

datar

ANNUAL REPORT 2011

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datar switchgear limited

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Don't Use Electricity. Without Us.

BOARD OF DIRECTORS

K. R. GHASAS

(Executive Director)

SHOBHANA DATAR

KAMLESH MORARJI

M. G. VARADE

M. V. SHAH

ANIL SUPANEKAR

Nominee (IFCI)

D. P. CHAKRABORTY

Nominee (IIBI)

RAJAN DATAR

(Chairman & Managing Director)

COMPANY SECRETARY

H. J. MALESARIA

BANKERS

CORPORATION BANK, MUMBAI

BANK OF MAHARASHTRA, AMBAD, NASIK.

AUDITORS

M/S S. J. MENE & COMPANY

Chartered Accountant

REGISTRARS & SHARE TRANSFER AGENTS

DYNAMIC SUPERWAYS & EXPORTS LTD.

Rainbow Palace, I. C. Colony, Cross Road No. 5,
Borivali (W), Mumbai : 400103.

REGISTERED OFFICE

Datar Apartments, Commercial Complex,

Vakilwadi, Nasik : 422001.

CORPORATE OFFICE

F-8, D Road, M.I.D.C. Ambad, Nasik : 422010.

FACTORY

H-108, M.I.D.C. Ambad, Nasik : 422010.

NOTICE :**NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF**

DATAR SWITCHGEAR LIMITED, will be held at Hotel Green View, Trimbak Road, Nasik 422005 on Tuesday, 30th November, 1999 at 3.00 p.m. to transact the following business :

A. ORDINARY BUSINESS

1. To receive and adopt the Director's Report and Audited Profit and Loss Account for the financial year ended 31st March, 1999 and the Balance Sheet at that date.
2. To Appoint a Director in place of Mr. M. V. Shah who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint a Director in place of Mrs. S. R. Datar who retires by rotation and being eligible offers herself for re-appointment.
4. To Appoint Auditors and to fix their remuneration.

B. SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following Resolutions, with or without modifications, as Special Resolutions.

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof for the time being in force and as may be enacted hereafter) and subject to such approvals, permissions and sanction as may be necessary / required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for the voluntary delisting of the securities of the Company from the Stock Exchange Ahmedabad and New Delhi Stock Exchange association Limited, with effect from 1.4 1999 or from such date as may be fixed / Approved by the said Stock Exchanges."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to these Resolutions."

Notes :

- A) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- B) The Register of Members and Transfer Books of the Company will be closed from 25th November to 30th November 1999, both days inclusive.
- C) The relative Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under item No.5 above, is annexed hereto.
- D) Members desiring any information 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.
- E) Members / Proxies should bring the attendance slips sent herewith, duly filled in, for attending the meeting.
- F) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

Registered Office
Datar Apartments, Commercial Complex,
Vakilwadi, Nasik : 422001
Nasik, 15th October, 1999

By order of the Board of Directors
for DATAR SWITCHGEAR LIMITED

Rajan Datar
Chairman and Managing Director

Explanatory Statement

The following explanatory statement, pursuant to Sec. 173 of the Companies Act, 1956, set out all material facts relating to the business mentioned in the accompanying notice dated 15th October 1999

Item No.5

The securities of the Company are listed on Mumbai, Ahmedabad and New Delhi Stock Exchanges, ever since your company came out for the Public Issue of Equity Shares in the year 1994. Your Company has noted that there is not much trading volumes on Ahmedabad and New Delhi Stock Exchanges for a long period and consequently it has been decided to delist the Securities from Ahmedabad and New Delhi Stock Exchanges with effect from 1-4-1999 or from such date as may be fixed / approved by the said Ahmedabad and New Delhi Stock Exchanges. This is in line with the SEBI regulation for voluntary delisting of the Company's securities by the Company, for which members approval is sought by Special Resolutions. The proposed delisting of the Company's Securities on these Exchanges will not adversely affect any investor including the members located in the region where the said Stock Exchanges are situated and this will be in the financial interest of the Company as a part of its cost reduction measures and hence these Special Resolution for your approval.

None of the Directors of the Company is concerned or interested in the passing of these resolutions.

