

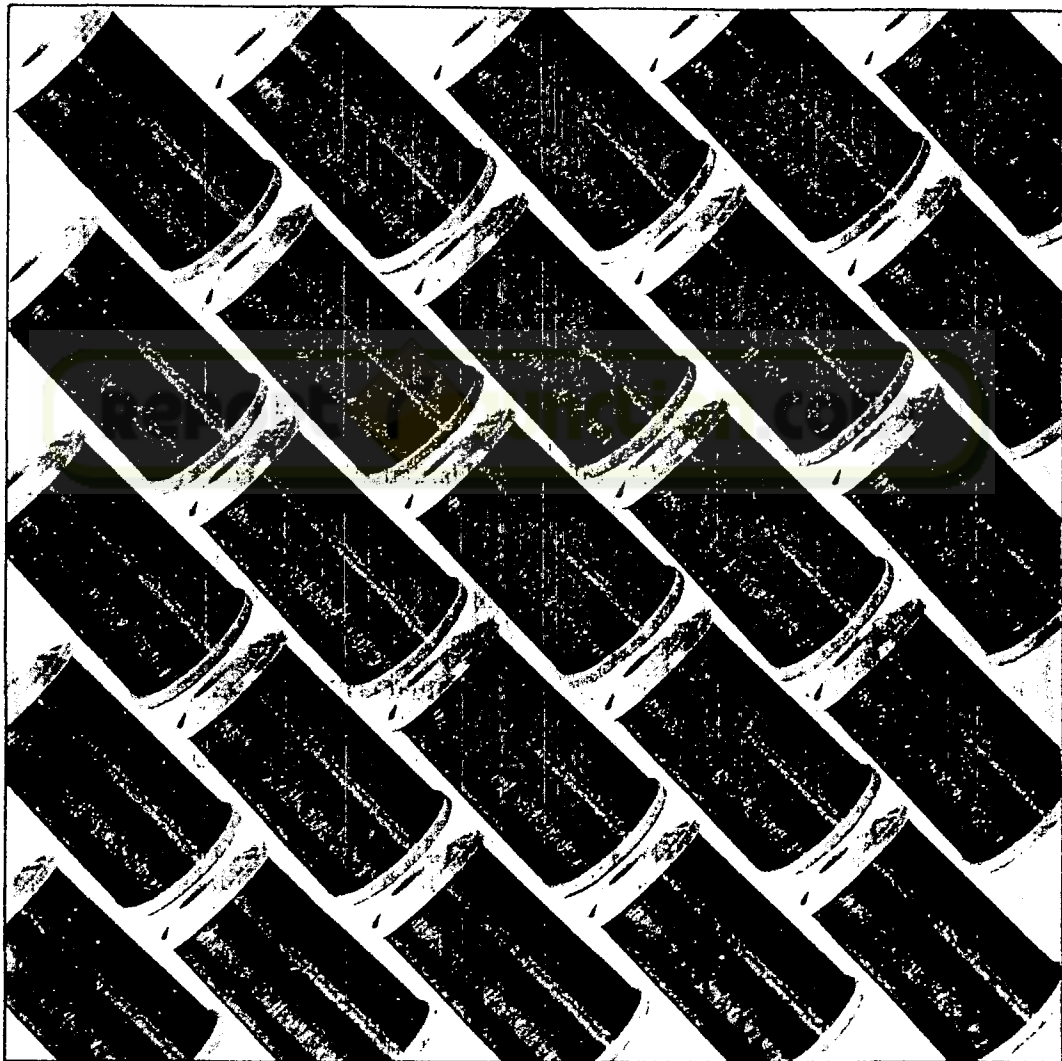
# Annual Report

1996 - 97

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		LPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>		S-II	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>			



**PRECISION**



**PRECISION WIRES INDIA LIMITED**





## PRECISION WIRES INDIA LTD.

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### BOARD OF DIRECTORS

Mr. Mahendra R. Mehta	—	<i>Chairman</i>
Mr. Milan M. Mehta	—	<i>Vice Chairman and Managing Director</i>
Mr. P.N. Vencatesan		
Mr. Vijay M. Crishna		
Mr. K.N. Shenoy		
Mr. Viney Kumar	—	<i>Nominee of I.D.B.I. (upto 2nd June, 1997)</i>
Mr. J.V. Mathew	—	<i>Nominee of I.D.B.I. (from 2nd June, 1997)</i>
Mr. Deepak M. Mehta		
Mr. L.K. Chopra	—	<i>Whole-time Director (upto 30th November, 1996)</i>

### COMPANY SECRETARY

Mr. S. G. Sathe

### BANKERS

State Bank of India (Commercial Branch), Mumbai  
Dena Bank (Industrial Finance Branch), Mumbai

### AUDITORS

S.S. Divatia & Co., Chartered Accountants, Mumbai.

