



AMCO INDIA LIMITED

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15TH ANNUAL REPORT 2002



AMCO INDIA LIMITED

BOARD OF DIRECTORS

S. K. GUPTA	Chairman cum Managing Director
RAJEEV GUPTA	Whole Time Director
S. R. PAHWA	Whole Time Director
S. C. GOYAL	Director
ANIL BHARGAVA	Whole Time Director
S. K. MITTAL	Nominee Director - PICUP

COMPANY SECRETARY

V. K. GUPTA

BANKERS

Punjab National Bank
Lawrence Road,
DELHI - 110035

AUDITORS

D. C. Jain & Associates
Chartered Accountants
A-14/3, Jamna Bhawan, IInd Floor,
Asaf Ali Road, New Delhi - 110002

REGISTERED OFFICE

10685/2, Nabi Kareem
Jhandewalan Road
NEW DELHI - 110055
Ph. : 3638652, 3636320

WORKS

Unit - I

C-53-54, Sector - 57
NOIDA - 201 301 (U.P.)

Unit - II

7th Milestone
Bhiwadi-Alwar Highway
Bhiwadi, Distt. Alwar
RAJASTHAN

SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd.
321-S, Chirag Delhi, New Delhi-110017
PH. : 6231990, 6232390



AMCO INDIA LIMITED

Regd. Office : 10685/2, Nabi Kareem, Jhandewalan Road, New Delhi - 110055

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Members of the Company M/s. AMCO INDIA LTD. will be held on Monday the 26th day of August, 2002 at Kapoor Banquet, Mayur Vihar, Phase-I, Pocket III, Delhi - 110091 at 3.30 P.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2002 and Profit and Loss Account for the year ended as on that date and Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. S. C. Goyal who retires by rotation eligible offer himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of the this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

"RESOLVED THAT pursuant to provisions of Section 224A of the Companies Act, 1956 and any other provision if any, applicable to the Company, M/s D. C. Jain & Associates, Chartered Accountants be and is hereby re-appointed as Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS :

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

"RESOLVED THAT Mr. Davinder Kumar Gupta, who was appointed as Additional Director of the Company as per the provisions of Section 260 of the Companies Act, 1956 and retires at the conclusion of this meeting be and is hereby appointed as director of the Company."

5. To consider and if thought fit, to pass with or without modification, the following resolution as Special resolution :

"RESOLVED THAT Mr. Subhash Bansal who was appointed as Additional Director of the Company as per the provisions of Section 260 of the Companies Act, 1956 and retires at the conclusion of this meeting be and is hereby appointed as director of the Company."

6. To consider and if thought fit, to pass with or without modification, the following resolution as Special resolution :

"RESOLVED THAT Mr. Dharam Pal Bansal who was appointed as Additional Director of the Company as per the provisions of Section 260 of the Companies Act, 1956 and retires at the conclusion of this meeting be and is hereby appointed as director of the Company."

**By Order of the Board of Directors
For Amco India Limited**

**Place : New Delhi
Date : 29th June , 2002**

**Sd/-
(SURENDER KUMAR GUPTA)
Chairman cum-Managing Director**



AMCO INDIA LIMITED

Regd. Office : 10685/2, Nabi Kareem, Jhandewalan Road, New Delhi - 110055

NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself at the meeting and such proxy need not to be a member of the Company.
2. Members/Proxies should bring the Attendance slip duly filled in for attending the meeting.
3. All documents referred to in the accompanying Notice are open for inspection at the Registered office of the Company during office hours on all working days, except Sundays and holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from August 19, 2002 to August 26, 2002 (both days inclusive).
5. Members who are holding shares in identical order of names in more than one folios or joint accounts in same order are required to intimate the company at its registered office the folios of such accounts to enable the Company to consolidate their holding in one folio.
6. Members are requested to notify immediately any change in their address, quoting folio No. at its registered office.
7. Members are requested to :
 - a) bring their copy of Annual accounts at the meeting as no extra copies would be distributed at the meeting; and
 - b) send their queries, if any, to reach the Company's registered office at New Delhi at least 10 days before the date of the meeting so that information can be made available at the meeting.

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

ITEM No. 4

Sh. Davinder Kumar Gupta was appointed as Additional Director of the Company on June 29, 2002 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds the office as Director only upto the date of ensuing Annual General meeting. As required by Section 257 of the Act, a notice has been received from member signifying his intention to propose appointment of Shri Davinder Kumar Gupta as a director, alongwith a deposit of Rs. 500/- (Rupees Five Hundred only). The Board considers it desirable that the Company should continue to avail itself of his services.

None of the Director other than Shri Davinder Kumar Gupta is interested in the resolution.

