

**CLARO INDIA LIMITED**



**14TH ANNUAL REPORT**

**1998-99**

**BOARD OF DIRECTORS**

SRI. A.K.KOTHARI - CHAIRMAN

SRI SURINDER WAZIR

SRI BHARAT MOHTA

SRI B.L. DAMANI

SRI B.G.LAHOTY

**AUDITORS**

MESSRS. D.L MEHTA & CO.,

CHARTERED ACCOUNTANTS, MUMBAI

**BANKERS**

BANK OF BARODA

DENA BANK

**REGISTERED OFFICE**

B-7 SIPCOT INDUSTRIAL COMPLEX

GUMMIDIPOONDI 601 201

TAMIL NADU STATE

**ADMINISTRATIVE OFFICE**

VI FLOOR

110 NELSON MANICKAM ROAD

AMINJIKARAI

CHENNAI 600 029

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## CLARO INDIA. LIMITED

Registered Office: B 7 SIPCCT INDUSTRIAL COMPLEX GUMMIDIPOONDI 601 201

### NOTICE CONVENING THE 14TH ANNUAL GENERAL MEETING

Notice is hereby given that the Fourteenth Annual General Meeting of the Shareholders of the Company shall be held on Wednesday, the 29th day of December 1999 at the Registered Office of the Company at 11.00 a.m. to transact the following business.

#### AS ORDINARY BUSINESS :

1. To consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March 1999 and the Profit and Loss Account of the Company for the year ended that date together with the report of the Directors and Auditors thereon.
2. To appoint a director in the place of Mr. Surinder Wazir, who retires by rotation and being eligible offers himself for re-election.

#### AS SPECIAL BUSINESS:

3. To consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution:

" **RESOLVED THAT** Shri Arun Kumar Kothari, an additional Director of the Company who holds office until the end of this meeting be and is hereby appointed as a Director, liable to retire by rotation."

4. To consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution:

" **RESOLVED THAT** Shri Bharat Mohta, an additional Director of the Company who holds office until the end of this meeting be and is hereby appointed as a Director, liable to retire by rotation."

5. To consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution:

" **RESOLVED THAT** Shri Bhawarlal Damani, an additional Director of the Company who holds office until the end of this meeting be and is hereby appointed as a Director, liable to retire by rotation."

6. To Consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution:

" **RESOLVED THAT** Shri Brij Gopal Lahoty be and is hereby appointed as a Director of the Company whose period of office shall not be liable to determination by retirement of Directors by rotation"

7. To Consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution:

"**RESOLVED THAT** pursuant to Sections 269 and any other applicable provisions read with Schedule XIII of the Companies Act, 1956, Shri Brij Gopal Lahoty, a Director of the Company be and is hereby appointed as Whole time Director designated as EXECUTIVE DIRECTOR of the Company from December 1, 1999 to March 31, 2002 on the terms and conditions set out in the Explanatory Statement attached to this notice"

8. To Consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution:  
 "RESOLVED THAT pursuant to Section 224(5) of the Companies Act, 1956, M/s. Ramadoss & Co., Chartered Accountants, Chennai, be and is hereby appointed as Auditors of the Company, in the place of retiring Auditors M/s D.L.Metha & Co., Chartered Accountants, Mumbai, to hold office till the conclusion of the next Annual General Meeting, at a remuneration as may be decided by the Board of Directors from time to time."
9. To Consider and if thought fit to pass the following resolution with or without modification(s) as Special Resolution:  
 "RESOLVED THAT approval be and is hereby accorded pursuant to section 163 of the Companies Act 1956, to keeping of the Register of Members, Index of Members, Share Transfer Registers and copies of all annual returns prepared under Section 159 and 160 of the Companies Act, 1956 together with the certificates and documents required to be annexed thereto under section 161 of the said Act in the Administrative Office of the Company situated at VI Floor, 110, Nelson Manickam Road, Aminjikarai, Chennai - 600 029 instead of the Registered Office of the Company.
10. To Consider and if thought fit to pass the following resolution with or without modification(s) as Ordinary Resolution:  
 "RESOLVED THAT pursuant to Section 293(1)(d) of the Companies Act, 1956 consent be and is hereby accorded to the Board of Directors of the Company to borrow monies on behalf of the Company from time to time by way of loans, advances, credits or otherwise, whether the same is secured or not, as may be deemed fit by the Board of Directors, not withstanding that the monies so borrowed together with the monies already borrowed, if any, (apart from the temporary loans obtained by the Company from its Bankers in the Ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company provided that the total amount so borrowed by the Board of Directors and outstanding at any time (apart from the temporary loans obtained by the Company from its Bankers in the Ordinary course of business) shall not exceed Rs.15 Crores (Rupees Fifteen Crores Only)".

