

**KANCHAN**

*Certified True Copy*

**KANCHAN**

FOR KANCHAN INTERNATIONAL LTD.

*Plu-art*

DIRECTOR

**INTERNATIONAL**

**LIMITED**



Report  junction.com

**5th**

**ANNUAL GENERAL REPORT**

**1998 - 1999**

**KANCHAN INTERNATIONAL LTD.****DIRECTORS**

Shri Ashok C. Khimavat  
 Shri Dinesh C. Khimavat  
 Shri Bharat H. Pipalia

Chairman  
 Managing Director  
 Director

**AUDITOR**

M/s. Jayant Saliya & Co.  
 Chartered Accountants,  
 6, Sailor Building, 3<sup>rd</sup> Floor,  
 373, Dr. D.N. Road, Fort,  
 Mumbai - 400 001.

**BANKERS**

Dena Bank

**REGISTRARS  
& TRANSFER  
AGENTS**

Vytal Links Financial Services Pvt. Ltd.  
 C-228, Bonanza Industrial Estate,  
 Ashok Nagar, Kandivali (East)  
 Mumbai - 400 101.

**REGISTERED  
OFFICE**

7, Saloni Apartment, 56<sup>th</sup> Road,  
 T.P.S., Borivali (West),  
 Mumbai - 400 092.

**CORPORATE  
OFFICE**

28, A/B, Raju Industrial Estate,  
 Penkar Pada Road,  
 Near Dahisar Check Naka,  
 Thane.

**PLANT**

22-E, G.D.D.I.D.C.,  
 Somnath Road, Dabhel,  
 Daman - 396 210.

## **NOTICE**

Notice is hereby given that the Fifth Annual General Meeting of the members of **KANCHAN INTERNATIONAL LTD.** will be held at the Registered Office of the Company at 7, Salooni Apartment, 56<sup>th</sup> Road, TPS, Borivli (W), Mumbai – 400 092 on Thursday, the 30<sup>th</sup> September, 1999 at 11.30 a.m. to transact the following business :

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report and the Audited Profit & Loss account for the year ended 31<sup>st</sup> March, 1999 and the Balance Sheet as on that date.
2. To appoint a Director in place of Shri. Bharat H. Pipali, who retires by rotation, but being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

1. To consider and if thought fit to pass with or without modifications(s) the following Resolution which will be proposed as a Special Resolution;

"RESOLVED that pursuant to the provisions of Securities Contracts Regulation Act, 1956 as amended by SEBI Act, 1992 and Stock Exchange Listing requirements and such other approvals, if any 32,10,100 Equity Shares of Rs. 10/- each of the company listed on Madras Stock Exchange Ltd. and Ahmedabad Stock Exchange be delisted from Madras Stock Exchange Ltd. and Ahmedabad Stock Exchange w.e.f. 1<sup>st</sup> April, 2000.

### **Notes :**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

2. Instruments of proxies, in order to be effective, must be deposited at the Company's Registered office not less than 48 hours before the time of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 28<sup>th</sup> September 1999 to 30<sup>th</sup> September 1999 (Both the days inclusive).
4. Members desiring any information on the accounts at the Annual General Meeting are requested to write-to-the company at least seven days in advance, so as to enable company to keep the information on ready.
5. *The members are requested to take note that with a view to provide better services to them, the Company has decided to start in – house Share Transfer Department w.e.f. 1<sup>st</sup> October, 1999 at its Corporate Office at 28, A/B, Raju Industrial Estate, Penkar Pada Road, Near Dahisar Check Naka, Thane. Therefore, the Shareholders are requested to address all correspondence relating to share transfer and other related matters to the Corporate Office of the Company.*
6. Members are requested to intimate the change in their addresses, if any, immediately to the company at its Corporate Office.

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

**SPECIAL BUSINESS :**

Company's shares have been listed at Madras Stock Exchange Ltd. and Ahmedabad Stock Exchange. However, during the last three years there are hardly any transactions at Madras Stock Exchange Ltd. and Ahmedabad Stock Exchange and hence it is desired to have Company's Shares delisted from the said Exchange.

**For and on behalf of the Board**

**ASHOK C. KHIMAVAT  
CHAIRMAN**

Place : Mumbai

Date : 21<sup>st</sup> August, 1999

## DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 5<sup>th</sup> Annual Report together with Audited Statements of Accounts of the company for the year ended 31<sup>st</sup> March, 1999.

