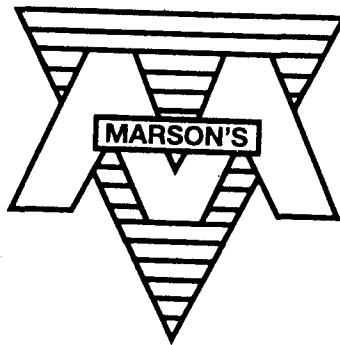


# **ANNUAL REPORT 2001-2002**



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## **MARSON'S LIMITED**



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*Chairman & Managing Director*

G. C. KOTIA

*Directors*

M. C. JAIN

J. C. GUPTA

N. KOTIA

R. N. AGARWAL

PRAVIN JAIN

A. KOTIA

*Auditors*

K. K. JAIN & CO.

*Registrar & Transfer Agent*

AMI COMPUTERS (INDIA) LIMITED (upto 15.4.02)

60A & B, Chowringhee Road

Kolkata 700 017

MAHESHWARI DATAMATICS PVT. LTD. (w.e.f. 16.04.2002)

6, Mangoe Lane, 2nd Floor

Kolkata 700 001

Report Junction.com

*Bankers*

ALLAHABAD BANK

*Registered Office*

4, CHANDNI CHOWK STREET

KOLKATA 700 072

*Corporate Office*

18, PALACE COURT

1, KYD STREET

KOLKATA 700 016

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## NOTICE

Notice is hereby given the Twenty Fifth Annual General Meeting of the Members of Marson's Limited will be held at Ashutosh Birth Centenary Auditorium (Indian Museum), 27 Jawaharlal Nehru Road, Kolkata-700 016, on Saturday, the 28th September, 2002 at 10.30 a.m. to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accoutns of the Cofmpany for the year ended 31st March 2002 and the Auditors and the Directors.
2. To appoint a Director in place of Mr. Nikhilesh Kotia, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Pravin Jain, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

By Order of the Board  
For **Marson's Limited**

Registered Office :  
4, Chandni Chowk Street  
Kolkata - 700 072  
Dated the 22nd day of June, 2002

**G. C. Kotia**  
Chairman & Managing Director

### Notes :

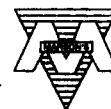
1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself/herself. Such Proxy need not be a Member of the Company. Proxy in order to be effective must be received by the Company not less than forty-eight hours before the commencement of the Meeting.
2. Register of Members and Share Transfer Books of the Company will remain closed from 23rd September 2002 to 28th Septemebr 2002 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the Company's Registered Office at 4, Chandni Chowk Street, Kolkata-700 072.
4. The Share of the Company continued to be listed at The Calcutta Stock Exchange Association Ltd., The Stock Exchange Mumbai, The Delhi Stock Exchange, The Jaipur Stock Exchange Ltd. and The Ahmedabad Stock Exchange.
5. Members are requested to intimate to the Company queries, if any regarding Accounts, atleast seven days before the meeting to enable the management to keep the information required readily available at the meeting.
6. Members are requested to bring the attendance slip along with copy of Annual Report at the Meeting.
7. In view of Maheshwari Datamatics Pvt. Ltd. being appointed with effect from 16.04.2002 as the Registrar & Share Transfer Agents of the Company, shareholders are requested to address all correspondence to them at the following address :

Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane, 2nd Floor  
Kolkata-700 001  
E-mail :

By Order of the Board  
For **Marson's Limited**

Registered Office :  
4, Chandni Chowk Street  
Kolkata - 700 072  
Dated the 22nd day of June, 2002

**G. C. Kotia**  
Chairman & Managing Director



## Directors' Report

Your Directors have pleasure in presenting the Twenty Fifth Annual Report and Annual Accounts for the Financial Year Ended 31st March, 2002.

### FINANCIAL RESULTS

	Rs.	2001-2002 (Rs. in Lacs)	Rs.	2000-2001 (Rs. in Lacs)
Gross Profit before Depreciation & Provision for Taxation		81.53		82.87
Less : Provision for Depreciation	61.04		59.02	
Provision for Taxation	8.11	69.15	3.01	62.03
		12.38		20.84
Add : Balance B/F from Last year		9.37		8.53
		21.75		29.37
<b>Appropriation to</b>				
General Reserve		9.00		20.00
Transfer to Balance Sheet		12.75		9.37

### DIVIDEND

Due to meager profit available for appropriation, your Directors do not recommend payment of any dividend for the year ended 31st March, 2002.

