



K. B. STEEL LIMITED

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***25TH
ANNUAL REPORT
2007-2008***

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2007-2008**

BOARD OF DIRECTORS

SHRI. VIPUL MODI
SMT. LEENA MODI
SHRI. SIDDHARTH P. SHAH

REGISTERED OFFICE

66/1, HANSA VILLA, OPP.SOUTH INDIAN GYMKHANA, BHAUDAJI CROSS ROAD,
MATUNGA (CR), MUMBAI - 400 019

REGISTRAR & TRANSFER AGENT

PURVA SHAREGISTRY (INDIA) PVT. LTD.
9, SHIV SHAKTI INDUSTRIAL ESTATE, GROUND FLOOR, J.R. BORICHA MARG, OPP.
KASTURBA HOSPITAL, LOWER PAREL, MUMBAI - 400 011
TEL-NO 23016761,23018261.

BANKERS

BANK OF INDIA
INDUSIND BANK

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 25th Annual General Meeting of the Members of **K. B. STEEL LIMITED** will be held on Saturday, the 26th Day of July, 2008 at 11.30 a.m. at 66/1, Hansa Villa, Opp. South Indian Gymkhana, Bhaudaji Cross Lane, Matunga (CR), Mumbai - 400 019 to transact the following business :-

I. ORDINARY BUSINESS :-

1. To receive, consider and adopt the Directors' and Auditors' Reports and Secretarial Compliance Report and Audited Balance Sheet as on 31st, March, 2008 and Profit and Loss Account for the year ended on that date.
2. To consider and appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration. M/s J. B. Dudhela & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment.

II. SPECIAL BUSINESS :-

3. To consider and if thought fit, to pass, with or without modification following resolution as a "Special Resolution",
"RESOLVED THAT Mr. Vipul Modi who was appointed as Additional Director of the Company and hold office up to the date of the ensuing Annual General Meeting of the Company and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received, be and is hereby appointed as Director of the Company liable to retire by rotation"

4. To consider and if thought fit, to pass, with or without modification following resolution as a "Special Resolution",
"RESOLVED THAT Mrs. Leena Modi who was appointed as Additional Director of the Company and hold office up to the date of the ensuing Annual General Meeting of the Company and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received, be and is hereby appointed as Director of the Company liable to retire by rotation"
5. To consider and if thought fit, to pass, with or without modification following resolution as a "Special Resolution",
"RESOLVED THAT Mr. Siddharth P. Shah who was appointed as Additional Director of the Company and hold office up to the date of the ensuing Annual General Meeting of the Company and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received, be and is hereby appointed as Director of the Company liable to retire by rotation"

BY ORDER OF THE BOARD OF
DIRECTORS

VIPUL MODI
CHAIRMAN

REGISTERED OFFICE :

66/1, HANSA VILLA, OPP. SOUTH
INDIAN GYMKHANA, BHAUDAJI
CROSS LANE, MATUNGA (CR).
MUMBAI - 400 019.

PLACE : MUMBAI
DATED : 20TH JUNE, 2008.

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 special business under item No.3 to 5 as set out above is annexed hereto.
4. The Register of Members and Share Transfer Books of the company will remain closed from Wednesday, 16th Day of July, 2008 to Saturday, 26th Day of July, 2008 (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.
7. Members are requested to bring their copy of Annual Report and Admission Slip with them at the Annual General Meeting

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE DATED 20TH JUNE, 2008.

The following Explanatory statement sets out all material facts relating to the special business mentioned in accompanying Notice dated 20th June, 2008 and shall be taken as forming part of the Notice.

IN RESPECT OF ITEM NO. 3

Mr. Vipul Modi was appointed as an Additional Director on the Board of the Company on 31st January, 2008.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Vipul Modi holds the office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director of the Company. Keeping in view his experience and expertise, his appointment as a Director of the Company is recommended.

None of the Directors except Mr. Vipul Modi and Mrs. Leena Modi, who is relative of Mr. Vipul Modi, is concerned or interested in the said resolution

IN RESPECT OF ITEM NO. 4

Mrs. Leena Modi was appointed as an Additional Director on the Board of the Company on 31st January, 2008.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Leena Modi holds the office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director of the Company. Keeping in view her experience and expertise, her appointment as a Director of the Company is recommended

None of the Directors except Mrs. Leena Modi and Mr. Vipul Modi, who is relative of Mrs. Leena Modi, is concerned or interested in the said resolution

K. B. STEEL LIMITED

IN RESPECT OF ITEM NO. 5

Mr. Siddharth P. Shah was appointed as an Additional Director on the Board of the Company on 30th April, 2008.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Siddharth P. Shah holds the office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director of the Company. Keeping in view his experience and expertise, his appointment as a Director of the Company is recommended.

