



Annual Report 1999 - 2000



Mefcom *AGRO* INDUSTRIES LIMITED
Manufacturer & Exporters of Agro Based Food Products

Mefcom *AGRO* INDUSTRIES LIMITED

BOARD OF DIRECTORS : Mr. Vijay Mehta (Chairman)
Mr. H.K. Mehta
Mr. R.L. Toshniwal
Mr. Prince Mohan Chugh

AUDITORS : MEHRA GOEL & CO.
Chartered Accountants
505, Chiranjeev Tower
Nehru Place
New Delhi - 110 019

BANKERS : Oriental Bank of Commerce

REGISTERED OFFICE : 12/3, Asaf Ali Road
New Delhi - 110 002

Mefcom Agro Industries Limited

NOTICE

Notice is hereby given that 16th Annual General Meeting of the Company will be held at 12.00 P.M. at Mehta Farms, Chhawla Village, Beyond BSF Camp, Rajokri-Najafgarh Road, New Delhi - 110 071 on Saturday the 30th September, 2000 to transact the following business :-

ORDINARY BUSINESS :-

1. To Consider & Adopt the Audited Balance Sheet, Profit and Loss Account for the year ended 31st March, 2000 alongwith Directors' and Auditor's Reports thereon.
2. To appoint a Director in place of Sh. Vijay Mehta, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Sh. Prince Mohan Chugh, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :-

5. To consider and if thought fit to pass with or without modifications, the following Resolutions as Special Resolution :-
(i) "RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, if any the Articles of Association of the Company be and are hereby altered to the extent and in the manner set out hereunder :-

After Article 44 the following new Articles 44A and 44B be inserted under the heading of "Dematerialisation of Securities".

DEMATERIALISATION OF SECURITIES :-

44A DEFINITIONS

For the purpose of this Article.

"Beneficial Owner"

"Beneficial Owner" shall mean beneficial owner as defined in Section 2 of the Depositories Act, 1996.

"Depositories Act, 1996"

"Depository" shall mean a Depository Act, 1996 and include and statutory modifications or reenactment thereof for the time being in force.

"Depository"

"Depository shall mean a Depository as Defined in the Depositories Act. 1996.

"SEBI"

"SEBI" means the Securities and Exchange Board of India.

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"Member"

"Member" means a duly registered holder from time to time of the shares of the Company, one who agrees in writing to become a member of the Company as contained writing to become a member of the Company as contained in Section 41(2) of the Act and also one whose name is entered as beneficial owner in the records of Depository in the case of shares held in at Depository.

"Securities"

Securities means shares, scrips, stocks, bonds, debentures, debenture stock, or other marketable securities of a like nature in or of any incorporated Company or other body Corporate, or other securities as may be specified by the Central Government, SEBI or any other concerned Authorities from time to time.

44B

"Dematerialisation of Securities"

1. Notwithstanding anything contained in these articles, the Company shall be entitled to dematerialise its securities, re-materialise its securities held in the depository and / or offer fresh securities, in a dematerialised form, pursuant to the Depositories Act, 1996 and the Securities and Exchange Board of India (Depositors and Participants) Regulations, 1996.

"Option to hold Securities in physical form or with Depository"

2. Every person holding Securities of the Company through allotment or otherwise shall have the option to receive and hold the same in the form of Security Certificates or to receive and hold the same in the Dematerialised form with a Depository.

"Beneficial Owner may opt out of a Depository"

3. Every person holding Securities of the Company with a depository being the beneficial owner thereof may at any time opt out of the depository in the manner provided under the Provisions of the Depositories Act and the Rules, if any, prescribed there under and the Company shall issue the relevant Security Certificates to the beneficial owner thereof.

"Securities in Depositories to be in fungible form"

4. All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in sections 153, 153-A, 153-B, 187-B, 187-C and 372-A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

"Rights of Depositories and beneficial owners"

5. (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his / her securities which are held by a Depository.

"Service of documents"

6. The Depository shall furnish to the Company the information of transfer of securities and the records of beneficial ownership at such intervals and in such manner as may be stipulated under the Provisions of the Depositories Act.

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"Transfer of Securities"

7. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

"Allotment of Securities dealt with in a depository"

8. Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

"Distinctive numbers of Securities held in a Depository"

9. Nothing contained in the Act or these Articles regarding the necessary of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

"Register and Index of beneficial owners"

10. The Register and Index of beneficial owners maintained by Depositories under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

"Other Matters"

Notwithstanding anything contained in these Articles or the provisions of Depositories Act, 1996 relating to dematerialisation of securities (including any modification or reenactment thereof and Rules / Regulations made thereunder) shall prevail and apply accordingly.

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

- (II) **"RESOLVED THAT"** after Article 44B the new following Articles 44C be inserted under the heading **"RIGHT OF NOMINATION"** :

Every holder of shares in or debentures of the Company may at anytime nominate in the manner prescribed under the Act, a person to whom his shares in or debentures of the Company shall vest in the event of his death. Such nomination and right of nominee to be registered as holder of shares / debentures as the case may be or for transfer of the shares / debentures as the case may be shall be governed by Sections 109-A and 109-B and other applicable provisions of the Companies Act, 1956.

Regd. Office :
12/3 Asaf Ali Road
New Delhi - 110 002
Dated : 7th August, 2000

By order of the Board
for Mefcom Agro Industries Ltd.

