

---

**ELF TRADING AND CHEMICALS  
MANUFACTURING LIMITED  
TWENTY-FIFTH ANNUAL REPORT  
2005 - 2006**

---

Report  Junction.com

## **ELF TRADING AND CHEMICALS MANUFACTURING LIMITED**

### **BOARD OF DIRECTORS**

- |                              |                 |
|------------------------------|-----------------|
| <b>1. ASHISH A CHOKSI</b>    | <b>CHAIRMAN</b> |
| <b>2. SHAILESH C CHOKSI</b>  |                 |
| <b>3. MAHENDRA C CHOKSI</b>  |                 |
| <b>4. HEMENDRA N SHAH</b>    |                 |
| <b>5. SHASHIKANT M LIMDI</b> |                 |

### **AUDITORS**

**M/S KAMLESH T MODY & COMPANY**  
**CHARTERED ACCOUNTANTS**

### **BANKERS**

**H D F C BANK LIMITED**

**CENTRAL BANK OF INDIA**

### **REGISTERED OFFICE**

**202/203, MAGNUM OPUS,  
SHANTINAGAR INDUSTRIAL ESTATE,  
VAKOLA, SANTACRUZ (E),  
MUMBAI 400 055.**

**ELF TRADING AND CHEMICALS MANUFACTURING LIMITED**

**NOTICE**

NOTICE is hereby given that the Twenty - Fifth Annual General Meeting of the Members of Elf Trading & Chemicals Manufacturing Limited will be held on Monday, 31 July, 2006 at 3.00 P.M. at its Registered Office at 202/203, Magnum Opus, Shantinagar Industrial Estate, Vakola, Santacruz (East), Mumbai 400 055 to transact the following business:

**ORDINARY BUSINESS:**

1. To Consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2006 and the Profit and Loss account of the Company for the year ended 31<sup>st</sup> March 2006 and the report of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Mahendra C. Choksi who retires by rotation and being eligible, offer himself for reappointment.
4. To appoint a Director in place of Mr. Hemendra N. Shah who retires by rotation and being eligible, offer himself for reappointment.
5. To appoint Auditors and fix their remuneration.
6. To appoint Mr. Bhupendra K. Shroff, Secretary in practice, as Secretarial Auditor and fix their remuneration.

BY ORDER OF THE BOARD

ASHISH A CHOKSI  
CHAIRMAN

MUMBAI:

DATED: 20<sup>TH</sup> JUNE 2006

Registered Office:  
202/203, Magnum Opus,  
Shantinagar Industrial Estate,  
Vakola, Santacruz (East),  
Mumbai 400 055.

**ELF TRADING AND CHEMICALS MANUFACTURING LIMITED**

**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. The proxy in order to be effective should be duly stamped completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
2. Register of Members and Transfer Books of the Company will remain closed during Monday, 24<sup>th</sup> July 2006 to Monday 31<sup>st</sup> July 2006 (both days inclusive) in connection with Annual General Meeting.
3. The Equity dividend for the year ended 31<sup>st</sup> March 2006 as recommended by the Board, if sanctioned at the meeting, will be paid on or after 31<sup>st</sup> July 2006, to those members whose names appear in the Company's Register of Members on 31<sup>st</sup> July 2006.
4. Pursuant to the provisions of Section 205A(5) and Section 205C of the Companies Act, 1956, dividend for the financial year ended 31<sup>st</sup> March 1999 and thereafter which remains unclaimed or unpaid for a period of 7 years from the date they became due for payment, will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government. Shareholders who have not so far encashed the dividend cheques are requested to seek revalidation of the same.

The Members,  
**ELF TRADING AND CHEMICALS MANUFACTURING LIMITED**

Your Directors having pleasure in presenting the Twenty – Fifth Annual Report together with audited Statement of Accounts for the year ended 31<sup>st</sup> March 2006.