By the order of the Board  
for CLARO INDIA LIMITED

PLACE : Calcutta

DATE : 30th November, 1999

A.K.KOTHARI  
CHAIRMAN

**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/herself and the proxy need not be a member. The proxy form duly stamped and executed should be deposited at the Administrative Office of the Company at VI Floor, 110, Nelson Manickam Road, Aminjikarai, Chennai 600 029 atleast forty-eight hours before the time for the commencement of the Meeting.
2. The Register of Members and Share Transfer Register of the Company will remain closed from 24th December, 1999 to 29th December, 1999 (both days inclusive).
3. Members are requested to communicate their change of address, if any quoting the respective folios.
4. The Members are requested to fill the enclosed attendance slip and deposit the same at the entrance of the Meeting hall.
5. Since the Company has not declared any dividend so far the question of remittance of unpaid dividend into General Revenue Account as per companies unpaid Dividend (Transfer to General Revenue Account of Central Government) Rules 1978, does not arise.

## ANNEXTURE TO THE NOTICE

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

## IN RESPECT OF ITEM NO.3,4 &amp; 5

G.D. Kothari Group of Companies, Calcutta has taken over the controlling interest of the Company effective from February 11, 1999 pursuant to the approval accorded by Securities Exchange Board of India (SEBI). Consequent upon the takeover Shri. A.K. Kothari, Shri Bharat Moha and Shri B.L. Damani were inducted as Additional Directors in Board Meeting held on 11th February, 1999 and they shall hold office till the conclusion of this Annual General Meeting. The company has received the notices in writing from members to appoint them as Directors at this meeting pursuant to section 257 of the Companies Act, 1956. Your Directors recommend these resolutions.

All the Directors mentioned above may be deemed to be interested in these resolutions.

## IN RESPECT OF ITEM NO.6 &amp; 7

Pursuant to Section 269, 198, 309 and any other applicable provisions read with Schedule XIII of the Companies Act, 1956 the Board of Directors have appointed Shri Brij Gopal Lahoty as Whole time Director designated as Executive Director of the Company through a Resolution passed on 29th October, 1999 for the period 1st December, 1999 to 31st March, 2002 at the remuneration mentioned herein below:

- 1 Salary :  
Rs. 25,000/- per month subject to such periodical increment as may be decided by the Board from time to time.
  - 2 Perquisites :  
Perquisites in Category 'A' shall be restricted to Rs. 1,00,000 only per annum.  
Category 'A'  
    - a) He will be paid a lump sum of Rs. 6,000 as Bonus
    - b) Medical Reimbursement and Leave Travel Concession :  
He will get reimbursement of Medical Expenses and Leave Travel Concession for himself and for his family subject to 10% of the Salary in accordance with the Rules framed by the Company.
    - c) Leave :  
He will get leave in accordance with the Rules of the Company.
    - d) Club Fees :  
He will be reimbursed fees of Clubs subject to a maximum of two Clubs. This will not include admission fees and/or life membership fees.
    - e) Personal Accident Insurance :  
Premium not exceeding Rs. 1,000 per annum.
- Category 'B'
- a) Contribution to Provident Fund will not be included in computation of ceiling on perquisites to the extent it is not taxable under the Income Tax Act, 1961.
  - b) Gratuity payable shall not exceed half a month's salary for each completed year of service subject to ceiling as prescribed in law.

Category 'C'

Provision of car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Wholetime Director designated as Executive Director.

3. In the event of loss or inadequacy of profit in any year, Sri Brij Gopal Lahoty will get the same remuneration as minimum remuneration in any such year.
4. The Wholetime Director designated as Executive Director so long as he functions as such shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

The appointment and remuneration payable to Sri. Lahoty as Wholetime Director designated as Executive Director, require the approval of the Shareholders in General Meeting in terms of Part III of Schedule XIII of the Companies Act 1956. Hence the resolution is moved for your approval.

None of the Directors other than Sri Brij Gopal Lahoty is interested in the aforesaid Resolution.

**IN RESPECT OF ITEM NO.8 :**

M/s. D.L. Mehta & Co., Chartered Accountants, Mumbai, the retiring auditors have conveyed their unwillingness to continue as Auditors of the Company. The Company has received a special notice pursuant to Section 225(1) of the companies Act, 1956 from a shareholder proposing the appointment of M/s. Ramadoss & Co., Chartered Accountants, Chennai as Auditors of the Company in the place of the retiring auditors. In this background your Directors are placing this resolution for your approval.

None of the Directors are interested in the above said resolution.

**IN RESPECT OF ITEM NO.9**

Approval of Members is required for keeping the Register of Members, Index of Members etc., at a place other than the Registered Office of the Company. The Company is proposed to keep the authorised records in its Administrative office at VI Floor, 110 Nelson Manickam Road, Aminjikarai, Chennai 600 029.

Your Directors are placing this Resolution for your approval.

None of the Directors of the Company is interested in the Resolution.

**IN RESPECT OF ITEM NO.10**

By a resolution passed in Annual General Meeting of the Company held on 11th September, 1995 the shareholders had accorded their consent to the Board of Directors to borrow money in excess of the paid up Capital and free reserves of the Company up to Rs.10 Crore apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business. In view of expansion of business activities, the company may be required to borrow in future even in excess of the said limit. It is therefore proposed to increase the borrowing limit to Rs.15 Crore for the smooth carrying of the business of the company. Hence the resolution is being proposed under section 293(1)(d) of the Companies Act, 1956.

None of the Directors is interested in this resolution.

By the order of the Board  
for CLARO INDIA LIMITED

PLACE : Calcutta

DATE : 30th November, 1999

**A.K.KOTHARI**  
CHAIRMAN