

# ANNUAL REPORT

## 1999-2000



A. J. Brothers Ltd.

# A. J. BROTHERS LIMITED

## TWENTYTH ANNUAL REPORT 1999 - 2000

**DIRECTORS :**

RAVI ARYA	Chairman & Managing Director
MANOJ ARYA	Executive Director
ANANTLAL MISHRA	Director
V. V. MAHAJAN	Director (Nominated by SICOM)

**AUDITOR :** M/s. Kanoongo & Maheshwari

**BANKERS :**

Bank of Baroda  
ABN Amro Bank

**REGISTERED OFFICE  
& WORKS :**

Plot No. B-38/2/2, M. I. D. C. Murbad,  
Dist. Thane, Maharashtra

**SHARE TRANSFER AGENTS :**

Sharex (India) Pvt. Ltd.  
17/B, Dena Bank Building,  
2nd Floor, Horniman Circle,  
Fort, Mumbai - 400 001.

Twentyth Annual General  
Meeting on Friday  
19th July, 2000 at 11.00 a.m.  
at B-38 / 2 / 2, M. I. D. C., Murbad,  
Dist. Thane, Maharashtra

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**ANNUAL REPORT 1999-2000****NOTICE**

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of A. J. Brothers Limited will be held at 11.00 a.m. on 19th July, 2000 at B-38/2/2, M.I.D.C., Murbad, Dist. Thane. Maharashtra to transact the following business :

**ORDINARY BUSINESS**

- 1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 2000 and Profit & Loss Account for the period ended on that date together with Directors Report and Auditors Report thereon.
- 2) To appoint a Director in place of Mr. Manoj Arya, who retires by rotation and has conveyed his decision of not seeking re-appointment.
- 3) To appoint auditors and fix their remuneration.

**SPECIAL BUSINESS**

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

"RESOLVED THAT Mr. Anant Lal Mishra be and is hereby appointed as Director of the Company."

- 5) To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 198, 269 and 309 read with Schedule XIII other applicable provisions if any, of the Companies Act, 1956 as amended from time to time, the Company hereby accords its consent to the appointment of Mr. Ravi Arya as the Managing Director of the Company for a period of five year with effect from 01/04/2000 on the remuneration and conditions as specified in the Explanatory Statement attached to this notice and that the said remuneration (other than commission) shall be paid to him as minimum remuneration even in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, amend or vary the terms and conditions of appointment including increase in payment of remuneration and providing of perquisites as may be agreed to between the Board of Directors and Mr. Ravi Arya and in accordance with the Sections 198, 310, 311 read with the Schedule XIII of the Companies Act, 1956 and approved by the Central Government, if such approval is required."

- 6) To consider and if thought fit to pass with or without modification(s), the following resolution as a special Resolution :

"RESOLVED THAT pursuant to provisions of Section 198, 269 and 309 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 as amended from time to time, the Company hereby accords its consent to the appointment of Mr. Manoj Arya as a whole-time Director designated as Executive Director of the Company for a period of five year with effect from 01/04/2000 on the remuneration and conditions as specified in the Explanatory Statement attached to this notice and that the said remuneration (other than commission) shall be paid to him as minimum remuneration even in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, amend or vary the terms and conditions of appointment including increase in payment of remuneration and providing of perquisites as may be agreed to between the Board of Directors and Mr. Manoj Arya and in Accordance with the Sections 198, 310, 311 read with the schedule XIII of the Companies Act, 1956 and approved by the Central Government, if such approval is required."

For & on Behalf of the Company

Sd/-  
(Ravi Arya)  
Chairman & Managing Director

Place : Mumbai  
Date : 30.05.2000

Regd. Office :  
B-38/2/2, M.I.D.C.,  
Murbad, Dist. Thane.  
Maharashtra.



## A. J. BROTHERS LIMITED

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective, should be deposited at the registered office of the Company not less than 48 hours before the meeting.
3. The Register of Members and the Share Transfer Books of the Company will be closed from 17/07/2000 to 19/07/2000 (both days inclusive).

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

#### ITEM NO. 4

The Board of Directors in its meeting held on 30/11/99 had appointed Mr. Anant Lal Mishra as Additional Director, who will vacate the office at the forthcoming Annual General Meeting. The Company has pursuant to the provisions of Section 257 of the Act, received a notice from some of its members signifying intention of proposing the appointment of Mr. Mishra as Director in the forthcoming Annual General Meeting.

None of the Directors except Mr. Anant Lal Mishra, is interested or in any way concerned in the proposed resolution.