ITEM No. 5

Sh. Subhash Bansal was appointed as Additional Director of the Company on June 29, 2002 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds the office as Director only upto the date of ensuing Annual General meeting. As required by Section 257 of the Act, a notice has been received from member signifying his intention to propose appointment of Sh. Subhash Bansal as a director, alongwith a deposit of Rs. 500/- (Rupees Five Hundred only). The Board considers it desirable that the Company should continue to avail itself of his services.

None of the Director other than Sh. Subhash Bansal is interested in the resolution.

ITEM No. 6

Sh. Dharam Pal Bansal was appointed as Additional Director of the Company on June 29, 2002 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds the office as Director only upto the date of ensuing Annual General meeting. As required by Section 257 of the Act, a notice has been received from member signifying his intention to propose appointment of Sh. Dharam Pal Bansal as a director, alongwith a deposit of Rs. 500/- (Rupees Five Hundred only). The Board considers it desirable that the Company should continue to avail itself of his services.

None of the Director other than Sh. Dharam Pal Bansal is interested in the resolution.



AMCO INDIA LIMITED

DIRECTORS' REPORT

To the Members,

Your directors are pleased to present the 15th Annual Report of the Company together with the audited accounts for the year ended as on 31st March, 2002.

FINANCIAL RESULTS & PERFORMANCE OF THE COMPANY :

(Rupees in lacs)

	2001-02	2000-01
Sales	6949.82	6154.83
Other Income	22.48	30.03
Total Income	6972.30	6184.86
Total Expenditure	6574.07	5714.05
Interest	122.14	127.54
Gross Profit after interest but		
Before depreciation and taxation	276.09	343.27
Depreciation	88.27	87.43
Net Profit Before Taxation	187.82	255.84
Provision for Taxation	22.00	19.00
Provision for Deferred Tax	5.33	0.00
Net Profit for the year	160.49	236.84
Balance brought from last year	584.64	347.80
Net Profit available for Appropriation	745.13	584.64

RESULTS OF OPERATIONS :

Your directors are pleased to inform that growth of your Company continue day by day even the recession in the Global Market. The turnover of your company has improved from Rs. 6154.83 Lacs in the year 2000-01 to Rs.6949.82 lacs in the year 2001-02, a net increase of 12.91% over the previous year. However the profits marginally decreased from Rs.255.84 Lacs to Rs.187.82 lacs during the year due to increase in the cost of Raw Material consumed. The cost of Raw Material consumed has been increased by about 1.50% but the selling Price could not be increased in the same proportion due to continue recession in the industry. During the year your Company has set up its 1200 MT Rolling Mill at Bhiwadi. Production has started during the year.

DIVIDEND :

In view of expansion of the Company your directors do not recommend any dividend for year under review.

DIRECTORS :

In compliance with the provisions of the Companies Act, 1956 and Articles of Associations of the Company Shri S. C. Goyal, Director of the Company retire by rotation at the ensuing Annual General Meeting. Board recommend his appointment as Director of the Company. Shri Davinder Kumar Gupta, Shri Subhash Bansal & Sh. Dharam Pal Bansal were appointed as additional directors of the Company by the Board of Directors on June 29, 2002 for strengthening of Board of Directors u/s 260 of the Companies Act, 1956. Their term as director of the Company will expire at the end of the ensuing Annual General Meeting, considering their expertise & vast experience in the industry Board of Directors is proposing their candidature as Director(s) of the Company.

AUDITORS REPORT :

The notes on accounts referred to in the Auditors Report are self explanatory & therefore do not require any further comments under section 217(3) of the Companies Act, 1956.

AUDITORS :

The auditors, M/s D.C. Jain & Associates, Chartered Accountants retire at the conclusion of this Annual General Meeting & being eligible, offer themselves for re-appointment. They have furnished a certificate that their re-appointment, if made, will be in accordance with the provisions of sub-section (1B) of Section 224 of the Companies Act, 1956. Members are requested to appoint the Auditors and authorise the Board to fix their remuneration.

PUBLIC DEPOSITS :

The Company had not accepted any Deposits from the Public and therefore not required to furnish information in respect of Acceptance of Deposit Rules, 1975.

PARTICULARS OF EMPLOYEES :

The Informations as required u/s 217(2A) of the Companies Act 1956 read with the Companies (Particulars of employees) Rules 1975, as amended, the names and other particulars of employees are not applicable.

Disclosure under Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Directors Report Rules, 1988) relating to foregoing matters is given by way of Annexure to this report.

The information in respect of Research & Development as well as Technology absorption, adoption and innovation required to be disclosed in Form "B" are not applicable.

RESPONSIBILITY STATEMENT :

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that :

- In the preparation of annual accounts under review the applicable accounting standards had been followed.
- Appropriate accounting policies were selected & applied consistently and reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profit or loss of the Company for the year.
- Proper and sufficient care was taken for the maintenance of adequate accounting standard in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities.
- The annual accounts are prepared on a going concern basis.

