



14th

ANNUAL REPORT

2001-2002

Report

**COSTPLUS CREDIT
CAPITAL LIMITED**

CORPORATE PROFILE

DIRECTORS

1. **DR.(MRS) MEENA AGGARWAL**
(MANAGING DIRECTOR)
2. **MAJ.GEN.VIRENDRA SINGH**
3. **MR.V.P.MITTAL**
4. **MR.RAMESH L.ADIGE**
5. **MR.VIPIN AGGARWAL**
6. **MR.B.L.GUPTA**
7. **MR. VIJAY AGGARWAL**
8. **MRS.SHAKUNTALA RANI**
- 9 **MR. V.K.SACHDEVA**

REGISTERED OFFICE

E-4, IIND FLOOR
DEFENCE COLONY,
NEW DELHI - 110 024

BANKERS

PUNJAB NATIONAL BANK
EAST OF KAILASH,
NEW DELHI.

AUDITORS

KUDSIA AND ASSOCIATES
QD - 67, PITAMPURA,
DELHI - 110 034

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COSTPLUS CREDIT CAPITAL LIMITED

Registered Office : E-4, IInd Floor, Defence Colony, New Delhi-110 024

NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of the members of Costplus Credit Capital Limited will be held on Wednesday, the 25th of September, 2002 at O-13, IInd Floor, Lajpat Nagar II, New Delhi at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited accounts for the year ended 31 st March,2002 alongwith the reports of Directors and Auditors.
2. To appoint a director in place of Mr.Vipin Aggarwal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Mr.Ramesh L.Adige, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a director in place of Mr. V.K.Sachdeva, who retires by rotation and being eligible,offers himself for reappointment.
5. To appoint M/s Kudsia and Associates, Chartered Accountants, as auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS : ORDINARY RESOLUTION

6. To consider and if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Vijay Aggarwal, who was appointed by the Board of Directors as an additional director of the Company and who holds office upto the date of the ensuing Annual General Meeting under section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr.Vijay Aggarwal for the office of the Director, be and is hereby appointed as Director of the Company from the date of the ensuing Annual General Meeting and shall be liable to retire by rotation."

SPECIAL BUSINESS : SPECIAL RESOLUTION

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

"RESOLVED THAT Dr.(Mrs.) Meena Aggarwal, who fulfills the conditions specified in Part I,Part II and Part III of Schedule XIII to the Companies Act, 1956, be and is hereby reappointed as Managing Director of the Company for a period of five years and that she may be paid remuneration by way of salary, commission and perquisites in accordance with Part II of Schedule XIII of the Act."

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

"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 altered as follows:

(a) After Article 14 add the following Article and heading:

14A. Buyback of Shares: Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by the law.

"FURTHER RESOLVED THAT subject to all applicable provisions of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof and any Ordinance promulgated in this regard for the time being in force and as may be enacted/promulgated from time to time) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the Board), the consent of the Company be and is hereby accorded to the Board to buyback, from the existing shareholders of shares on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of Shares (odd lots) and/or through negotiations or other arrangements from out of its free reserves or out of the proceeds of any issue made by the Company specifically for this purpose, or from such other sources as may be permitted by law, on such terms, conditions and in such manner as may be prescribed by law from time to time, provided that the aggregate of the Shares so bought back shall not exceed 25% of the paid up share capital of the Company."

"RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deem necessary, fit or proper."

BY ORDER OF THE BOARD OF DIRECTORS

PLACE: NEW DELHI
DATE: SEPTEMBER 2, 2002

DR.(MRS) MEENA AGGARWAL
MANAGING DIRECTOR

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company during office hours on all working days except Saturday between 11.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.
3. Members/proxies should bring the attendance slips duly filled in for attending the meeting.
4. Shareholders seeking any information with regard to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
5. The register of members of the Company will remain closed from September 17th, 2002 to September 24th, 2002 (both days inclusive).
6. Members are requested to bring their copies of the Annual Report to the meeting.
7. An explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of business set out under items 6,7,8 is annexed herewith.

