



**REPORT
AND
ACCOUNTS
2001**

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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 D. CHAKRABORTY

Nominee of IDBI

SHRI A. BHATTACHARYA

Nominee of WBIDC

SHRI M. SOOD

Director

SHRI M. BANDYOPADHYAY

Director

SHRI G. C. MOOKHERJEE

Director

SHRI A. K. ROY

*Director***AUDITORS**

GHOSH & BASU

*Chartered Accountants***BANKERS**

BANK OF BARODA

STATE BANK OF BIKANER & JAIPUR

STATE BANK OF INDIA

SHARE TRANSFER AGENT

Computech International Ltd.

77/2A, Hazra Road

Kolkata - 700 029

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

WORKS

ANDUL ROAD, P.O. New Kolorah, Alampur, Howrah - 711 302

Ph. No. : (033) 669-0720/1584/1596/3522/3524/3530/2590

Fax No. : (033) 669-0419

E-mail : cry_fact@hotmail.com

REGISTERED OFFICE

32, GANESH CHANDRA AVENUE,

3RD FLOOR, KOLKATA : 700 013

Ph. No. : (033) 236-5190/91/92/237-7628

Fax : (033) 225-9841

E-mail : crystalcable@vsnl.com

CRYSTAL CABLES**NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that Annual General Meeting of CRYSTAL CABLE INDUSTRIES LIMITED will be held at DBS Corporate Club, 8 A. J. C. Bose Road, 2nd Floor, Kolkata - 700 017 on Friday, the 3rd August, 2001 at 3.00 P.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit and Loss Account for the period ended 31st March, 2001 and the Balance Sheet as at that date and the reports of Directors and Auditors thereof.
2. To appoint a Director in place of Mr. K. K. Dutt who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

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

As An Ordinary Resolution :

"Resolved That Shri Mrityunjay Bandyopadhyay, an Additional Director of the company, who holds office upto the date of Annual General Meeting under Article 94 of the company's Articles of Association, be and is hereby reappointed as a Director of the company, liable to retire by rotation."

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

As An Ordinary Resolution :

"Resolved That Shri Amiya Kr. Roy an Additional Director of the company, who holds office upto the date of Annual General Meeting under Article 94 of the company's Articles of Association, be and is hereby reappointed as a Director of the company, liable to retire by rotation."

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

As An Ordinary Resolution :

"Resolved That Shri G. C. Mookherjee an Additional Director of the company, who holds office upto the date of Annual General Meeting under Article 94 of the company's Articles of Association, be and is hereby reappointed as a Director of the company, liable to retire by rotation."

Registered Office
32, Ganesh Chandra Avenue
3rd Floor
Kolkata - 700013
Dated : 20th June, 2001

By order of the Board

N. L. GUPTA
(Vice Chairman & Managing Director)

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NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy, to attend and vote instead of himself and the proxy need not to be a member of the company.
2. The instrument appointing a proxy must be deposited with the company at its registered office not less than 48 hours before the time for holding the meeting.
3. 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 7 days in advance before the Annual General Meeting about any further information in accounts, so as to enable the company to answer their question.
4. 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, Kolkata - 700 029.
5. The register of member and the share transfer books of the company will remain closed from 26th July, 2001 to 3rd August, 2001 (both days inclusive).

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

4. Shri Mrityunjoy Bandyopadhyay was appointed as an Additional Director, on the Board of the Company with effect from 20th June, 2001. In terms of Section 260 of the companies act, 1956 and Article 94 of the Company's Articles of Association, Mr. Mrityunjoy Bandyopadhyay holds office as Director upto the date of ensuing Annual General Meeting but he is eligible for re-appointment. A notice has been received from a member signifying his intention to propose his candidature for the office of the Director.

Mr. Bandyopadhyay is a practising Chartered Accountant and his association with the company as a member of the Board will be in the Interest of the company.

The Director recommend that the resolution be adopted.

Except Shri Mrityunjoy Bandyopadhyay, none of the Directors of the company is concerned or interested in the Resolution.

5. Shri Amiya Kumar Roy was appointed as an Additional Director, on the Board of the Company with effect from 20th June, 2001. In terms of Section 260 of the companies act, 1956 and Article 94 of the Company's Articles of Association, Mr. Amiya Kumar Roy holds office as Director upto the date of ensuing Annual General Meeting but he is eligible for re-appointment. A notice has been received from a member signifying his intention to propose his candidature for the office of the Director.