**FINANCIAL RESULTS:**

	2005-2006 Rs.	2004-2005 Rs.
Net profit before tax	23,77,925.61	13,70,012
<u>Add/(Less):</u> Provision for taxation	(9,000.00)	(1,000)
<u>Add/(Less):</u> Adjustment of deferred tax	(60,900.00)	3,54,439
<u>Add/(Less) :</u> Fringe benefit tax paid	(800.60)	-
<u>Add/(Less) :</u> Security transaction tax paid	(399.00)	-
Net profit after tax	23,06,826.61	13,69,012
<u>Add/(Less):</u> Balance brought forward from last Balance Sheet	1,15,95,551.61	1,12,08,643
<u>Add/(Less):</u> Adjustment of taxes for earlier years	14,281.78	(36)
<u>Add/(Less):</u> Adjustment of income/expenses of previous year	(410.00)	1,733
<u>Add/(Less):</u> Provision for diminution in value of investments	1,79,329.00	(5,89,608)
<b>DISPOSABLE PROFIT</b>	<b>1,40,95,579.00</b>	<b>1,23,44,183</b>

**DISPOSAL OF ABOVE PROFIT**

Dividend	5,25,000.00	5,25,000
Corporate Dividend Tax	73,632.00	73,632
Transfer to General Reserve	2,40,000.00	1,50,000
Balance carried to Balance Sheet	1,32,56,947.00	1,15,95,551
	<b>1,40,95,579.00</b>	<b>1,23,44,183</b>

**OPERATION:**

During the year under review, the Company has sold 376.97 MTs of various products earning a revenue of Rs.123.19 lacs against previous year sales of 529.57 MTs earning a revenue of Rs.216.11 lacs. A higher output of oilseeds resulted into abundant suppliers which in turn affected the Company's sales volume as well as value.

**DIVIDEND:**

The Directors recommend to the Annual General Meeting the declaration of dividend for the year ended 31<sup>st</sup> March 2006, Rs.3.50 per share (Previous Year Rs.3.50 per share) on 1,50,000 Equity Shares of Rs.10/- each absorbing Rs.5,98,632/- (including corporate dividend tax of Rs.73,632/-)

**SUBSIDIARY COMPANY:**

As required under section 212 of the Companies Act, 1956, the Audited statement of accounts alongwith the reports of Board of Directors and Auditors of the subsidiary company for the year ended 31<sup>st</sup> March 2006 is annexed.

**CONSOLIDATED BALANCE SHEET:**

Pursuant to Accounting Standard AS – 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of its subsidiary.

**FIXED DEPOSITS:**

The Company has not accepted any deposits from the public.

**EMPLOYEES:**

There are no employees drawing any remuneration over Rs.2,00,000/- per month or Rs.24,00,000/- per annum.

**RETIREMENT OF DIRECTORS:**

Mr. Mahendra C. Choksi who was appointed to fill the casual vacancy caused by the resignation of Mrs. Rita M. Choksi and Mr. Hemendra N. Shah retire by rotation and being eligible, offer themselves for reappointment.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- a) That in preparation of the accounts for the financial year ended 31<sup>st</sup> March 2006, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b) That the Directors have selected such accounting policies and applied them Consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year and of Profit and Loss of the Company for the year ended under review;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the accounts for the financial year ended March 31, 2006 on a "going concern" basis.

**AUDITORS' REPORT:**

With reference to the note referred by the Auditors, the Company till now had considered various companies referred to in the notes, as companies under the same management / group. The Company's Solicitors have opined that on a strict interpretation of provisions of section 370, companies referred to in the notes cannot be considered as companies under the same management / groups.

**AUDITORS:**

The Company's Auditors M/s. Kamlesh T. Mody & Company, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

Your Directors commend their appointment for the ensuing year.

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

The Company has no manufacturing activity and therefore, the particulars required to be furnished by the Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988, in so far as it relates to the conservation of Energy and Technology Absorption is not applicable. The Company has no Foreign Exchange Earnings & Outgo during the year.

**COMPLIANCE CERTIFICATE:**

Your Company does not attract the provisions pertaining to Corporate Governance as stipulated under Clause 49 of Listing Agreement with the Stock Exchange, Mumbai, therefore the question of obtaining a certificate from Auditors of the Company does not arise.

**SECRETARIAL COMPLIANCE CERTIFICATE:**

In accordance with the provisions of Section 383A of the Companies Act, 1956, a certificate from Mr. Bhupendra K. Shroff, Practising Company Secretary, certifying that the Company has complied with all the provisions of the Companies Act, 1956 is given in the annexure and forms part of this report.

