



# ***K. B. STEEL LIMITED***

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**22nd  
ANNUAL REPORT  
2004-2005**

## **K. B. STEEL LIMITED**

### **22nd ANNUAL REPORT 2004-2005**

#### **BOARD OF DIRECTORS**

**SHRI. KAUSHIK B. KANSARA**  
**SHRI. ANIL H. PATEL**  
**SHRI. GAUTAM V. MODI**  
**SHRI. MOHANLAL C. SHAH**

#### **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**

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## K. B. STEEL LIMITED

### NOTICE

NOTICE IS HEREBY GIVEN THAT the 22nd Annual General Meeting of the Members of **K. B. STEEL LIMITED** will be held on Friday, the 8th Day of July, 2005 at 10.30 a.m. at Sristi, Banquet Hall, 1st Floor, D.J. 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, 2005 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 Shri Mohanlal C. Shah, 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 that 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."

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

"RESOLVED pursuant to the provision of sections 198, 269, 310, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 that Shri Kaushik B. Kansara be and is hereby appointed as Managing Director of the Company with effect from 12th April, 2005 for a period of Five Years."

**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 : 28TH MAY, 2005.**

#### 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

## K. B. STEEL LIMITED

**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 and 4 as set out above is annexed hereto.
4. The Register of Members and Share Transfer Books of the company will remain closed from Friday, 1st Day of July, 2005 to Friday, 8th Day of July, 2005 (Both Days Inclusive).
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 28TH MAY, 2005.**

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in accompanying Notice dated 28th May, 2005 and shall be taken as forming part of the Notices:

**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.

**ITEM NO. 4:-**

Shri Kaushik B. Kansara, was appointed as the managing Director with effect from 12th April, 2005 for a period of Five years, by the Board of directors at their Meeting held on 12th April, 2005.

As the proposed Resolution required the approval of Members, the Board looking at the knowledge and experience, recommends to pass the Resolution as an ordinary Resolution.

No other Director except Shri Kaushik B. Kansara is deemed to be interested in the Resolution.

The Explanatory statement together with the accompanying Notice should be treated as an abstract of Section 302 of the Companies Act, 1956.

**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 : 28TH MAY, 2005.

## K. B. STEEL LIMITED

### DIRECTORS' REPORT TO THE MEMBERS

The Members,

Your Directors have pleasure in presenting the 22nd Annual Report, together with Audited Statement of Accounts for the year ended 31st March, 2005.

#### 1) FINANCIAL RESULTS :

	For the Year ended 31/03/2005	For the Year ended 31/03/2004
Sales & Other Income	2,67,194	2,90,298
Gross Profit/(Loss)	84,928	49,994
Less :		
Depreciation	11,063	14,174
Profit/(Loss) Before Tax	73,865	35,820
Provision for Taxation	6,000	2,800
Net Profit/(Loss) After Tax	67,865	33,020
Balance brought from previous Year	(14,73,814)	(15,06,834)
Income Tax Adjustment of prior Years	1,041	NIL
Balance carried to Balance Sheet	(14,04,548)	(14,73,814)

#### 2) DIVIDEND :

Your Directors regret their inability to recommend any dividend for the declaration, due to carried forward loss of Rs. 14,04,548/-.

#### 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. 2,50,502/- which enabled the Company to earn a net profit of Rs. 67,865/- as against a Net Profit of Rs. 33,020/- 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, 2005.

#### 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, 2005, 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

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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, 2005 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 Mohanlal C. Shah, 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.

Your Directors have decided to appoint Shri Kaushik B. Kansara as the Managing Director with effect from 12th April, 2005 for a period of Five Years. Your Directors recommend your approval.

### 8) AUDITORS :

M/s. J. B. DUDHELA & CO., Chartered Accountants, Auditors of the Company holds office until the conclusion of the 22nd 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 22nd 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 : 28th May, 2005.

## 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, 2005. 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 7 (Seven) times on 30th April, 2004; 15th July, 2004; 31st July, 2004; 17th September, 2004; 15th October, 2004; 30th October, 2004; and 28th January, 2005 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 10th September, 2004 to 17th September, 2004 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, 2004 was held on 17th September, 2004 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 general meeting 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) As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government as the case may be.
- 12) The Company has not issued any duplicate share certificates during the