



# JYOTI COSMETICS (EXIM) LIMITED



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**EIGHTH ANNUAL REPORT  
2001-2002**



*8th Annual Report*

**JYOTI COSMETICS [EXIM] LIMITED.**

# **JYOTI COSMETICS (EXIM) LIMITED.**

## **EIGHTH ANNUAL REPORT**

**AS ON 31ST MARCH, 2002.**



### **BOARD OF DIRECTORS**

JAGDISH N. PATEL  
ASHOK P. PATEL  
KANUBHAI J. PATEL

CHAIRMAN & MANAGING DIRECTOR  
EXECUTIVE DIRECTOR  
DIRECTOR



### **BANKERS**

INDIAN OVERSES BANK  
NARANPURA BRANCH, AHMEDABAD.

KALUPUR COMMERCIAL CO-OPERATIVE BANK LTD.  
ASHRAM ROAD BRANCH, AHMEDABAD.

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### **AUDITORS**

MAHESH G. VYAS & CO.  
CHARTERED ACCOUNTANTS  
BHESAT VADO, PATAN,  
NORTH GUJARAT



### **REGISTERED OFFICE**

412/C, PAYAL COMPLEX,  
OPP. FORTUNE TOWER, SAYAJI GUNJ,  
VADODARA - 390 005.



### **CORPORATE OFFICE**

401, RAJKAMAL PLAZA - B,  
NR. SAMRUDDHI BLDG., OPP. OLD HIGH COURT,  
AHMEDABAD - 380 014.

**JYOTI COSMETICS (EXIM) LIMITED.**

REGISTERED OFFICE : 412/C, PAYAL COMPLEX ,OPP. FORTUNE TOWER,  
SAYAJI GUNJ, VADODARA - 390 005.

**NOTICE**

**NOTICE** is hereby given that the **EIGHTH ANNUAL GENERAL MEETING** of the members of the company will be held on Saturday, 28th September 2002 at 3.00 P.M. at 412/C, Payal Complex, Opp. Fortune Tower, Sayaji Gunj, Vadodara 390 005 to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2002 and Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Shri Jagdish N. Patel who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:  
  
"RESOLVED that Mr. Bhaven S. Patel, who was appointed by the Board of Directors of the Company as an Additional Director with effect from 31.01.2002, and who in terms of Section 260 of the Companies Act, 1956 read with Company's Articles of Association holds such office until the conclusion of the Annual General Meeting and in respect of whom the Company has received a notice from a Member of the Company proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company".
5. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:  
  
"RESOLVED that Mr. Ashok C. Jardosh, who was appointed by the Board of Directors of the Company as an Additional Director with effect from 31.01.2002, and who in terms of Section 260 of the Companies Act, 1956 read with Company's Articles of Association holds such office until the conclusion of the Annual General Meeting and in respect of whom the Company has received a notice from a Member of the Company proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company".

**8th Annual Report****JYOTI COSMETICS [EXIM] LIMITED.**

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

**"RESOLVED** that Mr. Kalpesh R. Patel, who was appointed by the Board of Directors of the Company as an Additional Director with effect from 31.01.2002, and who in terms of Section 260 of the Companies Act, 1956 read with Company's Articles of Association holds such office until the conclusion of the Annual General Meeting and in respect of whom the Company has received a notice from a Member of the Company proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company".

**NOTES :**

1. A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxy(s) need not be a member.
2. Proxies in order to be effective must be lodged with the company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. Register of Members and Share Transfer Books of the Company will remain closed from 27th September, 2002 to 30th September, 2002 (both days inclusive).
4. Members are requested to intimate the changes, if any, in their registered addresses.

**By Order of the Board**

Place : Ahmedabad.

Date : 26th August, 2002

**Jagdish N. Patel**

Chairman

**EXPLANATORY STATEMENT :** (Pursuant to Section 173(2) of the Companies Act, 1956)

**ITEM NO. 4, 5 & 6**

Mr. Bhaven S. Patel, Mr. Ashok C. Jardosh and Mr. Kalpesh R. Patel are appointed as Additional Director of the Company at the Board Meeting w.e.f. 31.01.2002.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 read with Article of Association of the Company, Mr. Bhaven S. Patel, Mr. Ashok C. Jardosh and Mr. Kalpesh R. Patel hold office of the Director upto the date of the Annual General Meeting and is eligible for appointment. Notice under Section 257 of The Companies Act, 1956 has been received from a Member of the Company indicating their intention to propose Mr. Bhaven S. Patel, Mr. Ashok C. Jardosh and Mr. Kalpesh R. Patel for the office of Director. Hence, this Resolution at Item No. 4, 5 and 6 are proposed for your approval.

Except Mr. Bhaven S. Patel, Mr. Ashok C. Jardosh and Mr. Kalpesh R. Patel, none of the Directors are interested in the proposed Resolution.

**By Order of the Board**

Place : Ahmedabad.

Date : 26th August, 2002

**Jagdish N. Patel**

Chairman

**8th Annual Report****JYOTI COSMETICS [EXIM] LIMITED.****JYOTI COSMETICS (EXIM) LIMITED.**

REGISTERED OFFICE : 412/C, PAYAL COMPLEX ,OPP. FORTUNE TOWER,  
SAYAJI GUNJ, VADODARA - 390 005.

**DIRECTORS' REPORT**

To,  
The Shareholders,

Your Directors have pleasure in presenting their **Eighth Annual Report** together with the Audited Accounts of the Company for the year ended on March 31, 2002.

