



(AN ISO - 9002 COMPANY)

17th

ANNUAL REPORT

Report 2000 - 2001.com

KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED

Regd. Office : "Silver Oak",

C-4, Sawai Jai Singh Highway, Banipark, Jaipur - 302 016

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
Shri Niraj Kumar Singh	Director
Shri M. L. Mehta	Director

1. COMPANY SECRETARY	: Shri Anil Sharma
2. AUDITORS	: M/s R. K. Gurwala & Co. Chartered Accountants, Aluda House, SMS Highway Jaipur
3. SECRETARIAL CONSULTANTS	: M/s V. M. & Associates Company Secretaries, Jaipur
4. REGISTRAR FOR DEMAT	: Computech International Ltd. 212 A, Ground Floor, Shahpur Jat, New Delhi
5. BANKERS	: IDBI Bank Ltd. C-Scheme, Jaipur

REGD. OFFICE

"Silver Oak", C-4, S.J.S. Highway,
Bani Park, Jaipur - 302 016
PABX : 0091-141-202733, 200992
Tele/Fax : 0091-141-202658
E-mail : kalindee@sancharnet.in

CORPORATE OFFICE

F-5, Gautam Nagar, Gulmohar Park Road,
New Delhi - 110049
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CONTENTS

	Page No.
Notice	1
Annexure to the Notice	2
Directors' Report	3-5
Auditors' Report with Annexures	6-7
Balance Sheet	8
Profit & Loss Account	9
Schedules & Notes	10-17
Balance Sheet Abstract	18
Cash Flow Statement	19

NOTICE

NOTICE is hereby given that 17th Annual General Meeting of the Members of KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED will be held on Saturday, the 29th December, 2001 at 10.00 AM at Hotel Clarks Amer, 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 2001, 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 Arvind Gemini, who retires from office by rotation and being eligible, offers himself for reappointment.

Item No.3 To appoint a Director in place of Shri M.L.Mehta, 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 therewith 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, Aluda House, SMS Highway, Jaipur from whom certificate pursuant of 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 a Special Resolution :

"RESOLVED THAT in accordance with the provision of Section 17 and other applicable Provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and relevant provisions of the Memorandum

of Association and Articles of Association of the Company and subject to the approval of Company Law Board, the Registered Office of the Company be shifted from Silver Oak, C-4, Jai Singh Highway, Bani Park, Jaipur (Rajasthan) to F-5, Gautam Nagar, Gulmohar Park Road, New Delhi-110049 and the Clause II of the Memorandum of Association be substituted by the following.

"The Registered office of the Company will be situated in the STATE OF NCT OF DELHI."

RESOLVED FURTHER that for the purpose of giving effect to the forgoing the Board be and is hereby authorised in its absolute discretion to do all such acts, deeds, things and matters as may be necessary or proper to implement the resolution."

For and on behalf of the Board

31st Oct., 2001

Regd.office :

"Silver Oak", C-4,

Jai Singh Highway,

Bani Park, Jaipur-302016

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 explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business, under item 5 above, is annexed hereto and forms part of this notice.
3. The register of members and the Share Transfer Books of the Company will remain closed from 22nd Dec.2001 to 29th Dec.2001 (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 11.00 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(2) of the Companies Act, 1956

Item No. 5 The Company gets its major projects from Indian Railways which has its headquarters at Delhi, hence it is considered more appropriate for efficient implementation of projects and effective management, control, expansion, liaison and business development to shift the Registered Office of the Company from the State of Rajasthan to the State of N.C.T. of Delhi. Also change of Registered Office will be advantageous for diversification of the activities of the Company and for going in for joint venture/ foreign collaboration which are in pipeline. It will also be more economical, cost effective to have Registered Office in Delhi.

The company has obtained your approval in the extra ordinary General Meeting held on 27th April 2001, This Resolution is to convince the concerned authorities to accord their approval.

Your Directors recommend the resolution for acceptance.

None of the Directors is in any way concerned interested in the proposed resolution.

For and on behalf of the Board

31st Oct., 2001

Regd.office :

"Silver Oak", C-4,

Jai Singh Highway,

Bani Park, Jaipur-302016

(R.D.SHARMA)

Chairman cum Managing Director

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the Company's 17th Annual Report together with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March 2001.

ECONOMIC SCENARIO :

The year 2000-01 was a turbulent year. The global recession coupled with economic slowdown adversely affected the Indian economy also. The slowdown in U.S.economy particularly I.T. sector has a dampening effect on Indian economy as it has been the fastest growing sector. A series of natural calamities including recent devastating earthquake in Gujarat, the floods in Eastern part of country, Orissa cyclone, all had disturbing effect on Indian economy. The manufacturing industry, the service sector, the Agriculture and Infrastructure Sector, all faced a slowdown in growth. In fact Agriculture production was in negative growth which further affected general purchasing power resulting into recessionary trend creeping into Indian economy. The GDP growth during 2000-01 has been estimated at 5.2% in comparison to 6.4% in 1999-00. The industrial growth has also declined in 2000-01 and is estimated at 5.3% as against 6.4% in 1999-00.

