




**KALINDEE**

**16th  
ANNUAL REPORT**

**Report 1999-2000**



**KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED**

Regd. Office : "Silver Oak",  
C-4, Sawai Jai Singh Highway, Bani Park, Jaipur-302 016



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## Board of Directors

Shri R.D. Sharma	Chairman cum Managing Director
Shri S.D. Sharma	Wholetime Director
Shri Arvind Gemini	Wholetime Director
Shri S.P. Sharma	Wholetime Director
Shri K.V. Krishnamurthy	Director
Dr. Niraj Kumar Singh	Director
Shri Raj Kumar	Director
Shri M.L. Mehta	Director

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<b>1. AUDITORS</b>	M/s R.K. Gurwala & Co., Chartered Accountants, Jaipur
<b>2. SECRETARIAL CONSULTANTS</b>	M/s V.M. & Associates Company Secretaries, Jaipur
<b>3. BANKERS</b>	IDBI Bank Ltd.

### REGD. OFFICE

"Silver Oak", C-4, S.J.S. Highway,  
Bani Park, Jaipur-302 016  
PABX : 0091-141-202733, 200992  
FAX : 0091-141-202658  
E-mail : kalindee@jp1.dot.net.in

### CORPORATE OFFICE

F-5, Gautam Nagar, Gulmohar Park Road  
New Delhi - 110049  
PABX : 0091-11-6965440  
Tele/Fax : 0091-11-6851279  
E-mail : kalindee@vsnl.com

## NOTICE

NOTICE is hereby given that 16th Annual General Meeting of the Members of KALINDEE RAIL NIRMAL (ENGINEERS) LIMITED will be held on Saturday, the 30th September, 2000 at 10.00 A.M. at Hotel Clarks Amer, Jawaharlal Nehru Marg, Jaipur to transact the following business :-

### A. ORDINARY BUSINESS :

Item No. 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000; Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors' and Auditors thereon.

Item No. 2 To appoint a Director in place of Shri K.V. Krishnamurthy, who retires from office by rotation and being eligible, offers himself for reappointment.

Item No. 3 To appoint a Director in place of Dr. Niraj Kumar Singh who retires from office by rotation and being eligible, offers himself for reappointment.

Item No. 4 To appoint Auditors and to fix their remuneration and in connection there with to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the retiring Auditors M/s R.K. Gurwala & Co., Chartered Accountants, Jaipur from whom certificate pursuant to section 224 (1-B) of the Companies Act, 1956 has been received, be and are hereby reappointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors of the Company."

### B. SPECIAL BUSINESS

Item No. 5 To consider and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolutions:

"RESOLVED THAT pursuant to section 198, 269, 309, 311 read with schedule XIII and other applicable provisions of the Companies Act, 1956, and subject to approval of Central Govt., if any, the consent and approval of the Company be and is hereby accorded to the reappointment of Shri R.D. Sharma, Chairman Cum Managing

Director of the company for a period of five years w.e.f. 18th October, 2000 on the changed remuneration, terms and conditions mentioned in the Explanatory statement annexed hereto.

RESOLVED FURTHER that pursuant to section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out in the enclosed Explanatory statement be paid as minimum remuneration to Shri R.D. Sharma notwithstanding that in any financial year of the company during his tenure as Chairman cum Managing Director, the Company has made no profits or profits are inadequate."

Item No. 6 To consider and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolutions:

"RESOLVED THAT pursuant to section 198, 269, 309, 311 read with schedule XIII and other applicable provisions of the Companies Act, 1956, and subject to approval of Central Govt., if any, the consent and approval of the Company be and is hereby accorded to the reappointment of Shri S.D. Sharma, Wholtime Director of the company for a period of five years w.e.f. 18th October, 2000 on the changed remuneration, terms and conditions mentioned in the Explanatory statement annexed hereto.

RESOLVED FURTHER that pursuant to section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out in the enclosed Explanatory statement be paid as minimum remuneration to Shri S.D. Sharma notwithstanding that in any financial year of the company during his tenure as Wholtime Director, the Company has made no profits or profits are inadequate."

Item No. 7 To consider and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolutions:

"RESOLVED THAT pursuant to section 198, 269, 309, 311 read with schedule XIII and other applicable provisions of the Companies Act, 1956, and subject to approval of Central Govt., if any, the consent and approval of the Company be and is hereby accorded to the reappointment of Shri S.P. Sharma, Wholtime Director of the company for a period of five years w.e.f. 18th October, 2000 on the changed remuneration,

terms and conditions mentioned in the Explanatory statement annexed hereto.

RESOLVED FURTHER that pursuant to section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out in the enclosed Explanatory statement be paid as minimum remuneration to Shri S.P. Sharma notwithstanding that in any financial year of the company during his tenure as Wholetime Director, the Company has made no profits or profits are inadequate."

