

22nd ANNUAL REPORT 2003 -2004



PH TRADING LTD.
(FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

BOARD OF DIRECTORS

MR. P. HIMATSINGKA

MR. A. K. BHUWALKA

MR. A. JHANWAR

MR. R. JHANWAR

AUDITORS

M/S. SALARPURIA & PARTNERS

7, CHITTARANJAN AVENUE

KOLKATA-700 072

BANKERS

ORIENTAL BANK OF COMMERCE, KOLKATA

ORIENTAL BANK OF COMMERCE, MUMBAI

TAMILNADU MERCANTILE BANK, MUMBAI

REGISTERED OFFICE :

PODDAR POINT

'B' BLOCK, 10TH FLOOR

113, PARK STREET

KOLKATA-700 016

PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

NOTICE

Notice is hereby given that the Twenty 2nd Annual General Meeting of PH TRADING LTD. (Formerly Larsen Services & Trading Company Limited) will be held at its Regd. Office at 113, Park Street, 10th floor, B-Block, Kolkata-700 016, on Tuesday, the 31st August, 2004 at 3.30 p.m. to transact the following Business :-

ORDINARY BUSINESS

- 1) To consider and adopt the Auditors & Directors report as well as audited Balance Sheet and Profit & Loss Account of Company for the year ended 31st March, 2004.
- 2) To declare dividend.
- 3) To appoint director in place of Mr. Ashok Jhanwar who retires by rotation & being eligible offer himself for re-appointment.
- 4) To appoint auditors to hold office from the conclusion of this meeting until the conclusion of next annual general meeting and fix their remuneration.

Regd. Office :

Poddar Point, 10th Floor, 'B' Block

113, Park Street, Kolkata-700 016

Date : The 18th of June 2004

By order of the Board

Prakash Himatsingka

Managing Director

NOTES :-

1. A member entitled to attend & vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not to be a member of the Company. Proxies, in order to be effective, must reach the Registered office of the Company at least 48 hours before the meeting.
2. The Registers of members & transfer book of the Company will remain closed from 26/08/04 to 31/08/04 (both days inclusive).
3. Members are requested to notify any change in address immediately to the Companies registered office.
4. As per the provisions of the Company Act, 1956 (as amended), the facility for making nomination is now available to individuals holding shares in the Company. Those who desires to avail this facility may send their request for nomination in the prescribed form 2B duly filled in and signed to the Company's registered office.
5. (a) As per provisions of Section 205A of the Companies Act, 1956, the Company has already transferred to the General Revenue Account of the Central Government the amount of all unclaimed dividends declared upto and including the financial year ended 31st March, 1996. Hence to claim dividend upto the said period, the members are advised to approach the Registrar of Companies, West Bengal 234/4, Acharya Jagadish Chandra Bose Road, Kolkata-700 020
(b) Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 dividend, for the financial year ended 31st March, 1997, and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the investor Education and Protection Fund established by the Central Government.
Members who have not encashed the dividend warrant (s) for the financial year ended 31st March, 1997 or any subsequent financial years are requested to make claim to the share department of the Company. It may also be noted that once the unclaimed dividend is transferred to the Fund, as above, no claims shall lie in respect of such dividend.
6. The Dividend on Equity Shares as recommended for the year ended 31st March, 2004, if approved at this meeting will be payable on or after 31st August, 2004 to those members whose names appear on the Register of members of the Company as on 31st August, 2004.

PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**DIRECTOR'S REPORT**

To

The Members,

Your Directors have pleasure in placing before you the 22nd Annual Report of the Company together with the audited statement of account of the year ended March 31, 2004.

FINANCIAL RESULTS :

| | | |
|--------------------------------------|--------------|---------------|
| Profit during the year | | Rs. 19,91,393 |
| Add : Previous year balance | | Rs. 39,82,090 |
| | | Rs. 59,73,483 |
| Less : Provision for taxation | Rs. 7,30,000 | |
| Deferred tax liability | Rs. 9,956 | |
| Proposed dividend | Rs. 3,60,000 | |
| Dividend Tax | Rs. 46,125 | |
| | | Rs. 11,46,081 |
| Balance transferred to Balance Sheet | | Rs. 48,27,401 |

DIVIDEND :

Your Directors are pleased to recommend a dividend @ 0.75 Paise per fully paid up equity share of Rs. 10/- each for the year ended 31st March, 2004.

DIRECTORS :

Sri Ashok Jhanwar, Director of the Company retire by rotation but being eligible offers himself for re-appointment.

Directors Responsibility statement pursuant to section 217 (2AA) of the Companies Act, 1956.

The Directors hereby confirm.

- I) That in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departure.
- II) That the directors had 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 and of the profit or loss of the Company for that period.
- III) That the Directors had taken proper and sufficient care for 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 had prepared the annual accounts on a going concern basis.

AUDITORS :

M/s. Salarpuria & Partners, Chartered Accountants of 7, Chittaranjan Avenue, Kolkata-72, the auditors of the Company being eligible offer themselves for re-appointment.

DEPOSITS :

The Company has never accepted any deposit and as such absolves itself of any compliance in this behalf.

PERSONNEL :

There was no employee receiving remuneration according to section 217(2A) of the Companies Act and hence no statement has been given.

Information under section 217(1)E of the Companies Act., 1956.

Your Company has no activity relating to conservation of energy and Technology absorption. The Company does not have any foreign exchange earnings.

