



26th

ANNUAL REPORT

1998 - 99

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**VIDARBHA IRON & STEEL
CORPORATION LIMITED**

VIDARBHA IRON & STEEL CORPN. LTD.

**VIDARBHA
IRON & STEEL
CORPN. LTD.**

Board of Directors :

D. M. NETERWALA

M. K. DELIWALA

M. M. JAIN

KESHAO KUMAR AGRAWAL

S. C. BHANDARI

M. D. SARAF *Managing Director*

Auditors :

SALVE AND COMPANY

Solicitors :

BHAISHANKER KANGA AND GIRDHARLAL

Bankers :

BANK OF BARODA

BANK OF INDIA

SYNDICATE BANK

STATE BANK OF PATIALA

Share Department :

Plot No .46-A & B

MIDC Industrial Estate,

Nagpur - 440 028

Regd. Office & Steel Works :

Plot No .46-A & B

MIDC Industrial Estate,

Nagpur - 440 028.

Computer Works :

Pinsel Computer Products

A 45 to 50, Sector No 16

Electronics Nagar,

Noida Dist. Ghaziabad (U.P.)

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VIDARBHA IRON & STEEL CORPN. LTD.**NOTICE**

NOTICE is hereby given that the 26th Annual General Meeting of Vidarbha Iron and Steel Corporation Ltd., will be held at the Registered Office of the Company at 46 A & B, MIDC Industrial Estate, Nagpur-440 028 on Thursday, the 30th September, 1999 at 10.30 AM to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Balance Sheet as at 31st March, 1999 and Profit & Loss Account for the year ended 31st March, 1999 with the report of Auditors and Directors.
2. To appoint a Director in the place of Shri D.M. Neterwala, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint retiring Auditors M/s. Salve and Co., Chartered Accountants, Nagpur who are eligible for re-appointment as Auditors of the Company from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the relevant provisions of the Companies Act, 1956 including Sec. 257 Shri Keshao Kumar Agrawal be and hereby appointed as a Director of the Company".
5. To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

"RESOLVED THAT pursuant to the relevant provisions of the Companies Act, 1956 including Sec. 257 Shri S.C. Bhandari be and hereby appointed as a Director of the Company".

Registered Office:
46 A & B, MIDC Industrial Estate,
Nagpur - 440 028
Dated: 28th August, 1999

BY ORDER OF THE BOARD OF DIRECTORS

M.D. SARAF
Managing Director

NOTES:

1. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of items 4 & 5 is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy and a proxy need not be a member of the Company.
3. Register of Members and Share Transfer Books will remain closed from 22nd September, 1999 to 30th September, 1999 both days inclusive.
4. Members are requested to intimate immediately any change in their address at our Registered office: 46 A & B, MIDC Industrial Estate, Nagpur - 440 028.

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ANNEXURE TO THE NOTICE:

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 for item No. 4 & 5.

Item No.4

Shri Kershao Kumar Agrawal who has vast experience in steel market was appointed as Additional Director by the Board of Directors of the Company. According to the provision of Section 260 of the Companies Act, 1956 he holds office as a Director only upto the date of the ensuing Annual General Meeting. As required by Section 257 of the Companies Act, 1956, a notice has been received from a member signifying his intention to the proposed appointment of Shri Keshao Kumar Agrawal as a Director liable to retire by rotation. The Board considers it desirable that the Company should continue to avail of his services

No Director other than Shri Keshao Kumar Agrawal is interested in the resolution proposed under item No.4.

Item No.5

Shri S.C. Bhandari who has vast experience in accounting, finance and other related aspect was appointed as Additional Director by the Board of Directors of the Company. According to the provision of Section 260 of the Companies Act, 1956 he holds office as a Director only upto the date of the ensuing Annual General Meeting. As required by Section 257 of the Companies Act, 1956, a notice has been received from a member signifying his intention to the proposed appointment of Shri S.C. Bhandari as a Director liable to retire by rotation. The Board considers it desirable that the Company should continue to avail of his services.

No Director other than Shri S.C. Bhandari is interested in the resolution proposed under item No.5.

Registered Office:
46 A & B, MIDC Industrial Estate,
Nagpur - 440 028
Dated: 28th August, 1999

BY ORDER OF THE BOARD OF DIRECTORS

M.D. SARAF
Managing Director

VIDARBHA IRON & STEEL CORPN. LTD.**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors are presenting the 26th Annual Report together with Audited Statement of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS :

	Year ended 31st March 1999 (Rs. in lacs)	Year ended 31st March 1998 (Rs. in lacs)
Gross Profit/(Loss) before depreciation	(148.95)	(126.94)
Less: Depreciation for current year	<u>47.72</u>	<u>48.40</u>
Net Profit/(Loss) for the year after depreciation	(196.67)	(175.34)
Transferred from Investment Allowance Reserve A/c	—	0.53
Loss brought forward from previous year	<u>(809.82)</u>	<u>(635.01)</u>
Loss carried to Balance Sheet	(1006.49)	(809.82)

In view of accumulated losses incurred by Ferro Alloys Corporation Ltd., (FACOR) on operation of our Steel Plant at Nagpur, no provision for our share in profit has been made.

PINSEL COMPUTER PRODUCTS DIVISION :

During the year production at Pinsel Computer Products Division was NIL, due to outdated technology.

CONSERVATION OF ENERGY:

Not applicable.

TECHNOLOGY ABSORPTION :

Not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO :

1. Foreign Exchange Earnings : Nil
2. Foreign Exchange Outgo : Rs. 15,197

INSURANCE

The assets of the Company are adequately insured.

DIRECTORS :

Your board had appointed Shri Keshao Kumar Agrawal and Shri S.C. Bhandari as additional Directors from May '99 . Notice has been received from members proposing the appointment of Shri Keshao Kumar Agrawal and Shri S.C. Bhandari as Directors of the Company.

Shri D.M. Neterwala retires by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting.

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Y2K COMPLIANCE :

The Company has already made a plan to mitigate the risk associated with year 2000 issues. No significant additional expenditure will be incurred to carry out the remedial measures.

AUDITORS :

Members are requested to appoint Auditors for the current year and to fix their remuneration. The retiring Auditors, M/s. Salve and Company, being eligible offer themselves for re-appointment. They have further furnished certificate to the effect that their re-appointment if made, would be in accordance with Sub-section (1-B) of Section 224 of the Companies Act, 1956.

INDUSTRIAL RELATIONS:

Relations with the employees continued to be cordial

PARTICULARS OF EMPLOYEES :

None of the employees are covered under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT :

The Directors wish to thank for the co-operation extended by the Financial Institutions and Bankers. Your Directors also appreciate the dedicated and sincere services of the employees.

ON BEHALF OF THE BOARD OF DIRECTORS

NAGPUR, 28th August, 1999.

M.D. SARAF
Managing Director