

ABEE INFO-CONSUMABLES LTD.

16TH ANNUAL REPORT

2007-2008

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Abee

DEPEND ON ITTM

Mr.Badrinarayan B.Somani
Chairman & Managing Director

Mrs.Priya B.Somani
Whole-time Director

Mrs.Radhika A. Joglekar
Executive Director

Mr.Omprakash Mantri
Independent Director

Maj. Gen. P. B. Deshpande (VSM) Retd.
Independent Director

Auditors

S.L.Bagadi & Co.
A 206, Somshankar Chambers, Kaka Halwai Ind. Estate,
Above Cosmos Bank, Pune-Satara Road, Pune 411 009.

Bankers

HDFC Bank Ltd., ICICI Bank Ltd.

Registered Office

"Akshay", 156-1/B, Mangalwar Peth, Barne Road, Near Sinchan Bhavan, Pune 411 011.
Phone : 020 - 2613 2842 / 2613 2875 Fax : 020 - 2613 4606

Works

Gat. No.699/2, Koregaon Bhima, Taluka Shirur, District Pune, State Maharashtra
Sector No.2, 2nd Floor, Pushpa Complex, Kasauli Road, Parwanoo, Himachal Pradesh

Listed On

Pune, Mumbai, & Ahmedabad Stock Exchanges

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of the Abee Info Consumables Limited will be held on Tuesday, the 30th day of September 2008 at 10.00 a.m. at Regd. office -156-1/B, "Akshay", 3rd floor, Mangalwar Peth, Pune - 411 011, to transact the following business:

ORDINARY BUSINESS

- To receive, consider, approve and adopt the Profit & Loss Account for the year ended 31st March 2008, Balance-Sheet as on that date together with the Reports of Directors and Auditors thereon.
- To re-appoint Mrs. Radhika Joglekar, Director who retires by rotation and being eligible offers herself re-appointment.
- To re-appoint M/s S.L. Bagadi & Co. Chartered Accountants as Statutory Auditors of the Company from conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 29.09.2008 to 30.09.2008.

On behalf of the Board ,

FOR ABEE INFO-CONSUMABLES LIMITED

B. B. SOMANI
(CHAIRMAN & MANAGING DIRECTOR)

Place: Pune

Date: 31.08.2008

Your directors are presenting the Sixteenth Annual Report together with the Audited Statement of Accounts for the year ended 31.03.2008.

1) PERFORMANCE

Due to increased competition from unorganized sector coupled with escalating input costs and reduction in demand for Dot Matrix printers, the margins of the company have been squeezed which resulted in decrease in turnover of the Company. During the year under review, the Company recorded sales turnover of Rs. 136.81 lacs as against Rs. 169.63 lacs during the last year. Coupled with the said reasons, the Company incurred a net loss before taxes amounting to Rs. 24.18 lacs as against Rs. 10.01 in the last year. The provision of depreciation amounted to Rs.14.25 Lacs as against Rs. 14.36 lacs in the last year.

2) DIVIDEND

In absence of profits, your directors do not recommend the dividend during the year under review.

3) PUBLIC DEPOSITS:

Your company has not accepted any deposits from public within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 and as such, the information relating to unclaimed / unpaid deposits is not applicable.

4) PARTICULARS OF EMPLOYEES U/S 217(2A) OF THE COMPANIES ACT.

As none of the employees is drawing remuneration in excess of the prescribed limits during the year under review, the particulars required to be given as per Section 217 (2- A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable and hence, not given.

5) DETAILS OF CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS & OUTGO AND RESEARCH & DEVELOPMENT U/S 217(1)(e) OF THE COMPANIES ACT.

The prescribed information in respect of Foreign Exchange and Outgo, Conservation of Energy and Research and Development is given by way of Annexure No. I, which forms part of this report.

6) DIRECTORS

Mrs. Radhika Joglekar, Director, retires by rotation and being eligible, offers herself for re-appointment.

7) AUDITORS

M/s S. L. Bagadi & Co. Chartered Accountants, Pune retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Pursuant to the requirements under the Section 217(2AA) of the Companies Act 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed

(i) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed.

(ii) that the directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year and of the loss of the Company for that period;

(iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(iv) that the directors have prepared the Annual Accounts on a going concern basis.

9) SUSPENSION OF TRADING ACTIVITY IN BOMBAY STOCK EXCHANGE

Yours directors regret to state that the Bombay Stock Exchange had issued a Show Cause Notice to the Company for alleged non filing of certain voluminous information/data, spanning 11 years back within a short period of time. Due to sheer volume of old data and number of outside agencies involved such as R & T Agent, NSDL, and CDSL etc in retrieving the same, the Company could submit all the data/information on 25.01.2008 to BSE.

It is further submitted that despite submission of supporting evidence filed by the Company on earlier occasions and subsequent follow up through several e-mails and follow up to BSE, the Company had got belated response from BSE vide its letter No. DCS/COMP/AJ/530833/171/2008-09 dated June 20, 2008. It is really a misnomer to say that the said letter once again directed the Company to furnish some information, which already had been furnished by the Company to BSE on 25.01.2008.

Since then, your directors have initiated all effective steps for commencement of trading of the scrip and are hopeful about withdrawal of suspension from BSE in near future and regret inconvenience caused to the members and investors for the reasons beyond control of the management.

10) ACKNOWLEDGMENT

Your directors would like to place on record their sincere appreciation for the co-operation extended by the Banks, Creditors, suppliers and all employees in all cadres throughout the year under review.