FOR AND ON BEHALF OF THE BOARD

ASHISH A CHOKSI  
CHAIRMAN

MUMBAI:

DATED : 20<sup>TH</sup> JUNE 2006

Registered Office:  
202/203, Magnum Opus,  
Shantinagar Industrial Estate,  
Vakola, Santacruz (East),  
Mumbai 400 055.

### ANNUAL GENERAL MEETING

Date: Monday, 31<sup>st</sup> July, 2006  
Venue: 202/203, Magnum Opus, Shantinagar, Vakola, Santacruz (E), Mumbai 40 1055  
Time: 15.00 hours

### FINANCIAL CALENDER

Financial year: 1 April to 31 March

For the year ended 31<sup>st</sup> March 2006, results were announced on:

- Thursday, 28<sup>th</sup> July 2005 : First Quarter
- Friday, 28<sup>th</sup> October 2005 : Half Yearly
- Friday, 27<sup>th</sup> January 2006 : Third Quarter
- Tuesday, 20<sup>th</sup> June 2006 : Fourth Quarter and Annual

For the year ending 31<sup>st</sup> March 2007, results will be announced on:

- On or around Friday, 28<sup>th</sup> July 2006 : First Quarter
- On or around Friday, 27<sup>th</sup> October 2006 : Half Yearly
- On or around Tuesday, 30<sup>th</sup> January 2007 : Third Quarter
- On or around Tuesday, 26<sup>th</sup> June 2007 : Fourth Quarter and Annual

### Book Closure

The dates of Book Closure are from Monday, 24<sup>th</sup> July 2006 to Monday 31<sup>st</sup> July 2006, inclusive of both days.

### Dividend Date

A final dividend of Rs.3.50 (35 per cent dividend) per share has been recommended by the Board of Directors on 20<sup>th</sup> June 2006 and, subject to approval from the shareholders at the Annual General Meeting, will be paid on or after 31<sup>st</sup> July 2006.

### Listing

The Company's shares are listed on The Stock Exchange, Mumbai. The stock exchange codes assigned to your Company's shares at The Stock Exchange, Mumbai is 4387.

### Distribution of shareholding by ownership

Category	No. of Shares held	Percentage of Shares held
Directors, relatives and associates	137600	91.73
Individuals	12350	8.24
Domestic Companies	50	0.03
<b>Total</b>	<b>150000</b>	<b>100.00</b>

**Distribution of shareholding by number of shares held**

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 - 100	28	41.79	2000	1.33
101 - 200	2	2.99	350	0.23
201 - 500	16	23.88	5750	3.83
501 - 2000	10	14.93	11200	7.47
2001 - 5000	5	7.46	17700	11.80
5001 - 10000	1	1.49	6800	4.53
10001 and above	5	7.46	106200	70.80
<b>TOTAL</b>	<b>67</b>	<b>100</b>	<b>150000</b>	<b>100</b>

**Details of public funding obtained during the last three years**

Your Company has not obtained any public funding in the last three years.

**Number and nature of complaints**

There are no shareholder complaints received or lying unresolved during 2005 – 2006. The entire shares of the Company are in physical form.



## Compliance certificate

Registration No. of the Company :11-26174 OF 1982. CIN:U51900MH1982PLC026174

Nominal Capital: Rs.15,00,000/-

To,

The Members,

ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

202/203 MAGNUM OPUS, SHANTI NAGAR INDUSTRIAL ESTATE,

VAKOLA, SANTACRUZ (E),

MUMBAI – 400 055.

I have examined the registers, records, books and papers of ELF TRADING AND CHEMICALS MANUFACTURING LIMITED (the Company) as required to be maintained under the Companies Act,1956,(the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2006 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year;

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company, being a public limited company has more than the minimum authorized share capital as required by the provisions of the Act and has more than the minimum number of shareholders as required by the provisions of the said Act.
4. The Board of Directors duly met five times on 28<sup>th</sup> June 2005, 28<sup>th</sup> July 2005, 28<sup>th</sup> October 2005, 27<sup>th</sup> January 2006, and 28<sup>th</sup> March 2006 in respect of which meeting proper notices were given and the proceedings were properly recorded