question satisfactorily.
5. Members are requested to immediately notify change of address if any, to the Share Transfer Agent of the company, M/s. Computech International Ltd., 77/2A, Hazra Road, Calcutta 700 029.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**ITEMS OF SPECIAL BUSINESS**

4. (i) Shri Mukesh Sood was appointed as an Additional Director by the Board of the Company with effect from 29th April, 1999. In terms of Section 260 of the Companies Act, 1956 and Article 94 of the Company's Articles of Association, Shri Mukesh Sood holds office as Director upto the date of the ensuing Annual General Meeting but he is eligible for reappointment. As required by Section 257 of the Act, a notice has been received from a member signifying his intention to propose his candidature for the office of Director.

His association with the Company as a member of the Board will be in the interest of the Company.

The Directors recommend that the resolution be adopted.

Except Shri Mukesh Sood, none of the Directors of the Company is concerned or interested in the Resolution.

- (ii) Presently the Company's securities are listed on the following 4 stock Exchanges in India :

1. The Stock Exchange, Mumbai.
2. The Stock Exchange, Ahmedabad.
3. The Stock Exchange, Calcutta.
4. The Stock Exchange, Delhi.

Delisting of Equity Shares is proposed on the following 2 Stock Exchange :

1. Ahmedabad Stock Exchange.
2. Delhi Stock Exchange.

With the networking of centres of the Stock Exchange, the members of the Company have access to online dealings in the Company's securities across the country. A miniscule number of members are located in the regions where it is proposed to delist its Equity Shares and trading volumes on the said Stock exchange in the Company's securities is negligible. The proposed delisting of the Company's Securities on these Exchanges will not therefore adversely affect any investor including the members located in regions where the said Stock Exchange are situated.

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As a part of its cost reduction measures, the Company has proposed delisting securities from the said 2 (two) Stock Exchanges and inline with the SEBI regulations for voluntary delisting of the company's Securities by the Company, members approval is sought by a special resolution for delisting its Securities from the Exchanges set out in Resolution No. 4(ii). The proposed delisting is in the interest of the Company and the Board commends the Resolution for acceptance by members.

No Directors of the Company is interest in the resolution.

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Dated 31st January, 2000

By Order of the Board

(V K Gupta)
Managing Director

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CRYSTAL CABLES**DIRECTORS' REPORT**

To
The Members
CRYSTAL CABLE INDUSTRIES LIMITED
Calcutta

Your Directors present herewith their Annual Report together with the Audited Accounts for the year ended 30th June, 1999.

	<u>30th June, 1999</u>		<u>30th June, 1998</u>	
	Rs.	Rs.	Rs.	Rs.
FINANCIAL RESULTS				
Operating Profit for the year before Financial charges, Depreciation and Preliminary & Deferred revenue expenses write off.		68,05,734		2,14,37,964
From which has been deducted				
Finance charges	3,18,13,105		1,68,95,692	
Depreciation	2,09,59,473		20,85,212	
Deferred & Preliminary Expenses write off	43,02,519		-	
Transfer to Capital Reserve	<u>2,25,000</u>	<u>5,73,00,097</u>	<u>12,75,000</u>	<u>2,02,55,904</u>
Leaving a surplus / (Deficit) of		(5,04,94,363)		11,82,060
Which has been added/ (deducted) to the Credit balance in the Profit & Loss Account brought forward from last year		<u>1,36,04,059</u>		<u>1,24,21,999</u>
Making a total surplus / (deficit) to be carried forward to Balance Sheet		<u>(3,68,90,304)</u>		<u>1,36,04,059</u>

DIVIDEND

The Directors regret their inability to declare any dividend due to heavy loss.

CRYSTAL CABLES

OPERATION RESULTS

The year 1998-99 has been an extremely difficult year for the company. The Cable industry had to face severe demand recession and higher input cost combined with lower price realisation and lower capacity utilisation due to which overall performance of the company was adversely affected. Since it was a first year of working and cables being a safety item, approvals with different bodies is necessary for commercial supplies. The process of approval is slow and time taking which resulted into operating below break even. Out of total loss of Rs. 504.94 Lacs. Rs. 252.62 Lacs is towards write off of Depreciation and Preliminary & Deferred revenue expenditure, which represents non cash cost.

CURRENT OUTLOOK

With the gradual turnaround now visible in general economy, the outlook for Cable-Industry is also improving. During last 2-3 months, the company has received good orders at remunerative prices. It is been making vigorous efforts to come out of the losses by improving the production, efficiency and overall productivity of the plant. The company expects to do better in the current year and hopes to operated above break-even.

PUBLIC DEPOSITS

The total amount of deposit outstanding with the company as on 30th June 1999 was Rs. 95.01 lakhs. At the end of the year there was no deposit due for repayment nor was there any unclaimed deposit.

AUDITORS

M/s Ghosh & Basu, Chartered Accountants, the Auditors, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Appointment if made, will be in accordance with sub-section (1B) of section 224 of the Companies Act, 1956.

DIRECTORS

Shri C. M. Bhachhawat ceased to be a nominee Director of WBIDC Ltd. on the Board of the Company. The Board place on record its appreciation of the valuable services rendered by Sri C. M. Bachhawat during his tenure as a Director of the Company.

Shri A. K. Bal was appointed Nominee Director of the WBIDC on the Board of the Company w.e.f. 30th July, 1999.

AUDITORS REPORT

The observation made in the Audit-Report are dealt with separately in the notes on accounts (Schedule - xiv) which are self-explanatory.

PARTICULARS OF EMPLOYEES :

As per Sec 217 (2A) Read with Companies (Particulars of Employees) Rules, 1975.

The company has no employee in the category mentioned in sec 217(2A) of the Companies Act, 1956.