Registered Office
Datar Apartments, Commercial Complex,
Vakilwadi, Nasik : 422001
Nasik, 15th October, 1999

By order of the Board of Directors
for DATAR SWITCHGEAR LIMITED

Rajan Datar
Chairman and Managing Director

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DIRECTORS REPORT**Summary of Financial Results –**

	Previous Year Ended 31.03.1998	(Rs. in lacs) Current Year Ended 31.03.1999
Total Income	3588.37	3569.22
Total Expenditure	1959.46	2253.79
Interest	209.54	253.48
Gross Profit after Interest		
But before Depreciation	1419.37	1061.95
Depreciation	657.88	1466.17
Provision For Taxation	80.00	Nil
Net Profit/Loss	681.49	(404.22)

Your Company was awarded a major contract from Maharashtra State Electricity Board for manufacture, installation and commissioning of L.T. Load Management Systems on 27th March, 1997. The same was partly executed by the Company upto December 1998.

The contract is now in dispute and Company has invoked Arbitration Clause. The Company has been advised that, it has a STRONG CASE on Merits and in Law.

Due to the above circumstances, Company's Cash Flow planning collapsed and has affected payments of interest and principle to Financial Institutions, Banks and other Financers and also loss of substantial business opportunities.

The Directors of the Company have abstained from claiming any Salary or Bonus or Dividend due to this reason during the financial year as a token of their commitment.

DIVIDEND-

No Dividend is recommended in view of losses suffered by the Company during the financial year.

INCOME-TAX PROVISION-

In view of losses during the financial year, Company has not made any provision for Income Tax.

D-LISTING OF SECURITIES-

Your Company propose to D-List the securities of the Company from Ahmedabad and New Delhi Stock Exchanges for which you are requested to pass Special Resolution for the same.

Y2K PROBLEMS-

We are using a readymade Computer Software designed by Tata Consultancy Services named as "NEXT EX GENERATION" specially designed for Y2K problem. This is multi version having a strong base of Windows New Technology i.e. Windows NT Version 4.0. This Package has inbuilt facility of accepting the year 2000 which allows all the reports starting from date 01.04.1999 and ending with 31.03.2000. At present we are also maintaining parallel manual accounts for our records. All other Computer Systems are Y2-K complaint or indifferent.

HUMAN RELATIONS IN THE COMPANY-

The Company has sincerely acknowledges the outstanding contribution from all its members. Various schemes of mutual benefit have been initiated and implemented during the year.

DIRECTORS-

- (A) Mr. M. V. Shah and Mrs. S. R. Datar retire by rotation and being eligible offer themselves for re-appointment.
- (B) Mr. Anil Supanekar is appointed as a Nominee Director Of Industrial Finance Corporation Of India Ltd. and Mr. D. P. Chakraborty is appointed as a Nominee Director Of Industrial Investment Bank Of India Ltd. by the said Financial Institutions.

QUALIFICATIONS IN AUDITORS REPORT

1. Auditors Report Clause No.3 (a) regarding Lease Rental Payable and Hire Purchase Interest Payable as on 31st March, 1999 to the extent of Rs. 9.77 Crores and Rs.1.52 Crores respectively. It is clarified as under Company and respective Lessors / Owners have rescheduled an amount of Rs. 8.77 Crores against the Lease Rental Payable and Rs. 0.77 Crores towards Hire Purchase Interest Payable as on 31st March, 1999. Thus, the expenditure is not chargeable to the Profit and Loss Account. The balance amount of Rs.1.75 Crores is under negotiation for reschedulement with the concerned parties. Considering the above facts, it will not affect the Company's liabilities and losses to the extent of Rs.11.29 Crores as qualified in the Auditors Report.
2. Depreciation on L.T.Load Management Systems - Company has provided Depreciation @ 15% p.a. on 17294 Nos. of L.T.Load Management Systems, Capitalised as on 31st March, 1999. The contract with Maharashtra State Electricity Board sub-judice before Arbitration.
3. The Company has not made any provision pertaining to Dividend payable to its Directors.

REPORT UNDER SECTION 217 (2A)

Particulars of employees as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are annexed.

REPORT UNDER SECTION 217 (1) (e)

Information pursuant to 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, is given in the annexure to the report.

AUDITORS

The Auditors, M/s.S.J.Mene & Co. Retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment.