### FINANCIAL RESULTS :

	Year Ended 31.03.99 (Rs. In Lacs)	Year Ended 31.03.98 (Rs. In Lacs)
Sales	<u>1019.94</u>	<u>827.29</u>
Profit before taxation and depreciation	63.48	40.79
Depreciation	<u>8.00</u>	<u>5.32</u>
Profit before taxation	55.48	35.47
Provision for taxation	<u>1.00</u>	<u>NIL</u>
Net Profit after taxation	54.48	35.47
Balance B/F from Previous Year	33.84	(1.55)
Prior period Adjustment (Net)	<u>0.00</u>	<u>0.07</u>
Profit available for Appropriation	<u>89.28</u>	<u>33.85</u>

### APPROPRIATIONS:

General Reserve	<u>50.00</u>	<u>Nil</u>
Balance Carried to Balance Sheet	<u>39.28</u>	<u>33.85</u>

### REVIEW OF OPERATIONS

Your company has achieved sales turnover of Rs. 1019.94 Lacs during the Financial Year ended 31<sup>st</sup> March, 1999 as against Rs. 827.29 Lacs during the previous year. These has been achieved through development of new market and mass advertisement. The Company has taken measures to reduce the operating cost

and adopted innovative marketing strategies to increase the turnover as well as increase in profitability of the Company and your Directors hope that in the coming years your Company will achieve higher turnover as well as profitability and will be able to serve you better.

### **DIVIDEND**

The Board of Directors have decided to plough back the entire profits earned by the Company for the better growth of the Company and hence not recommended any dividend for the year.

### **INDUSTRIAL RELATIONS**

During the year under review the management has maintained a cordial relationship with workers and their co-operation prevailed throughout the year.

### **DIRECTORS**

As per the Articles of association, Mr. Bharat H. Pipalia, Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment.

### **FIXED DEPOSITS**

The Company has not accepted any deposits within the purview of section 58A of the Companies Act, 1956.

### **CONSERVATION OF ENERGY, ETC.**

The Particulars pursuant to requirement under section 217 (1) (e) of the Companies Act, 1956 are as under :

- (a) The Company's operations involve low energy consumption, hence there is hardly any measure required to be taken for conservation of energy.
- (b) There was no technology absorption during the year.

(c) Total foreign exchange used and earned during the year – NIL.

### **Y2K COMPLIANCE**

All the software/hardware installed in the company are Y2K compliant and as such all data based functions and operations will operate consistently for dates prior to, during and after the year 2000.

### **PARTICULARS OF EMPLOYEES :**

None of the employees of the Company were paid remuneration in excess of the limits prescribed u/s 217(2)(A) of the Companies Act, 1956 as such, the particulars of employees, within the meaning of section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of Employee) Rules, 1975, as amended by the Companies (Amended) Act, 1988 are not given.

### **AUDITORS**

The present Statutory Auditors of the Company M/s. Jayant Salian & Co. retire at the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. Your Directors recommend their re-appointment.

### **APPRECIATION :**

The management wishes to place on record its appreciation for the overwhelming co-operation received from its Bankers, Distributors, Suppliers, Media Agents, Workers and the members of the staff. Your Directors thank the Shareholders of the Company for the confidence reposed by them in the Company.

**For and on behalf of the Board**

**ASHOK C. KHIMAVAT  
CHAIRMAN**

**Place : Mumbai  
Date : 21<sup>st</sup> August, 1999**

## **AUDITORS' REPORT TO THE MEMBERS**

We have audited the attached Balance Sheet of **KANCHAN INTERNATIONAL LTD.**, as at 31<sup>st</sup> March, 1999 and also the Profit & Loss Account of the Company for the year ended on that date, annexed thereto, and report that :

1. 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 checks as we considered appropriate and according to the information and explanations given to us we set out in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to in the paragraph 1 above :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of account;
  - d) In our opinion, these accounts have been prepared in compliance with the applicable Accounting Standards referred to in Section 211 (3c) of the Companies Act, 1956.
  - e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
    - 1) In the case of the Balance Sheet, of the state of Affairs of the Company as at 31<sup>st</sup> March, 1999 and;
    - 2) In the case of the Profit and Loss Account, of the profit for the year ended on that date.

**For JAYANT SALIAN & CO.  
CHARTERED ACCOUNTANTS**

**PLACE : MUMBAI**  
**DATE : 21<sup>st</sup> August, 1999**

**(JAYANT SALIAN)  
PROPRIETOR**