

ANNUAL REPORT 1997-98

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		DIV	NA
TRA	NA		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

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ITL INDUSTRIES LIMITED

[FORMERLY INDORE TOOLS LIMITED]

CERTIFIED TRUE COPY,
For ITL INDUSTRIES LIMITED,

M. G. Rao
Managing Director/Director

2011-2012 ANNUAL REPORT

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ITL INDUSTRIES LTD.

DIRECTORS

MADAN SINGH JAIN
MANOHAR SINGH JAIN
RAJENDRA SINGH JAIN
MAHENDRA SINGH JAIN
VIJAY KASAT
ATUL MOONAT
RAHUL MODI
DINESH JAIN

Chairman & Managing Director
Whole Time Director
Whole Time Director
Whole Time Director
Whole Time Director

AUDITORS

M/s MAHAVEER M. JAIN & CO.
Mishra Chambers,
2nd Floor,
187, Jail Road,
INDORE-452007 (M.P.)

REGISTERED OFFICE & WORKS

111, Sector-B,
Sanwer Road,
Industrial Area,
INDORE-452003 (M.P.)

BANKERS

STATE BANK OF INDORE
Industrial Finance Branch,
Khel Prashal,
Race Course Road,
INDORE (M.P.)

STATE BANK OF INDIA
Industrial Finance Branch,
Apollo Tower,
2-M.G. Road,
INDORE (M.P.)

ADVISORS/CONSULTANTS

Dr. S.K. Kapoor
Mr. M.K. Badjatya

DIVISIONS

INDTOOLS SALES & SERVICES
ITL SAWS & TOOLS
ITL AGRO PRODUCTS
INTERNATIONAL AGENCY DIVISION

ITL INDUSTRIES LTD.**NOTICE**

NOTICE is hereby given that the 10th Annual General Meeting of the members of ITL INDUSTRIES LIMITED will be held on Tuesday the 29th September, 1998 at 12.30 P.M. at the Registered Office of the Company, 111, Sector-B, Sanwer Road, Indore (M.P.) to transact the following business:

ORDINARY BUSINESS

1. To receive, Consider and adopt the Audited Balance Sheet as at 31st March, 1998 and the Profit and Loss Account for the Financial year ended on that date alongwith the Report of Directors and Auditors thereon.
2. To elect Director in place of Shri Madan Singh Jain, who retires by rotation and being eligible offer himself for reappointment.
3. To elect Director in place of Shri Atul Moonat, who retires by rotation and being eligible offer himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS**ORDINARY RESOLUTION**

5. To consider, and if thought fit, to pass following resolution as an ordinary resolution :-
"RESOLVED THAT subject to the compliance of SEBI guidelines for delisting of securities of any Stock Exchange and other necessary approvals and formalities, authority be and is hereby given to the Board of Directors of the Company to consider and if thought fit to take steps for delisting of Company's equity shares from Ahmedabad Stock Exchange.

Regd Office
111, Sector-B
Sanwer Road
INDORE-452003 (M.P.)
DATED : 04.08.1998

For and On behalf of the Board

RAJENDRA SINGH JAIN
Chairman & Managing Director

NOTES

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
02. The relative explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto.
03. The Register of Members and the Share Transfer Books of the Company shall remain closed from 25.09.1998 to 28.09.98 (Both days inclusive).
04. Members are requested to send their queries if any at least 7 days in advance of the meeting, so that the information can be made available at the meeting.
05. The Share holders are hereby informed that all the correspondence in connection with the shares be addressed to the Registered Office of the Company only, as the Company is handling all such services inhouse from its Registered Office.
06. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Share Department enclosing their Share Certificates to enable the Company to consolidate their holding in one folio.
07. Members/proxies should bring the Attendance slip sent herewith, duly filled, for attending the Meeting.

