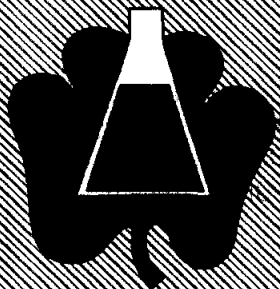


**SHAMROCK**

*10th Annual Report  
2000-2001*



**SHAMROCK  
GROUP**

**Shamrock Industrial Co. Ltd.**

**SHAMROCK INDUSTRIAL COMPANY LIMITED****ANNUAL REPORT 2000-2001**

<b>PRESIDENT</b>	SHRI RAMESHCHANDRA J. KHOKHANI
<b>BOARD OF DIRECTORS</b>	MR. KALPESH R. KHOKHANI MR. KAMLESH R. KHOKHANI MR. JAYENDRA H. SHETH
<b>REGISTERED OFFICE</b>	146, TAKAI ADOSHI ROAD, VILLAGE: DHEKU, TAL: KHALAPUR, DIST. : RAIGAD, MAHARASTRA.
<b>CORPORATE OFFICE</b>	1008, MAKER CHAMBERS-V, 221, NARIMAN POINT, MUMBAI 400 021.
<b>AUDITORS</b>	M/S. R. VIJAYAN & CO., MUMBAI
<b>BANKERS</b>	DENA BANK B.M.C. BANK LTD. CITIBANK N.A. GLOBAL TRUST BANK STATE BANK OF INDIA
<b>REGISTRAR &amp; TRANSFER AGENT</b>	COMPUTRONICS FINANCIAL SERVICES (INDIA) LTD. 1, MITTAL CHAMBERS, NARIMAN POINT, MUMBAI 400 021.
<b>STOCK EXCHANGES</b>	THE STOCK EXCHANGE, MUMBAI. MADRAS STOCK EXCHANGE, CHENNAI. THE STOCK EXCHANGE, AHMEDABAD. JAIPUR STOCK EXCHANGE LTD., JAIPUR.

## NOTICE

**NOTICE** is hereby given that the **TENTH** Annual General Meeting of the members of Shamrock Industrial Company Limited will be held at the Registered Office of the Company at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad on **Saturday, the 29<sup>th</sup> September, 2001** at 12.00 noon to transact the following business :

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Profit & Loss Account of the Company for the year ended 31st March, 2001 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Jayendra H. Sheth, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration.

### **SPECIAL BUSINESS**

4. To consider, and if thought fit, to pass with or without modification, the following resolution as **Special Resolution** :

"Resolved that pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 the existing Articles of Association of the Company be and are hereby altered, amended and / or substituted in the manner and to the extent set out herein below:

- a. In the interpretation clause of Article 2, the following word shall be added and it shall have the following meaning assigned thereunder, unless repugnant to the subject or context thereof:

"Dividend" includes interim dividend.

- b. Inserting the following **Article 82A** under the heading "**Postal Ballot**" after Article 82.

**82A.** Notwithstanding anything contained in the Articles of Association, the Company may and in the case of resolution relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, shall get such resolution passed by means of Postal Ballot, instead of transacting the business in general meeting of the Company, where the Company requires to, or decides to, as the case may be, get a resolution passed by means of postal ballot, the provisions of Section 192A of the Act and such other rules, regulations framed thereunder from time to time shall be complied with.

- c. Inserting the following **Article 107A** under the heading "**Ex-officio Director**" after Article 107.

**107A.** A company may have a director elected by small shareholders in the manner as may be prescribed under the provisions of Section 252 of the Companies Act, 1956 or such other regulations governing the matter from time to time.

- d. Inserting the following **Sub-Clause 'n'** under **Article 118** under the heading "**Office of Director to be vacated**" after Article 118 (m).

(n) he is already a director of a public company which –

- (i) has not filed the annual account and annual returns for any continuous three financial years commencing on and after the first day of April, 1999; or

- (ii) has failed to repay its deposit or interest thereon on due date or redeem its debenture on due date or pay dividend and such failure continues for one year or more :

provided such person shall not be eligible to be appointed as the director for a period of five years from the date on which such public company, in which he is a director, failed to file annual accounts and annual returns or has failed to repay its deposit or interest or redeem its debenture on due date or pay dividend.

The above disqualification of director shall be governed by the provisions of **Section 274(1)(g)** of the Companies Act, 1956 or such other rules, regulations and governing the matter from time to time.

## SANSKO SERVICES (P) LTD.

- e. Inserting the following **Article 134A** under the heading "**Audit Committee**" after Article 134.
- 134A.** The Company shall constitute a committee of the Board known as "Audit Committee". The constitution of Audit Committee shall be governed by the provisions of Section 292A of the Companies Act, 1956 and / or such other regulations, rules governing the matter from time to time.
- f. In **Article 164** the words '205B' be substituted by the word '205C'.
- g. Deletion of **Article 158** under the heading "**Interim Dividend**".

1008, Maker Chambers-V,  
221, Nariman Point,  
Mumbai - 400 021.

By order of the Board

sd/-

**KALPESH R. KHOKHANI**  
Managing Director

Date : 1<sup>st</sup> September, 2001

### NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM DULY COMPLETED AND STAMPED, MUST REACH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.
- (2) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 for the item no. 4 is annexed.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 24th September, 2001 to Saturday, 29th September, 2001 (both days inclusive) for the purpose of ensuing annual general meeting of the Company.
- (4) All communication relating to the shares may be addressed to the company's Registrar and Share Transfer Agent viz. Computronics Financial Services (India) Ltd. , Mittal Chamber, Nariman Point, Mumbai 400021.
- (5) Members are requested to notify any change in their address to the Company's Registrar and Transfer Agent, quoting their Folio Nos.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

#### ITEM No. 4

The Companies (Amendment) Act, 2000, inserted new provisions, providing Postal Ballot facility, appointment of Small Shareholders' Director, additional ground for Disqualification of Directors, constitution of Audit Committee, inclusion of the term 'Interim Dividend' in the definition of 'Dividend' etc.

