



**BALANCE SHEET  
FOR THE YEAR  
2003/2004**

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**Nirav Commercials Ltd.**

357, A to Z Industrial Premises, G. K. Marg, Lower Parel, Mumbai- 400013.

**NIRAV COMMERCIALS LIMITED**

**ANNUAL REPORT 2003 - 2004**

**BOARD OF DIRECTORS**

Shri J alit Kumar Daga	Chairman
Shri Shailesh Daga	
Shri Sudhir Goel	Whole-Time Director

**EXECUTIVE**

Shri R.K.Varshney	General Manager - Commercial
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**BANKERS**

United Bank of India

**AUDITORS**

A.J.Baliya & Associates  
Chartered Accountants, Mumbai

**REGISTERED OFFICE**

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

**WORKS**

Unit : Elesar Focchi  
Survey No.65/3D, Plot No.1,  
Cachigam Road, Ringanwada,  
Daman – 396 210 (Union Territory).

**REGISTRARS AND SHARE TRANSFER AGENTS**

Intime Spectrum Registry Ltd.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai-400 078.

## NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 19<sup>th</sup> Annual General Meeting of the Members of Nirav Commercials Limited will be held at 357, A To Z Industrial Estate, G.K.Marg, Lower Parel (West), Mumbai – 400 013 Registered Office of the Company on Monday, 23<sup>rd</sup> August, 2004 at 11.00 a.m. to transact the following business:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet and the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2004, and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shailesh Daga who retires from office by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

For and on behalf of the Board

  
**Lalit Kumar Daga**  
Chairman

Place : Mumbai.

Date : 30<sup>th</sup> June, 2004.

### NOTES FOR MEMBERS' ATTENTION

1. The Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain closed from Friday, 13<sup>th</sup> August, 2004 to Monday, 23<sup>rd</sup> August, 2004 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

3. The Company has listed its Shares at The Stock Exchange, Mumbai and listing for the year 2004-2005 has been already paid to Stock Exchange.
4. Depository System:  
Members are informed that w.e.f. 24<sup>th</sup> July, 2000 the shares of the Company are traded in compulsory dematerialised form.
5. Re-appointment of Director  
At the ensuing Annual General Meeting Shri Shailesh Daga shall retire and being eligible offers himself for re-appointment.

Shri Shailesh Daga, 35 years, Director is a Commerce Graduate from University of Bombay and Master in Business Administration from Bond University (Australia) and has over 15 years experience in the Aluminium Industry. He is the Director of the Company w.e.f. 19.08.1997. He is a Director in other 5 Limited Companies & 14 Private Limited Companies.

For and on behalf of the Board

  
**Lalit Kumar Daga**  
Chairman

### Registered Office :

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

Dated : 30<sup>th</sup> June, 2004

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Dear Shareholders,

Your Directors have pleasure in presenting the 19<sup>th</sup> Annual Report together with audited Balance Sheet and Profit & Loss Account for the year ended 31<sup>st</sup> March, 2004.

<b>FINANCIAL RESULTS:</b>	<b>2003-2004</b> (Rs.in lacs)	<b>2002-2003</b> (Rs.in lacs)
Sales	1572.27	1427.99
Other Income	<u>23.17</u>	<u>34.98</u>
	<b>1595.44</b>	<b>1462.97</b>
Less: Total Expenditure	<b>1660.44</b>	1392.18
Depreciation	16.38	12.94
Provision for taxation		
Current Tax	Nil	19.76
Deferred Tax	<u>(29.60)</u>	<u>Nil</u>
Net Profit/(Net Loss)	<b><u>(51.78)</u></b>	<b><u>38.09</u></b>

**OPERATIONAL PERFORMANCE**

During the year your Company's manufacturing division named 'Elesar Focchi' at Daman has shown improved performance and sales of its products increased to Rs.468.67 lacs as compared to Rs.225.60 lacs in the previous year. Trading sales was Rs.1103.60 lacs as compared to Rs.1202.38 lacs in the previous year.

**ISO 9002**

You will be happy to note that the unit of the Company namely Elesar Focchi is an ISO 9002 certified unit.

**PARTICULARS OF EMPLOYEES**

During the year under review, the 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.

**DIRECTOR**

In accordance with Article 119 of the Articles of Association of the Company, Shri Shailesh Daga, retire from office by rotation, and being eligible, offer himself for reappointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors wish to inform Members that the Audited Accounts containing the Financial Statements for the Financial Year 2003-2004 are in full conformity with the requirements of the Companies Act, 1956. They believe that the Financial Statements reflect fairly, the form and substance of transaction carried out during the year and reasonably present the Company's financial condition and results of operations. These Statements are audited by the Statutory Auditors of the Company.

Your Directors further confirm that:

- i) in the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments 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 or loss of the Company for that year period;

- iii) that the directors have 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;
- iv) that the directors have prepared the Annual Accounts on a going concern basis.