APPRECIATION

Your Directors wish to place on record their appreciation for the valuable co-operation received by the Company from its Bankers and Financial Institutions.

On Behalf of the Board of Directors

RAJAN DATAR

Chairman and Managing Director

Registered Office :

Datar Apartments, Commercial Complex,

Vakilwadi, Nasik - 422 001

Mumbai :

ANNEXTURE 'A' TO DIRECTORS' REPORT

Additional information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988.

A. Conservation of Energy :

The Company is not an energy intensive unit and therefore the costs of energy do not form a substantial part of the manufacturing costs. Every care is taken to avoid the wastage of electricity.

B. Technology Absorption :**1) Research and Development**

(a) Development of Amorphous Magnetic Materials.

(b) Optimization of Plastic Parameters.

2) Benefits derived as a result of this R & D –

(a) Cost Savings

(b) Lesser toxic waste

(c) Higher reliability of products

3) Future Plans

The focus for the next year is on utilization of existing technologies and expansion of the product range.

4) Expenditure on R & D

The expenditure on R & D during the financial year 1998-99 was Rs.2,05,226/-

Technology absorption, adaptation and innovation :

In brief, the efforts made towards technology absorption, adaptation and innovation have been :

(a) Improvement in product design

(b) Improvement in processes

(c) Introduction of advanced quality monitoring schemes

C. Foreign Exchange Earning & Outgo :

Total Foreign Exchange Earnings - 0

Total Foreign Exchange Outgo - Rs.915.45 lacs

Raw Material Import - Rs.915.45 lacs

Machinery Import - NIL

Annexure 'B' to Directors' Report

Statement under Sub-section (2A) of Section 217 of Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975

Name	Designation	Qualification	Exp.in Years	Date of Commencement	Age in years	Gross remuneration (Rs)	Last employment held
R. B. Datar	Chairman & Managing Director	B.Sc.(Hons)	14	July 1984	40	21,00,000/-	—
K. R. Ghaisas	Executive Director	B.E.(Civil)	33	April 1988	62	15,00,000/-	M/s.Uttam Singh Duggal & Co.Pvt.Ltd. Delhi

Notes :

1. Nature of employment is contractual for all employees. Other terms and conditions are as per Company's rules.
2. Gross remuneration comprises Salary, HRA and Provident Fund.

On Behalf of the Board of Directors

Rajan Datar

Chairman and Managing Director

Mumbai : 15th October, 1999

8, Indus Apartments
Near Ved Mandir,
Trimbak Road,
Nashik - 422 002.

S.J.Mene & Co.
Chartered Accountant

AUDITOR'S REPORT TO THE MEMBERS OF DATAR SWITCHGEAR LIMITED.

I have audited the attached Balance-Sheet of Datar Switchgear Limited, as on 31st March, 1999 and also the Manufacturing and Profit & Loss Account of the Company for the year ended on that date, annexed thereto :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, I annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to my Comments in the annexure referred to in paragraph 1 above, I report that :
 - a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit.
 - b) In my opinion, proper books of accounts as required by law have been kept by the company so far as it appears from my examination of the books.
 - c) The Balance Sheet and Profit & loss Account dealt with by this report are in agreement with the books of accounts.
3. In my opinion and to the best of my information, knowledge and belief and according to the explanations given to me, and subject to the comments and qualifications made as under :-
 - a) Company has not accounted for the Lease Rent payable and Hire Purchase Interest Payable as on 31.03.99 to the extent of Rs.9.77 Crores and Rs.1.52 Crores respectively. If the same would have been accounted for, the loss of the company would have been increased by Rs.11.29 Crores and unsecured liabilities would have been increased by Rs. 11.29 Crores.
 - b) Company has not made sufficient provision for payment of unclaimed dividend. This does not affect the profitability of the company.
 subject to above, the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i) in the case of Balance Sheet, of the state of affairs of the Company as at March 31st, 1999, and
 - ii) in case of the Profit & Loss Account, of the Loss of the Company for the year ended on that date.
4. In my opinion and to the best of my information the Balance Sheet and the Profit & Loss Account comply with Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

Place : Nashik
Date : 15th October, 1999

For S. J. Mene & Co.
S. J. Mene
(Proprietor)
Chartered Accountant
Membership No.33345