

SEVENTH ANNUAL REPORT

1998-99

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ARCEE INDUSTRIES LIMITED

MANAGEMENT

BOARD OF DIRECTORS

SH. R.C. GUPTA CHAIRMAN & WHOLE TIME DIRECTOR
SMT. KRISHNA GUPTA DIRECTOR
SH. R.K. GOYAL DIRECTOR
SH. AJIT MOHAN SHARAN, I.A.S., NOMINEE DIRECTOR OF HFC

MANAGER (FINANCE) & COMPANY SECRETARY

SH. VISHESH CHUGH

AUDITORS

Messers AGGARWAL & MAHAJAN
Chartered Accountants,
202, Ravee Arcade,
Old Govt. College Ground,
Hisar - 125 001 (Haryana)

BANKERS

Punjab National Bank
(Main Branch),
Sirsa Road, Hisar - 125 001 (Haryana)

REGD. OFFICE & WORKS

7th K.M. Barwala Road,
Talwandi Rana,
Hisar - 125 001 (Haryana)

RAJASTHAN UNIT

A-50, RIICO Industrial Area,
Sadulpur - 331 023
Distt - Churu (Rajasthan)

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ARCEE INDUSTRIES LIMITED

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NOTICE

NOTICE is hereby given that the 'SEVENTH ANNUAL GENERAL MEETING' of members of ARCEE INDUSTRIES LIMITED will be held at the Registered office of the Company at 7th K.M. Barwala Road, Talwandi Rana, Hisar on Monday, the 27th September, 1999 at 10 A.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited statement of accounts for the year ended 31st March, 1999 and reports of Directors and Auditors thereon.
2. To appoint director in place of Smt. Krishna Gupta who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit to pass the following resolution as an ordinary resolution :-

RESOLVED that pursuant to the provisions of section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of directors of the Company to dispose off PVC Pipe unit of the Company situated at Sadulpur, Dist. Churu on such terms and conditions and in such form and in such manner and to such buyer as the Board of Directors of the Company may decide in the interest of the Company, with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution.

REGISTERED OFFICE :
7th K.M. Barwala Road,
Talwandi Rana, Hisar

BY ORDER OF THE BOARD

Dated : 2nd August, 1999

(VISHESH CHUGH)
Manager (Finance) & Company Secretary

NOTES :

1. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 1999 to 27th September, 1999 (both days inclusive).
2. Members are requested to quote their Folio No. in all their correspondence.



3. Shareholders intending to enquire about accounts, to be explained in the meeting, are required to inform the Company at least 10 days in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
4. Members are requested to immediately intimate to the Company any change in their addresses as registered with the Company, mentioning the Pin Code Number.
5. The Company does not distribute copies of the Annual Report at the meeting. Members may, therefore, bring their copy with them.
6. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. A blank form is sent herewith. The instrument appointing the proxy should however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

Item No. 4

The Company has set up manufacturing unit of PVC Pipes at A-50, RIICO Industrial Area, Sadulpur Dist. Churu (Rajasthan) in 1995. In the present scenario the PVC Pipe Industry is passing through unprecedented recession. Even Company's unit at Hisar is running at a very low capacity and Sadulpur unit is closed for the last couple of months. Due to this the Company is suffering huge losses mainly because of overheads. Apart from this the machinery value is also being depleted due to non functioning. Therefore to save the Company from unnecessary losses the Board of Directors considered it necessary to dispose off the Sadulpur Unit subject to necessary sanction and approval as required under various laws.

Section 293(1)(a) of the Companies Act, 1956 provides that the Board of Directors shall not, without the consent of the Company in general meeting sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking/s of the Company. Accordingly, the sanction of the shareholders is sought through this Resolution.

None of the Directors is concerned or interested in the said resolution.

REGISTERED OFFICE :
7th K.M. Barwala Road,
Talwandi Rana, Hisar

BY ORDER OF THE BOARD

Dated : 2nd August, 1999

(VISHESH CHUGH)
Manager (Finance) & Company Secretary

**DIRECTORS' REPORT**

To
The Shareholders,

Your directors have pleasure in presenting their 'SEVENTH ANNUAL REPORT' together with the Audited Accounts of the Company for the year ending 31st March, 1999.

1. FINANCIAL HIGHLIGHTS

	1998-99	(Rs. in Lacs) 1997-98
Sales and other income	480	708
Profit/(Loss) before depreciation	(23)	(83)
Depreciation for the year	26	26
Profit/(Loss) before Income Tax	(49)	(109)
Income Tax Paid (Rs.21,120/- in 1998-99)	—	7
Profit/(Loss) after Income Tax	(49)	(116)
Balance brought forward	16	32
Amount transferred from General Reserve	50	100
Balance carried to the Balance Sheet	17	16

2. OPERATIONS

The Company's production and sale have declined during the year mainly due to the reason of lack of demand of PVC Pipes in the market. The Company has been consistently trying to capture the local market, as it has already reduced dependence on the Government Sector. Due to this reason only, the Company intends to spin off its Sadulpur unit and concentrate on Hisar Unit only. The loss for the year has been reduced considerably as compared to preceding year and it is expected that the company in the current year will start earning profits.

3. DIRECTORS

Sh. B.L. Gupta resigned from the Board w.e.f. 01/06/1999. The Board of Directors convey their thanks for his valuable guidance during his tenure as Director of the company.

In accordance with the requirement of the Companies Act, 1956 and the Articles of Association of the Company, Smt. Krishna Gupta retires by rotation being eligible and offer herself for reappointment.

4. PARTICULARS OF EMPLOYEES

During the year there was no employee in respect of whom information as per section 217 (2A) of the Companies Act, 1956 is required to be given in the Director's Report.

5. FIXED DEPOSITS

The company has not accepted any fixed deposits from the public in terms of provisions of Section 58A of the Companies Act, 1956 and rules made thereunder.

**6. PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.**

Information in accordance with the provisions of Section 217(1)(e) of Companies Act, 1956 read with Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the statement annexed hereto forming part of the Report.

7. COMPLIANCE OF GUIDELINES OF SEBI/STOCK EXCHANGES

Guidelines issued by SEBI/Stock Exchanges from time to time have been duly complied with. The shares of the Company are listed at Delhi, Mumbai, Jaipur & Hyderabad Stock Exchanges. The Company is regular in paying the annual listing fees to each of Stock Exchanges.

8. INSURANCE

The Company's properties have been adequately insured.

9. PERSONNEL

The relations between the employees and the management continued to be cordial. Directors take this opportunity to place on record their appreciations for the devoted and loyal services rendered by all members of the staff and workers.

10. AUDITORS

M/s. Aggarwal & Mahajan, Chartered Accountants retire and are eligible for reappointment. The Auditors have furnished to the Company the requisite certificate under section 224 (1) of the Companies Act, 1956 that their appointment, if made, would be within the prescribed limit.

11. AUDITORS OBSERVATIONS

The auditors observations being self explanatory, have been duly explained in the notes to the accounts.

12. ACKNOWLEDGEMENT

Your directors express their sincere appreciations for the abundant assistance, sincere cooperation and valuable guidance from the Financial Institutions, Banks and Central and State Government Authorities. The Board members also convey their gratitude to all the well wishers, customers and suppliers for their continued support and encouragement and the most important of all, the excellent support of our Shareholders.

REGISTERED OFFICE :

7th K.M. Barwala Road,
Talwandi Rana, Hisar

Dated : 2nd August, 1999

FOR AND ON BEHALF OF THE BOARD

(R. C. Gupta)
Chairman