Financial results :

In this background your company's business has also come down during the year under review. There has been reduced fund allocation by Railways towards modernisation and expansion which has affected your company's business projections.

	31-03-2001 (Rs.)	31-03-2000 (Rs.)
Turnover	20,48,38,657	35,14,28,348
Other Income	28,32,523	26,63,612
Profit before Dep. & Tax	1,58,65,840	2,57,31,981
Less: Depreciation	34,86,790	34,37,035
Profit before Tax	1,23,79,050	2,22,94,946
Less: Provision for Tax	50,00,000	82,00,000
Less: Prior Period Adj.	16,27,956	52,53,947
Profit after tax	57,51,094	88,40,999
Surplus available for appropriation	57,51,094	88,40,999
Appropriation:		
General Reserve	10,00,000	10,00,000
Balance carried over to Balance Sheet	47,51,094	78,40,999

OPERATIONS:

Signalling & Telecommunication Division:

During the year under report, Signalling & Telecom Division of your company did the works valued at Rs. 1879 lacs.

Civil Division:

Civil Engineering Division has successfully completed its ninth year. During the year under report, Civil Division has made a contribution of Rs. 169 lacs in the total receipt of the company.

Awards/ Achievements :

1. The efforts of your company towards achieving excellence have been recognised and company has been awarded with ISO 9002 certification by International Certifications Service (Asia) Pvt. Ltd., Accredited by Joint Accreditations System of Australia and New Zealand. This certifies Quality Management System available in the company applicable to Supply, Installation and Commissioning of Railway Safety Signalling System, OFC & Quad cable based communication system & Microwave Towers, Laying of Railway Track, Railway Siding and other allied Civil Works on turnkey basis.
2. Your company has opted for dematerialisation of its shares. The shares having admitted in depository system under arrangement with Delhi based Depository Registrar M/s Computech International Limited having electronic connectivity both with National Securities Depository Ltd.(NSDL) & Central Depository Services(India) Ltd.(CDSIL), Mumbai.

FUTURE PLANS :

1. During the year under review, your company has already got a prestigious contract for DMRC (Delhi Metro Rail Corpn.) project through a French Multinational giant ALCATEL. The work involves installation of Automatic Fare Collection (AFC) in DMRC needing a very sophisticated and latest technology.
Having gained this experience of working with a MNC in the latest technology field, your company will be striving for additional latest technology work in conjunction with ALCATEL in India. Your Company has already got its Engineers trained in France.
2. In its bid to expand to international market, your company has already submitted its bid with a joint venture with Konkan Railway Corporation Ltd., Navi Mumbai, a Govt.of India undertaking, for a railway project in Iraq under UN sponsored programme. It

is a very high valued project and the bid is against global competition. If awarded, your company's business will have manifold jump and will add value to your company. The chances are bright.

3. Your company hopes to bag a very sophisticated work of substantial value of about Rs.50 crores in the year 2001-02 in Central Railway for which your Company has already been declared L1. The work involves enhancing safety and providing on line information system for train movement. This Train Management System will be the first and latest modernisation system of this type in train movement in India. Your company has been declared successful bidder against global competition and it involves latest technology to be made available from different sources Overseas.
4. As already stated in your company's directors last year's report, your Company's efforts to get the BOT (Build Own Transfer) scheme on Indian Railways accepted and made applicable has borne fruit and projects under the scheme are likely to be announced soon. Your company will certainly bid for the project and try to bag it. This involves massive capital outlay and for this your Company is already in the process of having financial and technical tie up.
5. Your Company's efforts to enter the Road Sector is continuing. This is another infrastructural activity having a lot of business potential.
6. As you are aware your Company is having enough and exhaustive experience in installation of OFC based telecommunication system and your company is rather pioneer in this activity in India. Today this is one of the biggest thrust area as this provides communication/ information highway. Indian Railways are also going to install this OFC based communication system along with railway track who will let out its infrastructure to various networking and information/ communication provider services. Your Company will try its best to tap the most of the work opportunity by tapping its synergies in coming year. Your Company has already got work order from basic telecom services e.g. Bharti Telesonic Ltd., Tatas etc. in various places in India for such highly skilled cabling networking installations.

FIXED DEPOSIT:

The company has neither invited nor availed any fixed

deposits during the year under review.

DIVIDEND:

Your Directors consider it in the best interest of the Company to conserve its resources for strengthening the Company's financial position to accomplish its future plans. As such, the Directors do not recommend any dividend for this year.

DIRECTORS:

Shri Arvind Gemini and Shri M.L.Mehta retire by rotation and being eligible, offer themselves for re-appointment. The Board recommends reappointment of Shri Arvind Gemini and Shri M.L.Mehta.

Shri Raj Kumar has ceased to be Director. Your Directors acknowledge his valuable contribution and guidance to the company.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, the Directors hereby confirm that :

- (a) in the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had 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 of the Company for that period;
- (c) the Directors had, as far as possible, taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, to the best of their knowledge and ability;
- (d) the Directors have prepared the Annual Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, in respect of employees who were in receipt of remuneration of Rs.12,00,000/- or more per year or Rs. 1,00,000/- or more per month where employed for a part of the year, is