

15th Annual Report 1999-2000



The Gangwal Group

CHANDRA PRABHU INTERNATIONAL LIMITED

BOARD OF DIRECTORS : MR. GAJRAJ JAIN

**CHAIRMAN CUM
MANAGING DIRECTOR**

:	Mr. Akash Jain	Executive Director
:	Mr. Kuldip Jain	Director
:	Mr. G. S. Sharma	Additional Director
:	Mr. Abhash Jain	Additional Director
:	Mr. S. C. Khaneja	Additional 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 & Jalandhar

15th ANNUAL GENERAL MEETING		
Date	:	25th August, 2000
Day	:	Friday
Time	:	11 A.M.
Place	:	A-4 Pushpanjali Farm Bijwasan, New Delhi-110 061



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NOTICE

Notice is hereby given that the **FIFTEENTH ANNUAL GENERAL MEETING** of the Members of **CHANDRA PRABHU INTERNATIONAL LTD.** will be held on Friday, the 25th August, 2000 at 11.00 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, 2000 and Balance Sheet as on that date.
2. To appoint a Director in place of Sh. Kuldeep 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 be and 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 branch offices of the company U/S 228 of the Companies Act, 1956 situated at Guwahati 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.

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

"To appoint a Director in place of Sh. G. S. Sharma who was appointed by the Board of Directors as Additional Director of the Company w.e.f. 24/6/2000 and who holds office upto the date of the forth coming Annual General Meeting of the Company U/S 260 of the Companies Act 1956 and who is eligible for the appointment and in respect of whom the Company has received a Notice in writing U/S 257 of the Companies Act 1956 from a member of the Company proposing his candidature for the office of Director of the Company."

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

"To appoint a Director in place of Sh. Abhash Jain who was appointed by the Board of Directors as Additional Director of the Company w.e.f. 24/6/2000 and who holds office upto the date of the forth coming Annual General Meeting of the Company U/S 260 of the Companies Act 1956 and who is eligible for the appointment and in respect of whom the Company has received a Notice in writing U/S 257 of the Companies Act 1956 from a member of the Company proposing his candidature or the office of Director of the Company."

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

"To appoint a Director in place of Sh. S. C. Khaneja who was appointed by the Board of Directors as Additional Director of the Company w.e.f. 24/6/2000 and who holds office upto the date of the forth coming Annual General Meeting of the Company U/S 260 of the Companies Act 1956 and who is eligible for the appointment and in respect of whom the Company has received a Notice in writing U/S 257 of the Companies Act 1956 from a member of the Company proposing his candidature or the office of Director of the Company."

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

"RESOLVED that in pursuant to provisions of Section 269, 309, 310 and 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the company hereby approves the appointment of Sh. Akash Jain as an Executive Director for a period of 5 years commencing from 24/06/2000 to 23/06/2005 on the following terms & conditions.

Salary : Rs. 10,000/- per month.

Perquisites :

- i) Medical Reimbursement : Expenses incurred for him and his family.

CHANDRA PRABHU INTERNATIONAL LIMITED



- ii) Club Fees : Fees of Club subject to a maximum of two clubs. This will not include life time membership fee and admission fees.
- iii) Car for official use and telephone at residence will be provided and will not be considered as perquisites. Personal long distance calls on Telephone and use of Car for private purposes shall be billed by the Company.

OTHER TERMS :

- i) The Executive Director is entitled to reimbursement of all actual Expenses including entertainment and travelling incurred in the course of company's business.
- ii) The Executive Director is entitled to avail fully paid leave as per the rules of the company.
- iii) The Executive Director is also entitled to the benefits under all other schemes, privileges and amenities as are granted to the senior executives of the company in accordance with the company's practice, Rules & Regulations in force time to time.

RESOLVED FURTHER THAT Sh. Akash Jain will be responsible for Administration, personnel & day to day operations of the Company.

RESOLVED FURTHER THAT the same salary and perquisites as mentioned herein above be paid to Sh. Akash Jain as minimum remuneration in the event of loss or inadequacy of profits in any financial year during the currency of his tenure as the Executive Director subject to the over all limit laid down in schedule XIII of the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time as minimum remuneration."

By order of the Board of Directors

New Delhi-6th July, 2000

Registered Office :

14, Rani Jhansi Road,
New Delhi - 110 055

Sd/-

(RAJESH AGRAWAL)
COMPANY SECRETARY

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 instrument appointing a proxy should be deposited at the Registered office of the company, not later than 24 hours before the meeting.
3. The Register of Members and Share Transfer books will remain closed from Wednesday, 16th August 2000 to Friday 18th August 2000 (Both days inclusive).
4. Member(s) desiring any information/explanations on Accounts are requested to inform 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 slip sent herewith, duly filled in to attend the Meeting.
6. **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

Item No. 4

The two branches of the Company situated at Guwahati and Bhatinda provides 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 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 branch auditors.

None of the Board of Directors of the company is concerned or interested in the resolution.

The Board of Directors recommend the resolution for approval of the Members.



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Item No. 5

Sh. G. S. Sharma who was appointed as Additional Director w.e.f. 24/06/2000 who holds office upto the conclusion of 15th Annual General Meeting and the company has received a Notice in writing U/S 257 of the Companies Act, 1956 from a member of the Company signifying his intention proposing the candidature of Sh. G. S. Sharma for the office of Director of the Company.

The Board of Directors also recommend his appointment as member of the Board in the interest of the company.

None of the Directors of the Company is concerned or interested in the resolution except Sh. G. S. Sharma who is proposed for appointment as Director.

