

MD	/			BKC	/
CS	/			DFY	/
RO	/			DLV	/
TRA	/			AC	/
AGM	/	/		SHI	/
YE	/	/	/		

# 12<sup>th</sup> Annual Report 1996-97

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CERTIFIED TRUE COPY

CHANDRA PRABHU INTERNATIONAL LTD.

*Rajgopal*  
COMPANY SECRETARY

The Gangwal Group

**CHANDRA PRABHU INTERNATIONAL LIMITED**

**CHANDRA PRABHU INTERNATIONAL LIMITED****BOARD OF DIRECTORS**

**MR. GAJRAJ JAIN — CHAIRMAN CUM  
MANAGING DIRECTOR**

Mr. Dilip Kumar Jain Director  
Mr. Vikas Jain Director  
Mr. Prakash Goyal Director (Finance)  
Mr. Akash Jain Additional Director  
Mr. J.C. Taneja Additional Director

**COMPANY SECRETARY**

Mr. Rajesh Agrawal

**AUDITORS**

M/s G.L. GUPTA & ASSOCIATES  
Chartered Accountants,  
C-5/9, Safdarjung Development Area,  
New Delhi - 110 016

**BANKERS**

State Bank of Bikaner & Jaipur  
The Jammu & Kashmir Bank Ltd.  
Central Bank of India

**REGISTERED OFFICE**

14, Rani Jhansi Road,  
New Delhi - 110 055

**BRANCH OFFICES**

Mumbai, Calcutta, Guwahati, Faridabad,  
Mugalsarai & Bhatinda.

**SHARE TRANSFER AGENT**

Shree Balajee Computer Services,  
28-B/4, Jia sarai Near I.I.T.. Gate  
New Delhi - 110 016  
Ph. : 6523031

**12TH ANNUAL GENERAL MEETING**

DATE : 17th DECEMBER, 1997

DAY : WEDNESDAY

TIME : 10.00 A.M.

PLACE : Plot No. A-4,  
Pushpanjali Farm  
Bijwasan  
New Delhi - 110 061



## CHANDRA PRABHU INTERNATIONAL LIMITED

### NOTICE

Notice is hereby given that the TWELFTH ANNUAL GENERAL MEETING of the Members of **CHANDRA PRABHU INTERNATIONAL LIMITED** will be held on Wednesday, the 17th December, 1997 at 10.00 A.M. at A-4. Pushpanjali Farm, Bijwasan, New Delhi - 110061 to transact the following business :

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Auditors' Report alongwith the Audited Balance Sheet as at 31st March, 1997 and Profit & Loss Account for the year ended as on that date.
2. To declare dividend.
3. To appoint a director in place of Sh. Vikas Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting 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 ORDINARY RESOLUTION

"RESOLVED THAT Sh. Akash Jain, in respect of whom the Company has received a Special Notice in writing proposing his candidature for the office of Director U/S 257 of the Companies Act 1956, be and is hereby appointed as a Director of the Company."

6. To consider and if thought fit to pass with or without modification(s), the following resolution as ORDINARY RESOLUTION

RESOLVED THAT Sh. J. C. Taneja in respect of whom the company has received two special notices in writing proposing his candidature for the office of Director U/S 257 of the Companies Act 1956, be and is hereby appointed as Director of the company.

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By order of the board  
for CHANDRA PRABHU INTERNATIONAL LTD.

Place : New Delhi  
Dated : 20th Oct. 1997.

Sd/-  
(Rajesh Agrawal)  
Company Secretary

Registered Office :  
14, Rani Jhansi Road,  
New Delhi - 110 055

**CHANDRA PRABHU INTERNATIONAL LIMITED****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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Explanatory statements pursuant to section 173(2) of the Companies Act 1956, is given below and forms part of the Notice.
3. Members are requested to inform the company about the changes if any, in their registered addresses alongwith pin code number.
4. The Register of Members and Share Transfer Books of the company remained closed from Wednesday the 24th September, 1997 to Saturday, the 29th September 1997. (Both days inclusive)
5. The dividend, if approved by members in the Annual General Meeting, shall be paid to the members whose name appeared on the Register of Members of the company on Saturday, the 29th September, 1997.
6. Members are requested to send the particulars of their respective bank account number to the Company's Share Transfer Agent to enable the company to draw the dividend warrant to the respective bank account of the shareholders.
7. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Secretary of the Company at least 7 (seven) days in advance of the meeting so that the information required can be made readily available at the meeting.
8. EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

**Item No. 5**

Sh. Akash Jain was appointed as an Additional Director on 10th Sept., 1997. Company has received a Notice in writing from a member of the Company with a deposit of Rs. 500/- pursuant to section 257 of the Companies Act, 1956 signifying their intention to propose the candidature of Sh. Akash Jain for the office of Director. The said resolution is recommended for approval of shareholders.

None of the Directors except Sh. Gajraj Jain and Sh. Vikas Jain are interested in passing the said resolution

**Item No. 6**

Sh. J. C. Taneja was appointed as an Additional Director on 20th Oct., 1997, company has received two Notices in writing from two members of the company with a deposit of Rs. 500/- pursuant to section 257 of the companies act, 1956 signifying their intention to propose the candidature of Sh. J. C. Taneja for the office of Director. The said resolution is recommended for approval of shareholders.

None of the Directors is interested in passing the said resolution.

By order of the board  
for CHANDRA PRABHU INTERNATIONAL LTD.

Sd/-

(Rajesh Agrawal)

Company Secretary

Place : New Delhi

Dated : 20th Oct., 1997



## CHANDRA PRABHU INTERNATIONAL LIMITED

### DIRECTORS' REPORT

#### The Members

Your Directors have pleasure in presenting the Twelfth Annual Report & Audited Statement of Accounts of the Company for the year ended 31st March, 1997.

Financial Results	(Rs. in Lacs) 1996-97	(Rs. in Lacs) 1995-96
Turnover	3314.79	3082.08
Other Income	68.52	49.39
Profit Before Tax	184.60	177.15
Less: Provision for Tax	35.95	17.00
Profit after Tax	148.65	160.15
Surplus brought forward from Previous Year	126.91	15.14
Profit available for Appropriation	275.56	175.29
<b>APPROPRIATIONS</b>		
Transfer to General Reserve	7.16	4.00
Proposed Dividend	55.47	44.38
Provision for Dividend Tax	5.55	—
Paid-up Capital	369.80	369.80
Surplus carried to Balance Sheet	207.38	126.91

#### REVIEW OF OPERATIONS

The Company has consistently improved its performance. The turnover and other income for the year under review increased to Rs. 3383.31 lacs as compared to Rs. 3131.47 lacs in the Previous year, registering an increase of 7.44%. The profit after tax is Rs. 148.65 Lacs against Rs. 160.15 Lacs during the previous year.

#### Dividend

The Board of directors recommend a dividend of Rs. 1.50 (Previous Year Rs. 1.20) on each Equity Share of Rs. 10/- i.e. @ 15% on paid up capital for the year ended 31st March, 1997 (Previous year 12%) absorbing a sum of Rs. 55.47 lacs plus 10% tax on dividend absorbing an additional sum of Rs. 5.55 Lacs.

#### FUTURE PROSPECTS

The company is emphasising on exports as company is strengthening its global network on one hand and searching for new products and new market on the otherhand. The Management is confident for an increase in turnover of coal and synthetic rubber during the financial year 1997-98. With the stabilisation of operations and the efforts being made to increase the productivity at all levels, your Directors are confident that barring unforeseen circumstances, the company as a whole shall achieve improved performance during 1997-98.

#### LETTER OF OFFER

The company had purchased 3,74,250 shares of Hilton Rubbers Ltd. from its foreign collaborators at a price of Rs. 5.23 per share as decided by Reserve Bank of India during the year. The company has also acquired 49,042 shares of Hilton Rubbers Ltd. through the public offer as per approval of Securities and Exchange Board of India. As a consequence of this acquisition of shares, both the companies have same management.

**CHANDRA PRABHU INTERNATIONAL LIMITED****DIRECTORS**

Sh. Akash Jain and Sh. J. C. Taneja were appointed as Additional Director of the company as on 10th Sept., 1997 and on 20th Oct. 1997 respectively. Company has received some notices in writing from some members of the company in pursuant to section 257 of the companies act 1956 proposing their candidature for the office of the Director.

**Auditors**

M/s G.L. Gupta & Associates, Chartered Accountants, New Delhi, Auditors of the Company, who retire at the conclusion of the twelfth Annual General Meeting of the company and being eligible, offer themselves for re-appointment. Directors recommend their reappointment for the remuneration to be decided mutually till the conclusion of the next Annual General Meeting.

**Fixed Deposits**

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder.

**Particulars of Employees**

The particulars as required under Section 217(2A) of the Companies (Particulars of Employees) Rules 1975, and forming part of the Directors' Report for the year ended 31st March, 1997 as follows :

I. Employees throughout the financial year and were in receipt of remuneration of not less than Rs. 3,00,000/P.A.

Current Year	Nil
Previous Year	Nil

II. Employees for part of the year and in receipt of remuneration aggregating not less than Rs. 25000/P.M.

As per Annexure

**Conservation of Energy, Technology Absorption & Foreign Exchange Earning and outgo.**

Information in accordance with the provision of Section 217(1)(e) of the companies Act 1956, read with the companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, regarding conservation of Energy, technology absorption and Foreign Exchange Earning and outgo are as under -

a. Conservation of Energy	— Nil
b. Technology Absorption	— Nil
c. Foreign Exchange Earnings (F.O.B.)	— Current Year — Rs. 455.38 Lacs
	— Previous Year — Rs. 514.28 Lacs
d. Foreign Exchange outgo	— Current Year — Rs. 8.23 Lacs
	— Previous Year — Rs. 1.87 Lacs



## CHANDRA PRABHU INTERNATIONAL LIMITED

DISCLOSURE AS PER CLAUSE 43 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES  
COMPARISON OF PROJECTIONS VS PERFORMANCE

S.No.	Particulars	Projections in the Prospectus Dated 20.01.95 Rs. (in Lacs)	Actuals Rs. (in Lacs)
1.	Total Income	3418.00	3383.32
2.	PBIDT	296.11	206.40
3.	Interest	—	12.17
4.	Depreciation	0.64	9.63
5.	Profit Before Tax	295.47	184.60
6.	Provision for Taxation	41.99	35.95
7.	Profit after Tax	253.48	148.65
8.	Equity share capital	369.80	369.80
9.	Book value per share	17.99	15.54
10.	EPS (Rs.)	6.85	4.02
11.	Dividend	20%	15%

### AUDITORS' REPORT :

With reference to the auditors' remarks, Directors would like to state that notes are self explanatory and there is no need to give any further explanations.

### ACKNOWLEDGEMENT :

The Board of Directors pay the tribute to all the freedom fighters on the 50TH YEAR OF INDIA'S INDEPENDENCE. The Board of Directors take this opportunity to offer their sincere thanks to the banks, government agencies, our valued customers for their continued and valuable assistance. The directors also wish to place on record their appreciation for the dedicated efforts made by the executive staff and workmen of the company for its success.

For and on behalf of the Board of Directors  
for CHANDRA PRABHU INTERNATIONAL LTD.

Sd/-

Place : New Delhi

(Gajraj Jain)

Dated : 10th Sept., 1997

Chairman Cum Managing Director

### ANNEXURE TO THE DIRECTOR'S REPORT

Information as per section 217(2A) of the Company Act, 1956

S.No.	Name Employee	Age (Yrs.)	Qualification	Experience Yrs.	Date of Employment	Designation	Remuneration	Last Employment
1.	Sh. Gajraj Jain	43	Graduate	12	1.10.96	Managing Director	1,50,000/-	Gangwal India Ltd.

Note :-

1.Except Sh. Prakash Goyal and Sh. J.C. Taneja all the directors are related to Sh. Gajraj Jain.

**CHANDRA PRABHU INTERNATIONAL LIMITED****AUDITORS' REPORT**

To the Members of

Chandra Prabhu International Limited

We have audited the attached Balance Sheet of **CHANDRA PRABHU INTERNATIONAL LIMITED** as at 31st March, 1997 and Profit & Loss Account for the year ended as on that date.

1. As required by the manufacturing and other companies (Auditors' Report) Order 1988, issued by the Company Law board in terms of section 227 (4A) of the Companies Act, 1956. We give in the Annexure hereto a statement on the matters specified in paragraphs '4' and '5' of the said ORDER.
2. Further to our comments in the Annexure referred to in paragraph '1' above. We state that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books.
  - c) The Balance Sheet and the Profit and Loss Account referred to in this report is in agreement with the books of account.
  - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet read together with the notes thereon give 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, 1997, and
  - ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date.

Report

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For **G.L. Gupta & Associates**  
Chartered Accountants

Place : New Delhi

Dated : 10th September, 1997

(G.L. Gupta)

Proprietor