
ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

EIGHTEENTH ANNUAL REPORT

Report  www.reportjunction.com
1998-99

ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

BOARD OF DIRECTORS

- 1. RITA M CHOKSI CHAIRPERSON**
- 2. SHAILESH C CHOKSI**
- 3. ASHISH A CHOKSI**
- 4. HEMENDRA N SHAH**
- 5. SHASHIKANT M LIMDI**

AUDITORS

**M/S KAMELSH T MODY & COMPANY
CHARTERED ACCOUNTANTS
18/19, DHANVANTRI BHUVAN
143-B, AUGUST KRANTI MARG,
MUMBAI 400 036**

BANKERS

**CENTRAL BANK OF INDIA
NARIMAN POINT BRANCH
210, NARIMAN POINT,
MUMBAI 400 021.**

**BANK OF BARODA
NARIMAN POINT BRANCH
210, NARIMAN POINT,
MUMBAI 400 021.**

REGISTERED OFFICE

**PLOT NO A-8, MAROL INDUSTRIAL ESTATE,
OFF M I D C CROSS ROAD-B, STREET NO.5,
ANDHERI (EAST), MUMBAI 400 093.**

ELF TRADING AND CHEMICALS MANUFACTURING LIMITEDNOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Company will be held at Nirmal, 5th Floor, Nariman Point, Mumbai 400 021, on Monday, the 30th August, 1999, at 3.00 P.M. to transact, with or without modifications, as may be permissible, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Accounts for the year ended 31st March, 1999, and reports of Directors and Auditors.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri Shailesh C Choksi who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Ashish A Choksi who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and if thought fit to pass, with or without modifications, as may be permissible, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to M/s. Kamlesh T. Mody & Co., Chartered Accountants, Mumbai, to hold office from the conclusion of the ensuing Annual General Meeting of the Company till the conclusion of the next Annual General Meeting as an Auditor of the Company and/or for rendering any other professional services at such remuneration and on such terms and conditions as may be agreed upon between them i.e. between the auditors and the Board of Directors."

BY ORDER OF THE BOARD

RITA M CHOKSI
CHAIRPERSON

MUMBAI:

DATED: 28TH MAY 1999

Registered Office:

Plot No.A-8, Marol Industrial Estate,
off M.I.D.C., Cross Road-B, Street No.5,
Andheri (East), Mumbai 400093.

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 such proxy need not be a member.
2. An Explanatory Statement under Section 173 of the Companies Act, 1956, relating to the special business to be transacted at the meeting is appended hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from the 19th August, 1999, to 30th August, 1998, (both days inclusive).
4. The Dividend, if sanctioned at the Annual General Meeting will be made payable to those Shareholders whose names stand on the Company's Register as on 30th August, 1999.



ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the item of Special Business set out in annexed Notice.

Item No. 5

Shri Kamlesh T. Mody, Proprietor of M/s. Kamlesh T. Mody & Co., Chartered Accountants, Mumbai, and the retiring auditor of our Company is related to Smt. Rita M. Choksi, a Director on the Board of the Company. Pursuant to Section 314(1) of the Companies Act, 1956, consent of the shareholders is required to be accorded at the Annual General Meeting of the Company for appointment of Shri Kamlesh T. Mody, Proprietor of M/s. Kamlesh T. Mody & Co., Chartered Accountants, Mumbai, as an Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. It will be in the interest of the Company to appoint him as an Auditor of the Company.

The Board of Directors recommend the resolution for your approval.

Shri Kamlesh T. Mody is related to Smt. Rita M. Choksi a Director on the Board of the Company and to that extent Smt. Rita M. Choksi may be deemed to be concerned or interested in the Resolution. None of the other Directors on the Board of the Company, in any way, concerned or interested in the said resolution.

Report Junction.com

BY ORDER OF THE BOARD

RITA M CHOKSI
CHAIRPERSON

MUMBAI:

DATED: 28TH MAY 1999

Registered Office:

Plot No. A-8, Marol Industrial Estate,
off M.I.D.C., Cross Road-B, Street No. 5,
Andheri (East), Mumbai 400093.

DIRECTOR'S REPORT

The Members,
Elf Trading & Chemicals Manufacturing Limited

Your Directors have pleasure in presenting the Eighteenth Annual Report together with the audited Statement of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS:

	1998-99	1997-98
	Rs.	Rs.
Net profit before tax	19,49,732.14	20,31,860
Less: Provisions for taxation	1,60,000.00	2,30,000
Net profit after tax	17,89,732.14	18,01,860
Add: Balance brought forward from last Balance Sheet	89,24,564.41	81,48,218
Add: Excess provisions for income written off	-	120
	89,24,564.41	81,48,338
	1,07,14,296.55	99,50,198
Less: Short Provision for taxation written off	939.00	634
	1,07,13,357.55	99,49,564
Less: Provision for diminution in value of investments	81,250.00	-
Less: Proposed dividend on equity shares	7,50,000.00	7,50,000
Less: Corporate dividend tax	82,500.00	75,000
Less: Transfer to General Reserve	2,00,000.00	2,00,000
	11,13,750.00	10,25,000
Balance carried to Balance sheet	95,99,607.55	89,24,564

DIVIDEND:

Your Directors recommend for consideration of the members declaration of dividend @Rs.5.00 per share on 1,50,000 equity shares of Rs.10/- each, absorbing Rs.7,50,000/- for the year ended 31st March, 1999.

