

SKS Ltd.

Annual Report

2005 - 2006

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SKS Ltd.

BOARD OF DIRECTORS

Shri A.K. Saraf, Chairman
Shri G. Khaitan, Director
Shri R.D. Tayal, Director
Shri S.K. Mitra, Ex. Director

COMPANY SECRETARY

Shri S.K. Sarangi

AUDITORS

Shwetank Joshi & Co.
Chartered Accountants
66, Ezra Street,
Kolkata-700 001.

REGISTERED OFFICE AND WORKS

181, Industrial Growth Centre,
Sector-3, Bawal-123501
Distt. Rewari (Haryana)

CONTENTS

Notice	1
Director's Report.....	5
Balance Sheet	15
Profit & Loss A/c	16
Schedules	17
Auditor's Certificate	24
Cash Flow Statement	28
Proxy Form	29

NOTICE

The 25th Annual General Meeting of the Company will be held on Monday the 4th day of September 2006 at 10.00 A.M at the Registered Office situated at 181, Industrial Growth Centre, Sector- 3, Bawal, Distt. Rewari (Haryana) to transact the following business as:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Accounts of the company for the financial year ended on 31st March, 2006, the balance sheet as at that date and the report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R D Tayal who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution, with or without modifications, as an ordinary resolution:

“RESOLVED that M/s Shwetank Joshi & Co., Chartered Accountants, 66, Ezra Street, Kolkata-700001, the retiring Auditors who have offered their services and who are not disqualified to act as Auditors of the Company under section 224(1B) of the Companies Act, 1956 be and are hereby reappointed as Auditors of the Company to hold office for the period from conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting on such remuneration as may be fixed.

Further resolved that the Board of Directors of the Company be and is hereby authorized to take steps as may be necessary to give effect to this resolution.”

SPECIAL BUSINESS :

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

“RESOLVED that Mr. Arvind K Saraf who was appointed as Additional Director under Section 260 of the Companies Act, 1956 by the Board of Directors in their meeting held on 22nd day of March, 2006 and for whose candidature the Company has received recommendation from some of the members, be and is hereby appointed as Director of the Company on rotational basis.”

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

“RESOLVED that Mr. Gautam Khaitan who was appointed as Additional Director under Section 260 of the Companies Act, 1956 by the Board of Directors in their meeting held on 22nd day of March, 2006 and for whose candidature the Company has received recommendation from some of the members, be and is hereby appointed as Director of the Company on rotational basis.”

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

“RESOLVED that in supercession to the resolution passed earlier in the 24th Annual General Meeting and subject to the approval of the Central Government and Members of the Company under Section 21 of the Companies Act, 1956 the name of the Company be changed from SKS LIMITED to ARCOTECH LIMITED and the name of the Company shall be ARCOTECH LIMITED with effect from the date of issue of Certificate of Incorporation by Registrar of Companies, NCT of Delhi & Haryana in that behalf, and accordingly the name SKS LTD. wherever it appears in the Memorandum of Association and Articles of Association of the Company be substituted by the name **ARCOTECH LIMITED.**”

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By Order of the Board
For S K S Limited

Place : New Delhi
Date: 8th August, 2006

(S. K. Sarangi)
Company Secretary

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 THE PROXY NEED NOT BE MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.
- 2) The Record date for Register of members and share transfer books of the Company shall be 1st September 2006.
- 3) Stock Exchange on which equity shares of the company are to be Re-listed:
The Stock Exchange – Mumbai
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001
- 4) Explanatory Statement, as required under Section 173(2) of the Companies Act, 1956 is attached.

The logo for Report Junction, featuring the word "Report" in a light blue font and "Junction.com" in a light green font, with a yellow diamond shape containing a black arrow pointing upwards and to the right, positioned between the two words.

By Order of the Board
For S K S Limited

Place : New Delhi
Date: 8th August, 2006

(S. K. Sarangi)
Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement under section 173(2) of the Companies' Act 1956:

Item No. 4 & 5

To broad base the Board and to bring in more professionalism in the Board level, your Company decided to induct Mr. Gautam Khaitan, who is a Solicitor and Lawyer by profession and Mr. Arvind K Saraf, Industrialist.

The Board put the resolution for your approval.

Except Mr. Gautam Khaitan and Mr. Arvind K Saraf no other Directors are interested in this resolution.

Item No. 6

The Board of Directors are planning to change the name of the Company from SKS LIMITED TO ARCOTECH LIMITED and the Registrar of Companies, N.C.T. of Delhi & Haryana has accorded the Name Availability approval vide its letter dated 8.8.2006. The Board will take steps to change the name of the Company to ARCOTECH LIMITED.