**EXPLANATORY STATEMENT
ITEM NO.5**

At present the shares of the Company are listed at Bombay, Indore and Ahmedabad Stock Exchanges and there is negligible trading at these exchanges. The number of Shareholders and their shareholdings at Ahmedabad Stock Exchange is also nominal. Your Directors are therefore of the opinion to delist the shares of the Company atleast from Ahmedabad Stock Exchange and seek the authority of the Company for the same. You are therefore requested to consider the said resolution. None of the Directors of the Company is interested in this resolution.

Regd. Office
111, Sector-B
Sanwer Road
INDORE-452003 (M.P.)
DATED : 04.08.1998

For and On behalf of the Board
RAJENDRA SINGH JAIN
Chairman & Managing Director

ANNUAL REPORT 1997-98**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 10th Annual Report of the Company and the Audited statement of accounts for the year ended 31st March, 1998.

01. FINANCIAL RESULTS :

	Financial year ended <u>31.03.98</u>	(In Rs.) Financial Year ended <u>31.03.97</u>
a) Sales & other Income	11,93,16,331	10,37,06,926
b) Profit before interest, depreciation & tax	1,23,52,097	1,34,04,423
c) Less: Interest	79,35,694	78,17,119
Depreciation	16,92,672	15,65,298
d) Profit before tax	27,23,731	40,22,006
e) Provision for taxation	2,75,000	4,00,000
f) Provision for taxation for earlier year	—	92,603
g) Profit brought forward	20,68,689	39,287
h) Profit available for appropriations	45,17,420	35,68,689
i) Transferred to General Reserve	15,00,000	15,00,000
j) Balance carried to Balance Sheet	30,17,420	20,68,689

02. DIRECTORS :

During the year Shri Gopal Kasat resigned from the Board of Directors of the Company due to their preoccupation. Shri Madan Singh Jain and Shri Atul Moonat, retire by rotation and being eligible, offers themselves for re-appointment.

03. INDUSTRIAL RELATIONS :

Industrial relations during the period were by and large satisfactory.

Your Directors, wish to place on record, once again, there appreciations of the contribution made by the employees at all levels to the continued growth and prosperity of the company.

04. PUBLIC DEPOSIT :

During the year under review, your company neither invited nor accepted any deposit under the provisions of Section 58-A of the Companies Act, 1956 and rules formed there under.

05. PERSONNEL :

Particulars of employees as required by the provisions of section 217 (2A) of the Companies Act, 1956 are set out in the Annexure to the Directors' Report .

06. AUDITORS :

The Auditors M/S Mahaveer M. Jain & Company, Chartered Accountants, Indore shall cease to hold office at the end of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

07. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE :

Information in accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure forming part of this report.

08. ACKNOWLEDGEMENT :

The Board is thankful to the Bankers of the Company and the Financial Institutions for their continued support and co-operation.

For and on behalf of the Board

RAJENDRA SINGH JAIN
CHAIRMAN & MANAGING DIRECTOR

INDORE

DATED : 4.05.1998

ITL INDUSTRIES LTD.

ANNEXURE TO THE DIRECTORS' REPORT

I. Statement of particulars of employees pursuant to Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 1998.

Name & Qualifications	Age in years	Designation	Remuneration (in Rs.)	Experience (in Yrs.)	Date of Commencement of Employment	Last Employed <u>Name of the Company</u> <u>Designation</u>
Rajendra Singh Jain B.E.(Mech.)	44	Chairman & Managing-Director	396063/-	14	01.02.93	Indore Nitriders Partner

NOTES :

- Remuneration as above includes salary, taxable allowances, value of perquisites as per Income-tax Rules, 1962 and Company's contribution to Provident Fund.
- The nature of employment is contractual.
- The employee mentioned above is a relative of Shri Manohar Singh Jain, Shri Madan Singh Jain and Shri Mahendra Singh Jain, Directors of the Company.