None of the Directors except Mr. Siddharth P. Shah, is concerned or interested in the said Resolution.

BY ORDER OF THE BOARD

VIPUL MODI
CHAIRMAN

PLACE: MUMBAI

DATED: 20th JUNE, 2008

REGISTERED OFFICE :

66/1, HANSA VILLA, OPP
SOUTH INDIAN GYM KHANA,
BHAUDAJI CROSS LANE,
MATUNGA (C.R)
MUMBAI - 400 019

DIRECTORS' REPORT TO THE MEMBERS

The Members,

Your Directors have pleasure in presenting the 25th Annual Report, together with Audited Statement of Accounts for the year ended 31st March, 2008.

1) FINANCIAL RESULTS :

	For the Year ended 31/03/2008	For the Year ended 31/03/2007
Sales & Other Income	3,82,517	2,75,942
Gross Profit/(Loss)	2,81,103	82,201
Less :		
Depreciation	882	5,311
Profit/(Loss) Before Tax	2,80,221	76,890
Provision for Taxation-Current Tax	30,000	9,000
Fringe Benefit Tax	-----	1,900
Net Profit/(Loss) After Tax	2,50,221	65,990
Balance brought from previous Year	(12,20,181)	(12,85,086)
Income Tax Adjustment of prior Years	-----	460
Fringe Benefit Tax for prior Years	962	(1545)
Balance carried to Balance Sheet	(9,68,998)	(12,20,181)

2) DIVIDEND :

Your Directors regret their inability to recommend any dividend for the declaration, due to carried forward loss of Rs.9,68,998/-.

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.84,499/-Interest Rs.2,97,534 and Profit on Sale of Assets of Rs.484/- which enabled the Company to earn a net profit of Rs.2,50,221/- as against a Net Profit of Rs.65,990/- in the previous year.

4) CHANGE IN MANAGEMENT :

Present Directors along with their family members acquired the shares from past promoters of the Company - i.e. Kansara group after complying with the SEBI (Substantial Acquisition of Shares and Take Over) Regulations, 1997.

5) REGISTERED OFFICE :

Registered Office of the Company has been shifted from 'Mahavir Chambers, Office No. 5, 2nd Floor, 1/5 Banaji Street, Fort, Mumbai - 400 001' to '66/1, Hansa Villa, Opp. South Indian Gymkhana, Bhaudaji Cross Lane, Matunga (C.R),

K. B. STEEL LIMITED

Mumbai - 400 019' with effect from 15th May, 2008.

6) FIXED DEPOSITS :

The Company has not accepted Deposits from the Shareholders or public. There were no unclaimed or unpaid deposits outstanding as on 31st March, 2008.

7) 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, 2008, 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, 2008 on a 'going concern' basis.

8) DIRECTORS :

Mr. Vipul Modi was appointed as an Additional Director of the Company on 31st January, 2008 and was also appointed as the Chairman of the Company.

Mrs. Leena V. Modi AND Mr. Siddharth P. Shah was appointed as an Additional Director of the Company on 31st January, 2008 and 30th April, 2008 respectively.

Mr. Vipul Modi, Mrs. Leena Modi and Mr. Siddharth P. Shah hold office up to the date of ensuing Annual General Meeting and are eligible for appointments as Directors of the Company.

Mr. Gautam V. Modi, Mr. Anil Patel and Mr. Mohanlal Shah ceased to be Directors of the Company on 31st January, 2008 due to their resignation as the Directors of the Company. Mr. Kaushik B. Kansara ceased to be the Director of the Company on 30th April, 2008 due to his resignation as the Director of the Company. Board wishes to place on record its sincere appreciation for their guidance and assistance provided by them during their tenure as Directors of the Company.

9) AUDITORS :

M/s. J. B. DUDHELA & CO., Chartered Accountants, Auditors of the Company holds office until the conclusion of the 25th Annual General Meeting and are recommended for re-appointment. The Company has received Certificate from Auditors to the effect that re-appointment, if made, would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956.

10) 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 neither Foreign Exchange Earnings nor foreign exchange outgo during the year under review.

For and on behalf of the Board of Directors,

PLACE : Mumbai
DATED : 20th June, 2008.

Vipul Modi
Chairman

