

17th Annual Report 1999-2000



Structural Precast Prestressed Concrete

STRESSCRETE

INDIA LIMITED

COMPANY WITH A CONCRETE BASE

STRESSCRETE INDIA LIMITED



BOARD OF DIRECTORS

Mr. Arvind B. Shah
Chairman and Managing Director
Dr. Kanu J. Patel (NRI)
Mr. Sanjeev P. Puri
Mrs. Arti J. Gandhi, Executive Director
Mr. Bharat B. Shah, Whole-time Director
Mr. Ajay Ukalkar - Nominee - SICOM Ltd.



BANKERS

Development Credit Bank Limited

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AUDITORS

Chokshi & Chokshi
Chartered Accountants



Registered Office :

Survey No. 35/10, Lohop Village, Khalapur Taluka, Raigad District.

Administrative Office :

Basement, Keshava, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051.

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NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of Stresscrete India Limited will be held on Thursday 10th August 2000 at 3.00 p.m. at the Registered Office of the Company at Survey No.35/10, Lohop Village, Khalapur Taluka, Raigad District, to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance sheet as at 31st March 2000, the Profit & Loss Account for the year ended on that date and the Reports of the Auditors and the Directors thereon.
2. To appoint a Director in place of Dr.Kanu Patel who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs Arti J. Gandhi who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit to pass with or without modifications the following as a Special Resolution :

"RESOLVED THAT pursuant to Section 198 , 269, 309, 310 & all other applicable provision of the Companies Act 1956 the consent of the Company be and is hereby accorded to the appointment of Mr.Bharat B. Shah as Whole Time Director of the Company for a period of five years with effect from 1st April 2000 to 31st March 2005, upon and subject to such Terms & conditions including the remuneration to be paid and provided to him as contained in the Agreement a draft whereof is placed before the Meeting and for the purpose of identification subscribed by the Chairman of the Board of Directors.:"

"RESOLVED FURTHER THAT pursuant to Section 309 (4) read with Section 198 (4) and other applicable provisions, if any, of the Companies Act 1956 the remuneration aforesaid or the remuneration prescribed by Schedule XIII to the Act whichever is less be paid and provided as the minimum remuneration to Mrs.Arati J. Gandhi as Whole Time Director notwithstanding that in any Financial Year of the Company during his terms of office, the Company may have made no profits or its profits may be inadequate."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts , deeds, thinks matters as may be considered necessary or desirable to give effect to this Resolution."

6. To consider and if thought fit to pass with or without modifications the following as a Special Resolution :

"RESOLVED THAT pursuant to Section 198 , 269, 309, 310 & all other applicable provision of the Companies Act 1956 the consent of the Company be and is hereby accorded to the ap-

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pointment of Mrs. Arti J. Gandhi as Whole Time Director of the Company for a period of five years with effect from 1st April 2000 to 31st March 2005, upon and subject to such Terms & conditions including the remuneration to be paid and provided to her as contained in the Agreement a draft whereof is placed before the Meeting and for the purpose of identification subscribed by the Chairman of the Board of Directors.:"

"RESOLVED FURTHER THAT pursuant to Section 309 (4) read with Section 198 (4) and other applicable provisions, if any, of the Companies Act 1956 the remuneration aforesaid or the remuneration prescribed by Schedule XIII to the Act whichever is less be paid and provided as the minimum remuneration to Mrs. Arti J. Gandhi as Whole Time Director notwithstanding that in any Financial Year of the Company during her terms of office, the Company may have made no profits or its profits may be inadequate."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, thinks matters as may be considered necessary or desirable to give effect to this Resolution."

By Order of the Board of Directors

A. B. SHAH
CHAIRMAN &
MANAGING DIRECTOR

MUMBAI
DATED : 19/6/2000

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NOTES :

- i) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- ii) Explanatory statement pursuant to Section 173 of the companies Act, 1956 in respect of Resolution set out under item 5 & 6 above is annexed hereto.
- iii) The Register of Member and Transfer Books of the Company will remain closed from Thursday 3rd August 2000 to Thursday 10th August 2000 (both days inclusive) for the purpose of Annual General Meeting.
- iv) Members are requested to notify change in their address if any, quoting their folio no. to the following address of the Registrar and Share Transfer Agents of the Company.