By order of the Board

113, Park Street
10th Floor, Kolkata-700 016
Dated : Friday, the 18th June, 2004

P. HIMATSINGKA | Directors
A. K. BHUWALKA

PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**AUDITOR'S REPORT :****TO THE MEMBERS :**

We have Audited the attached Balance Sheet of PH TRADING LTD. (Formerly Larsen Services & Trading Company Limited) as at 31st March, 2004 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period ended on that date. 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.

We have conducted our audit in accordance with the 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.

As required by the Manufacturing and Other Companies (Auditor's Report) order, 1988 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 paragraphs 4 and 5 of the said Order.

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 purposes of our audit.
- (ii) In our opinion, proper books of account as required by the law have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditor's Report's have been forwarded to us and have been appropriately dealt with.
- (iii) The Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of account and with the audited returns from the branches.
- (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 representations received from the directors, as on 31st March, 2004, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2004 from being appointed as a director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) 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.

Subject to : Non provision of Bad and doubtful debts amounting to Rs. 1,255,698/-

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004;
- (b) in the case of the Profit and Loss Account, of the Profit 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.

7, Chittaranjan Avenue
Kolkata-700 072
The 18th day of June, 2004

FOR SALARPURIA & PARTNERS
Chartered Accountants
ARVIND GHOSH
Partner

PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**ANNEXURE**

- i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) These fixed assets are physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) Substantial part of fixed assets have not been disposed off during the year to the question of affecting the going concern does not arise.
- ii) a) Physical verification of inventory has been conducted at reasonable intervals by the Management.
- b) The procedures for verification of inventory 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 is maintaining proper records of inventory and no material discrepancies were noticed on physical verification of the same.
- iii) a) The company has taken unsecured loans from companies, Firms or other Parties covered under the register maintained under Section 301 of the Act viz.

| Name of the Party | Opening Balance | Amt. taken together with Interest | Amount paid | Closing Balance |
|---------------------------------|-----------------|-----------------------------------|-------------|-----------------|
| Abhishek Chemicals Pvt. Ltd. | 5,518,655 | 41,701,933 | 43,100,501 | 4,120,087 |
| Avismi Properties Pvt. Ltd. | NIL | 2,160,399 | 78,107 | 2,082,292 |
| Himatsingka Chemicals Pvt. Ltd. | 1,537,458 | 8,358,052 | 6,793,284 | 3,102,226 |
| Intel Sales Pvt. Ltd. | 803,228 | 2,444,207 | 292,465 | 2,954,970 |
| Prakash Himatsingka | 6,586,596 | 4,749,004 | 5,664,746 | 5,670,854 |
| Pramadh Properties Pvt. Ltd. | NIL | 2,150,092 | 75,994 | 2,074,098 |
| Swan Silverwares Pvt. Ltd. | 4,913,068 | 31,757,309 | 32,799,841 | 3,870,536 |
| Variable Plaza Pvt. Ltd. | 1,779,737 | 2,921,568 | 1,612,208 | 3,089,097 |
| Vikranu Properties Pvt. Ltd. | NIL | 2,145,708 | 75,095 | 2,070,613 |

- b) In our opinion, the rates of interest and Terms & Conditions on which loan have been taken are not prima facie, prejudicial to the interest of the Company.
- c) They are regular in the payment of Principal & Interest as stipulated and there is no overdue amounts of loans taken from parties listed in the registers maintained under section 301 of the Companies Act.
- iv) There is an adequate internal control procedure commensurate with the size and the nature of its business or the purchase of inventory and fixed assets and for the sale of goods.
- v) a) The transactions that need to be entered into a register in pursuance of sec. 301 have been so entered.
- b) Transactions other than interest have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The company has not accepted deposits from the public and so the directives issued by the

PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

reserve Bank of India and the provisions of Sec. 58A and 58AA of the Act and the rules framed thereunder do not apply to it.

- vii) The company has an internal audit system commensurate with its size and nature of business.
- viii) The maintenance of cost records has not been prescribed by the Central Government U/s. 209 (1) (d) of the Companies Act, 1956 (1 of 1956). Therefore the item (viii) of the aforesaid other is not applicable.
- ix) a) The Company is regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other Statutory dues with the appropriate authorities. As per management the Provident Fund Act and Employees State Insurance Act are not applicable to the company.
- b) As per management there are no disputed dues of sales tax/income tax/custom tax/wealth tax/excise duty/cess etc.
- x) Item (x) of the order is not applicable to the company.
- xi) The company has not defaulted in repayment of dues to a financial institution or bank.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence the question of maintenance of adequate documents and records does not arise.
- xiii) The company is dealing in shares, securities, debentures and other investments and proper records have been maintained of the transactions and timely entries have been made therein and such shares, securities debentures and other securities have been held by the company in its own name.
- xiv) As per management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xv) The company has not taken any loan, so the question about its applicability for the required purpose does not arise.
- xvi) There is no fund raised on short term basis and hence question of used it for long term investment does not arise.
- xvii) No share issues have been made during the year so there could not have been any preferential allotment of shares to parties covered in the Register maintained U/s. 301 of the Act.
- xviii) No debentures issue have been made by the company and so the question of its securitisation does not arise.
- xix) No public issues were made in this period, so end use money utilisation relating to the same does not arise.
- xx) No fraud on by the company has been noticed or reported during the year.

7, Chittaranjan Avenue
Kolkata-700 072
The 18th day of June, 2004

FOR SALARPURIA & PARTNERS
Chartered Accountants
ARVIND GHOSH
Partner