



K. B. STEEL LIMITED

20TH
ANNUAL REPORT
2002-2003

K. B. STEEL LIMITED

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BOARD OF DIRECTORS

SHRI. KAUSHIK B. KANSARA
SHRI. ANIL H. PATEL
SHRI. GAUTAM V. MODI

REGISTERED OFFICE

S, 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

REGISTER & TRANSFER AGENT

PURVA SHAREGISTRY (INDIA) PVT. LTD.
33, Printing House, 28-D, Police Court Lane, FORT, MUMBAI 400 001.

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 Twentieth Annual General Meeting of the Members of K. B. STEEL LIMITED will be held on Friday, the 26th September, 2003 at 10.30 a.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 Directors' and Auditors' Reports and Audited Balance Sheet as on 31st, March, 2003 and Profit and Loss Account for the year ended on that date, together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Gautam Modi, who retires by rotation and being eligible, offers himself for reappointment.

II. SPECIAL BUSINESS :-

3. To consider and if thought fit, to pass, with or without modification 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, Director 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."

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.

PLACE : MUMBAI

DATED : 14TH AUGUST, 2003.

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 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. 3 as set out above is annexed hereto.
4. The Register of Members and Share Transfer Books of the company will remain closed from Tuesday, 16th Day of September, 2003 to Friday, 26th Day of September, 2003 (Both Days Inclusive).

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5. Annual Report for the year 2002-2003 will be dispatched to the Members separately.
6. In all correspondence with the Company, members are requested to quote their Folio Numbers and in case the shares are held in the dematerialised Form, they should quote their client ID Number and DP ID Number.
7. Members, who hold shares in De-materialised Form are requested to bring their client ID and DP Numbers for Easier Identification of Attendance at the meeting.
8. Share holders are requested to note that if physical documents, viz. Demat Request Forms (DRF) and share certificates, etc. are not received from their DP's by the Company/Registrar within a period of 30 Days From The date of Generation of the DRN for Dematerialisation, the DRN will be treated as Rejected/Cancelled. Upon Rejection/Cancellation of the DRN, A fresh DRF has to be forwarded alongwith the share certificates by the DP's to the Company/Registrar. This notice is only to caution shareholders that they should ensure that their DP's do not delay in sending the DRF and Share Certificates to the Company/Registrar after generating the DRN.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE DATED 14TH AUGUST, 2003

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in accompanying Notice dated 14th August, 2003 and shall be taken as forming part of the Notice.

IN RESPECT OF ITEM NO. 3:-

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, Managing Director 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 : 14TH AUGUST, 2003.

K. B. STEEL LIMITED

DIRECTORS' REPORT TO THE MEMBERS

The Members,

Your Directors have pleasure in presenting the Twentieth Annual Report, together with Audited Statement of Accounts for the year ended 31st March, 2003.

1) FINANCIAL RESULTS :

	For the Year ended 31/03/2003	For the Year ended 31/03/2002
Sales & Other Income	2,82,989	6,60,391
Gross Profit/(Loss)	39,611	1,06,357
Less :		
Depreciation	18,521	33,444
Profit/(Loss) Before Tax	21,090	72,913
Provision for Taxation	2,100	—
Net Profit/(Loss) After Tax	18,990	72,913
Balance brought from previous Year	(15,26,866)	(15,99,779)
Income Tax Adjustment of prior Years	1,042	—
Balance carried to Balance Sheet	(15,06,834)	(15,26,866)

2) DIVIDEND :

Your Directors regret their inability to recommend any dividend for the declaration, due to carried forward loss of Rs. 15,06,834/-.

3) WORKING RESULTS :

Due to growing competition alongwith overall recession in the Industry, the turnover for the year amounted to Rs. Nil compared to Rs. Nil in the previous year. The Company earned a net profit of Rs. 18,990/- which is mainly comprises of commission income and profit on sale of assets as against a Net Profit of Rs. 72,913/- in the previous year.

As the no business activity being carried out by the Company a part of the Plant & Machinery have been sold off and the sale proceeds have been invested profitably.

4) FIXED DEPOSITS :

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

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5) DIRECTORS' RESPONSIBILITY STATEMENT :

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

- (i) that in the preparation of the accounts for the financial year ended 31st March, 2003, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) 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 the profit of the Company for the year under review;
- (iii) 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;
- (iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2003 on a 'going concern' basis.

6) PERSONNEL :

As no employee has drawn remuneration of Rs. 24,00,000/- or more per annum or Rs. 2,00,000/- 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 read with the Companies (Particulars of employees) Rules, 1975.

7) DIRECTORS :

Mr. Gautam Modi, Director of the Company retires by rotation as required by the Companies Act, 1956 and as per the provisions in the Articles of Association of the Company and is being eligible for re-appointment.

8) AUDITORS :

M/s. J. B. DUDHELA & CO., Chartered Accountants, Auditors of the Company holds office until the conclusion of the 20th 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, Director of the Company. Your attention is therefore invited to the explanatory statement to item No. 3 annexed to the notice convening the 20th Annual General Meeting.

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9) CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS AND OUTGOING AND TECHNOLOGY ABSORPTION :

The Company didn't have any activity related to conservation of energy and Technology Absorption. There was no Foreign Exchange Earnings nor foreign exchange outgo during the year under review.

For and on behalf of the Board of Directors,

Kaushik B. Kansara
Mg. Director

Anil H. Patel
Director

Place : Mumbai

Date : 14th August, 2003.

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