### OPERATION

Yours company achieved a turnover of Rs. 19.63 Crores as against Rs. 23.72 Crores in Previous year Due to sluggish marketing conditions, thus recording lesser net profit after tax of Rs. 12.38 Lacs as against Rs. 20.84 Lacs in the previous year.

### FUTURE PROSPECTS

Although the Indian Economy has been passing through a critical phase, your Directors will initiate further steps towards improvements in operations and procuring orders during the current financial year, and are hopeful of better results during the current financial year.

### CORPORATE GOVERNANCE :

The importance of Corporate Governance lies in its contribution both to business prosperity and to accountability. Directors fully support basic tenets of Corporate Governance as the prudent exercise of management rights in the best interests of stakeholders in a Company. Directors are fully committed to implement all requirements of Clause 49 of the Listing Agreements in the Financial year i.e. 2002-2003.

### FIXED DEPOSIT :

Your Company did not receive any Fixed Deposit during the year under review.

### DIRECTORS :

As per the provision of Section 256 of the Companies Act, 1956 read with Article 78(6) of the Articles of Association of the Company Mr. Nikhilesh Kotia and Mr. Pravin Jain retire by rotation at the forthcoming Annual General Meeting but being eligible both have offered themselves for reappointment.

### AUDIT COMMITTEE :

The Audit Committee Comprised of (1) Sri M.C. Jain, (2) Sri R. N. Agarwal and (3) Sri Akhilesh Kotia on 31st March, 2002.



### **DIRECTORS' RESPONSIBILITY STATEMENT :**

Your Directors confirm :

- i. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation to material Departure;
- ii. that 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 ended 31st March, 2002 and of the profit of the Company for that year.
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the annual accounts on a going concern basis.

### **AUDITORS :**

M/s. K. K. Jain & Co. Chartered Accountants of P-21/22, Radhabazar Street, Kolkata-700 001, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The company has received a letter from them confirming that their appointment, if made, will be within the limit set out under section 224(1B) of the Companies Act, 1956.

### **AUDITOR'S REPORT**

The Auditor's Report read with the Notes on Accounts are self explanatory and hence do not call for any explanation.

### **PERSONNEL**

The provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of employees Rule 1975) as amended is not applicable to the Company as none of the Employees of the Company was in receipt of agreement remuneration as prescribed in the said section.

### **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

Information in according with provision of Section 217(i)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy technology absorption and foreign exchange earning and outgo is given in the Annexure forming part of this report.

### **ACKNOWLEDGEMENT**

Your Directors would like to place on record their deep appreciation for the co-operation from bank and financial institutions during the year under review. Your Directors also record their grateful appreciation for the services rendered by members of the staff of your company.

Your Directors are also grateful to the trust and confidence placed in them by the members.

On behalf of the Board  
For **Marson's Limited**

Registered Office  
4, Chandni Chowk Street  
Kolkata - 700 072  
Dated the 22nd day of June, 2002

**G. C. Kotia**  
Chairman & Managing Director



**INFORMATION AS PER SECTION 217(1)(E) COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2002.**

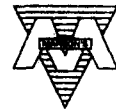
<b>A. CONSERVATION OF ENERGY</b>	:	Not Applicable
1. Research and Development (R & D)		
a) Specific areas in which R & D carried out by the company	:	Improvement in Transformer Design
b) Benefits derived as result of the above R & D	:	Development of these Transformers will enable the Company to capture the major portion of the market in future as these are cheaper, easy to handle and results in lower losses.
c) Future plan of action	:	It is proposed to convert more areas in new product development, quality improvement and cost reduction.
d) Expenditure of R & D		
i) Capital	:	Nil
ii) Recurring	:	Nil
iii) Total	:	Nil
iv) Total R & D Expenditure as a Percentage of total turnover	:	Nil
2. Technology absorption, adoption and innovation		
a) Efforts in brief, made towards technology absorption, adoption and innovation	:	All technology adopted by the Company has been development in house.
b) Benefits derived as result of the above efforts e.g. product improvement construction, Product development, import substitution etc.	:	Since technology has been developed, in house absorption and adoption is efficient. Further significant cost reduction has been achieved.
c) In Case of imported technology (imported during the last 5 years reckoned from the Beginning of the financial year) following Information may be furnished.	:	There has been no import of technology hence not applicable.
<b>B. FOREIGN EXCHANGE EARNING AND OUTGO</b>		
1. Activities relating to export initiative taken to increase export, development of new export markets for production and services and export plans.	:	The Company is developing export market for the products and other items.
2. a) Total Foreign Exchange used	:	Rs. 2,93,23,020
b) Total Foreign Exchange Earned	:	Rs. 6,58,82,572



