

*13th
Annual Report
2003 - 2004*



HANSAFLON PLASTO CHEM LTD.

HANSAFLON PLASTO CHEM LTD

BOARD OF DIRECTORS

Smt. Anita Gupta Managing Director
Shri. Rajeev Aggarwal
Shri. Pulkit Garg

AUDITORS

M/s. Alok Mittal & Associates
Chartered Accountants
New Delhi.

BANKERS

Oriental Bank of Commerce
Safdarjung Enclave,
New Delhi.

HEAD OFFICE

B-1/45, Safdarjung Enclave,
New Delhi – 110 029

REGD. OFFICE AND WORKS

9 K.M. Gurgaon Sultanpur, Vill. Budhera,
Opp. Daya Vihar, Gurgaon
(Haryana)

ANNUAL GENERAL MEETING TO BE HELD ON THURSDAY, THE 30th DAY OF SEPTEMBER 2004 AT 11.30 A.M. AT 9 K.M. GURGAON SULTANPUR ROAD, VILL. BUDHERA OPP. DAYA VIHAR, GURGAON, (HARYANA).

To facilitate registration, ATTENDANCE SLIP is enclosed with this report. Shareholders attending the AGM are requested to bring it with them and hand it over at the venue.

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NOTICE

Notice is hereby given that the Thirteenth ANNUAL GENERAL MEETING of the Company will be held on Thursday the 30th day of September 2004 at 11.30 a.m. at Factory premises at 9 Km Gurgaon-Sultanpur Road, Vill. Budhera, Opposite Dayavihar, Gurgaon, Haryana to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the company for the year ended 31st March 2004 along with the Auditor's report the Directors report thereon.
2. To appoint a director in place of Shri. Pulkit Garg, who retires by rotation and being eligible offer himself for reappointment.
3. To appoint Auditor and fix their remuneration.

Report



Junction

By the order of Board
For HANSAFLON PLASTO CHEM LTD

ANITA GUPTA
MANAGING DIRECTOR

Date : 12.8.2004
Place: New Delhi

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PARTICULARS OF EMPLOYEES

There was no employee during the year under review whose particulars are to be given pursuant to the Section 217(2A) of the Companies Act, 1956, hence information required under this section is not given.

FOREIGN EXCHANGE EARNING AND OUTGO

- a) Conservation of Energy : Various steps have been taken to ensure judicious consumption of electrical energy by improved house keeping, installing power saving, monitoring the use of electrical lights and equipment, improvement power factor, indoor shop lighting etc. with the reduction of business special care is taken to save energy.
- b) Technology absorption : The Company has technical collaboration arrangements with M/s. Eckad Zulch GmbH & Company, Germany and M/s. Akzo Nobel, Italy. The Company has absorbed the technology, presently plant operation are running independently.
- c) Research & Development : The Company has in house laboratory with modern facilities to carry intensive analysis of variety of raw materials, if required.
- d) Foreign Exchange earning and outgo: The total foreign exchange outgo during the year was Rs. Nil towards the import of raw materials, components and travelling. During the year the foreign exchange earnings were nil.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to sec 217(2AA)

Your directors confirm that:

1. In the preparation of the annual accounts for the financial year ended 31.3.2004 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The directors have selected such accounting policies and applied them consistently and made judgement and estimates that are 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 the profit or loss of the Company for that period.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for Safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The directors have prepared the annual accounts on a going concern basis.

AUDIT COMMITTEE

It comprises of Mr. Pulkit Garg & Mr. Rajeev S. Aggarwal Directors of the Company. The audit committee shall meet at least thrice a year. One meeting shall be held before finalization of annual accounts and one every six months.

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The committee shall have all such powers, responsibilities and duties as prescribed in the listing Agreements with the Stock Exchanges.

LISTING OF EQUITY SHARES

Shares of your Company are listed on the Delhi and Mumbai Exchanges. Listing fee of the above stock exchanges for the year 2003-2004 has not been paid.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the co-operation and continued assistance received from various state and central government authorities, financial institutions and banks.

On behalf of the Board of Directors

Report  junction.com Sd/-

ANITA GUPTA
(MANAGING DIRECTOR)

Place : New Delhi
Date : 12.8.2004

HANSFLON PLASTO CHEM LTD
AUDITORS REPORT

To the Members of HANSAFLON PLASTOCHEM LTD.

We have audited the attached Balance Sheet of HANSAFLON PLASTOCHEM LTD as at 31st March 2004 and the Profit and Loss Account and also the cash statement for the year ended on that date annexed thereto. The financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government in terms of Sec. 227 (4A) of The Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraph 4 and 5 of the said order.

Further to our comments in the annexure referred to in above paragraph, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from 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 the Profit & Loss Account and the Balance Sheet comply with the accounting standards specified by the Institute of Chartered Accountants of India referred to in sub section (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of written representation received from the directors as on 31.03.2004, none of the directors are disqualified as on 31st March 2004 from being appointed as directors in terms of clause (g) of sub -section (1) of Section 274 of The Companies Act 1956.
- f)
 - i. *The company is a sick company as the company's net worth has become negative and company is unable to pay principal and interest amount on term loan from IDBI and cash credit from IDBI, which are secured against all the assets of the company. Honorable Bench of BIFR has recorded its opinion dt 16.03.2004 u/s 20(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 that it is just & equitable to wound up the company. The company has appealed against this in AAIFR. The company has not adjusted its assets and liabilities, which the company will not be able to realise and pay respectively in the normal course of its business.*
 - ii. *As stated in Note 7 of the Notes forming part of the Accounts, Debtors/Creditors/advances are subject to reconciliation/confirmation.*