

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	NA		DPY	NA
RO	<input checked="" type="checkbox"/>		DIV	NA
TRA	NA	<input checked="" type="checkbox"/>	AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

# 37<sup>th</sup> Annual Report

Year ended 31st March,

## 1998

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# GEE

GENERAL ELECTRODES AND EQUIPMENT LIMITED



**GEE**

**GENERAL ELECTRODES AND EQUIPMENT LIMITED**

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**BOARD OF DIRECTORS:** SHRI. R.K. AGARWAL (Chairman)  
SHRI. S.L. AGARWAL (Executive Director)  
SHRI. S.M. AGARWAL (Wholetime Director)  
SHRI. G.K. SARAF  
SHRI. SATYEN DAGA

**BANKERS:** THE THANE JANATA  
SAHAKARI BANK LTD.  
THANE



**AUDITORS:** MESSRS. FORD, RHODES, PARKS & CO.  
CHARTERED ACCOUNTANTS

**REGISTERED OFFICE  
& WORKS** PLOT NO. E-1, ROAD NO. 7  
WAGLE INDUSTRIAL ESTATE  
THANE-400 604.



# GENERAL ELECTRODES AND EQUIPMENT LIMITED

*Registered Office :*

Plot No. E-1, Road No.7,  
Wagle Industrial Estate,  
Thane - 400 604.

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF GENERAL ELECTRODES AND EQUIPMENT LIMITED will be held on Tuesday the 29th day of September, 1998 at 4.00 p.m. at the Registered Office of the Company at Plot No E-1, Road No.7, Wagle Industrial Estate, Thane-400604, to transact the following business :

1. To receive, approve and adopt the Balance Sheet as at 31st March, 1998 and the Profit and Loss Account for the year ended on 31st March, 1998 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr.G.K.Saraf 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 of the Company and to fix their remuneration.

## SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

" RESOLVED THAT Mr. S.M Agarwal, who was appointed as a Director of the Company by the Board of Directors in the casual vacancy caused by the resignation of Mr.N.G.Sheth, on 19th August, 1996, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company".

By Order of the Board

Place : Thane

Date : 31st August, 1998

**S. M. Agarwal**  
Wholetime Director



## GENERAL ELECTRODES AND EQUIPMENT LIMITED

NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of himself. A Proxy need not be a Member. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.
2. In respect of item No. 4 of the Notice an Explanatory Statement as required by Section 173 of the Companies Act, 1956, is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 28th September, 1998 to 29th September, 1998.
4. Members are requested to notify to the Company any change in their address, immediately.
5. Pursuant to Section 205 A of the Companies Act, 1956 all Unclaimed Dividends upto the financial year, ended 31st March, 1994 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the Dividend Warrants / Cheques for the said period, are requested to claim the amount from the Registrar of Companies, Maharashtra State, Mumbai.
6. Members desiring any information regarding the Accounts are requested to write to the Registered Office at least 15 days before the date of the Meeting so as to enable the Management to keep the information ready.

**Explanatory Statement Pursuant to Section 173 ( 2 ) of the Companies Act , 1956.**

Item No. 4

At the Meeting of the Board of Directors held on 19th August, 1996, Mr. S.M. Agarwal was appointed as a Director in the casual vacancy caused by the resignation of Mr. N.G.Sheth, Director. Mr.S.M.Agarwal was appointed as a Wholtime Director of the Company by the Board of Directors for a period of 3 years with effect from 1.12.96. His appointment as a Wholtime Director was approved by the Company at the Annual General Meeting held on 29-9-97. Pursuant to Section 262 ( 2 ) of the Companies Act, 1956, Mr. S.M. Agarwal will hold office only upto the date upto which Mr.N.G.Sheth would have held office if it had not been vacated. Mr.N.G.Sheth would have held office only upto the date of the 37th Annual General Meeting, had he not resigned, as he would have been liable to retire by rotation. The Company has received a Notice in writing along with a deposit of Rs.500/- from a Member under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr.S.M.Agarwal as a candidate for the office of Director.

The Board of Directors consider that having regard to his varied experience and abilities, the appointment of Mr.S.M.Agarwal as a Director of the Company would prove beneficial to the Company. The Board, therefore recommends the appointment of Mr.S.M.Agarwal as a Director of the Company.

Mr.S.M.Agarwal is interested in the Resolution at item No.4 of the accompanying Notice since it relates to his own appointment. Mr.R.K.Agarwal and Mr.S.L.Agarwal being the relatives of Mr.S.M.Agarwal are also interested in the Resolution at item No.4 of the accompanying Notice.

By Order of the Board

Place : Thane

**S. M. Agarwal**

Date : 31st August, 1998

*Wholtime Director*



## GENERAL ELECTRODES AND EQUIPMENT LIMITED

## DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors have pleasure in submitting their 37th Annual Report on the business and operations of the Company and the financial accounts for the year ended 31st March, 1998 :

## FINANCIAL RESULTS :

	Rupees	1-4-1997 to 31-3-1998 Rupees	Rupees	1-4-1996 to 31-3-1997 Rupees
Profit before providing depreciation & taxation		2,77,962		10,09,869
Less : Provision for depreciation	9,08,666		6,41,967	
Provision for taxation		9,08,666	1,00,000	7,41,967
		(-) 6,30,704		2,67,902
To which is added :		16,03,046		13,35,144
		9,72,342		16,03,046
Leaving surplus of which is appropriated as under				
General Reserve		—		—
Proposed Dividend		—		—
		9,72,342		16,03,046

## DIVIDEND :

In view of the loss incurred during the year, the Board of Directors regrets its inability to recommend dividend for the year under review .

