



TOTAL *Perfection*
100 % Satisfaction

**17th ANNUAL
REPORT
1998-1999**



17 TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 1999.**BOARD OF DIRECTORS**

Shri Santosh R. Tulsian Chairman & Managing Director

Shri Subhash R. Tulsian Director

Shri Ashok V. Tulsian Director

Shri Shankarmal G. Pilani Director

AUDITORS

M/s. Bhuwania & Agrawal Associates

(Chartered Accountants)

BANKERS

State Bank of India

REGISTERED OFFICE

112, Sanjay Building No.6,
Mittal Estate, Andheri (E),
Mumbai - 400 059.

LOCATION OF FACTORY

Plot No. L-40, F1/22,
M.L.D.C., Tarapur,
Post : Boisor, Dist. : Thane.
Maharashtra.

SHARE TRANSFER DEPARTMENT

112, Sanjay Building No.6,
Mittal Estate, Andheri (E),
Mumbai - 400 059.

SANTOSH FINE - FAB LTD.

NOTICE

"SANTOSH FINE-FAB LIMITED"

NOTICE is hereby given that the **17TH ANNUAL GENERAL MEETING of "SANTOSH FINE-FAB LIMITED"** Will be held at 112, Mittal Estate, Sanjay Bldg No.6, M. V. Road, Andheri (E) Mumbai 400 059 on Tuesday, 28TH September, 1999 at 11.00a.m to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date together with the reports of the Directors and the Auditors thereon.
2. To declare a Dividend on Equity Shares.
3. To Appoint a Director in place of Shri Shankarmal G. Pilani, who retires by rotation & being eligible offers himself for reappointment.
4. To Appoint a Director in place of Shri Ashok V. Tulsiyan, who retires by rotation & being eligible offers himself for reappointment.
5. To appoint the Auditors & fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification (s), the following as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of sections 198,269,309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the limits specified in Schedule XIII to the said Act, the Company hereby approves the re-appointment and terms of re-appointment and payment of remuneration and perquisites and benefits to Shri Santosh R. Tulsiyan, as Managing Director of the Company for a period of five years with effect from 5th October, 1999, as per the terms and conditions as are set out in the draft agreement to be entered into between the Company and Shri Santosh R. Tulsiyan, submitted to the meeting and signed by a Director for the purpose of identification, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said draft agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government), as may be agreed to between the Board of Directors and Shri Santosh R. Tulsiyan.

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including salary, perquisites and other allowances within such prescribed limit or ceiling and the aforesaid agreement between the Company and Shri Santosh R. Tulsiyan be suitably amended to give effect to such

modification, relaxation or variation without any further reference to the Company in general meeting.

7. To consider and if thought fit, to pass, with or without modification (s), the following as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of sections 198,269,309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the limits specified in Schedule XIII to the said Act, the Company hereby approves the re-appointment and terms of re-appointment and payment of remuneration and perquisites and benefits to Shri Subhash R. Tulsiyan, as Executive Director of the Company for a period of five years with effect from 5th October, 1999, as per the terms and conditions as are set out in the draft agreement to be entered into between the Company and Shri Subhash R. Tulsiyan, submitted to the meeting and signed by a Director for the purpose of identification, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said draft agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government), as may be agreed to between the Board of Directors and Shri Subhash R. Tulsiyan.

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including salary, perquisites and other allowances within such prescribed limit or ceiling and the aforesaid agreement between the Company and Shri Subhash R. Tulsiyan be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

8. To consider and if thought fit, to pass, with or without modification(s), the following as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of sections 198,269,309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the limits specified in Schedule XIII to the said Act, the Company hereby approves the re-appointment and terms of re-appointment and payment of remuneration and perquisites and benefits to Shri Ashok V. Tulsiyan, as Executive Director of the Company for a period of five years with effect from 5th October, 1999, as per the terms and conditions as are set out in the draft agreement to be entered into between the Company and Shri Subhash R. Tulsiyan, submitted to the meeting and signed by a Director for the purpose of identification, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said draft

agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government), as may be agreed to between the Board of Directors and Shri Ashok V. Tulsian.

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including salary, perquisites and other allowances within such prescribed limit or ceiling and the aforesaid agreement between the Company and Shri Ashok V. Tulsian be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

BY ORDER OF THE BOARD

(SANTOSH R. TULSIYAN)

Chairman & Managing Director

PLACE : MUMBAI

DATED : 31st, MAY 1999.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. An explanatory statement as required under section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The register of Members of the Company will remain closed from Friday the 24th September, 1999 to Tuesday the 28th September, 1999
4. Members are requested to bring their copy of the annual report at the meeting.
5. Shareholders desiring any information regarding accounts are requested to write to the Company at least 7 days before the date of the Meeting so as to enable the Company to keep the information ready.

BY ORDER OF THE BOARD

(SANTOSH R. TULSIYAN)

Chairman & Managing Director

PLACE : MUMBAI

DATED : 31st, MAY 1999.

ANNEXURE TO THE NOTICE

Explanatory statement under section 173 (2) of the Companies Act, 1956.

