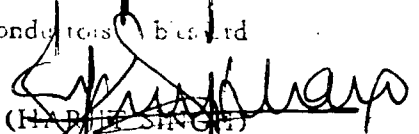


**24th
Annual Report
1996-97**



EQUIPMENT CONDUCTORS & CABLES LTD.

True Copy
For Equipment Conductors & Cables Ltd.

(HARDEEP SINGH)
Manager-Legal



**BOARD OF DIRECTORS**

Sh. M.K. SAMBAMURTI	—	Chairman
Sh. PRAKASH SHARMA	—	Vice Chairman
Sh. C.S. CHAUHAN	—	Director
Sh. PANKAJ BHARGAVA	—	Director
Sh. ANIL SHARMA	—	Director
Sh. ALOK SHARMA	—	Managing Director

MANAGERS

Sh. K.J. JOSEPH	—	Works
Sh. JANARDHANAN P.	—	Sales
Sh. VIJAY PRAKASH SINGH	—	Finance
Sh. HARJEET SINGH	—	Legal

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AUDITORS

M/s D.P. KAPOOR & Co.
N-52, CONNAUGHT CIRCUS
NEW DELHI- 110 001

BANKERS

DENA BANK
1ST FLOOR, GOVERDHAN BUILDING
53-54, NEHRU PLACE
NEW DELHI-110 019

REGISTERED OFFICE

605, EROS APARTMENTS
56, NEHRU PLACE
NEW DELHI- 110 019

WORKS

14th MILE STONE
MATHURA ROAD
FARIDABAD
HARYANA



NOTICE

Notice is hereby given that the 24th Annual General Meeting of the members of M/s Equipment Conductors & Cables Ltd. will be held on Tuesday, the 31st March, 1998 at Shah Auditorium, 2, Raj Niwas Marg, Delhi at 9.30 A.M. to transact the following business:

Ordinary Business

1. To consider and adopt the audited balance sheet as at 30th June, 1997 and Profit & Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri M.K. Sambamurti, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Pankaj Bhargava, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint auditors and fix their remuneration.

Special Business

5. To consider and if thought fit, to pass with or without modification the following resolutions as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 269, read with Section 196, 309, 310, 311, Schedule-XIII and other applicable provisions if any, of the Companies Act, 1956, the Company hereby accord its consent to the appointment of Shri Anil Sharma, as whole time Director of the Company for a period of five years on a monthly remuneration of Rs. 10,000/- per month plus rent free furnished accommodation subject to maximum rent of Rs. 10,000/- per month with 10% increase per year for five years."

"RESOLVED FURTHER THAT the Board of Directors of the Company

be and is hereby authorised from time to time, to amend, alter or otherwise vary the terms and conditions of the appointment of Directors including remuneration as may be admissible within the overall limits specified in Schedule -XIII to Companies Act, 1956, as existing or as amended or re-enacted from time to time by the Government of India, as the Board may deem fit."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do such acts, deeds, matters and things in its absolute discretion as they may consider necessary, expedient or desirable in order to the foregoing resolutions or otherwise considered by it to be in the best interest of the Company."

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. Proxies duly completed, in order to be effective, must be received by the Company not less than forty eight hours before the Annual General Meeting.
3. The register of members and share transfer books of the company shall remain closed from 27.3.98 to 31.3.98 (both days inclusive).
4. Members are requested to
 - (a) Bring with them attendance slip and hand it over at the entrance, duly signed by them.
 - (b) Bring their copies of Annual Report to the Meeting.
 - (c) Intimate the change, if any, in their registered address at an early date.
 - (d) Quote ledger folio number in their all future correspondence.

- (e) Duplicate attendance slip will not be issued at the Annual General Meeting venue.

5. The relevant explanatory statement, pursuant to Section 173 (2) of the Companies Act, 1956, in respect of Special business set out above is annexed hereto.

EXPLANATORY STATEMENT— UNDER SECTION 173(2)

Annexure to the Notice

The Board of Directors considering the increase in work volume appointed Shri Anil Sharma as whole time Director of the Company for a period of five years on monthly remuneration of Rs. 10,000/- plus rent free accommodation subject to maximum rent of Rs. 10,000/- per month with 10% increase per year for five years. The appointment of Shri Anil Sharma as whole time Director is subject to the approval of the shareholders of the Company in general meeting. The terms pertaining to the remuneration payable to Shri Anil Sharma as Whole Time Director, is within the parameters laid down in Schedule XIII to the companies Act, 1956. Directors recommend this resolution for approval of the shareholders. Shri Anil Sharma is deemed to be concerned or interested in the resolution which pertains to remuneration payable to him. Further, Shri Prakash Sharma and Shri Alok Sharma, relatives of Shri Anil Sharma are also concerned or interested in the resolution pertaining to remuneration payable to Shri Anil Sharma. None of the other Directors of the Company are in any way concerned or interested in the said resolution.