## AUDITORS' REPORT

1. We report that we have audited the Balance Sheet of Marson's Limited as 31st March, 2002, signed by us under reference to the report and the relative Profit & Loss Account for the year ended on that date, which are in agreement with the Books of Account. These financial statements are the responsibility of the Company's management. Our responsibility is to express our opinion in these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used significant estimates made by The management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to explanations given to us the Balance Sheet and Profit & Loss Account together with schedules annexed thereto, give in the prescribed manner the information required by the Companies Act, 1956, and also give respectively a true and fair view of the state of Company's affairs as at 31<sup>st</sup> March, 2002 and its profit for the year ended on that date.
4. In our opinion, the Profit & Loss account and Balance Sheet of the Company, complies with the Accounting Standard referred to in sub section 3(C) of section 211 of the Companies Act, 1956, *subject to points referred to in schedule 'L' for non-provision of leave encashment and for non funding of Gratuity to the extent of Rs. 5,95,258.*
5. On the basis of the written representation received from the directors as on 31st March, 2002 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2002 from being appointed as Director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956.
6. We have obtained all the information and explanation which to be best of our knowledge and belief, were necessary for our audit and proper books of account have been kept as required by law so far as appears from our examination of the books.
7. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we further report that:
  - 1) The Company has maintained proper records to show full particulars including quantitative details and situation of its Fixed Assets. The management has physically verified the fixed assets at reasonable intervals and the discrepancies were noticed on such verification were not serious and have been properly dealt with in the books of accounts;
  - 2) None of the Fixed Assets have been revalued during the year;
  - 3) The stocks of work-in-progress, stores, spare parts and raw materials have been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable;
  - 4) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management were found reasonable and adequate in relation to the size of the company and nature of its business;
  - 5) The discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the company and the same have been properly dealt with in the Books of Accounts;
  - 6) On an examination of the stocks wherever necessary, in our opinion, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles, and is on the same basis as the previous year;





- 7) The Company has taken unsecured loans from Directors, and other parties listed in the register maintained under section 301 of the Companies Act, 1956, and the terms and conditions of the loans are prima facie not prejudicial to the interest of the company. The company has however not taken any loans from the companies as defined under section 370(1-B) of the Companies Act, 1956;
- 8) The company has not granted any loan secured to companies, firms or other parties listed in the register maintained under Section 301 and 370(1-B) of the Companies Act, 1956. Provision of Section 370(1-B) are not applicable in view of provision of Section 370(6) of the Companies Act, 1956.
- 9) According to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and nature of its business for the purchase of stores and spare parts, raw materials, plant & machinery, furniture and fixtures and other assets.
- 10) According to the information and explanation given to us, the transactions of purchases and sales of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the period to Rs. 50,000 or more in respect of such party, have been made at prices which are reasonable having regard to prevailing market prices of such goods and materials or prices at which transactions for similar goods have been made with other parties.
11. As explained to us, the Company has a regular procedure for the determination of unserviceable stores and raw materials.
12. The Company has accepted deposits from the public for which provisions of Section 58A are having complied with.
13. In our opinion, reasonable records have been maintained by the Company for the sale and disposal of scrap.
14. In our opinion the Company has an internal audit system commensurate with the size and nature of the business.
15. The Central Government has not prescribed for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for any product of the Company.
16. According to the records of the Company, the Provident Fund and Employees' State Insurance dues, have been regularly deposited during the year, with the appropriate authorities, except for delay in a few cases.
17. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty outstanding for period of more than six months, as on 31st March, 2002 from the date they became payable.
18. According to the information and explanations given to us and based on accepted business needs and contractual obligations, duly authorised, in our opinion no personal expenses have been charged to revenue account.
19. In respect of investment in shares, the Company has maintained proper records of the transactions and contracts and timely entries have been made therein and that the shares have been held by the Company in its own name; and
20. The company is not a sick industrial company within the meaning of Clause (0) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For **K. K. JAIN & CO.**  
Chartered Accountants

P-21/22 Radha Bazar Street  
Kolkata - 700 001  
Dated the 22nd day of June, 2002

**P. K. Jain**  
Partner