



SILVER OAK (INDIA) LIMITED

SILVER OAK (INDIA) LIMITED

SIXTEENTH ANNUAL REPORT 1999-2000

BOARD OF DIRECTORS

1. Shri Rajendra Jaiswal	-Managing Director
2. Shri Anil Oza	-Director
3. Shri Sanjeev Dhody	-Joint Managing Director
4. Shri Pradeep Jaiswal	-Director
5. Shri Vijay Anand	-Director
6. Shri Fransis P.S. Rajan	-Director
7. Shri Arvind Kumar Soni	-Director

AUDITORS

M/S O.T. Gandhi & Co.
Chartered Accountants,
Indore

REGISTERED OFFICE

Plot No.110,
Sector-I, Industrial Area,
Pithampur, Dist. Dhar (M.P.)

CORPORATE OFFICE

B-2, H.I.G. (First Floor),
Ravi Shankar Shukla Nagar,
Indore-452 008 (M.P.)

BANKERS

State Bank of Travancore,
Navlakha Branch,
Indore

SHARE TRANSFER AGENTS

Leo Corporate Consultants (Indore) Pvt. Ltd.
4, Archana Apartments,
8-B, Ratlam Kothi,
Indore-452 001

SILVER OAK (INDIA) LIMITED**NOTICE**

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Company will be held on Saturday, the 30th September, 2000 at 4.00 P.M. at the Registered Office of the Company at Plot No. 110, Industrial Area, Sector - I, Pithampur, Dist. Dhar (M.P.) to transact the following business :

ORDINARY BUSINESS :

01. To receive, consider and adopt the Balance Sheet of the Company as at 31st March, 2000, the Profit & Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
02. To appoint a Director in place of Shri Fransis P.S. Rajan who retires by rotation and being eligible offers himself for re-appointment.
03. To appoint a Director in place of Shri Rajendra Jaiswal who retires by rotation and being eligible offers himself for re-appointment.
04. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
for SILVER OAK (INDIA) LIMITED

PITHAMPUR (M.P.)
7th August, 2000

RAJENDRA JAISWAL
Managing Director

NOTICE

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
02. THE INSTRUMENT APPOINT A PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
03. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 28th September, 2000 to Saturday, 30th September, 2000 (Both days inclusive).
04. Members are requested to bring their copies of the Annual Report and attendance slips at the meeting.
05. Members are requested to :
 - a) quote their folio number(s) in all correspondence with the Company.
 - b) notify the Company, change, if any, in their registered addresses along with pin code numbers.
06. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificate to the Registered Office of the Company.
07. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturday and holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
08. Shareholders seeking any information with regard to accounts are requested to write to the Company at the earliest so as to enable the management to keep the information ready.

By Order of the Board
for SILVER OAK (INDIA) LIMITED

PITHAMPUR (M.P.)
7th August, 2000

RAJENDRA JAISWAL
Managing Director

SILVER OAK (INDIA) LIMITED**DIRECTOR'S REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their 16th Annual Report, together with Audited Accounts of the Company for the year ended 31st March, 2000.

FINANCIAL RESULTS :

	(Rs. in Lacs)	
	31st March 2000	31st March 1999
Sales and other Income	321.28	412.48
Profit/(Loss) before Depreciation, Interest and Tax	24.36	20.22
Interest	17.40	15.63
Depreciation	5.45	3.44
Profit/(Loss) before Tax	1.51	1.15
Net Profit/ (Loss) for the year	1.51	1.15
Profit brought forward from previous year	(42.11)	(41.97)
Prior Year Income Tax	0.02	0.66
Prior Year Expenses	0.07	0.63
Loss carried to Balance Sheet	40.68	42.11

DIVIDEND :

In view of inadequacy of profits, your Directors are unable to recommend any dividend for the year ended 31st March, 2000.

OPERATIONS :

During the year under review the Company has achieved a turnover of Rs. 321.28 Lacs. With all round efforts, the Company has earned a marginal profit of Rs. 1.51 Lacs as compared to a Net Profit of Rs. 1.15 Lacs in the previous year.

FUTURE PROSPECTS :

The Company has applied for Enhancement of Licensed Capacity to 405000 cases (presently 181500 cases) which has been provisionally approved by DIC.

Your Directors are hopeful that your Company will enhance its productivity and profitability in the coming years.

DEPOSITS :

The Company has not accepted any deposits within the meaning of Section 58-A of the Companies Act, 1956 and the rules made thereunder.

DIRECTORS :

Shri Fransis P.S. Rajan and Shri Rajendra Jaiswal Directors of the Company will retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

PERSONNEL :

The Company continued to get full support from its employees and maintained cordial relations with them at all levels. The Directors wish to place on record their appreciation for valuable services rendered by them at all levels.

The information pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not applicable to the Company as no employee is paid remuneration exceeding Rs. 50000/- per month or Rs. 600000/- per annum.

AUDITORS :

M/s O.T. Gandhi and Co., Chartered Accountants, Indore, the Statutory Auditors of the Company retire at the conclusion of the ensuing Annual Meeting. They have signified their consent to accept re-appointment and have further confirmed their eligibility under Section 224 (1B) of the Companies Act. 1956. Your Directors recommend their re-appointment.

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Conservation of energy, Technology Absorption and foreign exchange earnings and outgo :

Information in respect of Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo pursuant to provisions of 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 as per Annexure "A" which forms part of this Report.

