



K. B. STEEL LIMITED

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16TH
ANNUAL REPORT
1998-99

K. B. STEEL LIMITED

16th ANNUAL REPORT 1998-99

BOARD OF DIRECTORS

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

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

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K. B. STEEL LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the Sixteenth Annual General Meeting of the Shareholders of K. B. STEEL LIMITED will held on Friday, the 24th September, 1999 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, 1999 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. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.
3. 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.
4. The Register of Members and Share Transfer Books of the company will remain closed from Friday, The 17th Day of September, 1999 to Friday, 24th Day of September, 1999 (Both Days Inclusive).

BY ORDER OF THE BOARD OF
DIRECTORS

KAUSHIK B. KANSARA
MG. DIRECTOR

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

MUMBAI
DATED : 10TH AUGUST, 1999.

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 10th August, 1999 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
MG. DIRECTOR**

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

MUMBAI
DATED : 10TH AUGUST, 1999.

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K. B. STEEL LIMITED

DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

It gives us great pleasure to present to you the Sixteenth Annual Report together with Audited Statement of Accounts for the year ended 31st March, 1999.

1) FINANCIAL RESULTS :

	For the Year ended 31/03/99	For the Year ended 31/03/98
Sales & Other Income	4,49,68,163	4,90,07,909
Gross Profit	7,95,342	16,91,759
Less :		
Depreciation	2,06,114	1,50,523
Profit Before Tax	5,89,228	15,41,236
Provision for Taxation	2,10,000	5,62,000
Net Profit After Tax	3,79,228	9,79,236
Balance brought from previous Year	6,85,473	9,45,245
Income Tax Adjustment of prior Years	1,379	1,65,242
Balance Available for Appropriation	10,66,080	20,89,723
Proposed Dividend 10%	2,45,000	3,67,500
Dividend Tax	26,950	36,750
Transfer to General Reserve	4,00,000	10,00,000
Balance carried to Balance Sheet	3,94,130	6,85,473

2) DIVIDEND :

Your Directors are pleased to recommend the Dividend @10% on 2,45,000 equity shares of Rs. 10/- each compared to @15% in the previous year, due to reduced profitability.

3) APPROPRIATION :

Out of the profit available for appropriation, your Directors propose to transfer a sum of Rs. 4,00,000/- to General Reserve.

4) WORKING RESULTS :

Due to competitive market and recession, the Company's sales for the year ended 31st March, 1999 amounted to Rs. 4,47,02,229 compared to Rs. 4,88,96,802 in the previous year.

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. 6,00,000/- or more per annum or Rs. 50,000/- 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 Babulal K. 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.

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) Y2K COMPLIANCE :

The Company has taken adequate steps to ensure that all critical equipment, processes and systems are Y2K complaint. It has also developed contingency plans to minimise the risk of disruption. The cost to the Company on this account is not expected to have any material financial impact.

10) AUDITORS :

M/s. J. B. DUDHELA & CO., Chartered Accountants, Auditors of the Company holds office until the conclusion of the Sixteenth 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 Sixteenth Annual General Meeting.

For and on behalf of the Board of Directors,

Babulal Kansara
Director

Kaushik kansara
Mg. Director

Mumbai
10th August, 1999.