

NUCOR WIRES LIMITED

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



ANNUAL REPORT 1997-98



2011-2012



NUCOR WIRES LIMITED

NUCOR WIRES LIMITED

Board of Directors

Mr.P J Mathew	
Mr.Rajendra Prasad	
Mr.Alex Koshy	
Mr.B D Sanghvi	
Mr. P K Sundar	Nominee of IDBI upto 26.1.98
Mr. R Balasubramanian	Nominee of IDBI From 27.1.98
Mr. George Joseph	Joint Managing Director
Mr. N T Sebastian	Managing Director

Company Secretary

Mr. S Subramonia Iyer

Auditors

M/s Amarnath Kamath & Associates
Chartered Accountants
Bangalore

Bankers

Canara Bank
State Bank of Mysore

Registered Office

311, Copper Arch
83, Infantry Road,
Bangalore 560 001

Factory

79B, Jigani Industrial Area
Anekal Taluk
Bangalore District
Karnataka

Share Transfer Agents

M/s Kirloskar Computer Services Ltd
Malleswaram West
Bangalore 560055

**NOTICE**

Notice is hereby given that the Eleventh Annual General Meeting of the Company will be held at Hotel Woodlands, No.5, Dr. Rajaram Mohan Roy Road, Bangalore 560025 on Wednesday the 30th December 1998 at 15.30 hrs to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 30.09.98 and the Profit and Loss Account for the financial year ended on that date together with the Report of Directors and Auditors thereon
2. To appoint a Director in place of Mr.P Rajendra Prasad who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr.B D Sanghvi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr.Alex Koshy who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

Registered Office:
311, Copper Arch,
83, Infantry Road,
Bangalore 560 001

By order of the Board

N T SEBASTIAN
MANAGING DIRECTOR

Bangalore,
December 4, 1998.

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NOTES

- a) A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received duly stamped and signed by the share holder/s in the format annexed hereto at the Registered office of the company at least 48 hours before commencement of the meeting.
- b) The register of Members and Share Transfer Books of the company will remain closed from 24.12.98 to 30.12.98 (both days inclusive).
- c) Members are requested to notify the change in address, if any, at its Registered office quoting their folio number/s.
- d) Members are requested to bring their copies of the Annual Report to the meeting.

Registered Office:
311, Copper Arch,
83, Infantry Road,
Bangalore 560 001.

By order of the Board

N T SEBASTIAN
MANAGING DIRECTOR

Bangalore,
December 4, 1998.

NUCOR WIRES LIMITED**DIRECTOR'S REPORT**

The Directors of Nucor Wires Ltd are pleased to present the Eleventh Annual Report of the Company along with the Audited statement of Accounts for the financial year ended 30th September 1998 (1st October 1997 to 30 September 1998) and the report of the Auditors.

FINANCIAL RESULTS :

The financial results for the year ended 30th September 1998 are as under :

	Year ended 30.09.98	Period ended 30.09.97
	(Rs. in lakhs)	(18 months)
Net Loss as per Profit & Loss Account	1522.32	806.98
Add : Balance brought forward	497.82	(-) 9.16
Transferred from general reserve account	—	(-) 300.00
Balance carried to Balance sheet	2020.14	497.82

It was a very difficult period for the company. As a result of the recession in the national economic scene and tight money situation, several major industrial undertakings in the Engineering, Steel, Power, Petrochemical, Transport and other core sector industries were forced to either withdraw many projects or to postpone their implementation.

As our industry is directly linked and mainly dependent on these sectors our industry was considerably affected. Also because of lack of funds and non-availability of funds in time, even the available orders could not be executed which has further deteriorated our sales position during the year under review. The company's turnover was at an all time low of Rs. 75,48,745.87. This turnover was not sufficient to meet even 30% of our basic needs such as salary, wages of workers and staff, day to day administrative expense, etc..

As a result of the extremely low level of turnover, the Company incurred a loss of Rs. 15,00,86,812.52 for the year and the accumulated loss upto the year end was Rs. 20,20,13,915.32

DIVIDEND :

Due to the above financial situation, the Directors regret that no dividend can be declared for the year under review.

Reference to BIFR :

In view of the adverse financial position of the Company, the provisions of SICA becomes applicable and accordingly the Board has decided to refer the Company to the BIFR.

Efforts for reviving the Company :

The Directors have, worked out a revival package which will be submitted to the Financial Institutions and Banks and with their active support and help and with the infusion of some funds, the Directors are confident of reviving the Company in the near future.

CONSERVATION OF ENERGY :

The Company has implemented all practical measures to conserve energy utilisation including avoidance of electrical and thermal energy wastage .

TECHNOLOGY ABSORPTION :

No new technology was introduced during the year under review .

**INDIGENISATION :**

The Company has achieved complete indigenisation of the raw material requirement for the manufacture of fabrication type of flux cored wire .

FOREIGN EXCHANGE EARNINGS AND OUT GO :

Foreign Exchange earnings during the year Rs. Nil and out flow Rs. Nil during the year .

