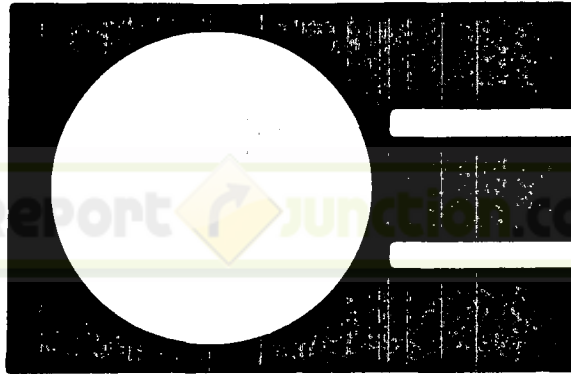


MD	✓			BKC	NA
CS	✓			DPY	NA
RO	✓			DIV	NA
TRA	NA			AC	✓
AGM	✓	✓		SHI	✓
YE	✓	✓	✓		✓





## EMPIRE INDUSTRIES LIMITED

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### DIRECTORS :

S.C. Malhotra  
*Chairman*  
R.A. Maskati  
Ranjit Malhotra  
*Vice-Chairman*  
N.V. Khote  
J.N. Guzder  
F.A.A. Jasdanwalla  
Dileep Malhotra  
S.S. Roy – withdrawn w.e.f. 6.12.1996  
*Nominee of ICICI*

### DIRECTOR FINANCE & COMPANY SECRETARY :

S.K. Gulati

### AUDITORS :

R.A. Patel & Co.

### ADVOCATES & SOLICITORS :

Gagrat & Co.  
R. Punwani

### BANKERS :

Indian Bank  
Allahabad Bank  
Bank of India  
Bank of Baroda  
Central Bank of India

### REGISTERED OFFICE :

414, Senapati Bapat Marg,  
Mumbai 400 013

### PLANTS :

**Empire** 414, Senapati Bapat Marg  
**Dyeing** Mumbai 400 013

**Vitrum** L.B. Shastri Marg  
**Glass** Vikhroli  
Mumbai 400 083

**Garlick** 1. MIDC Industrial Area  
**Engg.** Engineering Zone  
Ambarnath (C. Rly.)  
2. Plot No. 5905/4  
GIDC, Ankleshwar 393 002



## Notice

The NINETY-SIXTH ANNUAL GENERAL MEETING of the Members of EMPIRE INDUSTRIES LIMITED will be held on Wednesday, the 24th September, 1997 at 3.00 p.m. at Shri Bhaidas Maganlal Sabhagriha Hall, U-1, Juhu Development Scheme, Vile Parle (West), Mumbai 400 056 to transact the following business:

1. To adopt the Directors' Report and the Audited Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the year ended on that date.

2. To appoint a Director in place of Mr. N.V Khote, who retires by rotation, and being eligible, offers himself for reappointment.

3. To appoint a Director in place of Mr. Rasheed A Maskati, who retires by rotation, and being eligible, offers himself for re-appointment.

4. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 224A and other applicable provisions, if any of the Companies Act, 1956 Messrs R.A Patel & Co., Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Meeting up to the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors plus reimbursement of travelling and actual out-of-pocket expenses."

By Order of the Board  
For EMPIRE INDUSTRIES  
LIMITED

S K GULATI  
Director Finance &  
Company Secretary

*Registered Office:*

414, Senapati Bapat Marg  
Mumbai 400 013.

*Mumbai,  
5th August, 1997.*

## EMPIRE INDUSTRIES LIMITED

## ANNUAL REPORT 1996-97

## 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 BE A MEMBER.

2. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item No 4 as set out above is annexed hereto.

nationalised banks or insurance companies carrying on general insurance business.

Since the combined share holding of LIC, UTI, ICICI, nationalised banks and insurance companies exceeds 25 percent of the subscribed share capital of the Company, the re-appointment of Messrs R.A Patel & Co., as Auditors of the Company is required to be made by a Special Resolution. As required Under Section 224 of the Act, certificate has been received to the effect that their appointment, if made, will be in accordance with the limits specified in Section 224 (1B) of the Act.

