

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		INV	NA
TRA	NA		AC	✓
ACQ	✓	✓	SM	✓
YE	✓	✓		

ASIANLAK CAPITAL & FINANCE LIMITED

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ANNUAL REPORT

1997-98



ASIANLAK CAPITAL AND FINANCE LIMITED
Regd Office: VPO-Jandialli, Near Kohara
Ludhiana

NOTICE

Notice is hereby given that the Fourth Annual General Meeting of the members of the company will be held on Saturday, 26th September, 1998 at 10.00 A.M. at , Near Kohara, Dist. Ludhiana to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at 31.3.1998 and profit and Loss Account for the year ended on that date together with Directors' Report and Auditors' Report thereon.
2. To appoint a director in place of Sh Manoj Sharma who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Sh Sewak Singhania who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors for the year 1997-98 and fix their remuneration and for that matter to consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

Resolved that pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956 M/s Satish K. Bansal & Co. Chartered Accountants, the retiring Auditors of the company be and are hereby reappointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration and other expenses as are incidental to the Audit as may be fixed by Chairman of the company.

SPECIAL BUSINESS

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

Resolved that pursuant to the provisions of Section 198, 269, 309 read together with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 the consent of members of the company be and is hereby accorded to the appointment of Sh Neeraj Poddar as Managing Director of the company for a period of five years w.e.f 1st December, 1997 at a monthly remuneration of Rs 20,000/- in the scale of 20,000--2500--30,000 including perquisites, if any.

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Resolved further that Sh Neeraj Poddar shall also be eligible to the following benefits which shall not be included in the computation of the ceiling on remuneration:

- a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- b) Gratuity payable at a rate of exceeding half a month's salary for each completed year of service and,
- c) encashment of leave at the end of tenure.

Resolved further that the board of directors be and is hereby authorised to vary, change, increase, decrease etc or to make amendments in the terms of appointment of Sh Neeraj Poddar as Managing Director.

By Order of the Board.
Asianlak Capital And Finance Limited

sd/

Place : Ludhiana
Dated : 27.08.98

(Neeraj Poddar)
Managing Director

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/herself and a proxy so appointed need not be member of the company. The proxy in order to be effective must be lodged at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. The explanatory statements pursuant to the provisions of Section 173(2) of the Companies Act, 1956 in respect of item No 5 is enclosed.
3. The Register of members and share transfer books shall remain closed from Tuesday the 22nd September, 1998 to Saturday the 26th September, 1998 (Both days inclusive).

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Ludhiana

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

For Item No 5

Sh Gopal Poddar the previous Managing Director had resigned from the managing directorship of the company due to his personal reasons. So the board of directors in its meeting held on 29th November, 1997 had appointed Sh Neeraj Poddar as Managing Director of the company for a period of five years w.e.f 1st December, 1997 at a monthly remuneration of Rs 20,000/- in the scale of 20,000--2500--30,000 including perquisites, if any.

Sh Radhe Shyam Poddar, Sh Gopal Poddar, Smt Nirmal Poddar and Smt Pragaya Poddar being the relatives of Sh Neeraj Poddar are deemed to be interested in the resolution.

By Order of the Board.
Asianlak Capital And Finance Limited

sd/

Place : Ludhiana
Dated : 27.08.98

(Neeraj Poddar)
Managing Director

ASIANLAK CAPITAL AND FINANCE LIMITED
Regd Office: VPO-Jandialli, Near Kohara
Ludhiana

DIRECTORS' REPORT

The Directors have pleasure in presenting their Fourth Annual Report of the company together with the Audited Statements of Accounts for the year ended 31.3.98

PERFORMANCE REVIEW

During the period under review the company has earned an operating and other income of Rs 6.33 lacs as compared to Rs 54.07 lacs in the previous year.

After providing for depreciation and tax the net profit of the company comes to Rs 0.38 lacs as compared to Rs 0.08 lacs in the previous year.

COMPARATIVE STATEMENTS

The company entered into the capital market in the month of November, 1995. As per the prospectus dated 12.09.1995 the company had estimated future projections in the said prospectus. Pursuant to the provisions of clause 43 of the listing agreement, the comparison of the projected and actual figures for the year 1997-98 are given below:

Particulars	(Rs in lacs)	
	Projected	Actuals
Income	230.50	6.33
PBT	189.11	0.38
Provision for taxation	55.82	0.13
Profit after taxation	133.29	0.25

Due to continued depressed capital market, bad economic conditions and political instability in the country the company could not achieve the projected figures as stated in the prospectus.

DIVIDEND

Keeping in view the sluggish market conditions and to retain resources for the ongoing expansion project of the company the Board Of Directors of your company proposes to retain the profit and has not recommended to pay any dividend for the year 1997-98.

FUTURE PLAN

For the third year in succession the capital market remained depressed. However now your company plans to diversify the area of activities and will soon embark upon new schemes for which details are being worked out.

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PUBLIC DEPOSITS

Pursuants to the relevant provisions of Reserve Bank of India the company has not accepted any fresh deposits during the year review nor there is any unclaimed deposit outstanding as on 31.03.98.

CONSERVATION OF ENERGY AND TECHNOLOGY ABORPTION

Since our company is a non manufacturing company, the information as required to be given pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board Of Director) Rules, 1988 is not required to be given.

FOREIGN EXCHANGE INFLOW & OUTFLOW.