#### AUDITORS

M/s. A.J. Baliya & Associates, Chartered Accountants, Auditors of the Company, retire, and being eligible, offer themselves for re-appointment.

#### 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 is annexed to this report.

#### ACKNOWLEDGEMENT

The Directors would like to express their sincere appreciation of assistance and Co-operation received from their 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



**Lalit Kumar Daga**  
Chairman

Place : Mumbai.  
Date : 30<sup>th</sup> June, 2004.



**'ANNEXURE- I' TO DIRECTORS' REPORT****I. CONSERVATION OF ENERGY**

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

**II. RESEARCH AND DEVELOPMENT****a. Specific areas in which R&D was carried out by the Company**

The Company is actively engaged in product up gradation, design, development and new product development.

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

Improved product designs resulted in higher value added products which achieved better realisation.

**c. Future plan of action**

Emphasis on the above activities will be an on going exercise.

**d. Expenditure on R&D :**

Since the expenditure incurred on research and development activities were not substantial, no separate account for the same was being maintained.

**III. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

Since Company's products are being developed by in-house R & D team, no further information under this head is required to be given.

**IV. FOREIGN EXCHANGE EARNING AND OUTGO****a. Activities relating to exports**

During the year under review the Company has exported material worth Rs.14.96 lacs, as compared to nil export in the previous year.

**b. Initiatives taken to increase exports**

Your Company has been in constant touch with various customers around the world. We hope that our regular follow-up will result in procuring export orders.

**c. Development of new export markets**

Your Company is constantly exploring the possibilities of exporting its products to new markets. This is an on going process.


**d. Export Plans**

Export sales can only be increased by developing relationship with prospective buyers. In this connection your Company's officials are trying their best to explore possibilities of export sales.

**e. Total Foreign exchange used and earned**

- i. Foreign exchange used - The information is given in Notes on Account (Schedule-O to the Accounts).
- ii. Foreign exchange earned - The information is given in Notes on Account (Schedule-O to the Accounts).

For and on behalf of the Board

  
**Lalit Kumar Daga**  
 Chairman

Place : Mumbai  
 Date : 30<sup>th</sup> June, 2004.

**A. J. BALIYA & ASSOCIATES** (REGISTERED)  
CHARTERED ACCOUNTANTS

1, Gala Tower, Bhai Balmukund Marg,  
Opp. Jaihind Theatre, Chinchpokli (E),  
Mumbai - 400 012.  
Tel. : 373 50 11 / 373 19 35  
Fax : 373 24 62  
E-mail : ashok\_baliya@yahoo.com

## AUDITOR'S REPORT

### To the Members of NIRAV COMMERCIALS LIMITED

We have audited the attached Balance Sheet of Nirav Commercials Limited as at March 31, 2004 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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 and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

2. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

3. Further to our comments in the Annexure referred to above, we report that:

- (i) 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;
- (ii) 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;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representation received from the directors as on March 31, 2004 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2004 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

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Tel. : 373 50 11 / 373 19 35  
Fax : 373 24 62  
E-mail : ashok\_baliya@yahoo.com

Subject to above 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 in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 st March, 2004;
- (b) In the case of Profit and Loss Account, of the Loss for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

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(M. P. MODY)

Partner

Membership No.FCA 42975

Place: Mumbai

Dated: 30<sup>th</sup> June, 2004.



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## ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 2 of our report of even date]

- (1) (a) The Company has maintained proper records to showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) In our opinion, the Company has not disposed off any part of fixed assets during the year.
- (2) In respect of its inventories:
  - (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (3) (a) The Company has granted unsecured loans to six companies covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum balances against respective parties during the year was Rs. 5,98,39,320/-. The balance at the end of the year was Rs. 2,77,62,342/-. The Company has taken loan from a Company covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum balance during the year was Rs.20,01,603/-. The balance at the end of the year was Rs.20,01,603/-.
- (b) In our opinion the rate of interest and other terms and conditions on which loans taken or granted to parties listed the registers maintained u/s 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (c) The parties to whom the loans are given and parties from whom loans are taken by the Company are repayable on demand and are regular in payment of principal and interest wherever applicable.

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CHARTERED ACCOUNTANTS

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(d) There is no over due amount of loans given as referred to in (a) .

(4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal control.

(5) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are the opinion that transactions that need to be entered into the register maintained under Section 301 of the Companies Act 1956, have been so entered.

(b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act 1956, and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.

(6) The Company has not accepted any deposits from the public

(7) In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.

(8) The Central Government has not prescribed maintenance of cost records u/s 209 (1)(d) of the Companies Act, 1956 in respect of the products of the Company

(9) In respect of statutory dues :

(a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other Statutory Dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2004 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, there are no dues to Income-Tax, Sales-Tax, Customs Duty, Wealth-Tax, Excise Duty or Cess outstanding on account of any dispute.

(10) The Company has no accumulated losses at the end of the financial year. It has incurred cash loss of Rs.69,25,030/- during the year and it has not incurred any cash loss in the year immediately preceding financial year.