## ANNEXURE TO NOTICE

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement set out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice dated 5th August, 1997.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

## Item No. 4 :

Section 224-A of the Companies Act, 1956, provides of the appointment or re-appointment at each Annual General Meeting of an Auditor or Auditors of a Company by a Special Resolution, if the Company is one in which not less than 25 per cent of its subscribed share capital is held singly or in combination by the public financial institutions, government companies, Central or State Governments, financial or other institutions in which the State Government holds not less than 51 per cent of the subscribed Share Capital,

By Order of the Board  
For EMPIRE INDUSTRIES  
LIMITED

S K GULATI  
*Director Finance &  
Company Secretary*

*Registered Office:*

414, Senapati Bapat Marg  
Mumbai 400 013.

*Mumbai,  
5th August, 1997.*



## Directors' Report

The Directors hereby present their Annual Report and the Audited Accounts of the Company for the year ended 31st March, 1997.

### FINANCIAL RESULTS

	Year ended 31.03.97 Rupees	Year ended 31.03.96 Rupees
Income:		
Sales & Commission	58,33,38,420	43,17,83,264
Warehousing	31,59,880	2,65,92,313
Other Income	1,73,10,963	2,67,00,376
	<u>60,38,09,263</u>	<u>48,50,75,953</u>
Less: Operating Expenses	58,06,71,616	46,40,19,678
Profit before Tax	2,31,37,647	2,10,56,275
Less: Provision for taxation	1,06,00,000	90,50,000
Amount available for appropriation	<u>1,25,37,647</u>	<u>1,20,06,275</u>
Appropriated as under:		
General Reserve	<u>1,25,37,647</u>	<u>1,20,06,275</u>

### DIVIDEND

Although the Company has fared better in the year under review, your Directors recommend that a Dividend be withheld to conserve resources.

repair shut down for approx. 45 days. By providing 2 additional sections and upgrading the IS Machines, the Division was able to achieve improved production in the year under review.

### OPERATION

#### Vitrum Glass:

The performance of this Division continues to be good. Bottle production during the previous year was affected due to a

The Division is in the process of adopting the principles of total quality management. Steps have already been initiated to implement ISO 9002 and the certificate is expected by the end of the current year.

**EMPIRE INDUSTRIES LIMITED****ANNUAL REPORT 1996-97****Empire Instrumentation:**

The Division is working on several enquiries especially on Computational Systems Inc. and FLIR systems and expects order booking of approx Rs.15 cores during the current year. Most of the offers being submitted are in foreign currency and hence the foreign exchange earning is expected to increase substantially.

The order backlog is to the tune of Rs. 218.24 lacs.

**Empire Machine Tools:**

Due to liberalisation policy by the Govt. of India, the Division continued to progress on a growth path and has recorded better performance over the previous year. To achieve a wider coverage of the market as well as improvement in services to our principals and clients, the activities of the Division were separated into the following 2 sub-divisions during the current year.

**a) MFTM Division: -**

For dealing in sophisticated Metal Forming, material Testing & Metrology equipments.

**b) MCAT Division:-**

For dealing in Metal Cutting and Allied Technologies.

Due to this reorganisation of the division, we expect further improvement in the enquiry generation and order booking during the current year. The MFTM and MCAT divisions have carry forward orders of Rs. 29.11 crores and Rs.108.63 crores respectively.

**Empire Chemicals**

The division has achieved substantial growth in revenue generation over the previous year. Efforts are being directed towards widening the customer base, exploiting other agency lines, rejuvenating dormant agencies and broadening the sales base for speciality/ preparatory products.

**Garlick Engineering:**

The Lock-out position continues in the Factory and many workers have resigned under the Voluntary Retirement Scheme reducing their strength to below 80.

**Empire Metals:**

The Division is progressing well in major products like Electrical Steel, Electrolytic Tin Plates, Tin free Steel, Stainless Steel, Copper Tubes etc. besides catering to traditional products like Hot Rolled & Cold Rolled Coils & Sheets, Structural Steel, Wire Rods, Aluminium, Zinc etc. It is hoped that the market conditions and Governmental Policies would enable the division to achieve higher volumes & higher revenue.

**SUBSIDIARY COMPANY**

The Accounts of Empire Securities & Capital Limited for the year ended 31st March, 1997, together with the relevant statements under Section 212 of the Companies Act, 1956 as required are annexed to this Report.

**FIXED DEPOSITS**

As on March 31, 1997, 191 depositors had not claimed

their matured deposits amounting to Rs.10,67,500/-. Since then 62 depositors have claimed/ renewed their deposits amounting to Rs.4,54,000/-. As of date, all deposit claims have been met, except unclaimed deposits amounting to Rs. 6,13,500/-. The Company has complied with the provision of Section 58 A of the Companies Act, 1956.