BOARD OF DIRECTORS :

During the period under review, the nominee Director of IDBI was Changed i.e., in place of Mr. P K Sunder, Mr. Balasubramanian has been nominated as Nominee Director on 27.01.1998 . The Directors wish to place on record their sincere thanks and appreciation for the excellent contribution and service rendered by Mr. P K Sundar as Nominee Director of IDBI during his tenure.

Mr. Rajendra Prasad, B D Sanghvi and Alex Koshy retire by rotation and being eligible offer themselves for re-election .

AUDITORS :

M/s. Amarnath Kamath And Associates, Chartered Accountants retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

EMPLOYEES :

All employees of the company supported the company sincerely during its difficult days and the Board wishes to record its appreciation to all employees for the support, hardwork, honesty and devotion to work .

Information as per section 217 2 (A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975 : Nil

ACKNOWLEDGEMENTS :

Your Directors desire to place on record their sincere appreciation of the continued support and co-operation extended to the company by the Government of Karnataka, their Bankers, the Industrial Development Bank of India and their collaborators, Alloy Rods Corporation, USA and also by employees at all levels .

for and on behalf of the Board of Directors

N T SEBASTIAN
Managing Director

Bangalore,
December 4, 1998.



NUCOR WIRES LIMITED

ADDENDUM TO DIRECTOR'S REPORT

In respect to qualifications stated in the Auditors' Report, we report that

- a) i) Regarding non-provision of interest payable on delayed payment of call money on shares : The company intends to account for the interest on the call money on the shares only on payment basis.
- ii) Regarding non-provision for gratuity liability towards its employees: Gratuity has been provided for only in respect of employees who have completed five years of continuous service. In case of other employees, gratuity will be provided for as and when they complete five years of continuous service.
- b) Regarding non availability of balance confirmations in respect of personal accounts: As the liabilities to various parties are long overdue, the company has not approached them for balance confirmation as at Spetember 30, 1998
- c) Regarding non availability of balance confirmations from IDBI and Banks : As the liabilities to IDBI and Banks are irregular the company has not approached them for balance confirmations as at September 30, 1998. Certain bank current accounts have no operations during the year under review and hence balance confirmations have not been sought for .
- d) Regarding realisability of advances and stock invest : Advances have been given to various suppliers for materials and efforts are being made to get the same settled. The company will take up matters with the concerned bankers for encashment of pending stock invest of Rs.6000.00.
- e) Regarding diminution in the value of investment in shares : The management is of the opinion that the fall in the market value of shares is of a temporary nature and hence no provision has been made for the diminution in the value of investment in shares.
- f) Regarding internal control procedures : The company intends to strengthen its internal control procedures and streamline its operations. Internal audit system will be reintroduced.

for and on behalf of the Board of Directors

N T SEBASTIAN
Managing Director

Bangalore,
December 4, 1998.



AUDITORS' REPORT

TO THE SHAREHOLDERS OF NUCOR WIRES LIMITED

We have audited the attached Balance sheet of NUCOR WIRES LIMITED as at September 30, 1998 and its Profit and loss account for the year ended on that date and report that:

1. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit:
2. In our opinion, proper books of account, as required by law, have been kept by the Company, so far as it appears from our examination of those books;
3. The Balance sheet and Profit and loss account dealt with by the report are in agreement with the books of account and
4. In our opinion and to the best of our information and according to the explanations given to us, the accounts, read with the notes thereon and subject to-
 - a) Note 1(B) of Schedule S regarding non-provision for certain expenses on accrual basis,
 - b) Note 19 of Schedule S regarding non-availability of confirmations in respect of balances in personal accounts.
 - c) Non-availability of confirmations from IDBI and banks in respect of balances shown against them as on the Balance sheet date.
 - d) The fact that we are not able to express any opinion about the realisability of a sum of Rs. 52,08,173.16 accounted as Advances to suppliers and shown in the Balance Sheet under the head 'Advances recoverable in cash or in kind or for value to be received' and a sum of Rs. 6,000 shown under the head 'stock invest certificates pending encashment', and
 - e) The fact that no provision has been made for the diminution in the value of investment in shares, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - in the case of the Balance sheet, of the state of affairs of the Company as at September 30, 1998 and
 - in the case of the Profit and loss account, of the loss for the year ended on that date.

As required by the Manufacturing and Other Companies (Auditors' report) Order, 1988, issued by the Company Law Board under section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate, we report that in our opinion-

1. The Company has maintained proper records to show the full particulars including quantitative details and situation of fixed assets. We are informed that the management has physically verified the fixed assets during the year and that no discrepancies were noticed by them on such verification.
2. None of the fixed assets have been revalued during the year.
3. We are informed that stocks have been physically verified by the management during the year as also at the end of the year and the quantities as per such physical verification have been adopted for drawing up the accounts as at September 30, 1998. This stock has not been verified by us.
4. In our opinion and according to the information and explanations given to us, the procedures for physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. Other than for work in progress inventories, the discrepancies noticed on physical verification of stocks, as compared to book stocks, were not significant and have been properly dealt with in the books of account. In respect of work in progress inventories, the valuation as per physical verification have been adopted for drawing up the accounts as at September 30, 1998 as adequate stock records have not been maintained by the Company. This stock has not been verified by us.