

14th Annual Report 1998-99



The Gangwal Group

CHANDRA PRABHU INTERNATIONAL LIMITED

CHANDRA PRABHU INTERNATIONAL LIMITED**BOARD OF DIRECTORS****MR. GAJRAJ JAIN****CHAIRMAN CUM
MANAGING DIRECTOR**

Mr. Kuldip Jain	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
Chartered Accountants
14, IInd Floor, U-158,
Vats Complex, Main Vikas Marg,
Shakarpur, Delhi - 110 092

BANKERS

State Bank of Bikaner & Jaipur

REGISTERED OFFICE

14, Rani Jhansi Road,
New Delhi - 110 055

BRANCH OFFICES

Guwahati, Faridabad, Chandhasi
& Bhatinda.

14th ANNUAL GENERAL MEETING	
Date	: 29th September, 1999
Day	: Wednesday
Time	: 10.30 A.M.
Place	: Plot No. A-4 Pushpanjali Farm Bijwasan New Delhi - 110 061

**ANNUAL REPORT - 1998-99****NOTICE**

Notice is hereby given that the **FOURTEENTH ANNUAL GENERAL MEETING** of the Members of **CHANDRA PRABHU INTERNATIONAL LTD.** will be held on Wednesday, the 29th September, 1999 at 10.30 A.M. at A-4, Pushpanjali Farm, Bijwasan, New Delhi - 110 061 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, 1999 and Balance Sheet as on that date.
2. To appoint a Director in place of Sh. Akash 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.

SPECIAL BUSINESS

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

RESOLVED that the Board of Directors is hereby authorised to appoint auditors qualified for the appointment as auditors of company U/S 226 of the Companies Act, 1956 for auditing the accounts of the branches of the company U/S 228 of the Companies Act, 1956 situated at 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.

Registered Office :
14, Rani Jhansi Road,
New Delhi - 110 055
Dated: 31st, August, 1999

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 shall remain closed from Friday, the 24th September, 1999 to Saturday, 25th September, 1999 (Both days inclusive).
3. Members desiring any information/explanations on Accounts are requested inform 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.
4. Company has terminated its contract with Share Transfer Agent i.e., M/s Shree Balaji Computer Services Pvt. Ltd. New Delhi and installed in house share transfer facility at its Registered Office at 14, Rani Jhansi Road, New Delhi - 110 055. Members are requested not to correspond with M/s. Shree Balaji Computer Services Pvt. Ltd. New Delhi on our behalf.
5. The Register of Members, Index of members and copies of all Annual Returns together with copies of certificates & documents prepared Under Section 159 & 160 of the Companies Act, 1956 are kept at the Registered Office of the Company in terms of Section 163 of the Companies Act, 1956 and are open for inspection during normal business hours except Saturday.
6. Members/proxies should bring the attendance slip sent herewith, duly filled in to attend the Meeting.
7. **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.**

Item No. 4

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

Registered Office:

14, Rani Jhansi Road,
New Delhi - 110 055
Dated: 31st, August, 1999

By order of the Board of Directors

Sd/-
(RAJESH AGRAWAL)
COMPANY SECRETARY

**ANNUAL REPORT - 1998-99****DIRECTORS' REPORT****To The Members**

Your Directors have pleasure in presenting the Fourteenth Annual Report & Audited Statement of Accounts of the Company for the year ended 31st March, 1999.

FINANCIAL RESULTS	(Rs. In Lacs)	(Rs. In Lacs)
	1998-99	1997-98
Turnover	2347.93	3597.51
Other Income	63.64	79.01
Profit Before Tax	59.85	156.66
Provision for Tax	5.75	19.33
Profit After Tax	54.10	137.33
Surplus brought forward from Previous Year	269.33	207.38
PROFIT AVAILABLE FOR APPROPRIATIONS	322.43	344.71
APPROPRIATIONS		
General Reserve	3.00	10.29
Proposed Dividend	—	59.17
Provision for Dividend Tax	—	5.91
Tax related to earlier years	0.65	—
Surplus Carried to Balance Sheet	319.78	269.33

REVIEW OF OPERATIONS

The Company has achieved a turnover & other income for the year under review to Rs. 2411.27 Lacs as compared to Rs.3676.52 lacs in previous year. The Profit after tax is Rs.54.10 Lacs against Rs.137.33 Lacs during the previous year. The Company has recorded a fall in turnover & profitability due to interrupted supply of Synthetic Rubber from domestic sources and recession in overall global economy.

DIVIDEND

The Board of Directors do not recommend any dividend for the year ended 31st March, 1999 with a view to deploy the surplus funds in the business of the Company.

FUTURE PROSPECTS

The Company is making all out efforts to improve its competence and various measures to minimise the cost are being implemented. The Company has started to import Synthetic Rubber and Chemicals to sell in the domestic market in the year 1998-99. Now the company is concentrating to strengthen its import operations to meet out domestic demand and cater its wide marketing network.



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. Akash Jain, Director is retiring by rotation at forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

AUDITORS

M/s. G.L. Gupta & Associates, Chartered Accountants, New Delhi, Auditors of the Company, who retires at the conclusion of the Fourteenth 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, 1999 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 (Yrs.)	Experience	Date of Employment	Designation	Remuneration (in Rs.)	Last (Employment)
1	Sh. Gajraj Jain	45	Graduate	14	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.

- II** No Employees was employed for part of the year and in receipt of remuneration aggregating not less than Rs. 25000 P. M.

**ANNUAL REPORT - 1998-99****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.206.82 Lacs
	-Previous Year	Rs.356.26 Lacs
d. Foreign Exchange outgo	-Current Year	Rs. 1.14 Lacs
	-Previous Year	Rs. 0.96 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, 1999 :-

Particulars	Projection in the Prospectus Dated 20.01.95 Rs. (in Lacs)	Actuals Rs. (in Lacs)
Total Income	5782.00	2411.57
PBIDT	517.29	105.24
Interest	—	35.07
Depreciation	0.64	10.32
Profit before Tax	516.65	59.85
Provision for Taxation	72.20	5.75
Profit after Tax	444.45	54.10
Equity Share Capital	369.80	369.80
Book Value per share (Rs.)	33.95	19.04
EPS (Rs.)	12.02	1.46
Dividend	30%	NIL

Y2K COMPLIANCE :- The Company has only computerised accounting operation for which necessary step have been taken to ensure Y2K compliance by September, 1999. The financial cost for the same is less than Rs. 1 Lac.

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.

Place : New Delhi
Dated : 31st August, 1999

For and on behalf of Board of Directors
GAJRAJ JAIN
CHAIRMAN CUM MANAGING DIRECTOR