

Annual Report 1999 - 2000



NIRAV COMMERCIALS LIMITED

Annual Report 1999-2000

BOARD OF DIRECTORS

Shri Lalit Kumar Daga *Chairman & Managing Director*
Shri Shailesh Daga
Shri Sudhir Goel

EXECUTIVE

Shri R.K.Varshney *(General Manager-Commercial)*

BANKERS

United Bank of India

AUDITORS

A.J.Baliya & Associates
Chartered Accountants, Mumbai.

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REGISTERED OFFICE

357, A to Z Industrial Estate,
G.K. Marg, Lower Parel (West),
Mumbai - 400 013.

WORKS

Unit : Elesar Focchi
1, Kachigam Road
Ringan Wada
Nani Daman-396 210.

SHARES DEPARTMENTS

For dematerialisation shares :
Intime Spectrum Registry Pvt.Ltd.
260, Shanti Industrial Estate,
Sarojini Naidu Road,Mulund (West),
Mumbai - 400 080.

Nirav Commercials Limited**NOTICE**

NOTICE is hereby given that the 15th Annual General Meeting of members of Nirav Commercials Limited will be held at 357, A to Z Industrial Estate, G. K. Marg, Lower Parel (West), Mumbai-400 013 on Saturday, 19th August, 2000 at 11.00 a.m. to transact the following business:

1. To receive and adopt the Directors' Report and the Audited statement of Accounts together with Auditors' Report thereon for the financial year ended 31st March 2000.
2. To appoint a Director in place of Shri Sudhir Goel, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :-

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution :

RESOLVED THAT in accordance with the provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act), read with Schedule XIII of the said Act, the Company hereby approves the appointment of Shri Sudhir Goel as a Whole-Time Director of the Company for the period of 5 years with effect from 19th August 2000, on the following remuneration :

1. Salary : upto Rs.30,000/- per month
2. Perquisites & Allowances :
 - (i) "In addition to the salary payable, the Whole-time Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof: house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs; medical reimbursement; club fees and leave travel concession for himself and his family; medical insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors.
 - (ii) For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision

for use of the Company's car for official duties, cellular phone and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites.

- (iii) Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of leave at the end of the tenure, shall not be included in the computation of the ceiling on remuneration specified paragraph 1 of Section II of Part II of Schedule XIII of the Act.

3. Minimum Remuneration :

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the whole-time director, the company will pay remuneration by way of salary (1) and perquisites and allowances (2) as specified above.

5. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution :

RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended in the following manner :

(I) INSERTION OF ARTICLE 30A

The following new Article 30A be inserted after the present Article 30 :

DEMATERIALIZATION OF SECURITIES

30A.(a) Definitions:

beneficial owner

"beneficial Owner" means a person whose name is recorded as such with a depository ;

SEBI Board

"SEBI Board" means the Securities and Exchange Board of India ;

bye-Laws

"bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996 ;

Depositories Act

"depositories Act" means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force ;

depository

"depository" means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;

record

"record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by depository regulations made by the SEBI Board;

depository regulations

"depository regulations" mean the regulations made by the SEBI Board;

security

"security" means such security as may be specified by the SEBI Board.

(b) Dematerialisation of securities:

Notwithstanding anything contained in these presents, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialise form pursuant to the Depositories Act. The right and obligations of the parties concerned shall be governed by the Depositories Act.

(C) Options to receive security certificates or hold securities with depository:

Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository. Where a person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.

(d) Securities in depositories to be in fungible form:

All securities held by a depository shall be dematerialised and shall be in a 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 it on behalf of the beneficial owners.

(e) Rights of depositories and beneficial owners:

1. Notwithstanding anything to the contrary contained in these presents, a depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner;
2. Save as otherwise provided in 1 above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it.
3. Every person holding equity share capital of the Company and whose name is entered as beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the securities held by a depository.

(f) Depository to furnish information:

Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

(g) Option to opt out in respect of any security:

If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly. The depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company. The Company shall, within thirty (30) days of receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the depository regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

(h) Sections 83 and 108 of the Act not to apply;

Notwithstanding anything to the contrary contained in these presents :

Nirav Commercials Limited

1. Section 83 of the Act shall not apply to the shares held with a depository.
2. Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

(I) Register and Index of beneficial owners :

The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, shall be deemed to be an Index of Members and Register and Index of Debenture holders as the case may be for the purposes of the Act.

(II) INSERTION OF ARTICLE 66 A

The following new Article 66A be inserted after the present Article 66 :

66A. Notwithstanding anything stated in these presents a holder or joint holders of shares or debentures, may nominate, in accordance with the provisions of Section 109 A of Companies Act, 1956, and in the manner prescribed thereunder, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of such holder/s. Any nominations so made shall be dealt with by the Company in accordance with the provisions of section 109B of Companies Act, 1956.

NOTES :-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 14th August, 2000 to Saturday, 19th August, 2000 (both days inclusive).

EXPLANATORY STATEMENT

As required by section 173 of the Companies Act, 1956 the following explanatory statement sets out all material facts relating to item No.4 & 5 of notice.

Shri Sudhir Goel be appointed as a Whole-Time Director of the Company with effect from 19th August, 2000. Shri Sudhir Goel, a qualified Chartered Accountant, 50 years has over 18 years of experience in managing financial affairs and he is also looking after financial affairs of the Company.

