

# **DHANLAXMI COTEX LIMITED**



## **13 th ANNUAL REPORT**

**1998-99**

**DHANLAXMI COTEX LIMITED****13TH ANNUAL REPORT**

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## DHANLAXMI COTEX LIMITED

### 13TH ANNUAL REPORT

#### Board of Directors

Shri Ramautar Jhawar - Chairman & Managing

Shri Mahesh Jhawar

Shri Bhanwarlal Sharda

#### Bankers

Bank of India

Bank of Baroda

State Bank of Travancore

The Vaibhav Co-op Bank Ltd.,

Syndicate Bank.

Tamilnadu Mercantile Bank Ltd.

The Nedungadi Bank Ltd.

#### Auditors

M/s. S.G. Kabra & Co.

Chartered Accountants

Wavell House, 1st Floor,

1st Dhobi Talao Lane,

Mumbai - 400 002.

#### Registered & Administrative Office

285, Princess Street,

C.J. House, 2nd Floor,

Mumbai - 400 002.

#### Works

Sector B-2/15/16;

Parvati Co-op. Industrial Estate,

Post Yadrav, Tal. Shirol

Dist. KOLHAPUR (M.S.)

## **DHANLAXMI COTEX LIMITED.**

### **NOTICE**

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of the Company will be held

At : 285, Princess Street, 2nd Floor, Mumbai - 400 002.  
on : Saturday, September 25th, 1999 at 4.00 P.M.  
to transact the following business :

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Bhanwarlal Sarda, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

#### **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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Proxies in order to be valid, shall be deposited at the Registered Office of the Company at least 48 hours before the Annual General Meeting.

2. The Register of the Members and Share Transfer Books of the Company shall remain closed from Monday, 20th September, 1999 to Saturday 25th September, 1999 (Both days inclusive).
3. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
4. Any query relating to the accounts should be notified to the Company at least 7 days before the date of Annual General Meeting.

By Order of the Board,

Place : Mumbai.  
Dated : 10th August, 1999

Ramautar Jhavar  
Chairman & Managing Director

REGISTERED OFFICE :  
285, Princess Street,  
2nd Floor, Chaturbhuj Jeevandas House,  
Mumbai - 400 002.

**DHANLAXMI COTEX LIMITED****DIRECTORS' REPORT**

The Directors have pleasure in presenting the Thirteenth Annual Report on the business operations of the Company alongwith their Statement of Audited Accounts for the year ended 31st March, 1999.

**FINANCIAL RESULTS :-**

	Rs. in Lakhs	
	1998-99	1997-98
Sales and Other Income	9481.46	2733.43
Profit before Depreciation	63.66	68.94
Less : Depreciation	11.04	6.60
Profit before Tax	52.62	62.34
Less : Provision for Tax	17.07	21.70
Profit after Tax	35.55	40.64
Add : Balance brought forward from last year	55.91	15.27
Balance Carried forward to Balance Sheet	91.46	55.91

**OPERATIONS :**

The Income from Operations for the financial year under review amounted to Rs. 9481.86 Lacs registering an increase of approx. 246% over the previous year. The Company has earned Profits after Tax of Rs. 35.55 Lacs for the year under review after providing for Depreciation of Rs. 11.04 Lacs and Taxation of Rs. 17.07 Lacs.

Barring unforeseen circumstances. Your Directors are optimistic that the Company would be able to report better performance during the current year.

**DIVIDEND :**

The Board of Directors has decided to plough back the profits and accordingly, has not recommended any dividend for the year ended 31st March, 1999.

**MEASURES FOR Y2K COMPLIANCE :**

The Company has carried out a study of various operations, processes and functions that could be affected due to the year 2000 problem. The study revealed that there would be no system problem, as corrective measures are already in progress. The work carrying out the replacement/upgradation of software and hardware systems wherever necessary for the Y2K compliance, will be completed on schedule and the cost in this regard will not be material.

## **PREFERENTIAL ISSUE OF SHARES :**

With a view to augment long term financial resources required for strengthening the marketing and administrative setup to have an edge over the competitors, your Company made a preferential issue of 8,30,000 Equity Shares of Rs. 10/- each for cash at a premium of Rs. 50/- per share aggregating Rs. 4,98,00,000/- to promoters and/or bodies corporate. The allotment of said shares was made on 19th March, 1999.

## **DIRECTORS :**

Mr. Bhanwarlal Sarda, Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

## **AUDITORS :**

The Auditors, M/s. S. G. Kabra & Co., Chartered Accountants retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

## **AUDITORS REPORT :**

Observations made in the Auditors Report are self explanatory and therefore, do not call for any further comments under Sections 217(3) of the Companies Act, 1956.

