

MONICA ELECTRONICS LIMITED

Report  Junction.com

Annual Report 2008-09

BOARD OF DIRECTORS

**S.K. Shukla
Amarjeet Singh
B.P. Yadav**

AUDITORS

**Goel Garg & Co.,
Chartered Accountants,
H-4, Masjid Moth,
Greater Kailash-II,
New Delhi- 110 048**

REGD. OFFICE

reportjunction.com

**A-19, B-1,
Mohan Co-operative Industrial Estate,
Mathura Road, Badarpur,
New Delhi- 110 044**

REGISTRAR & SHARE TRANSFER AGENT

**Mas Services Limited
T - 34, 2nd floor,
Okhla Industrial Area, Phase-II,
New Delhi- 110 020**

MONICA ELECTRONICS LIMITED

NOTICE is hereby given that the annual general meeting of the members of the MONICA ELECTRONICS LIMITED will be held on Monday, the 14th day of September, 2009 at 10:00 A.M. at H-4, Ansal Villa, Satbari, Chattarpur, New Delhi to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009 and Profit & Loss Account for the year ended on that date along with the reports of Auditors and Directors thereon.
2. To appoint a director in place of Ms S. K. Shukla, who retires by rotation and being eligible, offers himself for reappointment
3. To appoint M/s Goel Garg & Co., Chartered Accountants to hold office from the conclusion of this meeting till the conclusion of the next annual general meeting and fix their remuneration.

AS SPECIAL BUSINESS

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

RESOLVED THAT in supersession of resolution passed at the annual general meeting of the company on September 26, 2002 and pursuant to sub-section (1) of section 163 of the Companies Act, 1956 and other provisions if any, the consent of the company be and is hereby accorded to keep the register and index of members, copies of annual returns prepared under section 159 of the Companies Act, 1956 together with copies of certificates and documents required to be annexed thereto under section 161 of the Companies Act, 1956 at the office of the Registrars and Transer Agent at Mas Services Limited, T-34, 2 nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020.

By order of the Board

Amar Jeet Singh
Director

New Delhi, July 21, 2009

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 AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT TIME OF THE MEETING.
2. The register of members and share transfer books of the company will remain closed from September, 10, 2009 to September 14, 2009 (both days inclusive).
3. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the company ten days in advance of the meeting so that the answer may be made readily available.
4. Members are requested to produce the enclosed attendance slip duly signed, in accordance with specimen signatures registered with the company for admission to the meeting place.
5. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is appended.

Explanatory statement

(pursuant to section 173(2) of the Companies Act, 1956)

MONICA ELECTRONICS LIMITED**Item No. 4**

The company had appointed Intime Spectrum Registry Private Limited as its Transfer Agent. Later, Intime Spectrum Registry Private Limited changed its name to Link Intime India Pvt. Ltd. The Board of the company in its meeting held on 21.07.2009 has appointed Mas Services Limited as its Transfer Agent. With this change all our share transfer and dematerialisation work will be transferred to Mas Services Limited. Section 163 of the Companies Act, prescribes that all statutory registers, indexes, returns and copies of certificates and documents shall be kept at the registered office of the company. However the same may be kept at any other place within the city in which the registered office of the company is situated if such other place has been approved for such purpose by a special resolution the general meeting. The resolution seeks the approval of members. None of the director is interested in the resolution.

**DIRECTORS' REPORT
TO THE MEMBERS**

The directors submit their report and accounts for the financial year 2008-09

OPERATIONS

During the year ended March 31, 2009, the sales and other income were Rs. 46,89,869/- as against Rs.4,32,590/- in the previous year ended 31st March 2008. The loss for the period under review was Rs. 1,87,077/- as against loss of Rs. 7,37,317/- in the previous year.

DIVIDEND

The directors do not recommend any dividend.

AUDITORS' REPORT

Auditors' observations have been explained in annexure 'B' which forms part of this report.

DIRECTORS' RESPONSIBILITIES STATEMENT

- i) The financial accounts are prepared in conformity with the accounting standards issued by the Institute of Chartered Accountants of India and requirements of the Companies Act, 1956 to the extent applicable to the company.
- ii) The accounting policies used in preparation of financial statements have been consistently applied. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, such financial statements reflect in a true and fair manner, the state of affairs of the company at the year ended on 31.3.2009 and loss of the company for the year ended 31.3.2009
- iii) Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 has been taken for safe-guarding the assets of the company and preventing and detecting fraud and other irregularities, to the best of our knowledge and ability.
- iv) The annual accounts have been prepared on a going concern and on accrual basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the company, Mr S. K. Shukla, Director retires by rotation and being eligible, offers himself for re-appointment.

AUDITORS

The auditors M/s Goel Garg & Co., Chartered Accountants retire at the conclusion of the forthcoming annual general meeting and being eligible offer themselves for re-appointment. A confirmation in terms of Section 224(1B) of the Companies Act, 1956 has been received from them.

PARTICULARS OF EMPLOYEES, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

The company does not have any employee whose remuneration falls under the limits prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. The information under section 217 (1) (e) of the said act read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is set out in annexure 'A' and forms part of this report.

MONICA ELECTRONICS LIMITED

ACKNOWLEDGEMENT

Your directors wish to thank and deeply acknowledge the valuable assistance; co-operation and support extended by the Central and State government authorities and banks during the year under review. The Board also gratefully acknowledges the support and goodwill extended by the shareholders of the company.

For and on behalf of the Board of Directors

(Amar Jeet Singh)
Director

(B. P. Yadav)
Director

Date: July 21, 2009

Place: New Delhi



MONICA ELECTRONICS LIMITED**ANNEXURE 'A' TO DIRECTORS' REPORT****1. CONSERVATION OF ENERGY****a. Energy conservation measures taken**

The operations of the company remained closed during the year and no energy was consumed. Hence, no measures were taken.

b. Additional investments and proposals, if any, being implemented for reduction of energy.

Their being no energy conservation and measures taken for energy conservation in view of closed manufacturing operations, no additional measures and proposals implemented for reduction of energy used.

c. Impact of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production.

Not applicable.

2. RESEARCH AND DEVELOPMENT**a. Specific areas in which R&D carried out by the company.**

All the operations of the company being closed, no R&D activity was carried out.

b. Benefits derived as a result of above R&D

Not Applicable

c. Future plan of action.

Not Applicable

d. Expenditure on R&D

Not Applicable

3. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION.**a. Efforts made towards technology absorption, adaptation and innovation.**

Not Applicable

b. Benefits derived as a result of above efforts.

Not Applicable

c. Particulars relating to improved technology.

Not Applicable

4. FOREIGN EXCHANGE EARNINGS AND OUTGO**a) Activities relating to exports:**

As the manufacturing operations of the company remained closed, no initiatives for export were undertaken.

b) Foreign Exchange Earnings And Outgo

i) Earnings..... Nil

ii) Outgo by way of import of raw material and other expenditure Nil

MONICA ELECTRONICS LIMITED

ANNEXURE 'B TO DIRECTORS' REPORT

MANAGEMENT'S COMMENTS IN RESPECT OF REMARKS OF AUDITORS UNDER SECTION 217(3) OF THE COMPANIES ACT, 1956.

- **OBSERVATION**

Balances grouped under Sundry Creditors, Advances from Customers and Advances recoverable are subject to confirmation from respective parties.

- **RESPONSE**

The company has started the process of obtaining confirmation from the respective parties.

- **OBSERVATION**

Advances recoverable include an amount of Rs. 121.31 lacs due from corporate companies for which no provision has been made. However, as per analysis of their net worth as per financial statements available, the amounts are doubtful of recovery.

- **RESPONSE**

The confirmations of balances from the parties are on record. Hence no provision has been made.



MONICA ELECTRONICS LIMITED**DIRECTORS REPORT ON CORPORATE GOVERNANCE****1. Philosophy on Code of Corporate Governance**

The Board of Directors monitors company performance, approves and reviews policies / strategies and evaluates management performance. The Board ensures legal and ethical conduct and accurate financial reporting.

2. Board of Directors**i) Composition & Category**

The following is the composition of the Board as on 31st March 2009:

Directors	Category
Mr Amar Jeet Singh*	Non-Executive Director
Mr S. K. Shukla	Non-Executive Director
Mr B. P. Yadav	Independent & Non-Executive Director
Mr Kaushal Tyagi**	Non-Executive Director

* Joined on 3rd September 2008

**resigned on 29.7.2008

ii) Attendance of each Director at the Board Meetings and the last annual general meeting:

Name of the Director	No. of Board Meetings		Attendance at last AGM
	Held during the tenure of Director	Attended	
Mr B. P. Yadav	8	8	Yes
Mr S.K. Shukla	8	8	Yes
Mr Kaushal Tyagi	4	0	No
Mr. Amar Jeet Singh	4	4	Yes

Note:

- a) None of the directors is related to any other director.
- b) During the year the Board of Directors of Monica Electronics Limited met 8 times i.e. on May 5, 2008, June 27, 2008, July 8, 2008, July 29, 2008, September 4, 2008, October 29, 2008, December 21, 2008 and January 20, 2009. The maximum gap between any two meetings was not more than four months. A detailed agenda is sent to each director in advance of Board and committee meetings.

MONICA ELECTRONICS LIMITED**3. Other Directorship/Membership and Committees of the Board**

Number of outside directorship of the members of Board of Directors:

Name	No. of outside directorship held	No. of membership in Committee of Directors	Chairmanship held in committee of Directors
Mr. B. P. Yadav	1	2	2
Mr S. K. Shukla	Nil	Nil	Nil
Mr. AmerJeet Singh	Nil	Nil	Nil

2. COMMITTEES OF THE BAORD

Currently there are two committees of the Board, the Audit Committee and the Investors' Grievance Committee. The composition and the number of meetings held during the financial period and the related attendance are provided below:

i) Audit Committee

The Audit Committee covers the areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Mr B. P. Yadav	-	Chairman
Mr S. K. Shukla	-	Member
Mr Amar Jeet Singh	-	Member

During the year the committee met 5 times i.e. on May 5, 2008, June 27, 2008, July 29, 2008, October 29, 2008, and January 20, 2009. The minutes of the Audit Committee were placed before the Board. The overall attendance of the directors was as under:

Members	Held during the tenure of Director	Meetings Attended
Mr. B. P. Yadav	5	5
Mr S. K. Shukla	5	5
Mr Kaushal Tyagi	3	0
Mr. Amer Jeet Singh	2	2

ii) Remuneration of Directors

Non-Executive independent directors are paid sitting fees for attending the Board / committee meetings within the limits prescribed under the Companies Act, 1956.

Directors Position	Position	Sitting fees	Salary & Perquisites	Commission	Total
Mr. B. P. Yadav	Director	10,000/-	-	-	10,000/-
Mr S. K. Shukla	Director	-	-	-	-
Mr Kaushal Tyagi	Director	-	-	-	-
Mr Amar Jeet Singh	Director	-	-	-	-