



Amit International Limited



ANNUAL REPORT
1998 - 99

Amit International Ltd.



DIRECTORS

JETHALAL A. DOSHI, *Chairman*
KIRTI J. DOSHI, *Managing Director*
MANOJ J. DOSHI

BANKERS

INDIAN BANK

AUDITORS

VORA & MEHTA ASSOCIATES

REGISTERED OFFICE

403-A, DALAMAL CHAMBERS,
29, NEW MARINE LINES,
MUMBAI - 400 020.

PLANT

10/11 DANUDYOG SAHAKARI SANGH LTD.
SILVASSA, DADRA & NAGAR HAVELI.

REGISTRARS & SHARE TRANSFER AGENTS

MONDKAR COMPUTERS PVT. LTD.
21, SHAKIL NIWAS, MAHAKALI CAVES RD.,
ANDHERI (EAST), MUMBAI - 400 093.
TEL.: 822 5975. FAX : 91 - 22 - 836 6620.

Amit International Ltd.

NOTICE TO THE MEMBERS

Notice is hereby given that the Fif

th Annual General Meeting of the members of the Company will be held on Thursday, September 30, 1999 at 10.00 a.m. at Green Room Garware Club House, Wankhede Stadium, 'D' Rd., Churchgate, Mumbai-400020 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 1999, Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Manoj J. Doshi, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 27, 1999 to Thursday, September 30, 1999 (both days inclusive).
2. The Company's shares are listed at Mumbai & Rajkot Stock Exchange and listing fees for the year 1999-2000 is paid.

Place : Mumbai

Date : 10.08.99

By Order of the Board of Directors

MAYUR MEHTA
Company Secretary



DIRECTORS' REPORT

To the members of Amit International Limited

Your Directors have pleasure in presenting their Fifth Annual Report and Audited Statement of Accounts of the Company for the year ended March 31, 1999.

| | (Rs. in Lacs) | |
|-------------------------------------|---------------|---------|
| 1) FINANCIAL RESULTS | 1998-99 | 1997-98 |
| Turnover | 244.84 | 353.54 |
| Profit (before Tax) | (14.01) | 0.88 |
| Provision for Taxation | — | 0.10 |
| Profit after Tax | (14.01) | 0.78 |
| Balance brought forward | 60.82 | 60.04 |
| Balance available for appropriation | 46.81 | 60.82 |
| Appropriated to : | | |
| Profit & Loss A/c | 46.81 | 60.82 |

2) OPERATIONS :

The turnover during the year stood at Rs. 244.84 Lacs. The decline in the turnover is mainly due to recessionary conditions. Consequently, the Company suffered the loss of Rs. 14.01 Lacs. Barring unforeseen circumstances, your Company expects to do better in the current year.

3) DURING THE FIRST QUARTER ENDED :

During the first quarter ended 30.06.99 Company has achieved sales of Rs. 77.79 and earned gross profit of Rs. 13.50 Lacs. Company is having order of Rs. 250.00 Lacs on hand and expects to do well in the current year.

4) DIVIDEND :

In view of the losses incurred during the year, your directors regret their inability to declare any dividend.

5) SUBSIDIARY COMPANY :

The reports and accounts of M/s. Rimmel Rogers Inc., a subsidiary Company, as of 31st March, 1999 are attached, as required by the Companies Act, 1956.

6) YEAR 2000 (Y2K) PREPAREDNESS :

The Company has identified the computers and other devices which are susceptible to Y2K problem. The company expect to be Y2K compliant by November, 1999.

7) PERSONNEL :

Employee relations continued to be cordial across the Company. The provisions of Section 217 (2A) of the Companies Act, 1956, do not apply to the Company since none of the Employees of the company are in receipt of remuneration prescribed in the said section

8) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988 are given in annexure which forms part of this report.

9) DIRECTORS :

Mr. Manoj J. Doshi retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

10) AUDITORS REPORT :

As regards Auditors' comments vide para. 2(e)(a) of their report, your directors request you to refer to notes 1(d), (iii) and 15 in schedule 'O' to the Accounts, which are self explanatory. Company has issued legal notice through the advocate to the party.

11) AUDITORS :

M/s.VORA & MEHTA ASSOCIATES, Chartered Accountants, Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

12) APPRECIATION :

Your Directors record their appreciation of the valuable services rendered by all employees of the Company, their gratitude to the bankers for their timely assistance and to company's shareholders and customers for their continued support.

For & on behalf of the Board of Directors

Place : Mumbai
Date : 10.08.99

JETHALAL DOSHI
Chairman

Amit International Ltd.