**FINANCIAL PERFORMANCE & PROJECT STATUS**

	Amount ( Rs in Lacs )	
	2001 -2002	2000-2001
Net Sales & Other Incomes	81.66	92.94
Profit/(Loss) Before Depreciation & Misc. Expenses W/Off	(9.19)	(17.05)
Less : Depreciation & Misc. Expenses W/Off	4.38	4.30
Net Profit/(Loss) for the year	(13.57)	(21.35)
Add ; Previous Year Adjustments	3.35	(0.01)
Net Profit/(Loss)	(10.22)	(21.36)
Adj : P & L A/C Cr./(Dr.) Balance c/f from Previous Year	(24.67)	(3.31)
Net Profit/(Loss) C/F to Balance Sheet	(34.89)	(24.67)

During the year under report the Company has achieved total Turnover / Resale (Including other Incomes) of Rs. 81.66 lacs. The Company has incurred Net Loss of Rs. 10.22 Lacs after providing for Depreciation & Misc. expenses of Rs. 4.38 lacs in compare to previous year loss Rs.21.36 lacs.

Sluggish Market condition has affected Companies performance. However your Directors are optimistic about situation & hopes that performance of the company will improve in comming years.

**DIVIDEND**

In view of loss, no dividend has been proposed by your Directors.

**DIRECTORS**

In terms of the provisions of the Companies Act, 1956 Mr. Jagdishbhai N. Patel , Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

**RE-APPOINTMENT OF ADDITIONAL DIRECTOR**

Mr. Bhaven S. Patel, Mr. Ashok C. Jardosh and Mr. Kalpesh R. Patel joined the Board w.e.f. 31.01.2002 as an Additional Directors of the company. As the said director are hold office only upto the date of Annual General Meeting, their re-appointment resolution are annexed to the notice.

**PUBLIC DEPOSITS**

The Company has not accepted any deposits falling within the limits of the provisions of the Companies (Acceptance of Deposits) Rules, 1956.

**AUDITORS' REPORT**

The notes to the accounts referred to in the Auditors' Report are self explanatory and therefore do not require any further comments under Section 217 (3) of the Companies Act, 1956.

**CORPORATE GOVERNANCE**

Your Company strives to incorporate the appropriate standards for good corporate governance. Auditor's statement on Compliance of Corporate Governance is given in Annexure - A and a separate Report on Corporate Governance is given in Annexure - B.

**8th Annual Report****JYOTI COSMETICS [EXIM] LIMITED.****AUDITORS**

M/S Mahesh G. Vyas & Co., Chartered Accountants, present Auditors of the Company who was appointed as Auditor of the Company at EGM in place of M/s J. M. Patel & Bros., Chartered Accountants, is retire at the forth coming Annual General Meeting and are eligible for re-appointment. The Board requests the members to consider the same.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm the following :

In the preparation of the Annual Accounts, the applicable accounting standards have been followed.

The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are 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 or loss of the company for that period.

The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The Directors had prepared the annual accounts on a going concern basis.

**PERSONNEL**

Your Directors wish to place on record the appreciation for the devoted services rendered by employees at all levels.

**PARTICULARS OF THE EMPLOYEES**

The Particulars required under Section 217(2A) of the Companies Act, read with Companies (Particulars of Employees) Rules, 1975 are not required to be given as there is no employee drawing Rs.1,00,000/- p.m. or Rs.12,00,000/- p.a., during the year under report.

**LISTING OF SHARES**

The shares of the Company continue to be listed on Stock Exchanges at Mumbai(BSE) & Ahmedabad(ASE).

**EVENTS OCCURED AFTER BALANCE SHEET DATE**

Your Director wish to inform you that the Company has acquired M/s Kalpataru Marketing Pvt. Ltd., by acquiring 100% Shareholding from its Shareholders and in turn has allotted its Equity Shares in the ratio of 50 Equity Shares of the Company for each Shares of M/s Kalpataru Marketing Pvt. Ltd. for cosideration other than cash.

Registered Office of the Company has been shifted from 401, Rajkamal Plaza-B, Nr. Samruddhi Bldg., Opp. Old High Court, Ahmedabad to 412/C, Payal Complex, Opp. Fortune Tower, Sayaji Gunj, Vadodara. w.e.f. 29th June, 2002.

Company has resigned as a partner from M/s Promis Industries w.e.f. 1st April, 2002.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO :****(A) CONSERVATION OF ENERGY :**

The Company with the services of technicians is taking adequate steps for minimising the energy and power wastage while implementing its Project.

**(B) TECHNOLOGY ABSORPTION :**

As the manufacturing process will be indigenously developed, there will be little scope for technology absorption.

**(C) FOREIGN EXCHANGE EARNING & OUTGO :**

No Foreign Exchange earning or outgo has occurred for the year.

**ACKNOWLEDGMENTS**

Your Directors thanks various Government Authorities, banks & other business associates for the support & assistance extended to the Company from time to time and look forward to their unstinted cooperation in development of the Company. Your Directors sincerely thanks the members for the confidence reposed by them in the company and look forward to their valuable support for the future plans of the Company.

**For and on behalf of the Board**

Place : Ahmedabad.  
Dated : 26th August, 2002

**Jagdish N. Patel**  
Chairman

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE :**

(Auditors' Certificate on Compliance of Conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchanges.)

To  
The Members of  
Jyoti Cosmetics (Exim) Ltd.

We have examined the compliance of conditions of corporate governance by M/s Jyoti Cosmetics (Exim) Ltd. for the year ended on 31st March, 2002. as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, subject to the requirement of one-half of the Board comprising of independent directors being complied with as on the date of this report, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the record maintained by the Shareholders/ Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR MAHESH G. VYAS & CO.**  
**CHARTERED ACCOUNTANTS.**

AHMEDABAD.  
26th August, 2002.

**MAHESH G. VYAS**  
**PROPRIETOR.**