

MD	✓	BKC	✓
CS	MA	DPY	MA
RO	✓	EW	MA
TRA	MA	LC	✓
AGM	✓	SEI	✓
YE	✓		

JEET MACHINE TOOLS LIMITED

CERTIFIED TRUE COPY

For Jeet Machine Tools Ltd.

Director

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14 TH ANNUAL REPORT 1997-98



JEET MACHINE TOOLS LIMITED

BOARD OF DIRECTORS

JAGJIT SINGH CHAWLA

AJIT SINGH CHAWLA

KEWAL KRISHAN AGARWAL

KULWANT SINGH KOHLI

N.K.MANSINGHKA

=====

AUDITORS

M/S. KHIMJI KUNVERJI & CO

Chartered Accountants,

Suit 52, Bombay Mutual Building,

Sir, P.M, Road,

Fort,

MUMBAI - 400001

BANKERS

Punjab & Sind Bank.

Bharat Overseas Bank Ltd.

State Bank of India.

Jammu & Kashmir Bank Ltd.

Abu Dhabi Commercial Bank Ltd.

REGISTERED OFFICE

23, Ambalal Doshi Marg,

Fort,

MUMBAI - 400023

:: 1997 - 1998 ::

NOTICE

NOTICE is hereby given that Fourteenth Annual General Meeting of the Members of **JEET MACHINE TOOLS LIMITED** will be held on Wednesday, 30th September, 1998 at 11.00 A.M. at Tea Centre, 78, Veer Nariman Road, Churchgate, Mumbai - 400 020 to transact the following business :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1998 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kulwant Singh Kohli who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kewal Krishan Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/S. J. S. Bhatia & Co., Chartered Accountants, in place of retiring Auditors M/S. Khimji Kunverji & Co., Chartered Accountants, who shall hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board

(JAGJIT SINGH CHAWLA)
DIRECTOR

Place: Mumbai

Dated: 27th August, 1998

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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 28th September, 1998 to Wednesday, 30th September, 1998 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
4. Any query related to the accounts should be notified to the Company at least 7 days before the date of the Annual General Meeting.

Registered Office :
25, Ambalal Doshi Marg,
Mumbai - 400 023

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item no.4 :

The retiring auditors M/S. Khimji Kunverji & Co., Chartered Accountants, have indicated their inability to accept reappointment as auditors of the Company on account of their other pre-occupations. The retiring auditors have informed the Company that they have no intention to make any representation to the members of the Company in the ensuing Annual General Meeting.

The Board proposes to appoint M/S. J. S. Bhatia & Co., Chartered Accountants, as the new Statutory Auditors of the Company for the year 1998-99 at a remuneration as may be determined by the members of the Company. The Company has received a certificate from the said auditors to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1) of the Companies Act, 1956. Special Notice under Section 225(1) of the Companies Act, 1956, is given for resolution appointing new Auditors in place of the retiring Auditors and that the retiring Auditors shall not be re-appointed.

None of the Directors of the Company shall be deemed to be concerned or interested in the proposed Resolution.

For and on behalf of the Board

Report

(JAGJIT SINGH CHAWLA)
DIRECTOR

Place: Mumbai

Dated: 27th August, 1998

JEET MACHINE TOOLS LIMITED

DIRECTORS REPORT

The Directors present their Fourteenth Annual Report on the Business operations of the Company alongwith their Statement of Audited Accounts for the year ended 31st March, 1998.

1. FINANCIAL RESULTS :-

	Year ended 31-3-98 Rs.	Year ended 31-3-97 Rs.
Sales & Other Income	1,20,75,688	97,78,515
Profit/(loss) before Interest, Depreciation & Tax	30,57,645	21,77,999
Less: Interest	65,575	2,33,338
Depreciation	6,94,666	8,59,531
Profit/(loss) before Tax	22,97,404	10,85,130
Less: Provision for tax	3,40,000	5,50,000
Profit for the year	19,57,404	5,35,130
Add/(Less) Prior years adjustment	(5,469)	(5,844)
Excess Provision for Taxation W/back	69,514	-
Profit brought from earlier year	35,75,061	30,45,775
Profit/(loss) carries to Balance Sheet	55,96,510	35,75,061

2. OPERATION :-

The Sales & Other Income for the financial year under review amounted to Rs. 1,20,75,688/- registering an increase of 23% over the previous year. The Company earned a net profit of Rs. 19,57,404/- as compared to the Net profit of Rs. 5,35,130/- during the previous year.

3. DIVIDEND :-

The Directors have not recommended any dividend for the year with a view to conserve resources for the operations of the Company.

