

CPEC



CPEC LIMITED
60th Annual Report
2002-2003

BOARD OF DIRECTORS

Ryaz Shamji	Chairman
R. K. Taskar	Vice Chairman
A. J. Shamji	Director
Alim Shamji	Director
Akbar Shamji	Director
D. H. Karmarkar	Alternate Director to Akbar Shamji
Mrs. S. H. Master	Alternate Director to Alim Shamji

Bankers

Indian Bank

Auditors

VEDULA, VIJAY & RAMANATHAN

Chartered Accountants



Registered Office

1, Industrial Estate,
Lalbaug, Muumbai - 400 012.

Works

1, Industrial Estate,
Lalbaug, Mumbai - 400 012.

C-26, M.I.D.C. Industrial Area,
Taloja, Dist. Raigad.

CPEC LIMITED

NOTICE

NOTICE is hereby given that the Sixtieth Annual General Meeting of the Shareholders of **CPEC LIMITED** will be held at the Registered Office of the Company, 1, Industrial Estate, Lalbaug, Mumbai 400 012, on Saturday, the 20th September, 2003 at 10.30 A.M. to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2003 and the Profit and Loss Account for the year ended on that date as well as the Report of Directors and Auditors thereon.
 2. To appoint a Director in place of Mr. Akbar Shamji, who retires by rotation and being eligible, offers himself for re-appointment.
 3. To appoint retiring Auditors M/s. Vedula, Vijay and Ramanathan, Chartered Accountants to hold office from the conclusion of this Annual General Meeting until the next Annual General Meeting.
- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 16th September, 2003 to Saturday, the 20th September, 2003 (both days inclusive).

On behalf of the Board of Directors
R. K. TASKAR
Vice Chairman

Registered Office:
1, Industrial Estate, Lalbaug,
Mumbai - 400 012.
Mumbai, 28th June, 2003.

DIRECTORS' REPORT**TO THE MEMBERS**

Your Directors present Sixtieth Annual Report and the Audited Statement of Final Accounts for the year ended 31st March, 2003.

FINANCIAL RESULTS

	2002-2003	2001-2002
	Rupees	Rupees
The Gross Operating Profit / (Loss) for the year	23,87,817	(29,61,845)
Deduction therefrom / Addition thereto:		
Interest	8,41,500	8,43,137
Depreciation	8,79,705	12,66,435
Operating Profit	6,66,612	(50,71,417)
Provision for taxation	--	--
	6,66,612	(50,71,417)
Add: Income Tax Adjustments for prior years	(3,03,272)	1,961
Add: Deferred Tax Provision	(4,45,770)	19,77,595
	(82,430)	(30,91,861)
Balance in Profit & Loss Account brought forward	1,03,03,007	1,33,94,868
APPROPRIATIONS	1,02,20,577	1,03,03,007
General Reserves	--	--
Leaving a balance to be carried forward	1,02,20,577	1,03,03,007
	1,02,20,577	1,03,03,007

DIVIDEND

In order to conserve funds for long term working capital, the Directors do not recommend payment of dividend.

OPERATION AND FUTURE PROSPECTS

During the year under review, the production and sales in quantitative terms were higher as compared to previous year. It was also possible to curtail costs and as a result the Company achieved a turnaround, with mode of operating profit.

Your directors are trying to maximise the sale of their products by planning of new marketing and product strategies and expect improvement in operations in the current year.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Akbar J. Shamji, Director of the Company retire by rotation and being eligible, offers himself for reappointment.

PARTICULARS OF EMPLOYEES

There is no employee who was in receipt of a remuneration of Rs. 1,00,000/- per month or Rs .12,00,000/- per annum during the year.

SECTION 217 (1)(e) OF THE COMPANIES ACT

As required under 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, the relevant information is given below :

A. Conservation of Energy

The Company's operations involve low energy consumption, wherever possible energy conservation measures have already been implemented. The Company is making all efforts to optimise the use of energy through improved operational methods.

B. Research & Development.

The Company has been gearing up its Product Development activities to meet competition and during the year number of application - specific designs were developed. Emphasis is also being laid on value engineering and TQM.

C. Foreign Exchange Earnings / Outgoings

Our foreign exchange earnings and outgoings during the year are as follows:

Earnings in Foreign Exchange	Rs. 9,736
Expenditure/Remittance in foreign Currency	Rs. 24,617

D. Directors' Responsibility Statement :

Your Directors State :

- (i) that in the preparation of the annual accounts, the applicable standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements so as to give a true and fair view of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

AUDITORS

M/s.Vedula, Vijay & Ramanathan, Chartered Accountants, the present Auditors of the Company retire at this Annual General Meeting and being eligible offer themselves for re-appointment.

ACKNOWLEDGEMENT

Your Directors would like to thank the customers for their continued support to your Company's quality products. The Directors also thank the employees at all levels for their wholehearted support, co-operation and devotion to duty, as well as to the Bankers, Suppliers and Dealers for their continued patronage.

On behalf of the Board of Directors

R. K. TASKAR

Vice Chairman

Mumbai, 28th June, 2003.