M/s. Dataprep Corporate Services Pvt. Ltd.,
B-17/18, Laxmi Shopping Centre,
Hirachand Desai Road,
Ghatkopar (West),
Mumbai - 400 086.

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ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956****ITEM NO.5 :**

Mr. B.B. Shah was appointed as Whole Time Director of the Company with effect from 1st April 1995 for a period of 5 years. The contract appointing Mr. B.B. Shah expired on 31st March 2000. The Board of Directors in their Meeting held on 21st April 2000 considered renewing the contract for the Appointment of Mr.B.B. Shah as Whole Time Director of the Company for a further period of five years with effect from 1st April 2000.

The knowledge and experience of Mr. B.B. Shah would be of immense value and growth of the Company. The re-appointment of Mr. Bharat B. Shah as the Whole Time Director of the Company is recommended to the Members.

The re-appointment of Mr. Bharat B. Shah as Whole Time Director of the Company is on the remuneration and the Terms and Conditions as stated below: . . .

1. The Company shall appoint Mr. B.B. Shah and Mr. B.B. Shah shall serve the Company as the Whole Time Director for a period of 5 years from 1st April 2000.
2. During the employment under the Agreement, Mr. B.B. Shah shall use his best endeavours to promote the Company's interest and welfare.
3. The Company shall pay Mr. B.B. Shah during the continuance of this Agreement in consideration of the performance of his duties as per the details given below :
 - I) Period of Agreement : 5 years with effect from April 1, 2000
 - II.
 - a) Salary Rs. 7,500/- per month in the range of Rs. 7,500/- - Rs. 15,000/-.
 - b) Commission at the rate of 1 % of the net profit of the Company, subject to a ceiling of 50 % of the salary or Rs.45,000/- per annum, whichever is less.
 - c) Perquisites to be allowed in addition to salary and commission and to be restricted to an amount equal to the annual salary or Rs.90,000 per annum.

The perquisites are classified into three categories 'A', 'B' & 'C'

Category 'A'

- i) **Housing I :** The expenditure incurred by the Company on hiring unfurnished accommodation will be restricted to sixty percent of salary.

Housing II : In case the accommodation is owned by the company, ten percent of the salary of the Whole Time Director to be deducted by the Company.

Housing III : In case no accommodation is provided by the Company, the Whole Time Director shall be entitled to house rent allowance, subject to the ceiling laid down in Housing I.

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Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall be subject to a ceiling of ten per cent of the salary of the Whole Time Director.

- ii) Medical Reimbursement : Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
- iii) Leave Travel Concession : For self and family once in a year incurred in accordance with the rules specified by the Company.
- iv) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Personal Accident Insurance : Of an amount, the annual premium of which not to exceed Rs.4,000/-.

For the purpose of this category 'family' means the spouse, the dependent children and dependent parents of the Whole Time Director.

Category 'B'

- i) Provident Fund : Company's contribution to Provident Fund as per the Scheme of the company.
- ii) Superannuation/Annuity Fund Company's contribution to Superannuation/ Annuity fund in accordance with the Scheme of the Company. Contribution to Provident Fund, Super annuation Fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

Category 'C'

- i) Car : Provision of car for use on Company's business (not to be treated as perquisite). Use of car for private purpose shall be billed by the Company to the Whole Time Director.
- ii) Telephone : Telephone at the residence of Whole Time Director (not to be treated as perquisite). Personal long distance calls on telephone shall be billed by the Company to the Whole Time Director.
- III) In the event of no profits or inadequacy of profits during the currency of tenure of Whole Time Director, Salary, perquisites and other allowance payable to the Whole Time Director shall not exceed the limit specified in 3-II (a) (c) above or the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 whichever is less.
- IV) Earned/Privilege Leave : On full pay and allowances, as per the rules of the Company but not more than one month's leave for every eleven months of service shall be

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lowed. However, leave accumulated but not availed off will not be allowed to be encashed.

V) Mr. B.B. Shah to be entitled to :

a) the reimbursement of entertainment expenses actually and properly incurred by Mr. B.B.Shah in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors ; and

b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.