ITEM NO. 6

Shri Santosh R. Tulsian was appointed as the Managing Director for a period of five years with effect from 4th October, 1994. The board of directors of the Company has at its meeting held on 31st May 1999, re-appointed Shri Santosh R. Tulsian as the Managing Director for a further period of five years commencing from 5th October, 1999. The terms and conditions including remuneration payable to him are set out in the draft of the agreement to be entered into between the Company and Shri Santosh R. Tulsian which contains the following principal terms and conditions:

1. The Managing director shall have the substantial power to conduct and manage the whole of the business and affairs of the company.

REMUNERATION

A) SALARY RS.12,500/- per month.

B) PERQUISITES

i) MEDICAL REIMBURSEMENT

Reimbursement of medical expenses incurred in India including hospitalisation, nursing home and surgical charges for himself and family.

ii) LEAVE TRAVEL CONCESSION

Leave travel concession for himself and his family once in a year in accordance with rules specified by the Company.

iii) CLUB FEES

Reimbursement of membership fees for two clubs.

iv) PERSONAL ACCIDENT INSURANCE

Personal Accident Insurance policy for an amount, the annual premium of which shall not exceed Rs.10000/- (Rupees Ten thousand Only).

v) LEAVE

Entitled to one month leave with full pay and allowance for every eleven months of service. Such leave may be accumulated in accordance with the company's rules and practices in force from time to time.

vi) COMPANY'S CONTRIBUTION TOWARDS PROVIDENT FUND

Entitled to Provident Fund as per the Rules of the company.

vii) GRATUITY

Gratuity in accordance with the Rules of the Company, but not exceeding half month's salary for each completed year of service.

EXPLANATION

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

C) AMENITIES

i) CONVEYANCE FACILITIES

The Company shall provide suitable conveyance facilities to the Managing Director.

ii) TELEPHONE, TELEX AND OTHER COMMUNICATION FACILITIES

Entitled to have telephone, telefax and other communication facilities at residence.

OVERALL REMUNERATION

The aggregate of salary, commission and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under Section 198, 309 and other applicable provisions of the companies Act, 1956, read with Schedule XIII to the said Act as may for the time being be in force.

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MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director, the payment of salary and perquisites and other allowances shall be governed by the limits prescribed under Section II of the Schedule XIII to the Companies Act, 1956.

OTHER TERMS

1. If at any time the Managing Director ceases to be Director of the Company for any cause whatsoever, he will cease to be the Managing Director in the terms of this agreement and such agreement shall stand terminated forthwith.

2. The agreement may be terminated by either party, giving to the other party, six months' notice.

In compliance with the provisions of the Companies Act, 1956, the terms of re-appointment and the terms of remuneration specified above are now being placed before the members in the General Meeting for their approval.

Shri Santosh R. Tulsiyan is deemed to be concerned or interested in the resolution set out at item no.6 of the Notice as it pertains to his appointment and remuneration payable to him. Further, Shri Subhash R. Tulsiyan relative of Shri Santosh R. Tulsiyan may be deemed to be concerned or interested in the said resolution.

The draft of the agreement to be entered into between the company and Shri Santosh R. Tulsiyan, Managing Director is available for inspection by the members of the Company at its Registered Office on any working day upto the date of ensuing Annual General Meeting, between 11.00 a.m. to 1.00 p.m.

This may be treated as an abstract of the draft agreement between the Company and Shri Santosh R. Tulsiyan, Managing Director pursuant to Section 302 of companies Act, 1956.

ITEM NO. 7

Shri Subhash R. Tulsiyan was appointed as the Executive Director for a period of five years with effect from 4th October, 1994. The board of directors of the Company has at its meeting held on 31st May 1999, re-appointed Shri Subhash R. Tulsiyan as the Executive Director for a further period of five years commencing from 5th October, 1999. The terms and conditions including remuneration payable to him are set out in the draft of the agreement to be entered into between the Company and Shri Subhash R. Tulsiyan which contains the following principal terms and conditions:

1) The Executive director shall have the substantial power to conduct and manage the whole of the business and affairs of the company.

REMUNERATION

A) SALARY RS.10,000/- per month.

B) PERQUISITES

i) MEDICAL REIMBURSEMENT

Reimbursement of medical expenses incurred in India including hospitalisation, nursing home and surgical charges for himself and family.

ii) LEAVE TRAVEL CONCESSION

Leave travel concession for himself and his family once in a year in accordance with rules specified by the Company.

iii) CLUB FEES

Reimbursement of membership fees for two clubs.

iv) PERSONAL ACCIDENT INSURANCE

Personal Accident Insurance policy for an amount, the annual premium of which shall not exceed Rs.10000/- (Rupees Ten thousand Only).

v) LEAVE

Entitled to one month leave with full pay and allowance for every eleven months of service. Such leave may be accumulated in accordance with the company's rules and practices in force from time to time.

vi) COMPANY'S CONTRIBUTION TOWARDS PROVIDENT FUND

Entitled to Provident Fund as per the Rules of the company.

vii) GRATUITY

Gratuity in accordance with the Rules of the Company, but not exceeding half month's salary for each completed year of service.

