



K. B. STEEL LIMITED

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**21ST
ANNUAL REPORT
2003-2004**

K. B. STEEL LIMITED

21st ANNUAL REPORT 2003-2004

BOARD OF DIRECTORS

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

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

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

C O N T E N T S

NOTICE	3 - 4
DIRECTORS' REPORT & ANNEXURE	5 - 6
COMPLIANCE CERTIFICATE	7 - 9
AUDITORS' REPORT	10 - 13
BALANCE SHEET	14
PROFIT & LOSS ACCOUNT	15
SCHEDULES & NOTES	16 - 22
CASH FLOW STATEMENT	23
BALANCE SHEET ABSTRACT	24

K. B. STEEL LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the 21st Annual General Meeting of the Members of K. B. STEEL LIMITED will be held on Friday, the 17th day of September, 2004 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, 2004 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. Anil H. Patel, 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, Managing 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 : 31ST JULY, 2004.

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 Friday, 10th Day of September, 2004 to Friday, 17th Day of September, 2004 (Both Days Inclusive).

K. B. STEEL LIMITED

5. 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.
6. 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE DATED 31ST JULY, 2004

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in accompanying Notice dated 31st July, 2004 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 : 31ST JULY, 2004.

K. B. STEEL LIMITED

DIRECTORS' REPORT TO THE MEMBERS

The Members,

Your Directors have pleasure in presenting the 21st Annual Report, together with Audited Statement of Accounts for the year ended 31st March, 2004.

1) FINANCIAL RESULTS :

	For the Year ended 31/03/2004	For the Year ended 31/03/2003
Sales & Other Income	2,90,298	2,82,989
Gross Profit/(Loss)	49,994	39,611
Less :		
Depreciation	14,174	18,521
Profit/(Loss) Before Tax	35,820	21,090
Provision for Taxation	2,800	2,100
Net Profit/(Loss) After Tax	33,020	18,990
Balance brought from previous Year	(15,06,834)	(15,26,866)
Income Tax Adjustment of prior Years	NIL	1,042
Balance carried to Balance Sheet	(14,73,814)	(15,06,834)

2) DIVIDEND :

Your Directors regret their inability to recommend any dividend for the declaration, due to carried forward loss of Rs. 14,73,814/-.

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 by way of Commission Rs. 2,63,539/- which enabled the Company to earn a net profit of Rs. 33,020/- as against a Net Profit of Rs. 18,990/- in the previous year.

4) FIXED DEPOSITS :

The Company has not accepted Deposits from the Share holders or public. There were no unclaimed or unpaid deposits outstanding as on 31st March, 2004.

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, 2004, 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

K. B. STEEL LIMITED

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, 2004 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 :

Shri Anil H. Patel, 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 21st 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, Managing Director of the Company. Your attention is therefore invited to the explanatory statement to Item No. 3 annexed to the notice convening the 21st Annual General Meeting.

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 : 31st July, 2004.

K. B. STEEL LIMITED

COMPLIANCE CERTIFICATE

To,
THE MEMBERS OF K. B. STEEL LTD.

We have examined the registers, records, books and papers of K.B.STEEL 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 31st March, 2004. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its Officers and agents, we 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 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, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
- 3) The Company being a Public Limited Company has the minimum prescribed paid-up capital.
- 4) The Board of Directors duly met 5 (Five) times on 30th April, 2003; 30th July, 2003; 14th August, 2003; 31st October, 2003 and 30th January, 2004 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
- 5) The Company closed its Register of Members, and / or Debentureholders from 16th September, 2003 to 26th September, 2003 both days inclusive and necessary compliance of Section 154 of the Act has been made.
- 6) The annual general meeting for the financial year ended on 31st March, 2003 was held on 26th September, 2003 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7) No extra ordinary meeting(s) was held during the financial year.
- 8) The Company has not advanced any loans to its directors and/or persons or firms or companies referred in the Section 295 of the Act.
- 9) The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
- 10) The Company has made necessary entries in the register maintained under section 301 of the Act.
- 11) The Company has obtained necessary approvals from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act wherever applicable.
- 12) The Company has not issued any duplicate share certificates during the year.