During the period under review, the company did not transact any business or rendered services involving foreign exchange.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Article of Association of the company Sh Manoj Sharma and Sh Sewak Singhania directors retire by rotation and being eligible have offered themselves for re-appointment.

Further during the year Sh Gopal Poddar resigned from the managing directorship of the company and the board appointed Sh Neeraj Poddar as Managing Director in his place.

SUBSIDIARIES

Pursuant to the provisions of Section 212 of the Companies Act, 1956 the information in respect of AL Share Brokers Private Limited, a subsidiary company of your company is provided together with the Annual Report of the company.

AUDITORS

M/s Satish K. Bansal Company, Chartered Accountants, the Auditors of the company retire at the conclusion of forthcoming Annual General Meeting and are eligible for reappointment. The Auditors have submitted a certificate pursuant to the provisions of Section 224(1)(b) of the Companies Act, 1956 that they are eligible for reappointment, if so reappointed for the year 1998-99.

AUDITORS REPORT

The Auditors Report for the year ended 31.03.1998 is self explanatory and require no comments.

STAFF RELATIONS

The company follows the policy of creating healthy environment and work culture resulting into harmonious inter personal relation. The staff relation continued to remain cordial throughout the year and the Directors express their appreciation towards the staff members for their co-operation and hope for continued cordial relations in the years to come.

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PERSONNEL

None of the employees of the company was in receipt of remuneration of Rs, 300000/- or above during the year under consideration nor was any employee of the company paid a salary Rs. 25000/- or more per month during any part of the year. None of the employees of the company was drawing remuneration in excess to that drawn by the Managing Director or Executive Director and holds by himself or along with his spouse and dependent children more than two percent of the equity shares of the company. Therefore the information required to be given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 is Nil.

ACKNOWLEDGEMENTS

Yours directors are pleased to place on record their sincere gratitude to the Financial Institutions, Bankers to the company and other business constituents for the continued and valuable cooperation and support extended to the company.

Your directors also express their deep appreciation to the team of Executives and Staff Members for their co-operation, hardwork, dedication and devotion and to you, share holders for reposing faith in the management of the company and are confident that your company will continue to receive such cooperation and confidence in the years to come.

Report

For And On behalf of Board
Asianlak Capital And Finance Limited

sd/

Place : Ludhiana
Date : 27th August, 1998

(Radhey Sham Poddar)
Chairman

SATISH K. BANSAL & CO.
CHARTERED ACCOUNTANTS,
LINK ROAD, OPP. PETROL PUMP,
NEAR CAMPA COLA CHOWK,
LUDHIANA. PH. 537398

AUDITORS REPORT

The Shareholders,

We have audited the attached Balance Sheet of ASIANLAK CAPITAL AND FINANCE LIMITED as at 31st March, 1998 and also the profit and loss Account of the company for the period ended on that date and report that:-

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit.
2. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of the books.
3. The Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to the explanations given to us, the accounts subjects to note no 3 regarding charge of depreciation on fixed assets at rates prescribed under the Income tax instead of rates prescribed under Schedule XIV of the Companies Act due to which profit of the company is higher by Rs.142341 and note no. 5 regarding non provision of doubtful debts amounting to Rs.342052 read with other notes thereon give the information required by the companies act, 1956, in the manner so required and give a true and fair view:-
 - i) in the case of the balance sheet of the state of affairs of the company as at 31st March, 1998; and
 - ii) in the case of profit and loss account of the profit for the year ended on that date.
5. As required by the manufacturing and other companies (Auditors Report) orders, 1988 issued by the Central Government in terms of section 227 (4A) of the companies 1956, we further report that:-
 1. The Company has maintained proper records showing full particulars including quantitative details and location of fixed assets. Most of the fixed assets have been physically verified by the management during the year. As explained to us, no discrepancies were noticed on such verification.

2. None of the fixed assets has been revalued during the year.
3. As explained to us physical verification of stocks have been conducted at reasonable intervals.
4. The procedures followed by the management for physical verification of stocks are reasonable and adequate in relation to the size of the company and nature of it's business.
5. The management has confirmed that no discrepancies were noticed on such verification.
6. The company had valued it's stocks at cost as in last year which is contrary to lower of cost or market value as prescribed by the accounting standards laid down by the Institute of Chartered Accountants of India.
7. According to the information and explanations given to us, the Company has not taken any loans from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
8. As explained to us the company has not made any loans or advance in the nature of loan to Companies, firms or other parties listed in the register maintained under section 301 and/or to the Companies under the same management as defined under sub-section (1 B) of Section 370 of the Companies Act, 1956.
9. The parties to whom loans or advances in the nature of loan have been given by the company are repaying principal amounts as stipulated and are also regular in payment of the interest.
10. The Company has not accepted any deposits from the public to which the provisions of section 58 A of the Companies Act, 1956, and the rules made thereunder would apply.
11. In our opinion, the company has an adequate internal audit system commensurate with its size and nature of its business.
12. The provisions of Provident Fund Act and Employees State Insurance Act are not applicable to the company.
13. There are no undisputed amounts in respect of Income Tax, Wealth Tax, Sales Tax, Customs duty and Excise duty as on the date of the balance sheet which are outstanding for a period of more than six months from the date they became payable.
14. In our opinion and according to the information and explanations given to us, personal expenses have not been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice.