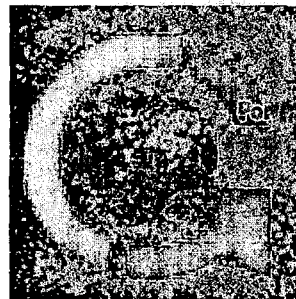


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AGM	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

13th Annual Report 1997-98



CERTIFICATE

CHANDRA PRABHU INTERNATIONAL LTD.

Rajagopal
COMPANY SECRETARY

The Gangwal Group

CHANDRA PRABHU INTERNATIONAL LIMITED



CHANDRA PRABHU INTERNATIONAL LIMITED

BOARD OF DIRECTORS

MR. GAJRAJ JAIN - **CHAIRMAN CUM
MANAGING DIRECTOR**
 Mr. Kuldip Jain - Wholetime Director
 Mr. J.C. Taneja - Director
 Mr. Dilip Kumar Jain - Director
 Mr. Vikas Jain - Director
 Mr. Akash Jain - Director

COMPANY SECRETARY

Mr. Rajesh Agrawal

AUDITORS

M/s G.L. Gupta & Associates
 14, IInd Floor, U-158, Vats Complex
 Main Vikas Marg, Shakarpur
 Delhi-110 092

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, Chandhasi
 & Bhatinda.

SHARE TRANSFER AGENT

Shree Balajee Computer Services Pvt. Ltd.
 2nd Floor, A-39-40 WHS
 Kirti Nagar
 New Delhi-110 015
 Ph. : 5162866

13th ANNUAL GENERAL MEETING	
Date	: 30th November, 1998
Day	: Monday
Time	: 11.00 A.M.
Place	: Plot No. A-4 Pushpanjali Farm Bijwasan New Delhi - 110 061



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NOTICE

Notice is hereby given that the **THIRTEENTH ANNUAL GENERAL MEETING** of the Members of **CHANDRA PRABHU INTERNATIONAL LTD.** will be held on Monday, the 30th November, 1998 at 11.00 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 and Profit & Loss Account for the year ended as at 31st March, 1998 and Balance Sheet as on that date.
2. To appoint a Director in place of Sh. Dilip Kumar Jain who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors and authorise the Board of Directors to fix their remuneration.
4. To declare dividend on equity shares.

SPECIAL BUSINESS

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

RESOLVED that Board of Directors is hereby authorised to appoint as many as auditors qualified for the appointment as auditor of company U/S 226 of the Companies Act, 1956 for auditing the accounts of the branch offices of the company U/S 228 of the Companies Act, 1956 situated at Mumbai, Calcutta, Guwahati, Faridabad, Chandhasi and Bhatinda in consultation with the Statutory Auditors of the company at a remuneration to be decided by the Board of Directors and agreed by such auditors plus actual out of pocket expenses.

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

To appoint Director in place of Sh. Kuldip Jain who was appointed as Additional Director of the Company by the Board of Directors, pursuant to Article 121 of the Articles of Association w.e.f. 1.04.98 and U/S 260 of the Companies Act, 1956 holds office upto the conclusion of the forth coming Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director U/S 257 of the Companies Act, 1956.

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

RESOLVED that in accordance with the provisions of Section 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Sh. Kuldip Jain as wholtime Director of the Company be and is hereby approved for a period of three years w.e.f. 1.04.98 at a remuneration of Rs.11,000/ (Rs. Eleven Thousand) per month alongwith perquisites as given in explanatory statement.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to alter and vary the terms and conditions of appointment in accordance with the laws in force from time to time and to take all such steps, deeds, matters and things as may be considered necessary to give effect to the above resolution.

Registered Office :

14, Rani Jhansi Road,
New Delhi - 1100 55
Dated: 31st, October, 1998

By order of the Board of Directors

Sd/-

(RAJESH AGRAWAL)
COMPANY SECRETARY



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 THE PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer books of the company was remained closed from Monday, the 26th October, 1998 to Friday, 30th October 1998 (Both days inclusive)
3. The Dividend as recommended by the Directors, if declared at the Annual General Meeting, will be paid to the member whose names appeared in the Register of members of the company on Friday, 30th, October, 1998.
4. Members desiring any information/explanations on Accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
5. Members/ proxies should bring the attendance slips sent herewith, duly filled in to attend the Meeting.
6. **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.**

Item No. 5

Company has branches situated at Mumbai, Calcutta, Guwahati, Faridabad, Chandhasi and Bhatinda which provides a good quantum of business. According to Section 228 of the Companies Act, 1956 the accounts of branch offices shall be audited by Statutory Auditors or a person qualified for appointment as auditor of the company U/S 226. Hence the consent of the company is required to delegate the power to the Board of Directors for appointment of branch auditors.

None of the Directors of the company is interested in the resolution.

Item No. 6

Sh. Kuldip Jain was appointed as Additional Director w.e.f. 1st April 1998. Sh. Kuldip Jain holds office up to the conclusion of forthcoming Annual General Meeting. The Company has received a Notice in writing under Section 257 of the Companies Act, 1956 from a member of the company signifying his intention to propose the candidature of Sh. Kuldip Jain as Director. The Board of Directors has recommended his appointment as Member of the Board in the interest of the Company.

None of the Directors of the Company is interested in the Resolution except Sh. Kuldip Jain, who is proposed for appointment as Director.

Item No. 7.

Mr. Kuldip Jain was appointed as wholetime Director for a period of 3 years w.e.f. 1st April, 1998 subject to the approval of members of the company. The following are the details of the present terms of remuneration of Sh. Kuldip Jain, whole time Director of the Company.

Salary : Rs. 7000/- (Rupees Seven Thousands) as basic and Rs.4000/- (Rupees Four Thousands) as House Rent Allowance per month.

Perquisites : Perquisites as per schedule XIII of the Companies Act, 1956 shall be allowed in addition to salary. Perquisites are classified as follows :-

- (i) CONVEYANCE REIMBURSEMENT : Rs. 3000/- (Rupees Three Thousand Only) per month
- (ii) MEDICAL REIMBURSEMENT : Rs. 1000/- (Rupees One Thousand Only) per month

None of the Directors Except Sh. Kuldip Jain is interested in the Resolution

By order of the Board of Directors

Registered Office :

14, Rani Jhansi Road,
New Delhi - 1100 55
Dated: 31st, October, 1998

Sd/-

**(RAJESH AGRAWAL)
COMPANY SECRETARY**



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DIRECTORS' REPORT

To The Members

Your Directors have pleasure in presenting the Thirteenth Annual Report & Audited Statement of Accounts of the Company for the year ended 31st March, 1998.

FINANCIAL RESULTS	(Rs. In Lacs)	(Rs. In Lacs)
	<u>1997-98</u>	<u>1996-97</u>
Turnover	3597.51	3314.79
Other Income	79.01	68.52
Profit Before Tax	156.66	184.60
Provision for Tax	19.33	35.95
Profit After Tax	137.33	148.65
Surplus brought forward from Previous Year	207.38	126.91
PROFIT AVAILABLE FOR APPROPRIATIONS	344.71	275.56
APPROPRIATIONS		
General Reserve	10.29	7.16
Proposed Dividend	59.17	55.47
Provision for Dividend Tax	5.91	5.55
Surplus Carried to Balance Sheet	269.33	207.38

REVIEW OF OPERATIONS

The Company has consistently improved its performance even under discouraging economic conditions. The turnover and other income for the year under review increased to Rs. 3676.52 Lacs as compared to Rs. 3383.31 Lacs in the Previous Year, registering an increase of 8.66%. The Profit after tax is Rs. 137.33 Lacs against Rs. 148.65 during the previous year.

DIVIDEND

The Board of Directors recommended a dividend of Rs. 1.60 (Previous Year Rs. 1.50) on each Equity Share of Rs. 10/- i.e. @ 16% (Previous Year 15%) on paid up capital for the year ended 31st March, 1998 absorbing a sum of Rs. 59.16 Lacs Plus 10% tax on dividend absorbing an additional sum of Rs. 5.91 Lacs.

FUTURE PROSPECTS

After stabilisation of operations, efforts are being made to achieve the quality at all levels. The Company is further strengthening its global network and emphasising on export as well as import. An increase in export of Home Furnishing items & other commodities is the thrust for the financial year 1998-99. The Company has started the import of Chemicals to sell in Indian market while import of coal & rubber are in the pipe line. The efforts are encouraging and expected to yield commercial benefits in the current financial year.



CHANDRA PRABHU INTERNATIONAL LIMITED

DIRECTORS

1. Pursuant to Section 256 of the Companies Act, 1956 and Article 134 of the Articles of Association of the Company Sh. Dilip Kumar Jain, Director is retiring by rotation, at forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.
2. Sh. Prakash Goyal, Director - Finance has resigned from the Board of Directors due to other commitments. The Board place on record their deep appreciation for his valuable services and contribution.
3. Sh. Kuldip Jain was appointed as a wholetime Director for a period of 3 years w.e.f. 1st April, 1998 subject to approval of the members in General Meeting.

AUDITORS

M/s. G.L. Gupta & Associates, Chartered Accountants, New Delhi, Auditors of the Company, who retires at the conclusion of the Thirteenth Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

FIXED DEPOSITS

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

INFORMATION PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956.

The particulars as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended and forming part of the Directors' Report for the year ended 31st March, 1998 are as under :-

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

S.No.	Name of Employee/s	Age (Yrs.)	Qualification	Experience (Yrs.)	Date of Employment	Designation	Remuneration (in Rs.)	Last (Employment)
1.	Sh. Gajraj Jain	44	Graduate	13	1.10.96	Managing Director	6,00,000/-	M/s Gangwal India Ltd.,

Note :-

- Except Sh. Kuldip Jain and Sh. J.C. Taneja all the Directors are related to Sh. Gajraj Jain
- Employees employed for part of the year and in receipt of remuneration aggregating not less than Rs. 25000 P.M..

S.No.	Name of Employee/s	Age (Yrs.)	Qualification	Experience (Yrs.)	Date of Employment	Designation	Remuneration (in Rs.)	Last Employment
1.	B. Vecraswamy	49	B.E.	23	1.12.97	G.M. Int'l Marketing	1,08,000/-	Milton Export



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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. 356.26 Lacs - Previous Year Rs. 455.38 Lacs
d.Foreign Exchange outgo	- Current Year Rs. 0.96 Lacs - Previous Year Rs. 8.23 Lacs

DISCLOSURE AS PER CLAUSE 43 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES.

COMPARISON OF PROJECTION VS. PERFORMANCE FOR THE YEAR ENDED 31ST MARCH, 1998 :-

Particulars	Projection in the Prospectus Dated 20.01.95 Rs. (in Lacs)	Actuals Rs. (in Lacs)
Total Income	4550.00	3676.52
PBI&T	405.24	205.38
Interest	-	39.38
Depreciation	0.64	9.34
Profit before Tax	404.60	156.66
Provision for Taxation	55.83	19.33
Profit after Tax	348.77	137.33
Equity Share Capital	369.80	369.80
Book Value per share (Rs.)	24.93	17.86
EPS (Rs.)	9.43	3.71
Dividend	25%	16%

ACKNOWLEDGEMENT :

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 deep appreciation for the dedicated efforts made by the executives and staff of the company for its success.

For and on behalf of Board of Directors

Place : New Delhi
Dated: July 31st, 1998

GAJRAJ JAIN
CHAIRMAN CUM MANAGING DIRECTOR