

*Twentieth
Annual
Report
2003 - 2004*



CALS LIMITED

BOARD OF DIRECTORS

Directors

Sarvesh Goorha

Mohan Lal Garg

Bibhav Bisaria

Registered Office

E-44/13, Okhla Phase-II

New Delhi - 110020

Report  Junction.com

Manufacturing Unit

B-93, Sector VI

Noida - 201301 (U.P.)

Auditors

Virendra Pradeep & Co.

Chartered Accountants

165, Wadhwa Complex

D-288-289 Street No. 10

Laxmi Nagar

Delhi - 110092

Bankers

Bank of India



NOTICE

NOTICE IS HEREBY GIVEN that the 20th Annual General Meeting of Cals Limited will be held on Saturday, the 25th September 2004 at 4.00 p.m. at the registered office of the Company at E-44/13 Okhla Phase II, New Delhi - 110 020 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as on 31st March 2004 and the Profit and Loss account for the year ended on that date together with the reports of Directors' and Auditors' thereon.
2. To reappoint Mr. Bhibhav Bisaria who retires by rotation and being eligible offers himself for reappointment.
3. To appoint auditors and fix their remuneration.

By Order of the Board of Directors

New Delhi
30th June 2004

(Sarvesh Goorha)
Director

NOTES

1. A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a Member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company at E-44/13 Okhla Phase II, New Delhi - 110 020 not less 48 hours before this Annual General Meeting.
2. The Register of Member and Share Transfer Books of the Company will remain closed from Saturday 18th September 2004 to Saturday 25th September 2004 (both days inclusive).
3. The members are requested to:
 - a. bring their copy of Annual report at the Annual General Meeting.
 - b. I In case shares are held in physical form: notify immediately the change of address, if any, to the Company at E-44/13 Okhla Phase II, New Delhi - 110 020 or to the Registrar and Share Transfer Agent of the Company, MCS Limited, Sri Venkatesh Bhawan, W-40 Okhla Phase-II, New Delhi-110 020 quoting their folio number.
 - II In case shares are held in demat form: notify to their depository participants, change/correction in their address/bank account particulars etc. as the Company uses the information provided by Depositories in respect of shares held in dematerialized form.
 - c. Send, in case of those members who have multiple accounts in identical names or joint names in same order, all the share certificates to the Registrar and Share Transfer Agent of the Company, MCS Limited at the aforesaid address for consolidation of all such shareholdings into one account to facilitate better service.

Members/proxies should bring the attendance slip duly filled in for attending the Meeting.

All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. to 4.00 p.m. on all the working days except Saturday up-to the date of the Annual General meeting.

By Order of the Board of Directors

New Delhi
30th June 2004

(Sarvesh Goorha)
Director

NOTES ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49VI(A) OF THE LISTING AGREEMENT ENTERED INTO WITH THE STOCK EXCHANGES

At the ensuing Annual General Meeting, Mr Bhibhav Bisaria retires by rotation and being eligible, offer himself for reappointment.

Mr. Bhibhav Bisaria, aged about 27 years, is a businessman and independent director and is associated with the Company since 2001. Mr Bhibhav Bisaria is also a director in Bisaria Medicom Pvt. Ltd.



DIRECTORS' REPORT

The twentieth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2004 is being submitted.

FINANCIAL RESULTS

(Rs/Thousands)

Particulars	For the year ended 31.03.04	For the year ended 31.03.03
Sales and other income	—	—
Profit/Loss before Interest & Depreciation	(818)	(13,116)
Less: Depreciation	103	72
Net Profit/Loss before Tax	(921)	(13,188)
Provision for taxation	—	—
Proposed Dividend	—	—
Net Profit/Loss transferred to Balance Sheet	(921)	(13,188)

DIVIDENDS

In view of the losses, your directors are constrained to recommend any dividend.

OPERATIONS

In absence of any financial resources and due to blockage of funds the company could not have any operational activities during the year.

DIRECTORS

Mr. Bhibhav Bisaria retires by rotation as required under the Companies Act, 1956 and being eligible, offer himself for reappointment.

PARTICULARS

During the year under review, no employee was in receipt of remuneration exceeding the specified limits. Hence, no disclosure under Section 217 (2-A) of the Companies Act, 1956, is required to be made.

FIXED DEPOSITS

Company has not accepted any deposit under section 58A of the Companies Act, 1956, during the financial year under review.

RESPONSIBILITY STATEMENT

The Board of Directors of your Company state :

- that in the preparation of the Annual accounts, the applicable accounting standards had been followed;
- that the directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the financial year and of the loss of the Company for that period;

- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Company and for preventing and detecting fraud and other irregularities.

AUDITORS

M/s Virendra Pradeep & Co., the Auditor of the Company will retire at the ensuing Annual General Meeting. It is proposed to reappoint M/s Virendra Pradeep & Co. Chartered Accountants, as the statutory auditors of the company for the financial year 2004-2005 at the remuneration to be decided by the Board of Directors.

