



SHILCHAR ELECTRONICS LTD.

*Shilchar*  
DIRECTOR

**ANNUAL REPORT 2000-2001**

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**SHILCHAR  
ELECTRONICS LIMITED**

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ELECTRONICS LIMITED**

ANNUAL REPORT 2000-2001


**BOARD OF DIRECTOR**

Mr. J. C. Shah Chairman & Managing Director  
 Mr. Ashesh J. Shah  
 Mr. Alay J. Shah  
 Mr. O.P. Khanna  
 Mr. Mukesh Patel  
 Mr. Bhagirath Merchant  
 Mr. Kirtikant P.Shah

**BANKER**

Bank of Baroda

**AUDITORS**

Sharp & Tannan Associates  
 Chartered Accountants  
 87, Nariman Bhavan  
 227, Nariman Point  
 Mumbai - 400 021

**REGISTERED OFFICE**

Bil Road, Bil - 391 410  
 Dist. Vadodara, (India)

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**SHILCHAR  
ELECTRONICS LIMITED**

**ANNUAL REPORT 2000-2001**



**NOTICE**

NOTICE IS HEREBY GIVEN THAT the Fifteenth Annual General Meeting of SHILCHAR ELECTRONICS LTD., will be held on Monday, the 03rd September 2001 at 10:30 A.M. at the Registered office of the Company at Bil Road, Bil - 391 410, Dist. Vadodara to transact the following business :

**Ordinary Business :**

1. To consider, receive and adopt the Balance Sheet as at 31st March 2001, and the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Mukesh Patel who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Jagirath Merchant who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass the following resolution with or without modification, as a Resolution:

"RESOLVED THAT pursuant to Section 224 of the Companies Act, 1956, M/s. Sharp & Tannan Associates, Chartered Accountants, Mumbai the retiring Auditors of the Company be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at a fee to be determined by the Board of Directors plus Reimbursement of out of pocket expenses."

By order of the Board of Directors  
For **SHILCHAR ELECTRONICS LIMITED**

Place : Vadodara  
Date : May 29, 2001

Sd/-  
**J. C. SHAH**  
CHAIRMAN & MD

**Registered Office:**

Bil Road,  
Bil - 391 410  
Dist. Vadodara

**SHILCHAR  
ELECTRONICS LIMITED**
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**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of members and Share Transfer Books of the company will remain closed from 27th August, 2001 to 1st September 2001 (both days inclusive).
3. Members are requested to intimate quoting their Folio number, the change of their address, along with PIN Code Number, if any, and PAN/GIR Number with IT Ward/Range/District immediately to the Company.
4. Members who are holding Equity Shares in identical order of names in more than one Folio are requested to write to the Company to enable them to consolidate their holdings in one Folio.
5. All requests for transfer of Equity Shares and allied matters along with the relevant transfer deeds and shares certificates should preferably be sent direct to the Company.
6. Members are requested to intimate the Company of queries, if any, regarding these accounts / notice at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.
7. Shareholders are requested to indicate their bank account details viz. type of account, account number, banker's name and address to enable the Company to record the mandate and forward future Dividend Warrant / refund order, etc. in such name to the Shareholders to reduce the mal-practices of theft of Warrants / Orders. Such information may please be sent to the Registered Office of the Company.

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By order of the Board of Directors  
For **SHILCHAR ELECTRONICS LIMITED**

Place : Vadodara  
Date : May 29, 2001

Sd/-  
**J. C. SHAH**  
CHAIRMAN & M.D.

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**SHILCHAR  
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**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Fifteenth Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2001.

**FINANCIAL RESULTS**

(Rs. in lacs)

Particulars	2000-2001	1999-2000
Profit Before Interest and Depreciation	66.46	65.51
Less :		
a) Interest	21.68	35.41
b) Depreciation	33.70	26.94
Profit before tax	11.08	3.16
Provision for Tax	7.20	1.85
Profit after Tax	3.88	1.31
Add :		
Balance brought forward	91.45	97.22
Excess provision written back	0.22	2.93
<b>TOTAL</b>	<b>95.55</b>	<b>101.46</b>
<b>APPROPRIATION</b>		
Balance Carried over to next year	95.55	101.46
<b>TOTAL</b>	<b>95.55</b>	<b>101.46</b>

**OPERATIONS**

During the year under review your company has achieved turnover of Rs.798.84 lacs as against Rs.803.50 lacs in the preceding year.

The year saw the Vending Machine & Smart Card divisions of your Company being hived off into a separate company, E Cube India Solutions Ltd. This was done to lend independence to the core and non-core businesses of your Company. Mr. Ashesh Shah, the Managing Director of your Company relinquished his post to take charge of the new company. However, he continues to lend his valuable services to your Company as a Director.

Mr. Jitendra C. Shah took over the reins of your Company as its new Chairman and Managing Director. The approval of the shareholders for the new appointment was taken at an Extraordinary General Meeting held on 22<sup>nd</sup> December, 2000.

**DIVIDEND**

Keeping in view the need to plough back profits, your directors have not declared dividend for the financial year 2000-2001.



**SHILCHAR  
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**FUTURE PROSPECTS**

As aforesaid, your Company aims to concentrate more and more on its main line of business. As a further step towards its restructuring exercise, your company has decided to wind up Uttam Bearing, a division involved in trading of bearings and allied products as an authorised dealer of SKF Bearings. This is aimed to be completed by the end of the current financial year 2001-02.

Your company's Transformer and Core divisions are performing well. As a part of organisational restructuring, your Company plans to customise the products of Transformer and Core divisions to cater to the specific needs of the customers. Your Company has executed trial export orders of R-Core Transformers to USA and the products have been well accepted. Product Development is an ongoing process to meet the diverse needs of the present day market where quality has become a benchmark.

Shilchar Payton Technologies Ltd., co-promoted by your Company and Payton Group of Israel has achieved a phenomenal growth in turnover during the accounting year 2000-2001 as compared to 1999-2000. The turnover has risen to Rs.687 lacs during 2000-01 from Rs.286 lacs during 1999-2000, a growth of 140 %. Net profit before tax for the year stood at Rs. 88 lacs as against a profit of Rs.8 lacs during the last year.

**DIRECTORS**

Mr. Mukesh Patel and Mr. Bhagiram Merchant retire by rotation, and being eligible, offer themselves for re-appointment.

**AUDITORS**

The Auditors, M/s. Sharp & Tannan Associates, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible have expressed their willingness to be re-appointed. The company has received a Certificate from M/s. Sharp & Tannan Associates to the effect that their re-appointment, if made, will be within the limit prescribed under Section (1B) of Section 224.

**AUDITORS REPORT**

The Auditors, in their Report, have referred to the notes forming part of the accounts. The said notes are self-explanatory.

**CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

In accordance with the requirements 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, particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are annexed hereto and form part of this Report.

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