



|      |    |   |     |    |
|------|----|---|-----|----|
| MD   | ✓  |   | BKC | ✓  |
| CS   | NA |   | DPY | NA |
| RO   | ✓  |   | DIV | ✓  |
| TR & | NA |   | AC  | ✓  |
| AGM  | ✓  | ✓ | SHI | ✓  |
| YE   | ✓  | ✓ |     | ✓  |

# K. B. STEEL LIMITED

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**15<sup>TH</sup>**  
**ANNUAL REPORT**  
**1997-98**

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## K. B. STEEL LIMITED

### 15th ANNUAL REPORT 1997-98

#### BOARD OF DIRECTORS

SHRI. BABULAL K. KANSARA  
SHRI. KAUSHIK B. KANSARA  
SHRI. RAMPRASAD KOTHARI

#### REGISTERED OFFICE

5, MAHAVIR CHAMBER, 2ND FLOOR, 1/5, BANAJI LANE, FORT, MUMBAI 400 001.

#### WORKS AND AHMEDABAD OFFICE

55/2/3, G.I.D.C.ESTATE, OPP. BANK OF INDIA,  
VATVA, AHMEDABAD - 382 445

#### BANKERS

BANK OF INDIA

#### AUDITORS

J. B. DUDHELA & CO.  
CHARTERED ACCOUNTANTS

#### COMPANY LAW ADVISOR

R. N. SHAH & ASSOCIATES  
COMPANY SECRETARY

### C O N T E N T S

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## K. B. STEEL LIMITED

### NOTICE

NOTICE IS HEREBY GIVEN THAT the Fifteenth Annual General Meeting of the Shareholders of **K. B. STEEL LIMITED** will held on Saturday, the 26th September, 1998 at 4.30 p.m. at 12, Ashok Niwas, South Pond Road, Vile Parle (West), Mumbai - 400 056 to transact the following business :-

#### I. ORDINARY BUSINESS :-

1. To receive, consider and adopt the audited Balance Sheet as at 31st, March, 1998 and Profit and Loss Account for the year ended on that date, together with the Directors' and Auditors' Report thereon.
2. To declare a dividend.
3. To appoint a Director in place of Shri Babulal k. Kansara who retires by rotation and being eligible, offers himself for the re-appointment.

#### II. SPECIAL BUSINESS :-

4. To consider and if thought fit, to pass, with or without modification the following resolution as a "Special Resolution".

"RESOLVED THAT pursuant to the provision 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 Shri J. B. Dudhela, Proprietor of M/s. J. B. DUDHELA & CO., Chartered Accountants, a relative of Shri Kaushik B. Kansara and Shri Babulal Kansara, Directors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting as

Auditors of the Company and/or for rendering any other professional services on such terms as may be agreed by the Board of Directors."

#### NOTES :-

1. 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 OF THE COMPANY.
2. The explanatory statement pursuant to section 173(2) of the companies act, 1956 in respect of the special business under Item No. 4 as set out above in annexed hereto.
3. The Register of Members and Share Transfer Books of the company will remain closed from Wednesday, The 16th Day of September, 1998 to Saturday, 26th Day of September, 1998 (Both Days Inclusive).

**BY ORDER OF THE BOARD OF  
DIRECTORS**

**KAUSHIK B. KANSARA  
DIRECTOR**

**REGISTERED OFFICE :**  
MAHAVIR CHAMBERS, OFF. NO. 5,  
2ND FLOOR, 1/5, BANAJI LANE,  
FORT, MUMBAI - 400 001.

**MUMBAI**  
**DATED : 17TH AUGUST, 1998.**

## K. B. STEEL LIMITED

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 ( 2 ) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in accompanying Notice dated 17th August, 1998 and shall be taken as forming part of the Notice.

#### IN RESPECT OF ITEM NO. 4 :-

Shri J. B. DUDHELA, Proprietor of M/S. J. B. DUDHELA & CO., Chartered Accountants, retiring auditors of the Company is related to Shri Kaushik B. Kansara and Shri Babulal Kansara, Directors of the Company. Pursuant to the provision of Section 314(1) of the Companies Act, 1956 consent of the Shareholders is required to be accorded at a General Meeting of the Company for appointment of M/S. J. B. DUDHELA & CO., Chartered Accountants, as the Auditors of the Company to hold office from the

conclusion of this Annual General Meeting until the conclusion of the Next Annual General Meeting. It will be in the interest of the Company to appoint them as Auditors of the Company.