### REGISTERED OFFICE

Saiman House, J.A. Raul Street,  
Off Sayani Road, Prabhadevi, Mumbai - 400 025.

### ADMINISTRATIVE OFFICE AND WORKS

Amli Hanuman (66KVA) Road, Silvassa - 396 230  
(Union Territory of Dadra and Nagar Haveli)

### REGISTRARS AND TRANSFER AGENTS

Karvy Consultants Ltd.,  
7, Andheri Industrial Estate,  
Off Veera Desai Road,  
Andheri, Mumbai - 400 053.



**PRECISION WIRES INDIA LTD.**

**NOTICE TO MEMBERS**

NOTICE is hereby given that the Eighth Annual General Meeting of the Members of Precision Wires India Limited will be held at the Hall of Dr. M. Visvesaraya Smarak Mandir, Mogul Lane, Near Matunga (Western Railway) Station, Mumbai - 400 016 on Saturday the 23rd August, 1997 at 3.00 p.m. to transact the following as ordinary business :

1. To receive, consider and adopt the Report of the Directors, the Report of the Auditors, Balance Sheet as at 31st March 1997, and the Profit and Loss Account for the year ended on that date.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri. Vijay M. Crishna who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Shri. P.N. Vencatesan who retires by rotation and is eligible for reappointment.
5. To appoint Messrs S.R. Divatia & Co., Chartered Accountants, as Auditors in place of the retiring Auditors Messrs S.S. Divatia & Co., and to fix their remuneration.

By Order of the Board

S.G. Sathe  
Company Secretary

**Registered Office:**  
Saiman House, J.A. Raul Street,  
Off Sayani Road, Prabhadevi,  
Mumbai - 400 025.

20th June, 1997

**Notes :**

1. Item No. 5 of the Notice relates to the appointment of M/s S.R. Divatia & Co., as the Auditors of the Company in place of the retiring Auditors M/s S.S. Divatia & Co.  
The retiring Auditors, M/s. S.S. Divatia & Co., have informed the company that Mr. S.S. Divatia, the proprietor of M/s S.S. Divatia & Co., has joined M/s S.R. Divatia & Co. as a Partner and hence M/s S.S. Divatia & Co. do not wish to seek re-appointment as the Auditors of the Company at the forthcoming Annual General Meeting.  
A special notice in terms of Section 190 of the Companies Act, 1956 has been received under Section 225(1) of the Act from a shareholder proposing the appointment of M/s S.R. Divatia & Co., Chartered Accountants, as the Auditors of the Company in place of M/s S.S. Divatia & Company, the retiring Auditors. The retiring Auditors have informed the Company that they have no representation to make to the Members of the Company relating to the special Notice.
2. A MEMBER ENTITLED TO VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER.
3. Proxy Forms to be valid and effective shall be deposited with the Company not later than 48 hours before the time of the Meeting.
4. The Register of Members and the Transfer Books of the Company will remain closed from Monday the 11th August 1997 to Saturday the 23rd August, 1997 (both days inclusive).
5. The dividend on Equity Shares, when declared, will be payable on or after 23rd September, 1997, to the Members whose names appear on the Register of Members as on 23rd August, 1997 or to their mandatees, subject to the provision of Section 206 (A) of the Companies Act 1956.
6. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.



## DIRECTORS' REPORT

The Directors hereby present the 8th Annual Report of your Company, together with the audited accounts for the year ended 31st March 1997.

### 1. Financial Results

	Rs. in lakhs	
	1996-97	1995-96
Sales (including Excise Duty)	7134.23	7667.95
Less : Excise Duty	1383.78	1520.42
Sales (Net of Excise Duty)	5750.45	6147.53
Operating Profit	710.20	794.82
Add : Other Income	37.83	15.51
Profit before interest, depreciation and Taxes	748.03	810.33
Interest	234.11	227.07
Depreciation	94.15	90.21
Profit before taxes	419.77	493.05
Provision for Income Tax	95.00	90.00
Prior Years' Taxes paid	11.81	-
Profit after taxes	312.96	403.05
Add : Balance brought forward from last account	63.58	33.31
Balance available	376.54	436.36
Which the Directors recommend for appropriation as under :		
(i) Proposed Dividend on Equity Shares		
@15% (Previous year @ 15%, subject to deduction of tax at source)	72.77	72.78
(ii) Corporate Tax on Proposed Dividend	7.28	-
(iii) Transfer to General Reserve	250.00	300.00
	<u>330.05</u>	<u>372.78</u>
Balance to be carried forward in Profit & Loss Account	<u>46.49</u>	<u>63.58</u>

### 2. Operations

The over-all Industrial Output in the Country during the fiscal year 1996-97 is about 7% lower than the previous year. The fall in Industrial output reduced the demand of Electrical Rotating and Static Equipments and White goods substantially during the year.