ACKNOWLEDGMENTS :

Your Directors place on record their appreciation of the co-operation and assistance extended by the various Government Authorities, Company's Bankers etc. The Directors convey their sincere thanks for the continued support given to the company by the esteemed shareholders and all our valued customers. The Directors also acknowledge the dedication and hard work put in by the employees at all levels.

For and on behalf of the board of Directors

sd/-

New Delhi
29th June ,2002

(SURENDER KUMAR GUPTA)
Chairman-cum-Managing Director



AMCO INDIA LIMITED

ANNEXURE TO THE DIRECTORS' REPORT

Information under Section 217 (1) (E) of the Companies Act, 1956, read with the companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

1. CONSERVATION OF ENERGY

The total energy consumption and energy consumption per unit of production

A. POWER & FUEL CONSUMPTION	2001-02	2000-01
1. Electricity		
(a) Purchased		
(i) Unit	5792836	5076760
(ii) Total Amount Rs. in Lacs	265.95	237.35
(iii) Rate/Unit Rs.	4.59	4.67
(b) Own Generation		
Through Diesel Generator		
(i) Unit	554760	375450
(ii) Cost/Unit Rs.	5.44	4.54
2. L.D.O.		
(i) Quantity K. Ltr.	442.71	463.60
(ii) Total cost Rs. in Lacs	56.24	60.04
(iii) Average Rate Rs./Ltr.	12.70	12.95
3. Other/Internal Generation	N.A	N.A.
B. CONSUMPTION OF ELECTRICITY PER UNIT OF PRODUCTION		
(1) Electricity (KW/M.T.)		
PVC Film / Sheeting / Metalised Film & Aluminium Foil	0.83	0.83
(2) L. D. O.		
PVC Film / Sheeting / Metalised Film & Aluminium Foil	0.06	0.07

II. TECHNOLOGY ABSORPTION

A. RESEARCH AND DEVELOPMENT

No Research and Development work has been carried out by the Company and therefore there is no expenditure on this head, nor any other benefit derived from it.

B. TECHNOLOGY ABSORPTION

The Company has neither entered into any technical collaboration with any foreign country nor imported any technology from any foreign country, organisation.

III. FOREIGN EXCHANGE EARNING AND OUT GO

	2001-02	2000-01
Foreign Exchange earning (Rs. in Lacs)		
Foreign Exchange outgo (Rs. in Lacs)	131.18	26.09



AMCO INDIA LIMITED

AUDITORS' REPORT

The Members of
M/s Amco India Limited,
New Delhi.

We have audited the attached Balance Sheet of M/s Amco India Limited as at 31st March, 2002 and the Profit & Loss Account for the year ended on that date, annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on those financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order on the basis of such checks as we considered appropriate and according to information & explanations given to us.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appear from our examination of such books .
 - (iii) The Balance Sheet and profit & Loss Account referred to in this report are in agreement with the books of account
 - (iv) In our opinion, the Balance Sheet and Profit and Loss Account as referred to in this report comply with the mandatory accounting standards, as referred to in Section 211(3C) of the Company Act.
 - (v) Based on the representation made by all the Directors of the Company and the information and explanations as made available to us by the Company, none of the Directors of the Company has prima facie any disqualification as referred to in Section 274(1)(g) of the Companies Act, 1956 for being appointed as a Director of the Company.
 - (vi) In our opinion and to the best of our information the said Balance Sheet and Profit & Loss Account read together with the notes thereon in Schedule-16 give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2002 and
 - b) In so far as it relates the Profit and Loss Account, of the profit of the Company for the year ended on that date.