#### ITEM NO. 5

Mr. Ravi Arya is one of the Promoters of the Company. He was appointed as a Managing Director with effect from 01/04/2000 for a period of five years. His term of appointment expired on 31/03/2005. The Board of Directors in its meeting held on 30/11/99 decided to reappoint Mr. Ravi Arya as Managing Director with effect from 01/04/2000 for a period of five years. Mr. Ravi Arya has vast experience in aluminium industry and his association is advisable, particularly when the Company is sick.

The draft Agreement between the Company and Mr. Ravi Arya for his appointment as Managing Director contains the following terms of remuneration :

##### I) PART - A

- 1) Salary - Rs. 40,000/- per month.
- 2) Commission - 1% of the net profit of the Company for every financial year subject to an overall ceiling laid down under Section 198 and 309 of the Companies Act, 1956.
- 3) Perquisites & Allowances as per details given below :
  - i) Housing :
    - a) In case of unfurnished accommodation hired by the Company such expenditure not exceeding 60% of the salary over and above 10% payable by the Managing Director.
    - b) In case the Managing Director is provided accommodation owned by the Company, 10% of the salary of Managing Director shall be deducted by the Company.
    - c) In case no accommodation is provided by the Company. The Managing Director shall be entitled to House Rent Allowance subject to the ceiling of 60% of the salary.
  - ii) Medical Reimbursement :
 

Reimbursement of expenses incurred by the Managing Director for self & family subject to a ceiling of one month's salary in a year or three months' salary in a block of three years.
  - iii) Leave travel expenses for self & family - 12.5% of salary per annum.
  - iv) Club fees (excluding admission or life membership fee) will be on actual basis, subject to maximum of two clubs.
  - v) Personal accident insurance & mediclaim insurance for self and family will be as per Company's Rules, premium not to exceed Rs. 4,000/- per annum per person.

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**PART - B**

One and above the perquisite specified in Part A, the Managing Director shall be entitled to the following perquisites which shall not form part of the remuneration specified in Part - A.

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income-Tax Act.
- b) Gratuity not exceeding half a month's salary for each completed year of service.

**PART - C**

- a) **Conveyance & Telephone :** Provision of cars for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for personal purpose will be charged as per I. T. Rules. Drivers's salary will be reimbursed.
- b) **Leave :**  
One month's earned leave for every eleven months of service. Leave accumulated but not availed of will be allowed to be encashed at the end of the tenure of the appointment as per the rules of the Company.
- c) **Reimbursement of Entertainment Expenses :**  
The Managing Director shall also be entitled to reimbursement of entertainment expenses actually incurred for Company's business against submission of supporting/declaration.
- d) No sitting fess shall be paid/payable for attending the Board Meetings.
- II) Notwithstanding the above, in the event of inadequacy or absence of profit in any financial year, remuneration mentioned in Part A, except commission and perquisites mentioned in Part B and Part C (which shall not form part of remuneration) as mentioned above, shall be the minimum remuneration payable to the Managing Director subject to the Company obtaining the requisited permission/approval from the competent authority, if required.

III) The appointment can be terminated by either side by giving six months notice in writing.

The draft Agreement between the Company and the Managing Director is available for inspection by the members of the Company at its Registered Office between 11.00 a.m. and 1.00 p.m. on any working day of the Company.

The above may please be treated as an abstract of the variation under Section 302 of the Companies Act, 1956.

Mr. Ravi Arya and Mr. Manoj Arya may be deemed to be interested, since they are related to each other as brothers. None of the other Directors or interest or concerned in the above resolution.

**ITEM NO. 6**

Mr. Manoj Arya is one of the Promoters of the Company. He was appointed as whole-time Director and designated as an Executive Director with effect from 1/4/2000 for a period of five years. His term of appointment expired on 31/3/2000. The Board of Directors in its meeting held on 30/11/99 decided to reappoint Mr. Manoj Arya as whole-time Director with effect from 01/04/2000 for a period of five years. Mr. Manoj Arya has vast experience in aluminium industry and his association is advisable, particularly when the Company is sick.

The draft Agreement between the Company and Mr. Manoj Arya for his appointment as Executive Director contained the following terms of remuneration :

**I) PART - A.**

- 1) Salary - Rs. 40,000/- per month.
- 2) Commission - 1% of the net profit of the Company for every financial year subject to an overall ceiling laid down under Section 198 and 309 of the Companies Act, 1956.
- 3) Perquisites & Allowances as per details given below :
  - i) Housing :
    - a) In case of unfurnished accommodation hired by the Company such expenditure not exceeding 60% of the salary over and above 10% payable by the Executive Director.
    - b) In case the Executive Director is provided accommodation owned by the Company, 10% of the salary of Executive Director shall be deducted by the Company.