## OPERATIONS :

The Company has made a loss of Rs. 6,30,704 during the year under review as compared to a profit of Rs.2,67,902 during the previous year . The Sales of the Company have decreased from Rs.5,54,21,793 in the previous year to Rs. 5,46,82,260 in the year under review.

Many reasons have contributed to the fall in the profits of the Company. First & foremost the slowdown in the economy and the depressed market conditions have adversely affected the Welding Industry. Secondly the Welding Industry is closely related to the Steel Industry which has shown a poor performance throughout the country during the year under review.

Because of above the debts due to the Company have increased. The Company has initiated a time bound programme to recover these debts. The Company has increased its expenditure on marketing and also lowered its prices to withstand the stiff competition in the market. In spite of these the sales have not picked up to the desired level mainly due to the reasons mentioned above. The increased expenditure on marketing is expected to yield results in the near future. The Company has also been making efforts to identify export markets in a bid to export its products. A few export markets have been identified and orders are expected to come in the second half of the current year. The Company is also planning to produce more varieties of electrodes like Special Electrodes (low heat input electrodes).



## GENERAL ELECTRODES AND EQUIPMENT LIMITED

The Economists have predicted a revival of the economy from October' 98 onwards. Your Directors expect that the performance of the Company will show an improvement from then on.

### DIRECTORS :

At the Meeting of the Board of Directors held on 19th August, 1996 Mr. S. M. Agarwal was appointed as a Director in the casual vacancy caused by the resignation of Mr. N. G. Sheth, Director. Mr. S. M. Agarwal was appointed as a Wholetime Director of the Company by the Board of Directors for a period of 3 years with effect from 1.12.96. His appointment as a Wholetime Director was approved by the Company at the Annual General Meeting held on 29-9-97. Pursuant to Section 262 (2) of the Companies Act, 1956, Mr. S. M. Agarwal will hold office only upto the date of the ensuing Annual General Meeting since Mr. N. G. Sheth would have been liable to retire by rotation at the ensuing Annual General Meeting had he not resigned. The Company has received a Notice in writing along with a deposit of Rs.500/- from a Member under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr. S. M. Agarwal as a candidate for the office of Director.

The Board of Directors consider that having regard to his varied experience and abilities, the appointment of Mr. S. M. Agarwal as a Director of the Company would prove beneficial to the Company. The Board, therefore recommends the appointment of Mr. S. M. Agarwal as a Director of the Company.

Mr. G. K. Saraf retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

As required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed hereto and form a part of this Report.

### FIXED DEPOSITS

During the year under review the Company had renewed Fixed Deposits amounting to Rs. 15,000. As on 31st March, 1998 there were 4 depositors who had not claimed deposits of Rs.8000 in the aggregate.

### DONATIONS

During the year under review, the Company has not made any donations to any fund.

### CASH FLOW STATEMENT:

Cash Flow Statement pursuant to clause 32 of the Listing Agreement is annexed hereto.

### PARTICULARS OF EMPLOYEES

There are no employees drawing salary exceeding the limits specified under Section 217 (2A) of the Companies Act, 1956.

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**EMPLOYEE RELATIONS**

Employee relations were cordial throughout the year. Your Directors record their appreciation for the contributions made by the employees at all levels.

**AUDITORS**

M/s Ford , Rhodes . Parks & Company, Chartered Accountants, Mumbai , retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

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For and on behalf of the Board

**S. L. Agarwal***Executive Director*

Place : Thane

Dated 31st August, 1998

**S. M. Agarwal***Wholetime Director*





## GENERAL ELECTRODES AND EQUIPMENT LIMITED

STATEMENT UNDER SECTION 217 (1) (e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1998.

**A. Conservation of energy:**

Not given as the Company is not covered under the list of specified industries. However, required conservation measures are already taken to ensure power consumption to the extent necessary, switching off power during the idle time etc.

**B. Form of disclosure of particulars with respect to Absorption of Technology, Research and Development (R & D):**

**FORM B**

**Research and Development :**

1. Specific areas in which R & D carried out by the Company : Improvement/Technical upgradation of existing products and Development and research in use of alternate raw materials with a view to improve quality and to minimise imports and to effect cost reduction.
2. Benefits derived as a result of above R & D : Improvement in product quality for better performance and cost reduction in certain electrodes.
3. Future plan of action : Investment in Research & Development Laboraroty & purchase of essentials equipments to up-date research facilities, would be made whenever funds permit.
4. Expenditure on R & D :
  - a) Capital : -----
  - b) Recurring : -----
  - c) Total : -----
  - d) Total R & D Expenditure as a percentage of total turnover : -----