Sumitomo Corporation development seriously affected International copper market at London Metal Exchange. Consequently, price of Copper Wire Rods produced by Indigenous Manufacturers declined by about 23% between July 96 and December 96. Copper Wire Rods being our principal input, such development resulted in lower sales realisation on the Stocks held during the above period, besides squeeze on margin due to recession in the country. Nevertheless, the production of Finished Goods during the year under review was 3,050 Tonnes as against 3,048 Tonnes in the previous year and your Company has been able to retain production level and market share in spite of decline in the overall Industrial output scenario in the Country.

Considering the above, the performance of your Company is satisfactory.



## PRECISION WIRES INDIA LTD.

### 3. Dividend

The Directors are pleased to recommend a Dividend @15% on Equity Shares.

### 4. Employees

The Company continues to enjoy very cordial relations with its employees and workmen.

The particulars of employees required to be furnished under Section 217(2A) of the Companies Act, 1956 are given in Annexure I hereto and form part of this report.

### 5. Directors

Mr. Vijay M. Crishna and Mr. P. N. Vencatesan retire by rotation and are eligible for reappointment.

Mr. L. K. Chopra, Whole-time Director of the Company retired on 30th November, 1996, after attaining age of superannuation. The Directors place on record their appreciation of useful contribution by Mr. L. K. Chopra during his tenure of service.

IDBI has nominated Mr. J. V. Mathew on the Board of your Company w.e.f. 2nd June, 1997, in place of Mr. Viney Kumar. The Board is grateful for the guidance and co-operation rendered by Mr. Viney Kumar during his tenure as Director of the Company. The Board wishes Mr. Viney Kumar all the best in his career and also welcomes Mr. J. V. Mathew.

### 6. Disclosure of Particulars in the Directors' Report

As required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rule 1988, the necessary particulars are given in Annexure II hereto and form part of this report.

### 7. Auditors

As advised by the retiring Auditors, they have restructured their working and Mr. Shalin S. Divatia, who is the proprietor of S. S. Divatia & Co., Chartered Accountants, has joined M/s. S. R. Divatia & Co., Chartered Accountants, as a Partner. It is therefore proposed that M/s. S. R. Divatia & Co., Chartered Accountants be appointed Auditors of the Company at the next Annual General Meeting of the Company. M/s. S. R. Divatia & Co., have advised that the appointment, if made, will be within the limits prescribed under Section 224 (1B).

### 8. Acknowledgment

The Directors wish to place on record their deep appreciation of the assistance and co-operation from Industrial Development Bank of India, Industrial Credit & Investment Corporation of India, State Bank of India, Dena Bank, Administration of Union Territory of Dadra and Nagar Haveli, and all employees of the Company.

**For and on behalf of the Board of Directors**

**Mahendra R. Mehta**  
Chairman

Mumbai  
Date : 20th June, 1997



## ANNEXURE I TO DIRECTORS' REPORT

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules 1975 referred to in the Director's Report for the year ended 31st March, 1997 and forming part thereof, showing names and other particulars of the employees of the Company who were :

Employed throughout the year and were in receipt of remuneration for the year in the aggregate of not less than Rs. 3,00,000/-, or

\* Employed for a part of the year and were in receipt of remuneration for part of the year which, in the aggregate was not less than Rs. 25,000/- per month.

Name	Age	Qualification	Designation	Date of Commencement	Experience (Years)	Remuneration (Gross) Rs.	Last Employment & Position Held
* L.K.Chopra	62	B.Sc.(Hons) PCC (USA)	Whole-time Director	11.9.91	41	3,32,774	Atlas Wires Ltd. General Manager-Marketing
Milan M. Mehta	34	B.S.E.E.	Vice Chairman and Managing Director	1.4.96	12	8,74,709	Atlas Wires Ltd. Technical Director

The above employments are contractual in nature.

Mr. Milan M. Mehta is related to Mr. Mahendra R. Mehta and Mr. Deepak M. Mehta, Directors of the Company.

## ANNEXURE II TO DIRECTORS' REPORT

### 1. Conservation of Energy :

A. Energy consumption details in form "A" have not been prescribed for the class of industry to which your Company belongs.

1. The Company is keeping a continuous check on energy consumption and areas are being explored for further improvement.

### 2. FORM "B" :

#### Research & Development (R & D) :

1. Special areas in which R & D carried out by the Company

Product Development

2. Benefits derived as a result of the above R & D

On completion, may result in market share benefit.

3. Future plan of action

Further modernization.

4. Expenditure on R & D

Nil

#### Technology Absorption, Adaptation and Innovation :

1. Efforts, in brief, made towards technology absorption and innovation

—

2. Benefits derived as a result of the above efforts

—

3. Information about imported Technology

—

### 3. Foreign Exchange Earnings and Outgo :

Earnings

Nil

Outgoings

Rs. 146.04 Lakhs