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S O L A R

## ANNUAL REPORT 1996 - 97

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WEBEL-SL ENERGY SYSTEMS LTD.



**WEBEL-SL ENERGY SYSTEMS LIMITED**



**BOARD OF DIRECTORS**

NANDAN BHATTACHARYA – *Chairman*  
FRANCO TRAVERSO  
J. N. MATTI  
R. K. PODDAR  
D. K. BASU  
S. L. AGARWAL – *Managing Director*

**BANKERS**

ALLAHABAD BANK  
FEDERAL BANK

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**AUDITORS**

O. P. AGARWAL & CO.  
*Chartered Accountants*

**REGISTERED OFFICE & WORKS**

PLOT NO. N1, BLOCK - GP, SECTOR - V  
SALT LAKE ELECTRONICS COMPLEX  
CALCUTTA - 700 091



## WEBEL-SL ENERGY SYSTEMS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Seventh Annual General Meeting of the members of WEBEL-SL ENERGY SYSTEMS LIMITED will be held at Webel Bhawan, Block-EP & GP, Sector-V, Salt Lake Electronics Complex, Calcutta - 700 091 on Monday, the 1st September, 1997 at 11.00 A.M. to transact the following business :-

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March, 1997, the Profit & Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Franco Traverso who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. R. K. Poddar who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration. In this connection, to consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 224A of the Companies Act, 1956, M/s O. P. Agarwal & Co. Chartered Accountants, be and are hereby appointed the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and the Board of Directors be and is hereby authorised to fix their remuneration for the said period".

## SPECIAL BUSINESS :

5. To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to provisions of Sections 198, 309, 310, Schedule XIII and other applicable provisions of the Companies Act, 1956, Sri S. L. Agarwal be and is hereby re-appointed as the Managing Director of the Company with effect from 1st September, 1997 for a period of 5 (five) years on a remuneration as enumerated below subject to the condition that the aggregate of his salary and monetary value of perquisites, benefits and facilities shall not exceed the amount prescribed in Part II of Schedule XIII to the Companies Act, 1956 :

- 1) Salary : Rs. 8,000/- per month
- 2) Perquisites, Benefits & Facilities :
  - a) Re-imbursement of actual medical expenses incurred for himself and his family members.
  - b) Leave Travel Assistance for travelling alongwith family during leave period subject to the maximum limit which is exempt from Income Tax in his hands as per the Income Tax Act, 1961 and Income Tax Rules, 1962.
  - c) He shall be entitled to leave with pay for a period of six weeks for every working period of 46 weeks. Provided that leaves not availed of shall be entitled for encashment only at the end of his tenure and not earlier.
  - d) Provision for car with driver for use on Company's business.
  - e) Provision for telephone at residence. Long distance personal calls shall be billed to him by the Company.


**WEBEL-SL ENERGY SYSTEMS LIMITED**

"RESOLVED FURTHER that Sri S. L. Agarwal, so long as he functions as the Managing Director of the Company, shall not be entitled to any sitting fee for attending any Meeting of the Board of Directors or any Committee thereof."

"RESOLVED FURTHER that Sri S. L. Agarwal, till he holds the office of Managing Director of the Company, shall not be liable to retire by rotation."

"RESOLVED FURTHER that Sri S. L. Agarwal, till he holds the office of Managing Director of the Company, shall not become interested or concerned in any selling agency directly or through his wife or minor children in future without prior approval of the Central Government."

"RESOLVED FURTHER that Sri S. L. Agarwal, the Managing Director, as well as the Company shall have right to terminate the appointment by giving 3 (three) month's notice in writing."

6. To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution :

"RESOLVED THAT in supersession of the resolution passed at the Extra-ordinary General Meeting of the Company held on the 25th August, 1992, consent be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293 (1)(d) of the Companies Act, 1956, for borrowing from time to time any sum or sums of money which together with the money already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in the ordinary course of business) shall not exceed in the aggregate at any one time Rs. 20 crores (Rupees Twenty crores) irrespective of the fact that such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of the Paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

Registered Office :  
Plot No. N1, Block-GP, Sector - V  
Salt Lake Electronics Complex  
Calcutta - 700 091.  
Dated : 27th June, 1997.

By order of the Board  
S. L. AGARWAL  
Managing Director

**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such Proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
2. The Explanatory Statement as required by Section 173 (2) of the Companies Act, 1956 is annexed.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 19th August, 1997 to Monday, the 1st September, 1997 (both days inclusive).

## ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2)  
OF THE COMPANIES ACT, 1956

## ITEM NO. 5

Sri S. L. Agarwal was appointed as the Managing Director of the Company with effect from 1st September, 1992 for a period of five years. His term of appointment expires on 31st August, 1997. The Board proposes to re-appoint him for another term of 5 years at a remuneration as outlined in the body of the resolution. In terms of provisions of Section 269 of the Companies Act, 1956 read with Schedule XIII of the said Act, his re-appointment is to be sanctioned in a General Meeting. Hence, the proposal is put before you for your approval. The Board recommends for the adoption of the proposal.

None of the Directors except Sri S. L. Agarwal himself is personally interested or concerned in the said resolution.

This may also be treated as the disclosure to the members of the Company under section 302 of the Companies Act, 1956.

## ITEM NO. 6

Pursuant to the provisions of clause (d) of sub-section (1) of Section 293 of the Companies Act, 1956, the Board of Directors can not borrow more than the aggregate amount of the paid up capital of the Company and its free reserves at any one time except with the consent of the shareholders of the Company in a General Meeting. At the Extra-ordinary General Meeting of the Company held on the 25th August, 1992, consent of the members had been obtained for the directors to borrow upto maximum amount of Rs. 10 crores, irrespective of the fact that such amount together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) exceeded the aggregate of the paid up capital and the free reserves of the Company as on that date. With the increase in business volumes and new ventures in mind, it is expected that the ceiling fixed by the members of the Company for borrowing, i.e. Rs. 10 crores, will be exceeded and therefore, your directors place before you a proposal to increase the maximum borrowing limit to Rs. 20 crores.

None of the directors of the Company is interested, either directly or indirectly in the said proposal and recommends your approval thereof in the interest of the Company.

Registered Office :  
Plot No. N1, Block-GP, Sector - V  
Salt Lake Electronics Complex  
Calcutta - 700 091.  
Dated : 27th June, 1997.

By order of the Board  
S. L. AGARWAL  
Managing Director

**WEBEL-SL ENERGY SYSTEMS LIMITED**
**DIRECTORS' REPORT  
TO THE MEMBERS**

Your Directors have pleasure in presenting the Seventh Annual Report alongwith the Audited Statement of Accounts for the financial year ended 31st March, 1997.

**FINANCIAL RESULTS**

	(Rs. in Lakhs)	
	<b>1996-97</b>	<b>1995-96</b>
Profit before Depreciation	<b>27.74</b>	11.09
Provision for Depreciation	<b>56.11</b>	41.30
Profit/(Loss) after Depreciation	<b>(28.37)</b>	(30.21)
Surplus/(Deficit) brought forward from previous year	<b>(30.79)</b>	0.58
Balance carried to Balance Sheet	<b>(59.16)</b>	(30.79)

In view of loss incurred by the Company, your Directors do not recommend any dividend for the year.

**OPERATIONAL REVIEW**

Your Company has been able to stabilise its operations during the year. Its product received good response both in the international and domestic market. The Company achieved a turnover of Rs. 997 lacs during the year, which is a significant increase from Rs. 460 lacs in the previous year (nine months period). The Company produced Solar photovoltaic equipments which could produce 540 Kilo Watt peak of electricity. It also added new solar photovoltaic equipments like Domestic Lighting System and Street Lighting System to its product range. It has also established a network for wider usage of solar photovoltaic products in different parts of the country. The markets abroad are responding favourably to the products of the Company and the company is receiving full support from its foreign collaborator for its buy back commitments. It has also entered into the markets of South Africa, Singapore, Indonesia, Sri Lanka, Bangladesh and Greece during the year and has received repeat orders as well.

The endeavour to indigenise the raw materials gained strength during the year. Although the raw materials costs increased significantly during the year, the Company has identified fresh and cheaper sources which shall have favourable effects on the working of the Company.

The Company earned a operating profit of Rs. 27.74 lacs during the year. Due to increase in operating expenses and interest costs, the Company was not able to achieve higher profits. But, with increased production efficiency, your directors are confident of better results in the coming years.


**WEBEL-SL ENERGY SYSTEMS LIMITED**
**PERSONNEL**

Information as required under provision of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended are not given as none of the employees received remuneration exceeding the limits specified therein.

**CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details as required under the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given as annexure to this Report.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Franco Traverso and Mr. R. K. Poddar retire by rotation, but being eligible, offer themselves for reappointment.

**AUDITORS**

The Auditors, M/s O. P. Agarwal & Co. Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The reappointment of Auditors is being proposed as a Special Resolution in accordance with Section 224A of the Companies Act, 1956.

**ACKNOWLEDGEMENT**

Your Directors also wish to express their gratitude to Helios Technology, Italy, the Government of West Bengal, the Financial Institutions, the highly dedicated staff and workers of the Company for their co-operation.

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For and on behalf of the Board  
**NANDAN BHATTACHARYA**  
 Chairman

Calcutta, 27th June, 1997.