4. Subject to such orders and directions as may be given by the Board from time to time, Mr.B.B. Shah shall have the management of the whole of the affairs of the Company and to do all acts and things, which, in the ordinary course of business, be considered necessary or proper or in the interest of the Company.
5. Mr. B.B. Shah shall devote his whole time and attention during business hours to the business of the Company
6. Whenever required by the Company, Mr.B.B.Shah, shall undertake travelling in India and elsewhere in connection with the business of the Company.
7. Mr.B.B Shah shall not engage himself, either directly or indirectly or be interested in any capacity whatsoever or render assistance during the term of his Agreement with the Company to any firm, company or persons whether a manufacturer, dealer or trader in goods or products which are of the same or similar kind and nature as those of the company.
8. As long as Mr. B.B. Shah functions as Whole Time Director, Mr. B.B.Shah shall not be interested or otherwise concerned directly or through his wife and/or minor children, in any selling agency of the Company in future without the prior approval of the Central Government.
9. Mr.B.B.Shah shall not divulge or disclose to any person any secret or confidential information relating to the business of the company or as to any trade secrets or secret processes and to use his best endeavours to prevent any other person from so doing.
10. The Company shall be entitled to terminate Mr. B.B.Shah's employment forthwith if he is unable to perform his duties by reason of ill-health, accident or disability for a period of 180 days in any period of twelve consecutive calendar months.
11. The Company shall be entitled to terminate Mr. B.B.Shah's employment forthwith if he becomes insolvent or makes any composition or arrangement with his creditors or ceases to be a Director of the Company.

12. In case of Mr. B.B.Shah's death in the course of his employment with the Company, the Company shall pay to his legal representatives the salary and other emoluments payable for the ten current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
13. The Company shall be entitled to terminate Mr. B.B.Shah's employment by giving not less than 90 days' notice in writing if he is guilty of inattention to or negligence in the conduct of the business or any breach of the Agreement, which in the opinion of the Board, renders his retirement from office of Whole Time Director desirable.
13. Either party shall be entitled to terminate the Agreement by giving the other party 180 days notice in writing without showing any cause. The Company shall also be entitled to terminate the Agreement by giving to Mr.B.B.Shah, 6 months salary without showing any cause.
15. The terms and conditions of the said appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit in accordance with the provisions of the Companies Act, 1956 in force from time to time.
16. The Agreement represents the entire Agreement between the Company and Mr. B. B. Shah and cancels and supersedes all prior Agreements, Arrangements and Undertakings between the Company and Mr.B.B.Shah.

None of the Directors except Mr. Arvind B. Shah, Mr. B.B. Shah, is concerned or interested in the Resolution.

The Agreement entered into with Mr. B.B. Shah will be available for inspection to the Members at the Registered Office and Corporate Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the company upto and including the date of the Meeting.

The contents of the Special Resolution contained in Item No.5 of the Notice and Explanatory Statement annexed thereto Under Section 173 of the Companies Act 1956 shall be deemed to be the abstract of the Terms and Conditions of re-appointment of Mrs.Arati J. Gandhi as Whole Time Director Under Section 302 of the Companies Act 1956 and the Memoranda of Interest.

ITEM NO.6 :

Mrs. Arti J. Gandhi was appointed as Whole Time Director of the Company with effect from 1st April 1995 for a period of 5 years. The contract appointing Mrs. Arti J. Gandhi expired on 31st March 2000. The Board of Directors in their Meeting held on 21st April 2000 considered renewing the contract for the Appointment of Mrs. Arti J. Gandhi as Whole Time Director of the Company for a further period of five years with effect from 1st April 2000.

The knowledge and experience of Mrs. Arti J. Gandhi would be of immense value and growth of the Company. The re-appointment of Mrs. Arti J. Gandhi as the Whole Time Director of the Company is recommended to the Members.

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The re-appointment of Mrs Arti J. Gandhi as Whole Time Director of the Company is on the remuneration and the Terms and Conditions as stated below: . . .

