

PEL00/1

**P A C E      E L E C T R O N I C S      L I M I T E D**  
**24TH**  
**ANNUAL ACCOUNTS**  
**1999-2000**

**BOARD OF DIRECTORS**

MR. N.S. SUREKA	CHAIRMAN
MR. RAJ N. SUREKA	MANAGING DIRECTOR
MRS. P.N. SUREKA	DIRECTOR
DR. (MRS.) A.N. BAJAJ	DIRECTOR
MR. RAJESH A. CHAUDHARY	DIRECTOR
MR. VINAY B. PODDAR	DIRECTOR

**BANKERS**

CENTRAL BANK OF INDIA  
 BANK OF MAHARASHTRA  
 GLOBAL TRUST BANK LTD.


**AUDITORS**

DILIP JAIN & CO.  
 CHARTERED ACCOUNTANTS  
 MUMBAI

**REGISTERED OFFICE**

7, SWASTIK SOCIETY,  
 GULMOHAR ROAD,  
 VILE PARLE-W,  
 MUMBAI 400 056

FOR PACE ELECTRONICS LTD.

CORP.  
 REL. &  
 CL. & ST.   
 ATTORNEY/DIRECTOR

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M/S PACE ELECTRONICS LTDNOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Company will be held on Friday, the 29th September, 2000 at 5.00 p.m. at Registered Office of the Company, 7, Swastik Society, Gulmohar Road, Vile Parle (W). Mumbai 400 056, to transact the following:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2000 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To elect a Director in the place of Mrs. Amruta N. Bajaj, who retires by rotation and, being eligible, offer herself for re-election.
3. To appoint Auditors and fix their remuneration.

NOTES :

- i. 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. A proxy form duly completed and signed should be deposited at the Registered office of the Company not later than 48 hours before the commencement of meeting.
- ii. The Register of Members & share transfer Books of the Company will remain closed from Monday, the 25th September 2000 to Friday, the 29th September 2000 (both days inclusive).
- iii. Members are requested to notify change in address if any immediately to the Registered office of the Company.

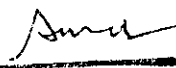
By order of the Board

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N.S. Sureka  
[Chairman]

Dated : 16-08-2000

Registered office : 7, Swastik Society, Gulmohar Road, Vile Parle-W,  
Mumbai 400 056

FOR PACE ELECTRONICS LTD.

  
\_\_\_\_\_  
CONSTITUTED ATTORNEY/Director

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**DIRECTORS REPORT**

**THE MEMBERS OF  
PACE ELECTRONICS LTD.  
MUMBAI**

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

1. **FINANCIAL RESULTS**  
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	YEAR ENDED 31.03.2000	YEAR ENDED 31.03.99
	RS. IN LAKHS	RS. IN LAKHS
SALES AND OTHER INCOME	17.83 =====	23.31 =====
PROFIT BEFORE DEPRECIATION & TAXES	6.73	5.13
DEPRECIATION	7.13	3.40
TAXATION	0.14	0.33
BALANCE LOSS/PROFIT	(-)0.54	1.40
PRIOR PERIOD EXP. (INCOME TAX)	-	4.32
BALANCE TRANSFERRED TO GENERAL RESERVE/ PROFIT & LOSS APPROPRIATION A/C	(-)0.54	(-) 2.92

2. **DIVIDEND :**

The directors do not recommend any dividend for the year under review due to loss incurred during the year.

3. **PERFORMANCE AND FUTURE PROSPECTS**

During the year under review the Company achieved a turnover of Rs.03.43 lacs in comparison with the previous year turnover of Rs.12.92 lacs. The fall in turnover is due to tough competition in the market and recession period in the growth of industries. Your Directors are hopeful that Company's turnover will increase in the near future by adopting new & advanced technology in the field of production and marketing. Your Board has been making efforts to explore the possibilities of new products in order to diversify the product Range of Company.

4. **STAFF AND LABOUR:**

The relations with the staff and labour have been peaceful and cordial. The Directors wish to place on record their deep appreciation for the services rendered by the staff and workers of the Company at all levels.

FOR PACE ELECTRONICS LTD.

*[Signature]*  
CONSTITUTED ATTORNEY/DIRECTOR

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**5. DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 Mrs. Amruta N. Bajaj, Director of the Company retire by rotation and are eligible for re-appointment.

**6. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

The required information U/S 217 (1) of the Companies Act read with rule 2 of the Companies [Disclosure of particulars in the report of Board of Directors] Rules 1988 in the prescribed format is annexed.

**7. PARTICULARS OF EMPLOYEES: [AS REQUIRED IN THE SEC.217 [2A] OF THE COMPANIES ACT, 1956.]**

None of the employees of the Company was in receipt of remuneration exceeding Rs. 6,00,000/- per annum who were employed for the full year or Rs. 50,000/- per month, who were employed for part of the year.