For D. C. JAIN & ASSOCIATES
Chartered Accountants

Place : New Delhi
Date : 29th June, 2002

(D. C. JAIN)
Proprietor



**ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF
M/S. AMCO INDIA LIMITED : NEW DELHI**

Referred to in Paragraph 1 of our report of even date.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on verification.
2. None of the Fixed Assets have been revalued during the year.
3. The Stock, of finished goods, stores, spare parts and raw material have been physically verified by the Management during the year. In our opinion the frequency of verification is reasonable.
4. The procedures of physical verification of stock followed by the Management are reasonable and adequate in relation to the size of Company and the nature of its business.
5. The discrepancies noticed on verification between the physical stock and book records were not material which have been properly dealt with in the accounts.
6. As per the information given to us and on the basis of the examination of stock records, we are of the opinion that the valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles. The Closing Stock of Raw material has been valued on the FIFO basis less of excise and the Finished Goods have been valued at cost of production inclusive of excise duty.
7. As per the information made available to us, the Company has taken loan from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, and the same are not prima facie prejudicial to the interest of the Company.
8. Advances or trade advances have been given to the Companies, firms and other parties listed in the Register maintained under section 301 of the Companies Act 1956, are under the same management as defined u/s. 370 (1B) (since deleted from the statute) of the Companies Act, their terms & conditions are not prima facie prejudicial to the interest of the Company.
9. In respect of loans and advances in the nature of loans given by the company to parties are repaying the principal amount and interest as stipulated.
10. In our opinion and according to the information and explanations given to us, there is an adequate system of internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, plant and machinery equipment and other assets with regard to the sale of goods being exercised by the directors.
11. In our opinion, the price for purchase of goods, material, and services and also sale of goods, material and services in excess of Rs. 50,000/- in value for each type from/to firms or companies or their parties in which directors are interested as listed in the register maintained under section 301 of the companies Act 1956, are not comparable as the items are of specialised nature.
12. The Company has regular procedure for the determination of unserviceable or damaged stores, raw material and finished goods.
13. In our opinion and as per explanations given to us, the company has not accepted any deposits from public in terms of section 58 A of the companies Act 1956.
14. In our opinion, reasonable records have been maintained by the company for the sale and disposal of realisable scrap.
15. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
16. We are also informed that the maintenance of cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 for the products of the Company and as such no cost accounts and records have been made and maintained.
17. According to the records of the Company, Employee State Insurance & Provident Fund dues have been regularly deposited during the year with appropriate authorities.
18. No undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty were outstanding as at 31st March, 2002 for a period of more than six months from the date they become payable.
19. No personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligation or in accordance with generally accepted business practices.
20. The Company is not a sick industrial company within the meaning of clause (i) of Sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions Act.) 1985.
21. The Company has got reasonable system of recording receipts, issues and consumption of material stores for consumed to the relative job.
22. In respect of trading activities of the Company the Company has got a regular procedure for determining damaged goods if any.

**For D. C. JAIN & ASSOCIATES
Chartered Accountants**

**Place : New Delhi
Date : 29th June, 2002**

**(D. C. JAIN)
Proprietor**



AMCO INDIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2002

PARTICULARS	SCHEDULE	CURRENT YEAR AMOUNT (Rs.)	PREVIOUS YEAR AMOUNT (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS :			
Share Capital	'I'	4,11,00,000.00	4,11,00,000.00
Reserve & Surplus	'II'	10,33,81,270.89	8,82,35,578.95
Sub Total 'A'		14,44,81,270.89	12,93,35,578.95
LOAN FUNDS :			
Secured Loans	'III'	6,72,90,318.13	5,41,82,211.93
Unsecured Loans	'IV'	91,56,752.00	2,13,81,889.00
Sub Total 'B'		7,64,47,070.13	7,55,64,100.93
Deferred Tax Liabilities		14,36,574.00	0.00
Sub Total 'C'		14,36,574.00	0.00
TOTAL : 'A+B+C'		22,23,64,915.02	20,48,99,679.88
APPLICATION OF FUNDS :			
FIXED ASSETS :			
Gross Block	'V'	16,81,20,514.01	16,31,46,567.76
Less Depreciation		4,96,27,618.02	4,14,57,361.81
		11,84,92,895.99	12,16,89,205.95
Add Capital Work in Process		1,83,02,925.98	3,98,515.50
Sub Total 'A'		13,67,95,821.97	12,20,87,721.45
CURRENT ASSETS, LOANS & ADVANCES :			
Inventories	'VI'	8,31,99,708.00	5,56,56,256.40
Sundry Debtors	'VII'	9,93,53,973.56	8,96,23,121.92
Cash & Bank Balances	'VIII'	32,61,850.57	28,11,942.50
Loans & Advances	'IX'	1,58,87,700.22	1,13,32,637.76
Sub Total 'B'		20,17,03,232.35	15,94,23,958.58
CURRENT LIABILITIES & PROVISIONS :			
Liabilities	'X'	11,11,00,750.43	7,42,55,330.89
Provisions	'XI'	63,35,694.00	40,64,165.40
Sub Total 'C'		11,74,36,444.43	7,83,19,496.29
NET CURRENT ASSETS 'D'='B - C'		8,42,66,787.92	8,11,04,462.29
MISCELLANEOUS EXPENDITURE :			
(To the extent not written off or adjusted)			
Preoperative & Share Issue Expenses		13,02,305.13	17,07,496.14
Sub Total 'E'		13,02,305.13	17,07,496.14
TOTAL (A+D+E)		22,23,64,915.02	20,48,99,679.88

On behalf of the Board

S. K. Gupta
Chairman Cum Managing Director

Rajeev Gupta
Whole Time Director

V. K. Gupta
Company Secretary

AUDITORS' REPORT

As per our report of even date annexed

For D. C. JAIN & ASSOCIATES
Chartered Accountants

Place : New Delhi
Date : 29th June, 2002

(D. C. JAIN)
Proprietor