## **FIXED DEPOSITS :**

During the year under review, the Company has not accepted/renewed any deposits within the meaning of the Section 58A of the Companies Act, 1956 and rules made there under.

## **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND AND FOREIGN EXCHANGE EARNING AND OUTGO :**

Particulars as required under Section 217 ( 1 ) ( e ) of the Companies Act, 1956 read with Companies ( Disclosure of particulars in the Report of Board of Directors ) Rules, 1988 are given in the statement annexed to and forming part of this Report as Annexure I

## **PERSONNEL :**

During the year under review, the company did not have any employees in receipt of remuneration of Rs. 3,00,000/- or more per annum if employed for the whole year or Rs. 25,000/- or more per month if employed for part of the year.

## **ACKNOWLEDGMENTS :**

The Board places on record its gratitude to the Company's valued Customers, Bankers, Financial Institutions and Members for their support and confidence in the Company.

The Board also wishes to place on record its appreciation for the devoted services rendered by the employees of the Company at all levels.

On behalf of the Board of Directors

Place : Mumbai

Dated : 10th August, 1999.

Ramautar Jhawar  
Chairman & Managing Director

## Annexure - I to Directors' Report

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo :-

Information in accordance with the Companies (Disclosure of Particulars in the Report of Board of Director's Rules, 1988 is furnished hereunder :

#### A) Conservation of Energy :

Form disclosure of particulars with respect to conservation of energy :

##### (a) Power Consumption

	Year Ended 31-03-1999	Year Ended 31-03-1998
1. Electricity		
(a) Purchased		
Current Year/Previous Year)		
UNIT	0.00	136763.00
Total Amount ( Rs.)	223167.00	140253.00
Rate per Unit ( Rs.)	0.00	1.03
(b) Own Generation	—	—
(i) Through Diesel Generator	—	—
Units (kwh)	—	—
Unit per Ltr. of Diesel Oil Cost/Unit ( Rs.)	—	—
(ii) Through Steam Turbine/Generator	—	—
Units (kwh)	—	—
Unit per Ltr. of Fuel Oil/Gas Cost/Unit ( Rs.)	—	—
2. Coal (Specify quality and where used)	—	—
Quantity (Tonnes)	—	—
Total Amount ( Rs.)	—	—
Average Rate ( Rs. / Tonne)	—	—
3. Furnace Oil	—	—
Quantity (K.Ltrs.)	—	—
Total Amount ( Rs.)	—	—
Average Rate ( Rs. / K.Ltr.)	—	—
4. Others/Internal generation (Please give details)	—	—
Quantity	—	—
Total Amount ( Rs.)	—	—
Rate per unit	—	—

## b. Consumption per unit of Production

Standards (if any)

Current Year (1)

Previous Year (2)

Products (with) details unit

Cloth (Production)

254682.80

211885.92

Electricity

223167.00

140253.00

Consumption per meter

0.88

0.68

Furnace Oil

Coal (specify quality)

Others (specify)

During the year the Company had strict control on wasteful electrical consumption. Lights and power are switched off wherever not necessary.

**B) Technology Absorption :**

The Company does not use any technology for its existing business.

**C) Foreign Exchange Earnings & Outgo :**

There was no foreign exchange earnings or outgo by way of either export, imports or expenses.

For and on behalf of the Board,

Place : Mumbai

Dated : 10th August, 1999.

Ramautar Jhawar

Chairman &amp; Managing Director

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## AUDITORS' REPORT

TO  
The Shareholders,  
DHANLAXMI COTEX LIMITED.  
MUMBAI.

We have audited the attached Balance Sheet of DHANLAXMI COTEX LIMITED, as at 31st March, 1999 and also the annexed Profit & Loss Account together with the schedules attached thereto, of the Company for the year ended on that date and report that :

(A) As required by the manufacturing and other companies (Auditor's Report) order, 1999 issued by the Company Law Board in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such checks of books and records as were considered appropriate and according to the information and explanations given to us during the course of audit, we give below a statement of the matters specified in the paragraphs 4 & 5 of the said order.

1. The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets. These fixed assets have been physically verified by the management at reasonable intervals and no discrepancy was noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. The Management has conducted physical verification at reasonable intervals in respect of finished goods, stores, spare parts and raw materials.
4. The procedures of physical verification of stock followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
5. No significant discrepancy has been noticed on physical verification of stocks as compared to book records and the same has been properly dealt with in the books of account.
6. On the basis of our examination of stocks and in our opinion, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles, and it is on the same basis as in the preceding year.
7. The Company has not taken loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956 (1 of 1956) and / or from the companies under the same management as defined under the same management as defined under section 370 (1B) of the Companies Act, 1956.

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