**8. AUDITORS :**

M/S DILIP JAIN & CO. Chartered Accountants retire at ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**9. YEAR 2000 STATUS :**

The Company has initiated prudent and reasonable steps to minimise the risk of exposure to the Y2K complaint. The Financial impact on the Company as anticipated would not be material to its Financial or its operations.

**10. LISTING OF SHARES :**

The Company's shares are listed with Mumbai Stock Exchange, Dalal Street, Fort, Mumbai - 23 and the listing fees for the year 1999-2000 has been paid on time.

For and on behalf of Board.



N.S. Sureka [Chairman]

Place : Mumbai

Dated : 16-08-2000

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## ANNEXTURE TO THE DIRECTOR'S REPORT

## CONSERVATION OF ENERGY:

The manufacturing process does not involve intensive use of power hence energy consumption is relatively low. The Company has taken suitable measure, where applicable for conservation of energy.

The particulars as per form A need not be furnished as the same is considered as not applicable to Electronics Industry.

## RESEARCH &amp; DEVELOPMENT:

No Research & Development work has been carried out by the Company and therefore there is no expenditure on this head nor any other benefit accrued from it.

## TECHNOLOGY ABSORPTION:


No Technology was imported for any activity of the Company and as such absorption of the same does not arise.

## FOREIGN EXCHANGE EARNING &amp; OUTGO:

	CURRENT YEAR	PREVIOUS YEAR
EARNINGS	---	---
OUTGO (TRAVELLING EXP)	---	40,048
ON BEHALF OF THE BOARD		

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N.S. SUREKA  
[CHAIRMAN]  
PLACE : MUMBAI  
DATED : 16-08-2000

FOR PACE ELECTRONICS LTD.

  
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~~CONSTITUTED ATTORNEY~~/Director.

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## AUDITORS' REPORT

To,  
The Members,  
Pace Electronics Limited  
BOMBAY.

We have audited the attached Balance Sheet of PACE ELECTRONICS LIMITED as at 31st March, 2000 and also the Profit & Loss Account of the Company for the year ended on that date, annexed thereto, and report that:

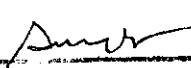
1. As required by the Manufacturing and other Companies [Auditor's Report] Order, 1988 issued by the Company Law Board in terms of Section 227 [4a] of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the ANNEXTURE referred to in paragraph 1 above:
  - a. 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.
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
  - c. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of Account.
  - d. In our opinion and to the best of our information and according to the information given to us, the Balance Sheet and Profit & Loss A/c dealt with by the report are prepared in compliance of the applicable Accounting Standard referred to in Section 211(3) (C) of the Companies Act, 1956.
  - e. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
    - i. In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2000.
    - and
    - ii. In the case of the Profit and Loss Account, of the Loss for the year ended on that date.

For DILIP JAIN & CO.  
Chartered Accountants

Place : Mumbai  
Dated : 16-08-2000

FOR PACE ELECTRONICS LTD.

[DILIP KUMAR M. JAIN]  
proprietor


+   
CONSTITUTED ATTORNEY/Director

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**ANNEXTURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT ON THE ACCOUNTS OF PACE ELECTRONICS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2000.**

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets of the Company have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory were noticed.
2. The fixed assets of the Company have not been revalued during the year.
3. The stock of trading goods has been physically verified by the management at reasonable intervals.
4. The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
5. No discrepancies have been noticed on physical verification of stocks as compared to book records.
6. In our opinion and on the basis of our examinations, the valuation of stock is fair and proper and is in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The company has not taken or granted any loans, secured or unsecured from/to firms or other parties listed in the register maintained under Section 301 or to the companies under the same management within the meaning of Section 370 [1B] of the Companies Act, 1956. In case of loans granted and/or taken from companies listed in the register maintained U/s 301 the terms whereof are not prima facie prejudicial to the interest of the Companies.
8. In respect of loans and advances in the nature of loans given by the company, parties are regular in the payment of interest and where such payment are not received, reasonable steps have been taken for recovery thereof or payment terms have been rescheduled.
9. There is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of trading goods, plant & machinery, equipment and other assets, and for the sale of goods.
10. According to the information and explanations given to us the transactions of purchase of goods and materials and sale of goods, materials and services aggregating in excess of Rs.50000/- during the year with each of the parties entered in the register maintained under Section 301 of the Companies Act have been made at prices which are reasonable having regard to prevailing market prices of such goods, materials and services.
11. As explained to us, the company has no unserviceable or damaged goods.
12. According to the information and explanation given to us, the Company has not accepted deposits from the public. Therefore provision of section 58 A of the Companies Act, 1956 and the Companies [Acceptance of Deposits] Rule, 1975 are not applicable to the Company.
13. The Company has an internal audit system commensurate with the size and nature of its business.

FOR PACE ELECTRONICS LTD.

  
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 CONSTITUTED ATTORNEY/Director