

27th
Annual Report
1999-2000

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EQUIPMENT CONDUCTORS & CABLES LTD.

**BOARD OF DIRECTORS**

Sh. Alok Sharma	—	Managing Director
Sh. Pankaj Bhargava	—	Director
Sh. Anil Sharma	—	Director
Sh. Yogesh Sharma	—	Director

AUDITORS

R. Khattar & Associates,
Chartered Accountants,
N-17, Annexe Flat,
Second Floor, Green Park Extension,
New Delhi-110016.

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SECRETARIAL AUDITORS

M/s. Rajeev Goel & Assocaites,
Company Secretaries,
S-547, School Block,
Shakar Pur,
Delhi-110092.

BANKERS

Dena Bank,
1st Floor, Goverdhan Building,
53-54, Nerhu Place,
New Delhi-110 019.

REGISTERED OFFICE

605, Eros Apartment,
56, Nerhu Place,
New Delhi-110 019.

WORKS

14th Mile Stone,
Mathura Road,
Faridabad,
Harayana-121 003.



NOTICE

Notice is hereby given that the 27th Annual General Meeting of the shareholders of Equipment Conductors & Cables Limited will be held at 9.30 a.m. on Wednesday the 21st March, 2001 at MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-54, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June, 2000 and Profit & Loss Account for the year ended on that date and the reports of Auditors & Directors thereon.
2. To appoint a Director in place of Shri Anil Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s) the following resolution, as an ordinary resolution:-

"RESOLVED that Mr. Yogesh Sharma, who was appointed as an additional director to hold office till the date of this Annual General Meeting, be and is hereby, appointed as director of the Company, whose office shall be liable to determination by rotation."

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING 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 20.03.2001 to 21.03.2001 (both days inclusive).
4. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of special business set out above is annexed hereto.

For and on behalf of the Board

Dated : 09.01.2001
Place : New Delhi.

(Alok Sharma)
Managing Director

EXPLANATORY STATEMENT UNDER SECTION 173(2)

Mr. Yogesh Sharma was co-opted on the board of the company as additional Director to hold office till the date of this Annual General Meeting.

The Company has received a notice alongwith the requisite deposit proposing candidature of Mr. Yogesh Sharma for the office of Director. Your Directors recommend his appointment as Director of the Company.

None of the directors except Mr. Yogesh Sharma himself is concerned or interested in the proposed resolution.

For and on behalf of the Board

Date : 29.12.2000
Place : New Delhi

(Alok sharma)
Managing Director



DIRECTOR'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report of the Company together with the audited accounts for the year ended 30th June, 2000.

PERFORMANCE AT A GLANCE

During the year under review, the Company achieved an aggregate turnover of Rs. 1937.32 lacs representing a decrease of 44% over the previous year. The highlight of the financial results for the financial year ended 30th June, 2000 are as under:

turnover, the company could not even achieved the break even point.

DIVIDEND FOR THE YEAR 1999-2000

In view of losses made by the company and decreased turnover, your directors do not consider it prudent to declare any dividend for the financial year 1999-2000

FIXED DEPOSITS

The company has not accepted any fixed deposits from public during the financial year under review in terms of section 58A of the Companies Act, 1956.

INDUSTRIAL RELATIONS

The company has harmonious relationship with its work force during the year.

(Rupees in lacs)

Particulars	1999-2000	1998-99
Turnover	1937.32	3454.66
Profit(Loss) before interest, Depreciation, Loss on sale of assets And Misc. Expenses	190.78	307.78
Less : Interest	167.80	259.08
Profit(loss) before depreciation, loss on sales of Assets and Misc. Expenses	22.98	48.70
Less : Depreciation, loss on sales of assets And Misc. Expenses	29.03	13.47
Profit(Loss) Before Tax	(6.05)	35.23
Less : Provision for Taxation	-	4.38
Profit (Loss) After Tax	(6.05)	30.85
Previous year Profit brought forward	132.53	102.82
Profit (Loss) available for appropriations	126.48	133.67
Appropriations		
Add: Provisions for Income Tax for earlier years	0.15	-
Less: Excise Duty for earlier Year	-	1.14
Balance Carried Forward to Balance sheet	126.63	132.53

Since becoming Public Limited Company in the year 1993, this is the first year when company has achieved reduced turnover, mainly attributed to low debt turnover ratio, credit squeeze and over all recession in the economy. The massive privatisation shall bring the much awaited relief to the conductor industry. Due to decreased

Yogesh Sharma on the Board of the Company.

