



21st

ANNUAL REPORT



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ATURIA CONTINENTAL LIMITED

BOARD OF DIRECTORS

CHAIRMAN : SH. K. P. JAIN

MANAGING DIRECTOR : SH. SANJAY JAIN

DIRECTOR : SH. AVIKAL JAIN

DIRECTOR (FINANCE & ACCOUNTS) : SH. MUKESH JHANWAR

DIRECTOR : SMT. MADHU MALTI JAIN

DIRECTOR (TECHNICAL) : SH. G.S.RAWAT

BANKERS : BANK OF BARODA,
CORPORATE BANKING BRANCH,
PARLIAMENT STREET, NEW DELHI

AUDITORS : M/S RAJESH KUMAR AGARWAL & CO.,
CHARTERED ACCOUNTANTS
GHAZIABAD

REGISTERED OFFICE : D - 5 MAHARANI BAGH,
NEW DELHI - 110 065

CORPORATE OFFICE & WORKS : G.T.ROAD, MOHAN NAGAR,
GHAZIABAD - 201 001

ATURIA CONTINENTAL LTD.**NOTICE**

Notice is hereby given that the 21st Annual General Meeting of the members of **ATURIA CONTINENTAL LIMITED** will be held on Thursday the 30th day of September, 1999 at 4.00 P.M. at Charming Meadows, A - 18, Ansal Farms Villas, Satbari, Distt. Mehrauli, New Delhi to transact the following business:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date and Reports of the Auditors' and Directors' thereon.
2. To appoint a Directors in place of Shri K. P. Jain who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Directors in place of Shri Avikal Jain who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company for the year 1999-2000 and to fix their remuneration.

SPECIAL BUSINESS:-

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

"RESOLVED THAT Smt. Madhu Malti Jain who was appointed as an additional director of the Company by the Board of Directors of the Company and who ceases to hold office under section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing proposing her candidature for the office of the director, be and is hereby appointed a Director of the Company."

6. To consider and, if thought fit , to pass with or without modification (s), the following resolution as a Special Resolution :

RESOLVED THAT in the supersession to the earlier resolution passed at the 18th Annual General Meeting of the Members of the Company held on 30th December, 1995 subject to the provisions of Sections 198, 269, 309; 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the revised terms of the appointment of Mr. Sanjay Jain, Managing Director for the remaining term of appointment with effect from 1st April, 1999 as follows :

- a. Salary : Rs. 25000/- per month in the scale of Rs. 25,000-3,500-28,500.
- b. Perquisites : The following perquisites subject to maximum of the annual salary :

Category - A

- (i) Housing : 60% of the salary, if no accomodation is provided by the Company;
 or
 : In case, the accomodation is provided by the Company, the Company will pay the hiring charges of furnished/ unfurnished accomodation subject to 60% of the salary, over and above 10% payable by the Managing Director;
 or
 In case, the accomodation is owned by the Managing Director, the expenses incurred by him on repair, maintenance and upkeep of the house shall be re-imbursed subject to maximum of 60% of the salary.
- (ii) Gas, Electricity, Water and Furnishings : The expenditure incurred on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall be subject to a ceiling of 10% of the salary.
- (iii) Medical re - imbusement : Expenses incurred for himself and the family subject to maximum of one month's salary in a year or three month's salary over a period of three years.

ATURIA CONTINENTAL LTD.

- (iv) Leave Travel Concession : For himself and family, once in a year in accordance with the rules of the Company.
- (v) Personal accident Insurance : The annual premium shall not exceed Rs. 4,000/-.
- (vi) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- (vii) Any other perquisite with the approval of the Board from time to time.

Category - B

Contribution to provident fund, superannuation fund or annuity fund as per the rules of the company which shall not be computed for the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

Gratuity payable shall not exceed half month's salary for each completed year of service.

Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Category - C

Provision of a car for use on company's business and telephone at residence and the same shall not be considered as perquisites. However, personal long distance calls on telephone and use of car for private purpose shall be billed by the company and will be paid by him.

other terms :

- (a) Leave : As per rules of the Company.
- (b) Sitting fees : Mr. Jain will not be entitled for sitting fees for attending the meeting of the Board or Committee thereof.
- (c) Mr. Jain will be entitled to re-imbursement of entertainment and other expenses incurred in the course of legitimate business purpose of the Company.

7. To Consider and, if through fir, to pass with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT in terms of the provision of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded for the appointment of Mr. G.S. Rawat as Director (Technical) of the company, for a period of three years with effect from 1st April, 1999 as follows :

- a. Salary : Rs. 5000/- per month in the scale of Rs. 5,000-2,000-9,000
- b. Perquisites : 40% of Basis Salary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956:**Item No. 5**

Under section 260 of the Companies Act, 1956, Smt. Madhu Malti Jain was appointed as an Additional Director of the Company by the Board of Directors and in accordance with section 260 of the Companies Act, 1956. She can hold office up to the ensuing general meeting of the Company, but she is eligible for appointment as Directors, the Board consider it desirable to continue to avail the advise of Mrs. Jain, Notice have been received by the Company from some members u/s 257 of the Companies Act, 1956, proposing her candidature for office of the director.

Item No. 6

The Shareholders of the Company at the 18th Annual General Meeting held on 31st December, 1995 had approved the appointment of Mr. Sanjay Jain as Managing Director for a period of five years w.e.f. 1st January, 1996.

ATURIA CONTINENTAL LTD.

The Board of Directors of the Company at their meeting held on 22nd March, 1999 have revised the terms of the appointment of Mr. Sanjay Jain, Managing Director w.e.f. 1st April, 1999 for the remaining term of his appointment, subject to the approval of the Shareholders.

Therefore, this resolution is put before the Shareholders for your approval.

None of the Directors are interested in this Resolution except Mr. K.P.Jain, Mr. Avikal Jain and Smt. Madhu Malti Jain.

Item No. 7

Shri G.S. Rawat has been providing Technical Professional Services in your Company since 1st June, 1998.

The Board of Directors in their meeting held on 22.03.1999 appointed Shri G. S. Rawat as Director (Technical) of your Company on a basic salary upto Rs. 5,000/- per month and other allowances, perks, perquisite and benefits etc. subject to the ceiling of Rs. 60,000/- per annum. The Board recommends for the appointment of Shri G. S. Rawat as Director (Technical), subject to the approval of the shareholders.

None of the Director of the Company is concerned or interested in the resolution except Shri G. S. Rawat himself.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. A Copy of Balance Sheet as at 31st March 1999 & Profit & Loss Account for the period ended 31st March, 1999 together with Director's Report and Auditor's Report is enclosed.
3. The Register of the Members and Transfer Books of the Company will remain closed from 28th day of September, 1999 to 12th day of October, 1999 (both day inclusive).
4. The Share holders are requested to intimate the changes in their addresses , if any, to the Company.
5. Members / Proxies are requested to fill and sign the attendance slip for attending the meeting.
6. Members are requested to bring with them, their copies of Notice and Annual Report at the meeting.
7. Members desiring any information as regards to accounts, are requested to address their questions to the Company Secretary of the Company at least 7 days before the date of the meeting so that the required information is made available at the meeting.

**By order of the Board
for ATURIA CONTINENTAL LIMITED**

**(SANJAY JAIN)
MANAGING DIRECTOR**

**Dated: 25th August, 1999
Place: New Delhi**

**Regd.Office :-
D - 5 Maharani Bagh,
New Delhi - 110 065**

ATURIA CONTINENTAL LTD.**DIRECTORS REPORT**

To

The Members,

The Directors have pleasure in presenting the 21st Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 1999, the financial results are summarised below :

FINANCIAL RESULTS

(Rs. in lacs)