**PARTICULARS OF EMPLOYEES**

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees is given in the Annexure forming part of this report.

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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, relating to the foregoing matters is given in the Annexure forming part of this report.

**DIRECTORS**

Mr. S. S Roy's Nominee Directorship of ICICI was withdrawn with effect from 6th December 1996. The Directors wish to record their appreciation for the services rendered by Mr. S.S Roy during the tenure of his office as a Director with the Company.



In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. N V Khote and Mr. Rasheed A Maskati, retire by rotation at this Annual General Meeting and being eligible, offer themselves, for re-appointment.

#### **ACKNOWLEDGEMENT**

Your Directors would like to express their gratitude for the

abundant assistance and co-operation received by the Company from its workers, staff & officers and the Financial Institutions, consortium of Commercial Banks, and other Government Bodies during the year under review.

#### **AUDITORS**

Messrs. R. A Patel & Co., Chartered Accountants, retire at this

Annual General Meeting and being eligible, offer themselves, for re-appointment.

On behalf of the  
Board of Directors

**S C MALHOTRA**  
Chairman

Mumbai,  
5th August 1997

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## EMPIRE INDUSTRIES LIMITED

## ANNUAL REPORT 1996-97

**Annexure to Directors' Report**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956:

**VITRUM GLASS****A) CONSERVATION OF ENERGY**

- a) Energy Conservation Measures taken:
  - i) Elimination of avoidable illumination points.
  - ii) Maintenance of rational heat input in Lehrs.
  - iii) Upgradation of Shrink Wrapping tunnel.
- b) Additional Investment and proposals being implemented for reduction of consumption of energy;
  - i) Upgradation of Mould Cooling Blower for discharge at higher pressure.
  - ii) Modification of Shrink Wrap Tunnel design.
- c) Impact of measures (a) and (b) above :  
These measures have helped in reducing energy consumption.
- d) Total energy consumption and energy consumption per unit of production.

**FORM - A**

	Current Year	Previous Year
<b>I. Power and fuel consumption</b>		
1. Electricity		
Purchased Units	1,32,03,552	1,18,53,545
Total Cost (Rs. in lacs)	369.24	290.70
Rate/Unit (Rs.)	2.80	2.45
2. Furnace oil/LSHS		
Quantity (tons)	4,952	4,148
Total cost (Rs. in lacs)	329.15	233.34
Average Rate (Rs.)	6,647	5,625
3. L.P Gas		
Quantity (M.T.)	511	519
Total Cost (Rs. in lacs)	86.18	69.86
Rate/ton (Rs.)	16,865.00	13,460.50
<b>II Consumption per Unit/Ton of Production</b>		
Electricity	334	369
Furnace oil	0.125	0.129
L.P Gas	0.13	0.016

**(B) TECHNOLOGY ABSORPTION :****FORM - B****Research and Development (R&D)**

- 1) Specific areas in which R&D carried out by the Company:  
Upgradation of technology associated with productivity.
- 2) Benefits derived as a result of the above R & D :  
All such upgradation efforts have yielded -
  - a) Appreciable improvement in productivity and performance
  - b) Improvement in quality of products.
- 3) Further plan of action  
To continue technology upgradation to improve productivity and quality of products.
- 4) Expenditure on R & D
  - a) Capital : NIL
  - b) Recurring : NIL
  - c) Total : NIL
  - d) Total R & D Expenditure as a percentage of total turnover : NIL

**Technology absorption, adaptation and innovation.**

- 1) Efforts in brief made towards technology absorption, adaptation and innovation :  
A continuous interaction and exchange of information with the Industry is being maintained with a view to absorbing, adapting and innovating new methods that may be possible.
- 2) Benefits derived :  
The main benefits derived are in respect of quality improvement, cost reduction and import substitution.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

1. Activities relating to exports; initiatives taken to increase exports; development of new export market for products and services; and export plans: N.A.
2. Total Foreign Exchange used & earned:-
 

Foreign Exchange used	Rs. 466.32 Lacs
Foreign Exchange earned	Rs. 1128.62 Lacs

On Behalf of the  
Board of Directors  
**S C MALHOTRA**  
Chairman

Mumbai.  
5th August. 1997.