**BY ORDER OF THE BOARD OF  
DIRECTORS**

**KAUSHIK B. KANSARA  
DIRECTOR**

**REGISTERED OFFICE :**  
MAHAVIR CHAMBERS, OFF. NO. 5,  
2ND FLOOR, 1/5, BANAJI LANE,  
FORT, MUMBAI - 400 001.

**MUMBAI**  
**DATED : 17TH AUGUST, 1998.**

## K. B. STEEL LIMITED

### DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

It gives us great pleasure to present to you the Fifteenth Annual Report together with Audited Statement of Accounts for the year ended 31st March, 1998.

#### 1) FINANCIAL RESULTS :

|                                      | For the Year<br>ended 31/03/98 | For the Year<br>ended 31/03/97 |
|--------------------------------------|--------------------------------|--------------------------------|
| Sales & Other Income                 | 4,90,07,909                    | 2,39,36,245                    |
| Gross Profit                         | 16,91,759                      | 12,74,771                      |
| <b>Less :</b>                        |                                |                                |
| Depreciation                         | 1,50,523                       | 1,24,352                       |
| Profit Before Tax                    | 15,41,236                      | 11,50,419                      |
| Provision for Taxation               | 5,62,000                       | 5,10,000                       |
| Net Profit After Tax                 | 9,79,236                       | 6,40,419                       |
| Balance brought from previous Year   | 9,45,245                       | 13,38,081                      |
| Income Tax Adjustment of prior Years | 1,65,242                       | 1,70,995                       |
| Balance Available for Appropriation  | 20,89,723                      | 21,49,495                      |
| Proposed Dividend 15%                | 3,67,500                       | 3,67,500                       |
| Dividend Tax                         | 36,750                         | 36,750                         |
| Transfer to General Reserve          | 10,00,000                      | 8,00,000                       |
| Balance carried to Balance Sheet     | 6,85,473                       | 9,45,245                       |

#### 2) DIVIDEND :

Your Directors are pleased to recommend the Dividend @15% on 2,45,000 equity shares of Rs. 10/- each, which works out to 16.5% due to Income-Tax on dividend.

#### 3) APPROPRIATION :

Out of the profit available for appropriation, your Directors propose to transfer a sum of Rs. 10,00,000/- to General Reserve.

#### 4) WORKING RESULTS :

The Company Sales for the year ended 31st March, 1998 amounted to Rs. 4,88,96,802 compared to Rs. 2,38,53,021 in the previous Year, recording a growth of 105 % in sales and 53 % in net profit.

#### 5) FIXED DEPOSITS :

## K. B. STEEL LIMITED

The Company has not taken any money by way of Fixed Deposits from Shareholders or public.

### 6) PERSONNEL :

As no employee has drawn remuneration of Rs. 3,00,000/- or more per annum or Rs. 25,000/- or more per month if employed for the part of the Year. Therefore, no information is furnished herewith as required as per Section 217(2A) of the Companies Act, 1956 and particulars of employees (Rules) 1975.

### 7) DIRECTORS :

Shri Kaushik B. Kansara, Director of the Company retires by rotation as required by the Companies Act, 1956 and as per provisions in the Articles of Association of the Company and is eligible for re-appointment.

Shri Nirav G. Kansara resigned as Director on 5th November, 1997 due to his pre-occupation with other works. The Board placed on record appreciation his services.

Shri Ramprasad Kothari was appointed as a Director in casual vacancy caused due to resignation of Shri Nirav G. Kansara on 5th November, 1997.

### 8) DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY ETC :

The particulars with respect to conservation of energy, etc., pursuant to the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are set out in statement annexed hereto which is forming part of this report.

### 9) AUDITORS :

M/s. J. B. DUDHELA & CO., Chartered Accountants, Auditors of the Company holds office until the conclusion of the Fifteenth Annual General Meeting and are recommended for reappointment. The Company has received Certificate from Auditors to the effect that reappointment if made would be within the prescribed limits under section 224(1 - B) of the Companies Act, 1956.

SHRI J. B. DUDHELA, Proprietor of M/s. J. B. DUDHELA & CO., Chartered Accountants is a relative of Shri Kaushik Kansara and Shri Babulal Kansara, Directors of the Company. Your attention is therefore invited to the explanatory statement to item No. 4 annexed to the notice convening the Fifteenth Annual General Meeting.

For and on behalf of the Board of Directors,

**Babulal Kansara**  
Director

**Kaushik kansara**  
Director

Mumbai  
17th August, 1998.