With the enactment of the Depositories amendments to certain provisions of the Companies Act, 1956, a new Article is proposed to be inserted briefly stating the frame work of the System of the depository as per the provisions of the Depositories Act, 1996, with a view to facilitating operation of the depository system. In view of this, consequent changes are required to be incorporated in the Articles of Association of the Company by inserting a new Article 30A so as to be in line provisions of the Companies Act, 1956, read with the provisions of the Depositories Act, 1996.

The Companies (Amendment) Act, 1999, has, inalia, made a provision through Section 109A whereby a holder or joint holders of shares can nominate a person(s) to whom all the rights in the shares or debentures shall vest in the event of the death of such holders. Such a nominee can elect either to be registered himself as the holder of the shares or debentures or make such transfer of the shares or debentures as the deceased holder/s of shares or debentures could have made. It is therefore, proposed to incorporate a new article 66 A in the Articles of Association of the Company providing for nominations facility in accordance with the provision of Sections 109A and 109B of the Companies Act, 1956.

The Ordinary Resolution at item No.4 be treated as an abstract under section 302 of the Companies Act, 1956 and Special Resolution at item No.5 is, therefore proposed pursuant to Section 31 of the Companies Act, 1956.

None of the Directors of the Company is concerned or interested in the Resolution except to the extent of their respective share holding, if any, in Company.

The Articles of Association of the Company referred above is available for inspection of the Members at the Company's Registered Office during the business hours on any working day.

For and on behalf of the Board

Lalit Kumar Daga
Chairman & Managing Director

REGISTERED OFFICE :

357, A to Z Industrial Estate,
G.K. Marg, Lower Parel (West),
Mumbai - 400 013.

Dated: 29th June, 2000.

DIRECTORS' REPORT

To the Members,

The Directors hereby present their 15th Annual Report together with audited statement of accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS :	1999-2000 Rs.(In lacs)	1998-1999 Rs.(In lacs)
Turnover	575.40	569.36
Operating Profit	41.29	58.64
Less : Depreciation	5.63	8.47
Provision for Taxation	14.40	16.20
Prior Year's Income Tax	0.50	0.07
Net Profit	20.76	33.90

WORKING

Company's working during the year was satisfactory.

Y2K

The Company has achieved a smooth transition to the year 2000 without any problems as result of steps taken for Y2K compliance.

DEMATERIALIZATION OF SHARES

With a view to providing better investor service, the Company has admitted its Equity Shares in the Depository System of "Central Depository Services (India) Limited" (CDS) Ltd." The ISIN number allotted to the Company is "INE242B01018". We appeal to investors to avail of this facility.

As per the direction of the Security Exchange Board of India (SEBI) the Equity Shares of the Company be compulsorily traded in electronic form only with effect from 24th July, 2000.

SHARE CAPITAL REDUCTION

The Hon'ble High Court at Mumbai vide its order dated 29th November, 1999 reduced the paid-up Share Capital of the Company from Rs.1,96,00,000/- divided into 19,60,000 Equity Shares of Rs.10/- each fully paid-up to Rs.39,20,000/- divided in to 19,60,000 Equity Shares of Rs.10/- each having paid-up value of Rs.2/- each share and upon such reduction 5 such Equity Shares of Rs.2/- paid-up consolidated into 1 (one) Equity Share of Rs.10/- each fully paid-up. Therefore total number of issued, subscribed & paid-up Equity Shares of the Company stand reduce to 3,92,000 Equity Shares of Rs.10/- each fully paid-up aggregating Rs.39,20,000/-.

LISTING

Equity Shares of the Company are listed on Mumbai Stock Exchange.

DIRECTORS

Shri Sudhir Goel, Director of the company retires by rotation, and being eligible offers himself for reappointment.

AUDITORS

M/s. A.J. Ballys & Associates, Chartered Accountants, Auditors of the Company, hold the office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment.

PARTICULARS OF EMPLOYEES

During the year under review, Company has not employed any person who was in receipt of remuneration exceeding the sum prescribed under the Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are annexed.

ACKNOWLEDGEMENT

The Directors would like to express their sincere appreciation of assistance and Co-operation received from its Bankers during the year under review. Directors also wish to place on record their deep sense of appreciation of the devoted services rendered by all the employees of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 29th June, 2000. Lalit Kumar Daga
Chairman & Managing Director

ANNEXURE TO DIRECTORS' REPORT

I. CONSERVATION OF ENERGY

There are no major areas where conservation measures could be considered viable. However, wherever possible, efforts are made to conserve use of energy through improved operational methods.

II. RESEARCH AND DEVELOPMENT

- | | |
|--|--|
| a. Specific areas in which R & D was carried out by the Company. | - In view of simple nature of production process no activities related to research & development were being carried out. |
| b. Benefits derived as a result of the above R & D. | - There is no future plan of action on that account envisaged. |
| c. Future Plan of action | - Nil |
| d. Expenditure on R & D. | - Nil |

III. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

During the year under review Company's business process did not involve any technology absorption, adaption and innovation.

IV. FOREIGN EXCHANGE EARNING AND OUTGO

- | | |
|--|---|
| a. Activities relating to exports. | - The company did not carry on any activities to exports. |
| b. Initiatives taken to increase exports | - There is no export plans in hand. |
| c. Development of new export markets for products & services | - Nil |
| d. Exports Plans | - Nil |
| e. Total Foreign Exchange used & earned. | - Nil |

For and on behalf of the Board

Place : Mumbai
Date : 29th June, 2000. Lalit Kumar Daga
Chairman & Managing Director