Regarding Observations of the Auditors:

- 4 (e) Due to blockage of funds and in absence of any financial resources, the
- 4g (3) Company was not in a position to run business operations.
- 4g (1) In absence of resources, confirmation of balances from some debtors and Creditors could not be obtained.
- 4g (4) It also includes amounts recoverable for the work done by the Company for voters I.D. Card Project in State of Rajasthan. Company has moved fresh applications for appointment of arbitrator in the Courts in Jaipur. Company has taken various steps including filing of legal suits against some debtors.
- 4g (5) Company's request for settlement with the bank is under active consideration. Bank has not debited any interest since 1.4.97. The matter is pending before DRT hence no other provision has been made.

TECHNOLOGY ADOPTION AND ENERGY CONSERVATION

No technology transfer agreement was entered into during the year. Disclosure of particulars with respect to conservation of energy are not applicable to the company.

FOREIGN EXCHANGE

There were no earnings or out go of foreign exchange during the year.

ACKNOWLEDGEMENT

The Directors have pleasure in recording their appreciation of the assistance extended to the Company by various officials of Central Government, State Government and participating financial Institutions. The Directors would like to express their appreciation of the co-operation extended by the Company's bankers, Bank of India.

For and on behalf of the Board

Place : New Delhi
Date : 30.06.2004

Sarvesh Goorha
(Director)



CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges the Company submits the report on the matters mentioned in the said Clause and practice followed by the Company:

1. Company's Philosophy on Code of Governance

Your Company believes that good corporate governance practice ensures the attainment of the highest levels of transparency, accountability and equity in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, the government and the lenders.

2. Board of Directors

The Board of Directors consists of 3 directors.

Composition and category of Directors is as follows:

Category	Name of the Directors
Promoter Director	Sarvesh Goorha
Non Executive and Independent Directors	Mohan Lal Garg Bhibav Bisaria

Attendance of each Director at the Board meetings, last Annual General Meeting and Number of other Directorship and Chairmanship/Membership of Committee of each Director in various companies:

Name of The Director	Attendance Particulars		No. of other directorships And committee member/chairmanship		
	Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Sarvesh Goorha	5	Yes	-	2	1
Mohan Lal Garg	5	No	-	2	1
Bhibav Bisaria	2	Yes	-	1	-

Number of Board Meetings held and the dates on which held

Four Board Meetings were held during the year, as against the minimum requirement of 4 meetings. The dates on which the meetings were held are as follows: April 2003, 30th July 2003, 30th October 2003 and 28th January 2004.

3. Audit Committee

The Board of the Company has constituted an Audit Committee, comprising Mr. Sarvesh Goorha, Mr. Mohan Lal Garg, and Mr. Bhibav Bisaria which meets with the requirements under Section 292A of the Companies Act, 1956. The constitution of Audit Sub-Committee does not satisfy the requirement of the listing agreement in view of no business activity in the Company since last few years. However, the requirement with regard to the functioning of the committee is adhered to the extent applicable to the Company.

The Committee has met 4 times, as against the minimum requirement of 3 meetings under the listing agreement, during the year.

4. Remuneration Committee

In view of no business activity in the Company, no whole director is drawing any remuneration from the Company; hence the Board did not constitute the remuneration Committee.

Details of remuneration paid to the Directors for the year



The aggregate value of salary and perquisite for the year ended 31st March 2004, to Whole Time Directors Mr. Sarvesh Goorha, Managing Director – Rs. Nil.

The non-executives Directors have opted not to take the sitting fees for the Board Meeting.

5. Shareholders'/Investors' Grievance Committee

The Board of the Company has constituted a Shareholders'/Investors' Grievance Committee, comprising of Mr. Sarvesh Goorha and Mr. Mohan Lal Garg. The Committee, inter-alia, approves issue of duplicates certificate and oversees and reviews all matters connected with the securities transfers.

The Company has resolved the complaints from the shareholders during the year except for two old complaints pending for which the Company has replied in due course.

The Board has designated Mr. Sarvesh Goorha as the Compliance Officer.

6. General Body Meetings

Location and time for last 3 Annual General Meetings were:

Year	AGM	Location	Date	Time
2000-2001	AGM	E 44/13 Okhla Phase-II, New Delhi 110 020	18.12.2001	10.00 a.m.
2001-2002	AGM	E 44/13 Okhla Phase-II, New Delhi 110 020	28.09.2002	10.00 a.m.
2002-2003	AGM	E 44/13 Okhla Phase-II, New Delhi 110 020	27.09.2003	10.30 a.m.

No postal ballots were used/invited for voting at these meetings in respect of special resolutions passed as there were no such provisions in the Companies Act, 1956. The Company will comply with the requirements relating to postal ballots as and when it is required.

7. a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
None of the transactions with any of the related parties were in conflict with the interest of the Company.
- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock exchanges or SEBI, or any statutory authority on any matter related to capital markets, during the last three years.
None

8. Means of communication

Quarterly results

The quarterly results are published in Statesman/Pioneer and Jan Satta/Veen Arjun, New Delhi.

9. General Shareholder Information

9.1 Annual General Meeting

- Date and Time September 25, 2004 at 4.00 p.m.
- Venue E 44/13 Okhla Phase-II,
New Delhi 110 020

9.2 Financial Calendar (Tentative and subject to change)

Financial Results for the Quarter ending 30th June 2004	July	2004
Financial Results for the Quarter ending 30th September 2004	October	2004
Financial Results for the Quarter ending 31st December 2004	January	2005
Financial Results for the Quarter ending 31st March 2005	June	2005
Annual General Meeting	September	2005