ANNEXURE TO THE DIRECTORS' REPORT

| A. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY AS PER FORM A. | | | |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|
| | | <u>Current Year</u> | <u>Previous Year</u> |
| A. Power & Consumption | | | |
| (a) Purchased | | | |
| Units (in '000) | | 410 | 455 |
| Total amount (Rs. in lacs) | | 18.73 | 14.16 |
| Rate/Unit (Rs.) | | 4.56 | 3.11 |
| (b) Own Generator | | | |
| (1) Through Diesel | | | |
| Generator Unit (in '000 kwhs) | | — | — |
| Total Amount (Rs. in lacs) | | — | — |
| Cost per unit (Rs.) | | — | — |
| (2) Through Steam Testing | | | |
| Generator Units | | — | — |
| Gas (Units in '000 kwhs) | | — | — |
| Total amount (Rs. in lacs) | | — | — |
| Cost per unit (Rs.) | | — | — |
| B. Coal | | | |
| Quantity (Tones) | | — | — |
| Total Cost | | — | — |
| Average Rate | | — | — |
| C. Furnace Oil | | | |
| Quantity (Kiloliters) | | — | — |
| Total amount (Rs. in lacs) | | — | — |
| Average Rate (Rs./Kiloliter) | | — | — |
| D. Other/Internal Generation | | | |
| Quantity (Kiloliters) | | — | — |
| Total Cost (Rs. in lacs) | | — | — |
| Rate per unit (Rs.) | | — | — |
| E. Consumption per unit of production | | | |
| | <u>Std. if any</u> | <u>Current Year</u> | <u>Previous Year</u> |
| Product | From the records and other books maintained by the Company, in accordance with the provisions of the Companies Act, 1956, the Company is not in a position to give the information required as per this format for both the current and the previous year. | | |
| Unit | | | |
| Electricity | | | |
| Furnace Oil | | | |
| Coal | | | |
| Others | | | |

B. TECHNOLOGY ABSORPTION :

Research & Development :

The Company has not set up Research & Development Division, but your Company makes constant endeavor to improve upon colour, design and durability of its product, which play decisive role.

Foreign Exchange Earnings & Outgo :

During the year, the Company has earned foreign exchange equivalent to Rs. 210.32 lacs and expended foreign exchange equivalent to Rs. 1.22 lacs.



REPORT OF THE AUDITORS TO THE MEMBERS OF M/S. AMIT INTERNATIONAL LIMITED

We have audited the attached Balance Sheet of M/s.AMIT INTERNATIONAL LIMITED as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date annexed thereto and report that :

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 a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure to paragraph 1 above, We state that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of accounts as required by Law have been kept by the Company so far as it appears from our examination of such books.
 - c) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the Accounting Standards referred to in Sub-sec (3c) of Section 211 of the Companies Act, 1956.
 - e) In our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and Profit & Loss Account read together with the notes thereon and subject to
 - a) Note No. 15 regarding non provision of doubtful advances amounting to Rs. 95,75,000/-.give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i) in so far as it relates to the Balance Sheet, of the state of the Company's affairs as at 31st March, 1999 and
 - ii) in so far as it relates to the Profit and Loss Account, of the loss of the company for the year ended on that date.

For M/S. VORA & MEHTA ASSOCIATES
Chartered Accountants

Place : Mumbai
Date : 10.08.99

PARAG V. MEHTA
Proprietor
Membership No : 36867

Amit International Ltd.

ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE OF M/s AMIT INTERNATIONAL LIMITED

- 1) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. All the fixed assets have been physically verified by the management and 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.
- 2) None of the fixed assets have been revalued during the year indicated.
- 3) The stocks of raw materials and finished goods have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- 4) The procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 5) The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 6) On the basis of our examination of stock records of raw materials and finished goods, we are of the opinion that the valuation of stock is fair and proper in accordance with the normally accepted accounting principles. However no stock records are maintained for bleaching chemicals & packing materials.
- 7) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 and from the companies under the same management are not, prima facie, prejudicial to the interest of the company.
- 8) In our opinion, loans which have been granted to companies, firms or other parties listed in the registers maintained under section 301 and to the companies under the same management are not, prima facie, prejudicial to the interest of the company. However no interest is charged paid on such loans.
- 9) In our opinion and according to the explanations given to us, the parties to whom the loans, or advances in the nature of loans, have been given by the company are repaying the principal amounts as stipulated. However no interest is charged on the loans.
- 10) In our opinion and according to the explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business, with regard to purchase of raw materials including components, plant and machinery, equipment and other assets, and with regard to the sale of goods.
- 11) In our opinion and according to the information and explanation given to us, the transactions of purchase of goods and sale of goods, made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Companies Act, 1956, aggregating during the year to Rs. 50,000/- (Rupees fifty Thousand) or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods or services have been made with other parties.
- 12) As explained to us, in respect of raw materials & finished goods, there are no damaged goods during the period.