The Company can change its name by passing a special resolution under Section 21 of the Companies Act, 1956 and subject to approval of Central Government.

The Board of Directors recommends this resolution for your approval.

None of the Directors is interested in this resolution.

By Order of the Board
For **S K S Limited**

Place : New Delhi
Date: 8th August, 2006

(S. K. Sarangi)
Company Secretary

DIRECTOR'S REPORT

To,
The Members

Your Directors present the Twenty Fifth Annual Report together with Audited Statement of Accounts as on 31st March, 2006.

FINANCIAL HIGHLIGHTS	(Rs. in Lakhs)	
	31.03.2006	31.03.2005
Total Turnover	0	16.21
Profit / (Loss) before Interest & Depreciation	0.93	(86.26)
Less : Interest	0	0
Profit / (Loss) before Depreciation & Taxes	0.93	(86.26)
Less : Depreciation	0	0
Profit / (Loss) before Tax	0.93	(86.26)
Less : Provision for FBT	0.72	0
Less : Provision for MAT	0.08	0
Profit / (Loss) after Tax	0.13	(86.26)
Less : Reconciliation & Settlement Account	0	(98.50)
Profit / (Loss) Transferred to Balance Sheet	0.13	8677.84

DIVIDEND

In view of marginal profit, your Directors do not recommend any dividend for the year.

DIRECTOR (S)

During the year under review Mr. Gautam Khaitan and Mr. Arvind K Saraf, were appointed as Additional Directors by the Board of Directors in their meeting held on 22nd day of March 2006. Further Mr. B P Sharma resigned from the Directorship of the Company w.e.f. 03.04.2006. The company is thankful for the support and cooperation received from Mr. B P Sharma

Sh. R D Tayal, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Business Review :

During the year under review the Company has sold out its land and building at old site at Badarpur and shifted all the plant and machinery to the new site at Bawal, Dist. Rewari, Haryana. The Company has paid-off all the dues of secured creditors.

Factory building and erection of plant & machinery has been completed at new site. The commercial production will start soon.

Change of Registered Office :

As per the direction of Hon'ble Supreme Court, the Company has sold out the land alongwith building situated at Badarpur, New Delhi and shifted the manufacturing unit to the State of Haryana. Since the manufacturing unit and registered office were in the same place/premises, the company has to change its registered office and shift to the State of Haryana, where the manufacturing unit has already been shifted. Accordingly your Directors filed a Petition with Company Law Board, Northern Regional Bench, Delhi. The Hon'ble Company Law Board through its Order has confirmed the shifting of the registered office from the State of Delhi to the State of Haryana.

Re-listing with Bombay Stock Exchange :

The Bombay Stock Exchange has given in-principal approval for re-listing of Company's shares in the Stock Exchange and the trading of Company's script will start after commencement of commercial production of the Company.

Fixed Deposit :

During the year under review your company has not accepted any fresh deposit within the meaning of Sections 58A and 58B of the Companies Act, 1956. Your Company has paid-off some outstanding deposits and balance outstanding will be paid as per schedule.

AUDITORS

M/s Shwetank Joshi & Associates, Chartered Accountants, 66, Ezra Street, Kolkata-700001 Auditors of the company hold office until the conclusion of ensuing Annual General Meeting and being eligible offer themselves for reappointment. Your Directors recommend their reappointment as Auditors of the company till the conclusion of next Annual General Meeting at a remuneration as may be fixed.

A certificate from the Auditors has been obtained by the company to the effect that their appointment, if made, would be within the prescribed limit under section 224(1B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

None of the employees of the company are covered under Section 217(2A) of the Companies Act of 1956 read with Companies (Particulars of Employees) Rules, 1975.

CHANGE OF NAME

The Board of Directors are planning to change the name of the Company and the Registrar of Companies, N.C.T. of Delhi & Haryana has accorded the Name Availability approval from SKS LIMITED to ARCOTECH LIMITED Vide its Letter dated 08.08.2006. The Board will take necessary steps to change the name of the Company to ARCOTECH LIMITED.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO

Since there is no manufacturing activity of the company during the period under review hence information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not applicable.

DIRECTOR'S RESPONSIBILITY STATEMENTS

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

- (i) That in preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the Directors have selected the 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 under review and for the loss of the company for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting standard in accordance with provisions of the Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the Annual Accounts on a going concern basis.