The consequential changes are required to be made in the Articles of Association of the Company to ensure conformity with the provisions of the Companies Act, 1956 amended by the Companies (Amendment) Act, 2000.

None of the Directors of the Company is concerned or interested in said resolution.

The Directors recommend the resolution for your approval.

1008, Maker Chambers-V,  
221, Nariman Point,  
Mumbai - 400 021.

By order of the Board

sd/-

**KALPESH R. KHOKHANI**  
Managing Director

Date : 1<sup>st</sup> September, 2001



## DIRECTORS' REPORT

To,  
The members of  
Shamrock Industrial Company Limited

The directors hereby present their Tenth Annual Report on the business and operations of the Company and the financial accounts for the year ended 31<sup>st</sup> March 2001.

### FINANCIAL HIGHLIGHT

	(Rs. In Lacs)	
<u>PARTICULARS</u>	<u>2000-2001</u>	<u>1999-2000</u>
Sales and Other Income	643.89	1889.83
Profit before Depreciation, Interest and Tax	5.13	132.43
Depreciation	1.71	1.92
Interest	5.55	126.00
Profit/(Loss) before Extraordinary Items and Tax	(2.13)	3.84
Extraordinary Items	(5.05)	(0.41)
Profit / (Loss) Before Tax	(7.18)	3.43
Tax	NIL	NIL
Profit / (Loss) After Tax	(7.18)	3.43
Balance brought forward from previous year	223.18	219.75
Balance carried forward	216.00	223.18

### TURNOVER

The overall income for the year 2000-2001 was Rs. 643.89 Lacs against Rs. 1889.83 Lacs in the previous year showing a decline of 66% over the previous year. The loss for the year was at Rs. 7.18 Lacs against profit of Rs. 3.43 Lacs in the previous year.

### EXPORT

Your company has continued to put emphasis on its export performance and during the year registered export at Rs. 59.36 lacs (FOB value) against Rs. 680.04 lacs (FOB value) in previous year showing a decline of 91% over the previous year.

Though your Company still retains its Government recognition of Export House due to the past performances, due to the non co-operation faced from its current bankers on giving financial assistance for several orders on hand, your Company has been unable to fulfil several export order obligation including fulfilling a very big order of almost 32 crores which your Company had received from the Government of Brazil in August, 2000.

### DIVIDEND

Due to loss the directors regret their inability to recommend any dividend for the year under review.

### FORFEITURE OF SHARES

The company has forfeited 1007400 equity shares of the shares / debentureholders in the month of July, 2001 on account of non payment of call money on debentures. Final notice for the payment of call money was given in June, 2001 to all shareholders who did not pay call money and one month's time was given for making payment. The Board of Directors of the company at their meeting held on 27<sup>th</sup> July, 2001 decided to

forfeit shares of those shareholders who did not respond to the final notice. The Board does not wish to reissue forfeited shares.

#### **BULK DRUG PROJECT**

Your Company has still not been able to restart the work on the project which was initially stalled due to the inadequacy of finance and non payment of calls in arrears by the debenture holders. Over and above, the situation became more difficult on account of time and cost overrun.

#### **RECOVERY SUIT FILED BY DENA BANK**

The Company's lead bankers Dena Bank have filed a claim amounting to Rs. 6.75 crores approximately in the Debt Recovery Tribunal, Mumbai against the Company. However, the Company has also filed a counter claim suit on the same account for Rs. 21.80 crores against Dena Bank also in the Debt Recovery Tribunal, Mumbai for damages on account of claims, business losses, over due excess interest charged by the bank, L/C's devolved etc.

#### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

The company is not engaged in manufacturing activities therefore, there is no information to be submitted as required under 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 in respect of conservation of energy, technology absorption.

Foreign exchange earnings - Rs. 59,36,010/-

Foreign exchange outgoings - Rs. 75,162/-

#### **DIRECTORS**

Mr. Kamlesh R. Khokhani, Jt. Managing Director of the Company has resigned from the office of the Jt. Managing Director with effect from 9<sup>th</sup> April, 2001. However he will continue as director on the Board.

Mr. Chandrakant C. Choksi resigned from the office of the Director with effect from 12<sup>th</sup> October, 2000. The Directors place on the record its deep appreciation for the support and guidance given by him to the Company.

In accordance with the requirements of the Section 256 of Companies Act, 1956 and Articles of Association of the Company, Mr. Jayendra H. Sheth, Director is liable to retire by rotation and is eligible for reappointment. The Board recommends that his continuation on the Board will be beneficial to the company.

#### **AUDITORS**

- 1) The auditors in para 2(f) of their report have made certain comments which are clarified in note no. 5 of schedule 14 of their Notes to Accounts and therefore, in the opinion of the Directors, it do not call for any further explanation.
- 2) The auditors M/s R. Vijayan & Co., Chartered Accountants, will retire as statutory auditors of the Company at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for reappointment and have furnished a certificate pursuant to Section 224 (1B) of the Companies Act 1956. The Board recommends their re-appointment.

#### **AUDIT COMMITTEE**

The Company has constituted Audit Committee comprising of 3 members viz. Mr. Kalpesh R. Khokhani, Mr. Kamlesh R. Khokhani and Mr. Jayendra H. Sheth.