ACKNOWLEDGEMENT :

Your Directors take this opportunity to place on record their appreciation for the confidence reposed and co-operation appreciation for the confidence reposed and co-operation extended to the Company by State Bank of Travancore, other Banks, Central and State Government Authorities, Business Associates, the family of Shareholders and others.

For and on behalf of the Board

PITHAMPUR (M.P.)
7th August, 2000

VIJAY ANAND
Chairman

ANNEXURE - A

Information under Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Directors Report for the year ended 31st March, 1999.

Form "A"

A. CONSERVATION OF ENERGY :

Electricity Consumption :

Electricity	Current Year 1999-2000	Previous Year 1998-99
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(A) PURCHASED

(i) Units Purchased	55602	29889
(ii) Total Amount (Rs.)	230535	123115

(b) OWN GENERATION

Through D.G. Set

(i) Units	NIL	NIL
(ii) Cost per Unit	NIL	NIL

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION,

RESEARCH AND DEVELOPMENT :

(i) Specific Areas in which R&D Carried out by the Company and benefits derived as a Result thereof	The Company is engaged in bottling of Liquor for which technology has established in several years. Therefore, no further research is being carried out.
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C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

	Current Year 1999-2000	Previous Year 1998-99
(i) Earnings	309595	NIL
(ii) Outgo (Rs.)	NIL	NIL

SILVER OAK (INDIA) LIMITED**AUDITOR'S REPORT**

The Shareholders,
Silver Oak (India) Limited,
 INDORE

We have audited the attached Balance Sheet of Silver Oak (India) Limited, Indore as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date annexed there to and report as under :

1. As required by the manufacturing and other Companies (Auditor's Report) order 1988 issued by the Company Law Board in term of Section 227(4A) / Companies Act, 1956 we enclosed in the annexure a statement on the matter specified in paragraph 4 & 5 of the said order.
2. Further to our comments in the annexure referred to in Paragraph 1, above :
 - (A) We have obtained all the information and explanation 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 such books.
 - (C) The Balance Sheet and Profit and Loss Account referred to in the report are in agreement with the Books of Accounts.
 - (D) In our opinion the Balance Sheet and Profit & Loss Account comply with the Accounting Standards, subject to Note No. 2, 5 (c) and 9 of Schedule 22 of Accounting Policy and Notes on Accounts 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 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 so far as it relates to Balance Sheet of the State of affairs of the Company as at 31st March, 2000.
 - (ii) In so far as it relates to the Profit and Loss account of the profit of the Company for the year ended on that date.

PLACE : INDORE
 DATE : 07th AUGUST, 2000

for O.T. GANDHI & COMPANY
 CHARTERED ACCOUNTANTS

(A. B. DOSHI)
 PARTNER

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Paragraph 1 thereof)

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 on the basis of such checks as we considered appropriate we report that :

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, all the assets have been physically verified by the management at reasonable intervals during the year. According to the information and explanation given to us, no material discrepancies have been noticed on such verification as compared to books records.
2. None of the Fixed Assets has been revalued during the year.
3. The Stock of finished goods have been physically verified by the management during the year at reasonable intervals.
4. As explained to us, the procedure of physical verification of stocks followed by the management are in our opinion, reasonable, and adequate in relation to the size of the company and the nature of its business.

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5. As informed to us, the discrepancies noticed on such verification between the physical stocks and the books records were not material.
6. In our opinion, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principals and is on the same basis as in the proceeding year.
7. The rate of interest and other terms and conditions on which Unsecured loan has been taken from parties listed under Section 301 of the Companies Act, 1956, are in our opinion, not prima-facie prejudicial to the interest of the Company. As explained to us there are no Companies under the same management as defined under section 370 (1B) of the Companies Act, 1956.
8. The Company has not granted loans, Secured or Unsecured to Companies, firms, or other parties listed in the Register under Section 301 of the Companies Act, 1961 or to Companies under the same management as defined under section 370 (1B) of the Companies Act, 1956.
9. In respect of interest free loans given by the Company to the employee, repayment of principal amount is being made as stipulated.
10. In our opinion and according to the information and explanation given to us there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of Stores, Raw Material including Plant & Machinery equipments & other assets and for sale of goods.
11. In our opinion and accordingly to the explanation given to us, the transaction of sales made in pursuance of contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1961 and aggregating during the year to Rs.50,000/- more in respect of such party have been made at prices which are reasonable having regard to the prevailing market prices and the prices at which similar transaction have been made with other parties.
12. The Company has not accepted any deposits from public.
13. As explained to us, the Company does not have a regular procedure determination of unserviceable or damaged stores, raw materials or finished goods and no provision for loss have been made in the Books of Accounts for the Company.
14. The Company has not produced any By-products during the year.
15. The Company does not have a separate Internal Audit System but has effective internal checks and control commensurate with the size of the Company & nature of its business.
16. The Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for any products of the company.
17. According to the records of the Company, Employees Provident Fund and Employees State Insurance dues have been regularly deposited during the year with the appropriate authorities.
18. According to the information and explanations given to us, the Company does not have any disputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty outstanding as at last day of the financial year for a period of more than six months from the date they become payable.
19. According to the information and explanations given to us no personal expenses of Employees or Directors have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice.
20. The Company is not a Sick Industrial Company within the meaning of clause (O) of Sub-Section (1) 3 of Sick Industrial Company (Special Provision) Act, 1985.

PLACE : INDORE

DATE : 07th AUGUST, 2000

for O.T. GANDHI & COMPANY
CHARTERED ACCOUNTANTS

(A. B. DOSHI)
PARTNER