1. The Company shall appoint Mrs. Arti J. Gandhi and Mrs. Arti J. Gandhi shall serve the Company as the Whole Time Director for a period of 5 years from 1st April 2000.
2. During the employment under the Agreement, Mrs. Arti J. Gandhi shall use her best endeavours to promote the Company's interest and welfare.
3. The Company shall pay Mrs. Arti J. Gandhi during the continuance of this Agreement in consideration of the performance of her duties as per the details given below :
 - I) Period of Agreement : 5 years with effect from April 1, 2000
 - II. a) Salary Rs.10,000/- per month in the range of Rs.10,000/- - Rs.20,000/-.
 - b) Commission at the rate of 1 % of the net profit of the Company, subject to a ceiling of 50 % of the salary or Rs.60,000/- per annum, whichever is less.
 - c) Perquisites to be allowed in addition to salary and commission and to be restricted to an amount equal to the annual salary or Rs.1,20,000 per annum.

The perquisites are classified into three categories 'A' , 'B' & 'C'

Category 'A'

- i) **Housing I :** The expenditure incurred by the Company on hiring unfurnished accommodation will be restricted to sixty percent of salary.
Housing II : In case the accommodation is owned by the company, ten percent of the salary of the Whole Time Director to be deducted by the Company.
Housing III : In case no accommodation is provided by the Company, the Whole Time Director shall be entitled to house rent allowance, subject to the ceiling laid down in Housing I.
Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall be subject to a ceiling of ten per cent of the salary of the Whole Time Director.
 - ii) **Medical Reimbursement :** Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
 - iii) **Leave Travel Concession :** For self and family once in a year incurred in accordance with the rules specified by the Company.
 - iv) **Club Fees :** Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
 - v) **Personal Accident Insurance :** Of an amount, the annual premium of which not to exceed Rs.4,000/-.
- For the purpose of this category 'family' means the spouse, the dependent children and dependent parents of the Whole Time Director.

Category 'B'

- i) **Provident Fund :** Company's contribution to Provident Fund as per the Scheme of the company.

- ii) Superannuation/Annuity Fund Company's contribution to Superannuation/Annuity fund in accordance with the Scheme of the Company. Contribution to Provident Fund, Superannuation Fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

Category 'C'

- i) Car : Provision of car for use on Company's business (not to be treated as perquisite). Use of car for private purpose shall be billed by the Company to the Whole Time Director.
- ii) Telephone : Telephone at the residence of Whole Time Director (not to be treated as perquisite). Personal long distance calls on telephone shall be billed by the Company to the Whole Time Director.
- III) In the event of no profits or inadequacy of profits during the currency of tenure of Whole Time Director, Salary, perquisites and other allowance payable to the Whole Time Director shall not exceed the limit specified in 3-II (a) (c) above or the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 whichever is less.
- IV) Earned/Privilege Leave : On full pay and allowances, as per the rules of the Company but not more than one month's leave for every eleven months of service shall be allowed. However, leave accumulated but not availed off will not be allowed to be encashed.
- V) Mrs. Arti J. Gandhi to be entitled to :
 - a) the reimbursement of entertainment expenses actually and properly incurred by Mrs. Arti J. Gandhi in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors ; and
 - b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.
- 4. Subject to such orders and directions as may be given by the Board from time to time, Mrs. Arti J. Gandhi shall have the management of the whole of the affairs of the Company and to do all acts and things, which, in the ordinary course of business, be considered necessary or proper or in the interest of the Company.
- 5. Mrs. Arti J. Gandhi shall devote her whole time and attention during business hours to the business of the Company
- 6. Whenever required by the Company, Mrs. Arti J. Gandhi, shall undertake travelling in India and elsewhere in connection with the business of the Company.
- 7. Mrs. Arti J. Gandhi shall not engage herself, either directly or indirectly or be interested in any capacity whatsoever or render assistance during the term of her Agreement with the Company to any firm, company or persons whether a manufacturee, dealer or trader in goods or products which are of the same or similar kind and nature as those of the company.
- 8. As long as Mrs. Arti J. Gandhi functions as Whole Time Director, Mrs. Arti J. Gandhi shall not be interested or otherwise concerned directly or through her husband or minor children, in any selling agency of the Company in future without the prior approval of the Central Government.