On behalf of the Board ,
FOR ABEE INFO-CONSUMABLES LIMITED

B.B.SOMANI
(CHAIRMAN & MANAGING DIRECTOR)

Place: Pune
Date: 31.08.2008

ANNEXURE NO.1 TO DIRECTORS REPORT

A. POWER & FUEL CONSUMPTION	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
1. Electricity		
A. * Purchase Units	2930	5157
Total Amount (Rs)	12,776.00	21973.00
Average Rate/unit (Rs.)	4.36 (per unit)	4.26 (per unit)
* Pune Factory Units		
* Parwanoo Factory Units		
B. Own Generation		
(I) Through Diesel Generator		
Unit	NIL	NIL
Unit per liter of Diesel Oil	NIL	NIL
Cost Unit	NIL	NIL
(ii) Through steam Turbine Generator		
Unit	NIL	NIL
Cost per Unit	NIL	NIL
Cost / Unit	NIL	NIL
2. Coal		
Quantity (Tonnes)	NIL	NIL
Total Cost	NIL	NIL
Average Rate	NIL	NIL
3. Furnace Oil		
Quantity (K.Ltrs)	NIL	NIL
Total Cost	NIL	NIL
Average Rate	NIL	NIL
4. Other / Internal Generation		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Average Rate	NIL	NIL
B. CONSUMPTION PER UNIT OF PRODUCTION		
(Standard if any)		
Product with Detail	NIL	NIL
Unit	NIL	NIL
Electricity	NIL	NIL
Furnace Oil	NIL	NIL
Coal	NIL	NIL
Other	NIL	NIL

ANNEXURE NO.1 TO DIRECTORS REPORT

	CURRENT YEAR	PREVIOUS YEAR
C. TECHNOLOGY ABSORPTION		
Research & Development (R & D)		
1. Specific Areas in which R& D is carried out by the company.	N.A.	N.A.
2. Benefits derived as result of the above R & D	N.A.	N.A.
3. Future Plan & Action	N.A.	N.A.
4. Expenditure on R & D	N.A.	N.A.
Technology Absorption, Adaptation and Innovation		
1. Efforts in brief, made towards technology absorption and innovation.	N.A.	N.A.
2. Benefits derived as a result of the above effort e.g. product improvement, cost reduction on product development, import substitution etc.	N.A.	N.A.
3. In case of imported technology (imported during the last 5 years reckoned from time to the beginning of the financial year), following information may be furnished :		
A) Technology imported	N.A.	N.A.
B) Year of Import	N.A.	N.A.
C) If not fully absorbed, areas where this had taken place, reason therefore and future plans of actions.	N.A.	N.A.
FOREIGN EXCHANGE EARNINGS AND OUTGO		
(A) Total Foreign Exchange Used and Earned		
(A) Earned	NIL	NIL
(B) Used	NIL	NIL

On behalf of the Board
FOR ABEE INFO-CONSUMABLES LIMITED

s/d
B. B. SOMANI
(CHAIRMAN & MANAGING DIRECTOR)

Place: Pune
Date: 31.08.2008

- 1 We have audited the attached Balance Sheet of Abee Info Consumables Ltd., as at 31st March, 2008, the profit and loss account and also the cash flow statement 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 these financial statements based on our audit.
- 2 We conducted our audit in accordance with the 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 misstatements. 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.
- 3 As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
- 4 Further to our comments in the Annexure and Notes to accounts referred to, we report that :
 - i. 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;
 - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.);
 - iii. The Balance Sheet, Profit and Loss account and cash flow statement dealt with by this report are in agreement with the books of account (and with the returns from the branches);
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v. On the basis of written representation received from the directors, as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 the case of the balance sheet, of the state of affairs of the company as at 31st March, 2008
 - b. In the case of profit and loss account, of the profit for the year ended on that date; and
 - c. In the case of the cash flow statement, of the cash flows for the year ended on that date.

Place : Pune

For S.L.Bagadi & Co.,
Chartered Accountants,

Date : 31.08.2008

(Proprietor)

Referred to in Paragraph 3 of our report of even date,

- i.
 - a) The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets
 - b) All the assets have been physically verified by the management during the year and there is a regular program 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 such verification.
 - c) During the year, the Company has not disposed off a any part of the Fixed Assets.
- ii.
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company is maintaining proper records of inventory. The discrepancy noticed on verification between the physical stocks and the book records were not material. However, no revision of Overhead standard rates for valuation of inventory is carried out for the production at Parwanoo factory.
- iii.
 - a) The Company had granted loan to Directors covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount of granting of loan during the year was Rs.4,02,19,807/- and the year-end balance of loans taken from such parties was Rs.4,02,19,807/-. There are three Companies covered in the register maintained under section 301 of the Companies Act, 1956 to which the company has granted loans. The maximum amount involved during the year was Rs.1,07,32,743/- and the year end balance of loans granted to such parties was Rs.1,07,32,743/-. Such loan is given without obtaining previous approval of Central Government u/s 295.
 - b) Company has not recovered or charged any interest on loans granted and taken from such parties listed in the register maintained under section 301 of the Companies Act.
 - c) As the agreement for repayment of principal amounts and interest for the loans taken or granted had not been executed, we are unable to make any specific comment on whether payment of principal amount and interest are regular.
 - d) As the terms and conditions are not specified, we are unable to make any specific comment on whether the overdue amount is more than one lakh or not.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regards to the sale of goods as there is a greater degree of personal supervision. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.