Item No. 8 Amendments to the Articles of Association :

To consider and if thought fit, to pass with or without modification (s), the following resolutions as special resolutions :

"Resolved that pursuant to section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered in the following manner :

- a) Insert the following in Article 3 (A) in alphabetical order :
  - **"Beneficial Owner"** shall mean beneficial owner as defined under section 2 (1) (a) of the Depositories Act, 1996.
  - **"Depository"** shall mean a Depository as defined under section 2 (1) (e) of the Depositories Act, 1996.
  - **"Depositories Act"** shall mean Depositories Act, 1996 and any rules, regulations and bye-laws made thereunder and any statutory modification or re-enactment thereof for the time being in force.
  - **"SEBI"** means Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- b) "The Register of Members" to add the following words at the end : "and includes the Register of Beneficial Owners maintained by a Depository"
- c) After Article 18 (d), the following heading and Article be inserted as Article 18 (e) :

**Dematerialisation of Securities**

- i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise / rematerialise its securities and to offer securities in a dematerialised form pursuant to The Depositories Act, 1996 and the Rules framed thereunder.
- ii) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B and 187C of the Act shall apply to a depository in respect of the securities held by in on behalf of the beneficial owners.
- iii) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owner.  
  
Save as otherwise provided above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.  
  
Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- iv) Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
- v) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

- vi) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- vii) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
- viii) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

16th August, 2000  
Regd. Office :

'Silver Oak', C-4,  
Jaisingh Highway,  
Bani Park, Jaipur-302 016

By the order of the Board

Sd/-

**R.D. Sharma**

(Chairman cum Managing Director)

#### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Items 5 to 8 above, are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 29th September., 2000 to 30th September, 2000 (both days inclusive).
4. All documents referred to in the Notice and Explanatory Statements are open For inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and Public Holidays; between 11 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

#### ANNEXURE TO THE NOTICE

##### Explanatory statement pursuant to Section 173 of the Companies Act, 1956.

Item No. 5 The company had reappointed Shri R.D. Sharma to 7 as a Chairman cum Managing Director, Shri S.D. Sharma and Shri S.P. Sharma as Wholetime Director w.e.f. 18th October, 2000 for a period of 5 years. Their present term of office expires on 17th October, 2000. The Board of Directors of the company at their meeting held on 16th August, 2000 have reappointed them for further period of 5 years w.e.f. 18th October, 2000 on the following terms and conditions.

Terms & conditions of Shri R.D. Sharma, Shri S.D. Sharma, Shri S.P. Sharma will be as follows:-

#### SALARY

of Shri R.D. Sharma : Rs. 71500/- per month in the pay scale of Rs. 65000-6500-97500  
of Shri S.D. Sharma : Rs. 44000/- per month in the pay scale of Rs. 40000-4000-60000  
of Shri S.P. Sharma : Rs. 13000/- per month in the pay scale of Rs. 13000-1000-18000

#### PREREQUISITES :

Perquisites shall be allowed in addition to salary. Perquisites shall be restricted to an amount equal to annual salary. Perquisites are classified into three categories A, B & C as under :

##### Category - A

##### (1) Housing

(a) The expenditure by the Company on hiring furnished accommodation for the appointee will be subject to the following ceiling :

60% of the salary over and above 10% payable by the appointee:

(b) In case the accommodation is owned by the Company. 10% of the salary of appointee shall be deducted by the Company: and

(c) In case accommodation is not provided by the Company. The appointee shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.

#### Explanation

The expenditure incurred by Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962 subject to a ceiling of 10% of the salary of the appointee.

**(ii) Medical Reimbursement**

Expenses incurred for the appointee and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

**(iii) Leave Travel Concession**

For the appointee and his family, once in a year incurred in accordance with the rules specified by the Company.

**(iv) Club Fees**

Fees of Clubs subjects to a maximum of two clubs. This will not include admission and life membership fee.

**(v) Personal Accident Insurance**

Premium not to exceed Rs. 4,000 per annum.

**Explanation :**

For the purpose of Category 'A', 'family' means the spouse, the dependent children and dependent parents of the appointee.

**Category - B**

1. Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, Gratuity payable shall not exceed half a month's salary for each completed year of service.

2. Earned leave with full pay and allowances as per the rules of the Company but not exceeding one month's leave for every 11 months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

**Category - C**

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance call on telephones and use of car for private purpose shall be billed by the Company to the individual appointee concerned.

Notwithstanding anything stated herein above, where in any financial year, during the currency of tenure of the appointee, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites not exceeding the limits specified above.

None of the Directors except Shri R.D. Sharma, Shri S.D. Sharma, Shri S.P. Sharma and Shri Arvind Gemini being son of Shri R.D. Sharma are deemed to be interested in the resolution.

The Board recommends the resolution for approval.

Item No. 8 Consequent to enactment of The Depositories Act, 1996, and the introduction of depository system some of the provisions of The Companies Act, 1956 pertaining to issue, transfer, holding, dealing in etc. have been amended to facilitate holding of shares by the members in electronic form. The company is contemplating to join a Depository, thereby offering dematerialisation of its securities in due course.

It has therefore become necessary to amend the Articles of Association of your company so as to bring them in line with the relevant provisions of The Depositories Act, 1996.

Other amendments to the Articles of Association are consequent to the amendments to The Companies Act, 1956, through The Companies (Amendment) Act, 1999.

The Board recommends the proposed resolution for your approval.

None of the Directors of your Company is interested or concerned in the proposed resolution.

16<sup>th</sup> August, 2000

Regd. Office:

'Silver Oak', C-4

Jai Singh Highway,

Bani Park, JAIPUR

By the Order of the Board

Sd/-

**R.D. Sharma**

Chairman cum Managing Director