	Current Year ended on 31.3.1999	Previous Year ended on 31.3.1998
Income/Sales	158.20	79.56
Profit/(Loss) Before Interest & Depreciation	7.88	(12.27)
Less : Financial Charges	22.37	21.71
Profit/(Loss) Before Depreciation	(14.49)	(33.98)
Less: Depreciation	29.71	32.30
Adjustment relating to earlier years	-	(12.75)
Net Loss	(44.20)	(79.03)
Profit/(Loss) Balance brought forward	(198.13)	(119.10)
Profit/(Loss) carried forward to next year	(242.33)	(198.13)

PERFORMANCE OF THE COMPANY AND FUTURE PLANS:

Your Company has now totally restructured its Pump Operation. Your Company has been successful in satisfactorily resolving labour and other problems which were being faced by the Company. Your Company is now concentrating on 4" Submersible Pumps which is used for domestic purposes. The future of 4" Submersible Pumps appear quite bright because of water level going down in most of the areas. Your company is now marketing its products directly under 'CONTINENTAL' Brand name and has already appointed about 60 dealers in Delhi, U.P., Haryana and Rajasthan Area.

Your Company will also be selling 6" and 8" Submersible Pump as also Monoblock Pumps through the Dealers Network which is proposed to be increased to about 150 dealers very soon.

Your Company is also participating in Government Tender Business and hopes to procure good orders during the current year. With concentration on the Dealers Network and Government Tender Business, the Pump Business of your Company is expected to become profitable again.

As a further diversification, your company has also taken distribution and C & F Agency of M/s SBEC SUGAR LTD. for Delhi and Uttar Pradesh. This business has already started yielding good returns.

The Company is also involved in financing, property development, rental, business centre development and other real estate related activities.

As reported in the last Director's Report, your company has decided to diversify in very near future into Software development, Call Centres, Computer Networking and Information Technology area. For this purpose your company has sponsored Mr. Avikal Jain, Director of your company for Masters in Computer Science at University of Southern California, LA, U.S.A. and your company shall be bearing his educational and other related expenses in U.S.A. After completing his higher education, he would take necessary training in U.S.A. so that your company could start computer related business activities with his active involvement.

DIVIDENDS :

Since Your Company has suffered losses, no dividend is being recommended by the Directors of your Company.

ATURIA CONTINENTAL LTD.**DIRECTORS :**

Shri K.P. Jain, Chairman, and Shri Avikal Jain Directors of the Company, retire by rotation at the conclusion of the forthcoming Annual General Meeting and are being eligible for re-appointment and themselves offer for re-appointment.

Shri Dinesh Jindal resigned from the Board of Directors of the Company. The Board place on record their gratitude and deep appreciation for the extremely valuable services and contribution received during their tenure as Director of the Company.

Sh. G.S. Rawat has been provided Technical Services since 01-06-98 as Technical Consultant of your company. The board of directors appointed him as a Director (Technical) w.e.f. 01-04-1999 subject to approval of shareholder. The board recommends for his appointment as director retire by rotation.

Smt. Madhu Malti Jain have been coopted by the Board of Directors as an additional Director till the conclusion of the forthcoming annual general meeting of the Company. The Board recommends for her appointment as director, retire by rotation.

PUBLIC DEPOSIT :

The Company has not accepted any public deposit during the year.

AUDITORS :

M/s Rajesh Kumar Agarwal & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made will be in accordance with the Section 224(1B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES :

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

INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**ENERGY CONSERVATION :**

The Company is keeping close watch on energy consumption and is putting its best to reduce the electricity consumption by making improvement in its distribution system as well as by improving the power factor to its entire Electrical System.

RESEARCH AND DEVELOPMENT (R & D) :**1. Specific area in which R & D carried out by the Company :**

Re-designing of its products for better efficiency , performance and reliability.

Designing of new varieties of Pumps & Motors.

2. Benefits derived from the above R & D :

Better efficiency of product would result in saving of energy consumption to the end users.

3. Expenditure of R & D : Nil**TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION :**

The Company is developing new types of Pumps and Motors with the latest technology.