

KAYTON

TRADE & FINANCE LIMITED

18TH ANNUAL REPORT

Report  2002-2003 www.reportjunction.com

Registered Office : 1st Floor, VCA Complex, Civil Lines, Nagpur – 440 001

KAYTON TRADE & FINANCE LIMITED

1st Floor, V.C.A. Complex, Civil Lines, Nagpur 440 001

NOTICE TO MEMBERS

Notice is hereby given that the Eighteenth Annual General Meeting of members of Kayton Trade & Finance Limited will be held at the Registered Office of the Company 1st Floor, V.C.A. Complex, Civil Lines, Nagpur 440 001 on Monday the 29th September, 2003 at 11.00 A.M. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2003 and Profit & Loss Account for the period ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To reappoint a Director in the place of Shri Ashok Pal, who retires from office by rotation and being eligible offers himself for re-appointment.
3. To appoint auditor and authorise the Board of Directors to fix his remuneration.

SPECIAL BUSINESS

4. Appointment of Mr. Nirmal Kothari as Director

"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 Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Nirmal Kothari, who was appointed by the Board of directors as an Additional director of the Company and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

5. To appoint Practicing Company Secretary for issue of Compliance Certificate and to fix their remuneration.

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By order of the Board

Place : Nagpur

Dated: 30th June, 2003

sd/

Director

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September to 29th September, 2003 (both days inclusive).
3. All requests received from Members for change of address will be entertained only when shareholders' signatures on the letter intimating change of address tally with the specimen signatures recorded with the Company. While notifying change in address please ensure that the address is complete and the pin code number is clearly mentioned. Incorrect / incomplete address may lead to non-delivery of documents / communications sent to you from the Company.
4. Members are requested to quote Folio Numbers in all correspondence. Members holding shares in identical order of names in more than one folio are requested to write to Company to consolidate their holding in one folio.
5. Shareholders intending to require information about accounts to be explained at the meeting are requested to furnish the queries to the Company at least 10 (Ten) days in advance of the Annual General Meeting.

EXPLANATORY STATEMENT:

In terms of Section 173(2) of the Companies Act, 1956 the Explanatory Statement sets out all material facts relating to *Item No. 4 and 5 of the Notice*

Item No. 4

Mr. Nirmal Kothari, was appointed Additional Director by the Board with effect from 1st October, 2002. In terms of Section 260 of the Companies Act, 1956, Mr. Nirmal Kothari holds office till the date of the forthcoming Annual General Meeting but is eligible for appointment. The company has received a notice from a member as required under section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Mr. Nirmal Kothari. The Board considers it desirable that the Company should continue to avail of his service and recommends the resolution under item no. 4, for acceptance by the Members of the Company.

Except for Mr. Nirmal Kothari no other Director is in any way concerned or interested in the resolution.

Item No. 5

The Companies (Amendment) Act, 2000 has inserted a proviso to sub-section (1) of section 383A of the Companies Act, 1956 which provide that every company not required to employ a whole time company secretary under section 383A(1) and having a paid-up capital of Rs. 10 lacs and more shall file with the Registrar a Certificate from a secretary in whole time practice. In order to obtain such certificate it is necessary to appoint a company secretary in whole time practice.

No Director is in any way concerned or interested in the Resolution at item No. 5 of the Notice.

By order of the Board

Place : Nagpur
Dated: 30th June, 2003

sd/

Director



KAYTON TRADE & FINANCE LIMITED1st Floor, V.C.A. Complex, Civil Lines, Nagpur 440 001**DIRECTORS' REPORT**

Your Directors are pleased to present the Annual Report together with the Audited Statement of Accounts of the Company for the period ended 31st March, 2003.

1. Financial Results:

Particulars	Year ended 31.03.03 Rs.	Year ended 31.03.02 Rs.
Sales	6,43,71,829.92	0
Other Income	4,48,983.97	7,69,607.00
Profit before tax and interest	(2,65,86,941.18)	4,620.00
Less: Interest	7,62,640.00	0
Profit before tax	(2,73,49,581.18)	4,620.00
Add: Provision for tax	0	1,649.00
Deferred tax	92,83,080.00	0
Profit after tax	(1,80,66,501.18)	2,971.00
Deferred tax on initial adoption	2,89,273.00	0
Excess tax provision written back	1,295.00	0
Brought forward balance of previous year	11,55,677.44	11,52,706.44
Balance carried to Balance-sheet	(1,68,20,255.74)	11,55,677.44
Earning per share	(37.21)	0.004

2. Performance:

The Company has suffered huge losses. This was largely owing to the losses incurred in the share trading business due to the highly volatile market during the year.

3. Dividend:

In view of the heavy losses incurred by the Company your Directors have not recommended any dividend for the year ended 31st March, 2003.

4. Prospects:

The Company has chalked out strategies to turn around the performance of the company by hedging the risks involved in the securities market. For the said purpose a relook at the portfolio of the company's holding is being carried. The company expects to perform well during the current year.

5. Fixed Deposits:

The Company has not accepted any Fixed Deposits within the meaning of Section 58 A of the Companies Act, 1956 and the rules made thereunder during the period under review.

6. Directors:

Mr. Vinay Kumar Mohata and Mr. Prashantkumar Mohata ceased to be directors of the company from 13.09.02 while Mr. Santosh Kumar Rajpuria, ceased to be a director of the company w.e.f. 12.10.2002. The board of directors place on record their appreciation for the valuable services rendered by them.

Mr. Manohar Lal Nangalia was appointed as a Director in casual vacancy caused by the resignation of Mr. Vinay Kumar Mohata on 13.09.02.

Mr. Nirmal Kothari was appointed as an Additional Director w.e.f. 01.10.02. A notice has been received by the Company under section 257 of the Companies Act, 1956 proposing the name of Mr. Nirmal Kothari as a director of the Company. Accordingly, a resolution for his appointment as director has been included in the notice of the forthcoming Annual General Meeting.

Shri Ashok Pal, Director of the Company retires by rotation and being eligible, offers himself for re-election.

7. Directors' Responsibility Statement:

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, your directors state as under:-

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation
- 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 period and of the profit of the Company for that period;
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 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.

8. Auditor:

Shri Jain Baid & Co., Chartered Accountant, auditor of the Company holds office till the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received a letter from Shri Jain Baid & Co., Chartered Accountant to the effect that his appointment as auditor, if made, would be within the limits u/s 224 (1-B) of the Companies Act, 1956.

9. Auditor's Report:

With reference to the comments made by the Auditor in his report, the Directors wish to state that the relevant notes forming part of the Company's accounts are self-explanatory and hence do not require any further explanation.

10. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is not applicable to the company.

11. Compliance Certificate:

In accordance with the requirements of Section 383A of the Companies Act, 1956, Certificate from Practicing Company Secretary certifying regarding compliance with the legal requirements, in respect of the Company for the year ended 31st March, 2003, is enclosed and marked as Annexure- 1

12. Particulars of Employees:

During the year under review there were no employees receiving remuneration of or in excess of limits prescribed as per the provisions of Section 217 (2A) read with the Companies (Particulars of Employees) Rules, 1975.

13. Acknowledgements:

Your Directors express their thanks and record appreciation for the co-operation they received from various Government authorities, financial institutions, bankers, suppliers and customers of the company. The Directors also wish to place on record their sincere appreciation for the devoted services rendered by the employees at all levels of the Company and look forward to their continued co-operation.

Place : Nagpur
Dated: 30th June, 2003

On Behalf of Board of Directors,

sd/

sd/

Director

Director