4. DIRECTOR :-

Mr. Kulwant Singh Kohli and Mr. Kewal Krishan Agarwal, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment.

5. **AUDITOR :-**

M/S. Khimji Kunverji & Co., Chartered Accountants, retire at the conclusion of the Annual General Meeting. The Company has received notice from some of the members for appointment of M/S. J. S. Bhatia & Co., Chartered Accountants, as Auditor of the Company. The Members are requested to appoint the auditors for the Financial Year 1998-99 and authorised the Board to fix their remuneration.

6. **AUDITOR'S REPORT :-**

Observations made in the Auditor's Report are self explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

7. **FIXED DEPOSITS :-**

The Company has not accepted any deposit from the public.

8. **PERSONNEL :-**

As required under Section 217 (2A) of the Companies Act, 1956 and the provisions made thereunder, none of the employees was in receipt of remuneration aggregating Rs.3,00,000/- or Rs.25,000/- or more per month in case employed for part of the year.

9. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :-**

The Company has no activities relating to Conservation of Energy or Technology Absorption. The Foreign Exchange earnings of the Company amounted to Rs. 80.03 lacs (previous year Rs. 58.39 lacs) and total foreign exchange utilised mainly for Travelling expenses amounted to Rs. 1.02 lac (Previous year Nil).

10. **ACKNOWLEDGEMENT :-**

The Board places on record its gratitude to our valued Customers, Bankers, Financial institutions and Members for their support and confidence in the Company.

The Board also wishes to place on record its appreciation for the devoted services rendered by the employees of the Company at all levels.

On behalf of the Board of Directors.

(Jagjit Singh Chawla) (N. K. Mansinghka)
Director Director

Date : 27th August, 1998

Place : Mumbai

Chartered Accountants

AUDITORS' REPORT

The MEMBERS of
JEET MACHINE TOOLS LIMITED

We have audited the attached Balance Sheet of **JEET MACHINE TOOLS LIMITED** as at 31st March, 1998 and the annexed Profit and Loss Account for the year ended on that date which are in agreement with the Company's Books of Account.

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such check of the Books and records as we considered appropriate and according to the information and explanation given to us during the normal course of audit we state on the matters specified in paragraph 4 and 5 of the said order, to the extent applicable to the Company, as under :

1. The Company has maintained records showing particulars including quantitative details and situation of Fixed Assets. The Fixed Assets were physically verified by the management at reasonable intervals and no discrepancies between the book records and physical inventory have been noticed on such verification.
2. None of the Fixed Assets have been revalued during the year.
3. The Stock of machinery has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
4. 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 physical verification of stocks as compared to book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
6. On the basis of our examination of stock records, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has taken unsecured loans from companies listed in the register maintained under Section 301 of the Companies Act, 1956, for which there are no specific terms and conditions. In our opinion the rate of interest is prima facie not prejudicial to the interest of the Company. We are informed that there are no companies covered under section 370 (1-B) of the Companies Act, 1956.



Contd....2.

Khimji Kunverji & Co.

(Registered)

Chartered Accountants

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8. The Company has granted unsecured loans to companies listed in the register maintained under Section 301 of the Companies Act, 1956, for which there are no specific terms and conditions. In our opinion the rate of interest is prima facie not prejudicial to the interest of the Company. We are informed that there are no companies covered under section 370 (1-B) of the Companies Act, 1956.
9. The parties to whom Loans or Advances in the nature of Loans have been given by the company, are repaying the principal amounts as stipulated and are also regular in payment of interest wherever applicable, except in respect of two cases where the principal amount Rs. 11,94,246 and interest Rs. 2,71,883 is considered doubtful of recovery.
10. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of plant and machinery, equipment and other assets and for the sale of goods.
11. In our opinion and according to the information and explanation given to us, the transactions of purchase & sale of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and 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 or materials or the prices at which transactions for similar goods or materials have been made with other parties. There are no sale of services to aforesaid parties.
12. There are no unserviceable or damaged finished goods during the year.
13. The company has not accepted any Deposits from the public.
14. The company is a Trading Company and accordingly there are no by-products or scrap generated.
15. We are informed that the Central Government has not prescribed the maintenance of the Cost Records under section 209 (1) (d) of the Companies Act, 1956.
16. According to records of the company, Provident Fund and the Employees State Insurance dues have generally been regularly deposited during the year with the appropriate authorities.
17. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty outstanding for a period of more than six months as at 31st March, 1998 from the date they became payable.
18. No personal expenses of employees or directors have been charged to the revenue accounts other than those payable under contractual obligations or in accordance with generally accepted business practice.
19. The Company is not a Sick Industrial Company within the meaning of clause (o) of sub section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

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