Mr. Amiya Kumar Roy is an Advocate and Tax Consultant and his association with the company as a member of the board will be in the Interest of the company.

The Director recommend that the resolution be adopted.

Except Shri Amiya Kumar Roy, none of the Directors of the company is concerned or interested in the Resolution.

6. Shri G. C. Mookherjee was appointed as an Additional Director, on the Board of the Company. In terms of Section 260 of the companies act, 1956 and Article 94 of the Company's Articles of Association, Mr. G. C. Mookherjee holds office as Director upto the date of ensuing Annual General Meeting but he is eligible for re-appointment. A notice has been received from a member signifying his intention to propose his candidature for the office of the Director.

The Board consider his association as a Director will be beneficial and in the Interest of the company.

The Director recommend the ordinary Resolution for your approval.

Mr. G. C. Mookherjee is concerned or interested in the resolution as it relates to his own appointment.

CRYSTAL CABLES**DIRECTOR REPORT**

To
The Members,
CRYSTAL CABLE INDUSTRIES LIMITED
Kolkata

Your Directors present herewith their Annual Report together with the Audited Accounts of the Company for the nine months period ended 31st March, 2001.

1. The Financial Results are stated hereunder :

Loss before interest & depreciation	(13331669)
Add : Financial Charges	(35239811)
	(48571480)
Add : Depreciation	(12049264)
	(60620744)
Less : Excess Provision of Income Tax Written Back	250000
	(60370744)

2. The Directors therefore regret their inability to declare any dividend due to heavy loss.
3. During the period under review the entire power cable industry continued to reel under low demand with stiff competition and increase in input costs resulting in further squeeze in already depleted margins. In such a situation your company sometimes was forced to execute even unremunerative orders in order to keep the concern going with the expectation that the company would reap the advantage as soon as the Cable Industry would be out of recession.

The Company as a part of its strategic planning has almost stopped production of Elastomeric Cables and more emphasis is being laid on improvement of XLPE Insulated Cable order booking where the margin is comparatively better and with such change in product mix it is expected to achieve increased turnover with relatively better contribution. Moreover, with execution of orders of Rs. 15 crores in hand, the company's prospect of turn around has become bright.

However, due to low capacity utilisation coupled with falling contribution due to the depressed market and high interest burden the Company incurred substantial loss as noted above and the accumulated loss of the Company at the end of the period under review exceeded the net worth and as such, the Company has become a sick industrial company and the Board of Directors of the Company has decided to make a reference to BIFR as has been prescribed in the said Act and Regulation framed thereunder as expeditiously as possible for determination of suitable measures required to be undertaken for the revival of the Company. Necessary reference following the adoption of the Annual Accounts at the last Annual General Meeting of the Company with erosion of more than 50% of net worth was made to BIFR in terms Section 23 of Sick Industrial Companies (Special Provision) Act, 1985.

4. The Board is already posted and conscious about the certain comments observed by the Auditors in their Report. An Audit committee has already been constituted on 20th June 2001 in terms of Section 292A of the Companies Act 1956 after inducting independent directors with proven ability and experience to review the existing system & procedure in consultation with the statutory Auditors and Internal Auditors of the Company. With constitution of such committee, measures shall be taken to further improve the internal control system.

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In this context your Director further states :

- i) that in the preparation of the accounts, the applicable accounting standards, subject to remarks made in the Annexed Auditors' Report, have been followed along with proper explanation relating to material departures wherever necessary as have been embodied in Schedule XV of the Accounts to hereto.
 - ii) that such accounting policies subject to above, made have been selected and applied consistently and judgments made and estimates done that are felt to be reasonable and prudent under the given circumstances so as to give a true and fair view of the state of affairs of the Company at the end of the period under review and of loss of the Company for that period.
 - iii) that proper and sufficient care have been taken or are in the process of being taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities thereof to the extent possible.
 - iv) That the accounts have been prepared on a going concern basis.
5. The total amount of deposit outstanding with the Company as on 31st March, 2001 was Rs. 63.19 Lakhs. At the end of year there was no deposit due for repayment nor was there any unclaimed deposit.
 6. 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.
 7. Shri M. M. Bhagat and Shri J. Todi resigned as Directors of the Company. The Board place on record its appreciation of the valuable services rendered by them as Directors of the Company.
In terms of section 256 of the Companies Act, 1956. Shri K. K. Dutt retire from the Board by rotation and being eligible, offer himself for re-appointment.
Mr. Mrityunjay Bondyopadhyay, Mr. G. C. Mookherjee & Mr. Amiya Kr. Roy have been appointed in the Board of the Company.
 8. The company has formed an Audit Committee comprising of Mr. Amiya Kr. Roy, Mr. Mrityunjay Bandyopadhyay & Mr. Ganesh Chandra Mookherjee.
 9. As per Section 217 (2A) read with Companies (Particulars of Employees) Rules, 1975.
The Company has no employee in the Category mentioned in Section 217 (2A) of the Companies Act, 1956.
 10. In terms of Companies (Disclosure of Particulars in the Report of the Board of Directors Rules, 1988) the particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgoing are given in Annexure 'A' which forms a part of this report.
 11. The relation with the workman at the Company's factory during the year remained peaceful and cordial.
 12. Your Director wish to place on record their grateful appreciation of all individuals and institutes associated with the company.