SUBSIDIARY COMPANIES:

As required under Section 212 of the Companies Act, 1956, the accounts of the Subsidiary of the Company is annexed.

Y2K COMPLIANCE:

The Company is not relying on major Computerised System excepting maintainance of Accounts. The Company is taking steps to review the computerised system and make correction wherever necessary to make it in compliance with year 2000 conversion problem (Y2K). It is expected that this excercise will be completed by 31st July 1999.

....2

-2-

FIXED DEPOSITS:

The Company has not accepted any deposits from the public.

EMPLOYEES:

There are no employees drawing any remuneration over Rs.50,000/- per month or Rs.6.00,000/- per annum.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has no manufacturing activity and therefore, the disclosure of particulars as required under Section 217 (1)(e) of the Companies Act, 1956, in so far as it relates to the Conservation of Energy and Technology Absorption is not applicable. The Company has no Foreign Exchange Earnings and Outgo during the year.

DIRECTOR:

Shri Shailesh C. Choksi and Shri Ashish A Choksi retires by rotation and being eligible, offer themselves for reappointment.

AUDITOR:

The Company's Auditor M/s Kamlesh T. Mody & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer himself for reappointment.

FOR AND ON BEHALF OF THE BOARD

RITA M CHOKSI
CHAIRPERSON

MUMBAI:

DATED:28TH MAY 1999

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of ELF TRADING AND CHEMICALS MANUFACTURING LIMITED as at 31st March, 1999 and also the annexed Profit & Loss Account of the Company for the year ended on that date and report that:

1. a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account, as required by law have been kept by the Company, so far as it appears from our examination of the books;
- c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
- d) In our Opinion,
 - i) the Balance Sheet and Profit and Loss Account are in conformity with Accounting Standards made applicable by the Institute of Chartered Accountants of India and as referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - ii) there has been no material deviation from the accounting policies consistently followed by the Company;
 - iii) the accounting treatment of the items in the Balance Sheet and Profit & Loss Account are appropriate.
- e) In our opinion and to the best of our information and according to the explanations given to us, the accounts together with the notes, give the informations required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1999
and
 - ii) in the case of the Profit & Loss Account of the profit for the year ended on that date.
2. 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, we report on the matters specified in paragraph 4 and 5 of the said order to the extent it is applicable:

....2

-2-

- a) The Company is maintaining proper record showing full particulars including quantitative details & situation of fixed assets. All the assets have been physically verified by the Management from time to time, which in our opinion is reasonable.
- b) None of the fixed assets have been revalued during the year.
- c)
 - i. The Stock of finished goods have been physically verified by the management during the year.
 - ii. In our opinion and according to the information and explanations given to us, the procedure of physical verification of stock followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
 - iii. In our opinion, the discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
 - iv. In our opinion, the valuation of the above mentioned stock is fair and proper, in accordance with the normally accepted accounting principles.
- d) The Company has not granted any loan and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- e) The Company has not taken any loans, secured or unsecured from companies, firms or parties listed in the register maintained under Section 301 of the Companies Act, 1956, and/or from Companies under the same management as defined under Section 370(1-8) of the Companies Act, 1956.
- f) Except for an interest free loan to Subsidiary Company, the Company has not granted any loans, secured or unsecured, to companies, firms or parties listed in the register maintained under Section 301 of the Companies Act, 1956, and/or to Companies under the same management as defined under sub (18) of Section 370 of the Companies Act, 1956.
- g) The parties to whom loans and advances in the nature of loans have been given by the Company are repaying the Principal amounts as stipulated and are also regular in payment of interest, if any.

....3

-3-

- h) In our opinion and according to the information and explanations given to us, there are adequate internal controls procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets as well as finished goods and for the sale of goods.
- i) According to the information and explanations given to us, the transaction of purchase and sale of goods, made in pursuance of contracts or arrangements entered in the Register maintained under section 301 aggregating during the year to Rs.50,000/- or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices available with the Company for such goods or the prices at which transactions for similar goods have been made with other parties.
- j) In our opinion and according to the information and explanations given to us, the Company has a regular procedure for determination of unserviceable or damaged finished goods and necessary provision for the loss has been made in the books of accounts.
- k) The Company has not accepted any fixed deposits from the public and consequently the provisions of Section 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975, are not applicable.
- l) The provisions of Section 209 (1) (d) of the Companies Act, 1956 regarding maintenance of cost records are not applicable to the Company as there is no manufacturing activity during the year.
- m) According to the information and explanations given to us, the provisions of the Provident Fund Act and the Employees State Insurance Act are not applicable to the Company.
- n) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income tax, Sales tax, which have remained outstanding as at 31st March, 1999 for a period of more than six months from the date they became payable.

....4