Item No. 6

Sh. Abhash Jain who was appointed as Additional Director w.e.f. 24/06/2000 who holds office upto the conclusion of 15th Annual General Meeting and the company has received a Notice in writing U/S 257 of the Companies Act, 1956 from a member of the Company signifying his intention proposing the candidature of Sh. Abhash Jain for the office of Director of the Company.

An abstract of the terms & conditions of his appointment pursuant to Section 302 of the companies Act, 1956 has already been circulated amongst the members on 7th July, 2000.

The Board of Director also recommend his appointment as member of the Board in interest of the company.

Sh. Abhash Jain and his relatives Sh. Gajraj Jain & Sh. Akash Jain is concerned or interested in the resolution. No other director is concerned or interested in the resolution.

Item No. 7

Sh. S. C. Khaneja who was appointed as Additional Director w.e.f. 24/06/2000 who holds office upto the conclusion of 15th Annual General Meeting and the company has received a Notice in writing U/S 257 of the companies Act, 1956 from a member of the Company signifying his intention proposing the candidature of Sh. S. C. Khaneja for the office of Director of the Company.

The Board of Director also recommend his appointment as member of the Board in interest of the company.

None of the Directors of the Company is concerned or interested in the resolution except Sh. S. C. Khaneja who is proposed for appointment as Director.

Item No. 8

Sh. Akash Jain has been appointed as the Director of your Company since 10th September, 97. He is a graduate from the University of Delhi. He is currently handling responsibility as Director and has proven business acumen. He is instrumental behind the smooth functioning of the company. The consent of the company is needed to approve the appointment of Sh. Akash Jain as Executive Director on the terms mentioned in the resolution.

An abstract of the terms & conditions of the appointment of Sh. Akash Jain as Executive Director of the Company pursuant to Section 302 of the companies Act, 1956 has already been circulated amongst the members on 7th July, 2000.

The members are requested to accord their approval to the appointment of Sh. Akash Jain as Executive Director of the Company.

Sh. Akash Jain and his relative Sh. Gajraj Jain, and Sh. Abhash Jain, Directors of the Company are interested in the resolution. No other Director is interested in the said resolution.

By order of the Board of Directors

New Delhi-6th July, 2000

Registered Office :

14, Rani Jhansi Road,
New Delhi - 110 055

Sd/-

**(RAJESH AGRAWAL)
COMPANY SECRETARY**

CHANDRA PRABHU INTERNATIONAL LIMITED**DIRECTORS' REPORT****To the Members**

Your Directors have pleasure in presenting the Fifteenth Annual Report & Audited Statement of Accounts of the Company for the year ended 31st March, 2000.

FINANCIAL RESULTS

	(Rs. In Lacs) 1999-2000	(Rs. In Lacs) 1998-99
Turnover/Income from operations	2062.65	2347.93
Other Income	10.10	63.34
Profit Before Tax, Interest & Depreciation	65.28	105.24
Interest	36.21	35.07
Depreciation	8.97	10.32
Profit Before Tax	20.10	59.85
Provision for Taxation	9.95	5.75
Profit After Tax	10.15	54.10
Surplus brought forward	319.78	269.33
PROFIT AVAILABLE FOR APPROPRIATION	329.93	323.43
General Reserve	-	3.00
Tax Related to earlier year	6.13	0.65
Surplus Carried to Balance Sheet	323.80	319.78

BUSINESS OPERATIONS

Your Company has achieved a turnover of Rs. 2062.65 Lacs for the year ended March 31st, 2000, as compared to Rs. 2347.93 Lacs in the previous year. The profit after tax is Rs. 10.15 Lacs against Rs. 54.10 Lacs during the previous year. The fall in turnover & profit is due to sluggish market conditions as also due to overall fall in demand and margin were under pressure during the year. Further the export business has been closed and transferred to a 100% subsidiary company.

DIVIDEND

The Board of Directors do not recommend any dividend for the year ended 31st March, 2000 with a view to deploy the surplus funds in the business of the Company.

FUTURE PROSPECTS

The Company is making all its efforts to improve its profitability, turnover and various steps have been taken to minimise the cost. Import of Synthetic Rubber, started by the Company in previous year, is now resulting in good business opportunities. The Company is at present importing synthetic rubber from Korea, China, Indonesia, Italy etc. Negotiations with Poland, Iran, Argentina, USA, Brazil, Russia are going on. Further, to strengthen our market share, the Company has already opened a Branch at Jalandhar (Punjab) & also has plans to open Branches at Kanpur (U.P.) & Jaipur (Rajasthan). The company is also proposing to add to its existing products during the current year.

SUBSIDIARY

Chandra Prabhu Overseas Limited, a company registered under the Companies Act, 1956 having its registered office in the New Delhi has become the subsidiary of your Company during the year. Although Chandra Prabhu Overseas Ltd. has just started business and, the company has entered in Export market. As required under the provision of Section 212 of the Companies Act, 1956 the audited accounts along with the report of Board of Directors & Auditors of Chandra Prabhu Overseas Limited thereon for the year ended on 31st March, 2000 are annexed hereto.

DIRECTORS

1. Sh. J. C. Taneja, Director of the Company had expired on 20th December, 1999. Board has placed on record their deep appreciation for his valuable services & contributions made for the progress of Company.
2. Sh. Vikas Jain, Director of the Company has resigned from Board of Directors due to other commitments. Board has placed on record their appreciation for his valuable services & contributions made for the progress of Company.