By Order of the Board

Place : Kolkata
Dated : 20th June, 2001

K. K. DUTT
Chairman

CRYSTAL CABLES**ANNEXURE 'A'**

INFORMATION AS PER SECTION 217(1)(E) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE PERIOD ENDED 31ST MARCH, 2001.

1. CONSERVATION OF ENERGY**a) Energy Conservation measures Taken :**

Improvement of power factor through Capacitor Bank and using synchronising relays and change over switches to improve the efficiency of Gen-Sets.

Arrangement of using natural sunlight in the shop floor during day shift and thereby conservation of power during day shifts. Besides, rearrangement of lighting loads and elimination of redundant light and fan loads.

Installation of some energy saving devices like electronic ballasts, alternators etc.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :-

Proposals are under consideration for installation of capacitor at user point i.e. with individual drive at the machine.

Rearrangement in distribution system for getting more efficiency for captive Generating Sets.

c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on cost of production of goods :-

As a result of corrective measures already taken, energy consumption has been kept within control.

A. POWER AND FUEL CONSUMPTION**2000-01****1999-00****1. Electricity :**

a) Purchased Unit (in thousands)	394.34	389.67
Total Amount (Rs. in lakhs)	21.34	23.15
Rate/Units (Rs.)	5.41	5.94

b) Own Generation

i) Through Diesel Generator Unit (in thousand)	625.41	885.80
Unit per Ltr. of Diesel Oil	2.67	2.38
Cost per Unit (Rs.)	6.03	5.49
ii) Through Steam Turbine/Generator Unit	—	—
Unit per Ltr. of Fuel	—	—
Oil Gas	—	—
Cost per Unit (Rs.)	—	—

2. Coal (Steam used for generation of steam in boiler)

Qty (Tonnes)	—	—
Total Cost (Rs. in Lacs)	—	—
Avg Rate (Rs.)	—	—

3. Light Diesel Oil

Qty (K. Ltr.)	—	—
Total amount (Rs. in lacs)	—	—
Avg Rate (Rs.)	—	—

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	2000-01	1999-00
4. Others/Internal Generation (HSD Oil)		
Qty (K. Ltr)	233.60	372.00
Total Cost (Rs. in lacs)	37.65	48.61
Rate/Ltr. (Rs.)	16.11	13.06
B. Consumption per unit of production		
Product (Cable)		
Electricity (Units/Kmtr)	N.A.	N.A.
Furnace Oil Lit	—	—
Coal (Steam) Kgs	—	—
II. TECHNOLOGY ABSORPTION		
Efforts made in technology absorption as per Form-B of the Annexure to the Rules.		
1. Research & Development (R&D)		
a) Specific areas in which R & D carried out by the Company	—	—
b) Benefits derived as a result of the above R & D	—	—
c) Future plan of action	—	—
d) Expenditure of R & D (Rs. in Lacs)	—	—
2. Technology absorption, adaptation & innovation :		
a) Efforts in brief, made towards technology absorption, adaptation and innovation	—	—
b) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product substitution etc.	—	—
c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)	—	—
III FOREIGN EXCHANGE EARNINGS AND OUTGO :		
a) Total foreign exchange earned (Rs. in lacs)	8.44	36.16
b) Total foreign exchange used (Rs. in lacs)	48.85	0.40

By Order of the Board

Place : Kolkata
Dated : 20th June, 2001

K. K. DUTT
Chairman