(Vijay Mehta)
Chairman

NOTES :-

- a) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. Proxies in order to be effective must be received at the Registered Office of the Company not less than fortyeight hours before this Annual General Meeting.

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- b) Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 29th September, 2000 to Saturday, the 30th September, 2000 (Both days inclusive).
- c) Members are requested to intimate the Company at its Registered Office change, if any, in their address for mailing purposes.
- d) Members desiring information/clarification on the accounts are requested to write to the Company at its Registered Office at least seven days before the date of Annual General Meeting so that the same may be respond well in advance.
- e) Members are requested to bring their copy of annual report at the meeting.
- f) The relevant explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of Item No.5 of the notice set out above, is annexed hereto.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No.5

With the introduction of the Depositories Act, 1996 and Depository System, some of the provisions of the Companies Act, 1956 in relation to the issue, holding transfer and Transmission of shares, debentures and other securities have been amended to facilitate the implementation of the new system. The Depository system is safe and convenient method to hold and trade in the securities of the Company. The system will eliminate several problems experienced in the scrip based system such as bad deliveries, fraudulent transfers and transmission, theft in postal transit, time taken in registration of transfer, maintenance of share certificate etc. The system also offers several cost advantages such as no postage expenses, exemption from stamp duty on transfers etc. Your Company has already initiated steps to introduce depository system in the Company.

The Companies Act, 1956 as amended by the Companies (Amendment) Act, 1999 has provided to every holder of shares or debentures or other securities an option to nominate a person to whom his shares or debentures of the Company shall vest in the event of his death.

It is proposed to amend the Article of Association of the Company suitably incorporating therein necessary provisions relating to the implementation of the Depository System and for providing nomination facilities with conformity with the Depositories Act, 1996 and the Companies Act, 1956 respectively as amended from time to time. Opportunity is also being availed to make certain other alterations in the Articles of Association to bring in conformity with the provisions of the Companies Act 1956 and the Depository Act 1996 respectively.

The Resolutions are accordingly recommended for approval of the Members by means of special resolutions as required under section 31 of the Companies Act 1956.

None of the Directors of the Company except Mr. Vijay Mehta and Mr. H.K. Mehta are interested to the extent of their shareholding in the Company.

Copy of the Memorandum and articles of Association of the Company together with the proposed alterations shall be kept open for the inspections of the shareholders at the Registered Office of the Company on any working day upto and inclusive of the date of the Annual General Meeting between 3.00 P.M. to 5.00 P.M.

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12/3 Asaf Ali Road
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Dated : 7th August, 2000

By order of the Board
for Mefcom Agro Industries Ltd.

(Vijay Mehta)
Chairman

Mefcom Agro Industries Limited

DIRECTORS' REPORT

To the Members

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

FINANCIAL RESULTS

	YEAR ENDED 31 ST MARCH, 2000 (Rs. IN LACS)	YEAR ENDED 31 ST MARCH, 1999 (Rs. IN LACS)
Gross Income	116.49	5.86
Profit / (Loss) before interest, depreciation and tax	92.54	(7.53)
Depreciation	8.27	8.34
Prior period (Expenses)	0.50	0.00
Profit / (Loss)	83.77	(15.87)

OPERATIONS AND FUTURE OUTLOOK

No activity was carried out in the manufacturing division during the year. Your directors are making all efforts to revive the unit properly or sell/lease the same. As and when it happens, then and then only, the fortunes of the company shall take a turn. Till then, all of us have to wait and watch.

There is good news for shareholders with regard to the financial performance of the company. The balance Call Money of Rs. 65.10 Lacs received from shareholders on account of Share Capital & premium was utilised to pay the long outstanding loans of Canara Bank. As you can also see from the enclosed Balance Sheet, the company now is totally debt free which is a good development. Many shareholders have still not paid the call money. Your Board of Directors have decided to forfeit their shares after giving a final notice to them. Those of you who have not yet paid the money are requested to do so immediately so that the money can be utilised for making better profits for your company. However, no further extension shall be given and the shares shall be forfeited positively after the notice period.

The additional funds left with the company after paying off the loans were utilised by your management for investments in the Stock Market. Your directors are pleased to report that the investments made in different Stocks have resulted in an income of about Rs. 111.61 lacs due to the bullish Stock Markets. This has substantially reduced the losses in the company. Your directors shall continue to make their best efforts for earning money in the company so that it can be brought back to health.

As per SEBI Notification, your company has been included in the list of companies who have to compulsarily go for Demat of their shares. The necessary notices in this regard are being enclosed. You are requested to kindly send your shares for Demat which will also facilitate your future trading in the shares.

DIVIDEND

In view of loss, your Directors regret their inability to recommend any dividend.

DIRECTORS

Sh. C.K. Hazari, Chairman of the Company has resigned from the Board due to his advancing age. He has remained as the Chairman of Company since inception for the last about 15 years. Though his valuable advice shall still be available to the company, we shall always miss his physical presence at the board-meeting. The Company places on record its appreciation of the valuable services rendered by Sh. Hazari during his tenure as Chairman of the Board. In consent with the wishes of Mr. Hazari, the Vice Chairman Mr. Vijay Mehta was elected as Chairman of the Board of Directors.