EXPLANATION

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

C) AMENITIES

i) CONVEYANCE FACILITIES

The Company shall provide suitable conveyance facilities to the Executive Director.

ii) TELEPHONE, TELEX AND OTHER COMMUNICATION FACILITIES

Entitled to have telephone, telefax and other communication facilities at residence.

OVERALL REMUNERATION

The aggregate of salary, commission and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under Section 198, 309 and other applicable provisions of the companies Act, 1956, read with Schedule XIII to the said Act as may for the time being be in force.

MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director, the payment of salary and perquisites and other allowances shall be governed by the limits prescribed under Section II of the Schedule XIII to the Companies Act, 1956.

OTHER TERMS

1. If at any time the Executive Director ceases to be Director of the Company for any cause whatsoever, he will cease to be the Executive Director in the terms of this agreement and such agreement shall stand terminated forthwith.

2. The agreement may be terminated by either party, giving to the other party, six months' notice.

In compliance with the provisions of the Companies Act, 1956, the terms of re-appointment and the terms of remuneration specified above are now being placed before the members in the General Meeting for their approval.

Shri Subhash R. Tulsian is deemed to be concerned or interested in the resolution set out at item no. 7 of the Notice as it pertains to his appointment and remuneration payable to him. Further, Shri Santosh R. Tulsian, relative of Shri Subhash R. Tulsian, may be deemed to be concerned or interested in the said resolution.

The draft of the agreement to be entered into between the company and Shri Subhash R. Tulsian, Executive Director, is available for inspection by the members of the Company at its Registered Office on any working day up to the date of ensuing Annual General Meeting, between 11.00 a.m. to 1.00 p.m.

This may be treated as an abstract of the draft agreement between the Company and Shri Subhash R. Tulsian, Executive Director pursuant to Section 302 of Companies Act, 1956.

ITEM NO. 8

Shri Ashok V. Tulsian was appointed as the Executive Director for a period of five years with effect from 4th October, 1994. The board of directors of the Company has at its meeting held on 31st May 1999, re-appointed Shri Ashok V. Tulsian as the Executive Director for a further period of five years commencing from 5th October, 1999. The terms and conditions including remuneration payable to him are set out in the draft of the agreement to be entered into between the Company and Shri Ashok V. Tulsian which contains the following principal terms and conditions:

1. The Executive Director shall have the substantial power to conduct and manage the whole of the business and affairs of the company.

REMUNERATION

A) SALARY RS. 7,500/- per month.

B) PERQUISITES

i) MEDICAL REIMBURSEMENT

Reimbursement of medical expenses incurred in India including hospitalisation, nursing home and surgical charges for himself and family.

ii) LEAVE TRAVEL CONCESSION

Leave travel concession for himself and his family once in a year in accordance with rules specified by the Company.

iii) CLUB FEES

Reimbursement of membership fees for two clubs.

iv) PERSONAL ACCIDENT INSURANCE

Personal Accident Insurance policy for an amount, the annual premium of which shall not exceed Rs. 10,000/- (Rupees Ten thousand Only).

v) LEAVE

Entitled to one month leave with full pay and allowance for every eleven months of service. Such leave may be accumulated in accordance with the company's rules and practices in force from time to time.

vi) COMPANY'S CONTRIBUTION TOWARDS PROVIDENT FUND

Entitled to Provident Fund as per the Rules of the company.

vii) GRATUITY

Gratuity in accordance with the Rules of the Company, but not exceeding half month's salary for each completed year of service.

EXPLANATION

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

C) AMENITIES

i) CONVEYANCE FACILITIES

The Company shall provide suitable conveyance facilities to the Executive Director.

ii) TELEPHONE, TELEX AND OTHER COMMUNICATION FACILITIES

Entitled to have telephone, telefax and other communication facilities at residence.

OVERALL REMUNERATION

The aggregate of salary, commission and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under Section 198, 309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the said Act as may be for the time being in force.

MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director, the payment of salary and perquisites and other allowances shall be governed by the limits prescribed under Section II of the Schedule XIII to the Companies Act, 1956.

OTHER TERMS

1. If at any time the Executive Director ceases to be Director of the Company for any cause whatsoever, he will cease to be the Executive Director in the terms of this agreement and such agreement shall stand terminated forthwith.

2. The agreement may be terminated by either party, giving to the other party, six months' notice.

In compliance with the provisions of the Companies Act, 1956, the terms of re-appointment and the terms of remuneration specified above are now being placed before the members in the General Meeting for their approval.

Shri Ashok V. Tulsian is deemed to be concerned or interested in the resolution set out at item no. 7 of the Notice as it pertains to his appointment and remuneration payable to him.

The draft of the agreement to be entered into between the company and Shri Ashok V. Tulsian, Executive Director, is available for inspection by the members of the Company at its Registered Office on any working day up to the date of ensuing Annual General Meeting, between 11.00 a.m. to 1.00 p.m.

This may be treated as an abstract of the draft agreement between the Company and Shri Ashok V. Tulsian, Executive Director pursuant to Section 302 of Companies Act, 1956.