By Order of the Board
Sd/-

New Delhi (ALOK SHARMA)
Dated: 17.02.1998 Managing Director



DIRECTOR'S REPORT

To
All the Shareholders of
M/s Equipment Conductors & Cables Ltd.

Your Directors have great pleasure in presenting the Twenty Fourth "Annual Report" together with audited accounts for the year ended 30th June, 1997.

Financial Results

Particulars	(Rs. in Lacs)	
	1996-97 Amount	1995-96 Amount
Profit before interest & depreciation	227.51	168.88
Less: Interest	193.38	81.08
Profit before depreciation	34.13	87.80
Less: Depreciation & miscellaneous expenditures written off	10.21	13.98
Profit before tax	23.92	73.82
Less: Provision for taxation (A/Y 1997-98)	3.75	8.75
Profit after tax	20.17	65.07
Add: Previous year profit brought forward	63.50	78.43
Profit available for appropriations	83.67	143.50
Appropriations		
Transferred to General Reserve A/c	-	80.00
Balance carried forward to balance Sheet	83.67	63.50

Operations

Your company has continued to perform well for the year under review. The Company's total turnover has increased by 18.50% in comparison to previous year. Despite registering increase in turnover the profitability of the company has declined by 2.54% mainly due to credit squeeze faced by Indian Economy during last financial year which resulted in increase in cost of credit from 17.50% P.A to upto 22.75% P.A on various credit facilities. The impact of the increase in finance cost was maximum on your company as it is a *Working capital oriented manufacturing unit*. The Company has not provided for the interest of Rs. 26.19 lacs receivable from the State Electricity Boards (SEB's) in accordance with the Act No. 32 of 1993 titled "The interest on delayed payments to Small Scall and Ancillary Industrial Undertakings

Acts, 1993". The Management has decided to account for the interest on receipt basis. Our other operating & manufacturing expenses have come down due to strict supervision and controls.

Auditor's Report

The observations in the auditors report are dealt with in notes forming part of accounts at the appropriate places and are self explanatory.

Directors

(i) At the ensuing general meeting Shri M.K. Sambamurti, Chairman of the Company and Shri Pankaj Bhargava, Director of the Company are to retire by rotation and being eligible offer themselves for reappointment.

Your Directors recommend their reappointment on the Board of the Company.

(ii) During the year Shri Anil Sharma, Director of the Company was appointed as whole time Director of the Company by the Board of Directors, subject to approval of members in the ensuing Annual General Meeting.

Your Directors recommend his appointment as whole time Director in the larger interest of the Company.

Auditors

The retiring Auditors M/s D.P. Kapoor & Co., Chartered Accountants, are eligible for reappointment and have indicated their willingness to act as Auditors to hold office till the conclusion of next Annual General meeting.

Information Regarding Conservation of Energy Etc.

Information required under Section 217(1) (e) of the Companies Act, 1956 read with

Rule 2 of the Companies (disclosure of particulars in the Report of Board of Directors) Rules, 1988 and information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules, 1975 as amended from time to time are as under:

In view of meagre consumption no specific steps had been taken for conservation of energy. The Company is not covered under the list of Industries which are required to furnish Information in Form 'A' u/r 2A (d) of the notification No. GSR No. 1029 dt Dec. 31, 1988. The information in terms of section 217(2A) of the Companies (Particulars of Employees) Rules, 1975 is annexed to the full Annual Report. Further, company has not made any foreign Exchange Expenditure. Hence, no report is warranted on Foreign Exchange Expenditure.

Regulatory Statement

As required under Rule 32 of the listing agreement(s) the Cash flow statement for the year ended 30th June, 1997 is annexed hereto.

Appreciation & Acknowledgements

Your Company places on record its deep sense of appreciation of the dedicated services of the workers and employees of the Company.

The Company is also thankful to the Government of Delhi and Haryana state, District level authorities, banks, financial institutions, investors and above all State Electricity Boards for their continued co-operation extended to the company from time to time. Your appreciation of the Management's effort at general meetings has also encouraged your company to perform better year after year.

For and on behalf of the Board
Sd/-

New Delhi (M.K. SAMBAMURTI)
Dated: 17.02.1998 Chairman