Further Shri Anil Sharma retires by rotation, being eligible offers himself for reappointment, your Directors recommend the reappointment of Shri Anil Sharma.

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

Information required under section 217(I)(e) of the Companies Act, 1956 read with Rules 2 of the Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 as amended from time to time, is as under:-

In view of meagre consumption no specific steps had been taken for conservation of energy. However energy is used prudently without any wastage. The Company is not covered under the list of industries which are required to furnish information in Form A u/r 2A (d) or the notification No. GSR No. 1029 dt. Dec. 31, 1988. Further the report on foreign exchange earnings and outgo during the year under review is annexed to full Annual Report.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, none of the employee was in receipt of salary in excess of sums prescribed, hence no report is warranted.

INSURANCE

All the properties and insurable interest of the Company including plant and machinery and stocks, wherever necessary and to the extent required have been adequately insured.

DIRECTORS

For better corporate governance, Shri Yogesh Sharma was appointed as additional director on the board of the company. His term of appointment shall expire at the conclusion of this Annual General Meeting. Your directors recommend the appointment of Shri

DIRECTORS RESPONSIBILITY STATEMENT.

As required under sub section 2 AA of Section 217 of the Companies Act, 1956, the directors responsibility statement is as under:-

- In preparation of annual accounts the applicable accounting standards except accounting standard 2 of ICAI, has been followed. The company has complied with section 145A of the Income Tax Act 1961 & Could not comply to accounting standard -2 issued by the ICAI, to the extent it is contradictory to Sec. 145A of the Income Tax Act 1961.
- Your Directors have selected and applied, consistently, such accounting policies and have made judgments and estimates that are reasonable and prudent so as to give



a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period.

iii) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of company and for preventing and detecting fraud and other irregularities.

iv) The annual accounts have been prepared on a going concern basis.

Auditors' Report

As required under Sub-Section 3 of Section 217 of the Companies Act, 1956, your Directors wish to reply, on the qualifications made by the Auditors, in their audit report as under:

i) In para 2 (d)(I) as explained by the auditors, The company has complied with section 145A of the Income Tax Act 1961 & Could not comply to

accounting standard -2 issued by the ICAI, to the extent it is contradictory to Sec. 145A of the Income Tax Act 1961.

(ii) In para 2(d)(ii) the gratuity liability of Rs.8.15 lacs and leave encashment is being accounted for on payment basis. This practice is being followed since inception.

(iii) Para 7(Annexure to Auditors Report)

The company has given advances to supplier of goods for procurement of raw material. The suppliers did not adhere to the terms of the purchase orders. Hence orders were cancelled and advances were called back. Which are being received back as per M.O. U's.

(iv) para 15(Annexure to Auditors Report).

In the financial year 1999-2000 due to non receipt of payments from buyers, resulting in exceeding in the

cash credit account with the Bank. The company could not deposit the provident fund dues, however, the same have been deposited subsequently.

AUDITORS

M/s. R. Khattar & Associates, Chartered Accountants, the statutory auditors of the Company retires at the conclusion of this Annual General meeting of the Company, being eligible, offers themselves for reappointment. The Board of Directors recommend their re-appointment as the statutory auditors of the company.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the valuable support given by State Electricity Boards, Financial Institutions, Banks as well as Shareholders and employees for their sustained support.

For and on behalf of the Board

Dated : 29.12.2000
Place : New Delhi

(Alok sharma)
Chairman

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