II. Information as per Section 217(i)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 1998.

A. RESEARCH & DEVELOPMENT :

- Specific areas in which R & D carried out by the Company. The Research & Development activities resulted in the development of range of products of the Company & absorption of Technology for Machine.
- Benefits derived as a result. Better Market coverage, cost reduction, saving of foreign exchange on account of further indigenization.
- Future plan on R & D To develop special purpose Machines/Plants.
- Expenditure on R & D (In Rs.)

a) Capital	-
b) Recurring	385876
Total :	385876

Total R & D expenditure as a percentage of total turnover 0.32%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

- Efforts in brief made towards technology absorption Technology developed by R & D Deptt. is fully absorbed for manufacturing of special purpose machine.
- Benefits derived as a result of the efforts, e.g. product Import substitution in the areas of special

improvement, Cost reduction, product development, import substitution etc.

3. a. Technology imported

- Year of Import 1996-97
- Has technology been fully absorbed Yes

- If no fully absorbed areas where this has not taken place reasons thereof and future plans of action. Not Applicable

C. CONSERVATION OF ENERGY :

- Energy Conservation Measures taken The Company has no major scope for conservation energy.
- Additional investments and proposals, if any, being implemented for reduction of consumption of energy. NIL
- Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods. NIL
- Total energy consumption and energy consumption per unit of production as per From A of the Annexure in respect of Industries specified in the schedule thereto. NOT APPLICABLE

D. FOREIGN EXCHANGE EARNING AND OUT GO

The information of Foreign Exchange Earning and out go is given in item No. 6 & 7 in Notes to Accounts.

For and on behalf of the Board

INDORE
DATED : 04.08.1998

RAJENDRA SINGH JAIN
CHAIRMAN & MANAGING DIRECTOR

ANNUAL REPORT 1997-98**AUDITORS REPORT**

To,

The Members,

We have audited the Balance Sheet of M/S. ITL INDUSTRIES LIMITED as at 31st March, 1998 and the Profit and Loss Account of the said Company for the year ended on that date, both annexed hereto and report that:

- (1) As required by the Manufacturing and Other Companies (Auditor's Report) Order 1988 issued by the Company Law Board in terms of Section 227 (4a) of the Companies Act, 1956 we enclose in the annexure a Statement of matters specified in paragraph 4 and 5 of the said order.
- (2) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (3) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
- (4) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of accounts.
- (5) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - (a) In so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31st March, 1998 and
 - (b) In so far as it relates to the Profit and Loss Account of the Profit of the Company for the year ended on that date.

For **MAHAVEER M. JAIN & CO.**
CHARTERED ACCOUNTANTS

DATED : 04.08.1998

PLACE : INDORE

(**M.K.JAIN**)
PROPRIETOR

ANNEXURE

Referred to in Paragraph 1 of our report of even date on the account of

ITL INDUSTRIES LIMITED
 for the year ended 31st March, 1998

- (1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets upto 31.03.1997. Entries in the Fixed Assets Register for additions made during accounting year 01.04.1997 to 31.03.1998 were under progress. We have been reported that physical verification of Fixed Assets was carried out during the year by the management. No material discrepancies have been noticed on such verification.

- (2) None of the fixed assets have been revalued during the year.
- (3) The stocks of finished goods, stores, spares, spare parts and raw materials have been physically verified by the management at reasonable intervals.
- (4) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (5) The discrepancies noticed on verification between physical stocks and book records were not material and the same have been properly dealt with in the books of accounts.
- (6) In our opinion and on the basis of our examination, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles.
- (7) In our opinion the rate of interest and the terms and conditions on which loans have been obtained from parties listed in the register maintained under Section 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the Company. The Company has not taken any loans from Companies under the same management as defined under sub section (1B) of Section 370 of the Companies Act, 1956.
- (8) The Company has not granted loans to firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (9) The parties to whom loans or advance in the nature of loans have been given by the Company are generally repaying amounts as stipulated, except in some cases where advances have been granted to staff/ex-staff, and also regular in payment of interest wherever applicable.
- (10) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials and other assets and for the sale of goods.
- (11) The transactions of purchase of goods and materials and sale of goods, materials and services in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 as aggregating during the year to Rs.50,000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services.
- (12) As explained to us, the Company has a regular procedure for determination of unserviceable or damaged stores, raw materials and finished goods, and provision for the loss thereon has been made in the accounts, wherever necessary.