ANNEXURE TO THE NOTICE**Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of special business****Item No.6**

Mr. Vijay Aggarwal, who was co-opted as an Additional Director w.e.f. 29.07.2002, is holding office upto the date of the Annual General Meeting. One of the members has sent notice in writing pursuant to section 257 of the Companies Act, 1956, to the Company proposing the candidature of Mr. Vijay Aggarwal for the office of Director. Your directors recommend approval of the appointment of Mr. Vijay Aggarwal as Director, liable to retire by rotation.

Apart from Mr. Vijay Aggarwal, Mr. Vipin Aggarwal, Dr. Meena Aggarwal and Mrs. Shakuntala Rani may be considered interested in the resolution as relatives.

Item No.7

The Company is immensely benefitting from the rich experience and expertise of management of Dr. (Mrs.) Meena Aggarwal. Hence, for the continuous growth of the Company, it is in the best interest of the Company to continue her appointment for a further period of five years.

Considering the above, the Board of Directors of the Company at its meeting held on September 2, 2002, reappointed Dr. (Mrs.) Meena Aggarwal as Managing Director for a period of five years, subject to the approval of the Shareholders at the ensuing Annual General Meeting on the following terms and conditions:

- | | |
|----------------------|--|
| 1 SALARY | Rs. 10,000/- per month |
| 2 PERQUISITES | In addition to the above salary, she will be entitled to the following perquisites |
| | Category A |
| | The Company shall give/provide annual bonus/ex gratia, leave travel assistance, medical reimbursement, club fees, personal accident insurance and any other allowance or reimbursement as may be agreed upon between the Managing Director and the Company from time to time. |
| | Provided that the above perquisites shall be valued as per the Income Tax norms/rules, wherever applicable. In the absence of any such rules, the perquisites and allowances shall be evaluated at actual cost. |
| | Category B |
| | Encashment of leave at the end of the tenure. |
| | The above will not be included in the computation of ceiling on perquisites. |
| | Category C |
| | Motor vehicle with driver for use on Company's business and telephone/ other communication facility at residence will not be considered as perquisite. However, personal long distance calls and use of motor vehicle for private purposes shall be billed and recovered from the Managing Director as per the income tax rules. |

Apart from Dr. Mrs. Meena Aggarwal, Mr. Vipin Aggarwal, Mrs. Shakuntala Rani and Mr. Vijay Aggarwal may be considered interested in the above resolution as relatives.

Item No.8

It is proposed to change the Articles of Association of the Company to permit the Company to purchase its own securities on such terms and conditions and in the manner as may be prescribed by the law.

Your Directors recommend this resolution for acceptance by the members.

None of the Directors are interested in the said resolution.

By order of the Board of Directors

PLACE: NEW DELHI
DATE: SEPTEMBER 2, 2002

DR.(MRS).MEENA AGGARWAL
(Managing Director)

DIRECTORS' REPORT TO THE SHAREHOLDERS
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Dear members,

Your Directors have pleasure in presenting the Fourteenth Annual Report of your Company for the year ended March 31, 2002.

1. FINANCIAL RESULTS (Rs. In lacs)

	For the year ended March 31, 2002	For the year ended March 31, 2001
a) Gross Revenue	61.36	59.76
b) Profit before Interest, Depreciation and Loss on Shares	32.11	35.95
c) Interest	19.11	16.23
d) Depreciation	7.96	6.37
f) Profit before Tax	2.18	1.21
g) Provision for Tax	2.17	0.09
h) Profit after Tax for the year	0.01	1.12
i) Balance of profit brought forward	17.49	16.37
j) Surplus carried to Balance Sheet	17.50	17.49

2. DIVIDEND

Keeping in view the financial results for the financial year 2001-2002, the Board does not recommend any dividend for the year.

3. BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year, the gross income increased from Rs.59.76 lacs to Rs.61.36 lacs. Profit after tax was Rs.0.01 lacs as compared to Rs.1.12 lacs in the previous year.

Your Company did impressive business in its Resort at Ranikhet. The gross income from the Resort increased from Rs.34.95 lacs in the last year to Rs.43.10 lacs in the year under consideration. The Resort and its hospitality was highly appreciated by all individuals, corporates and institutions who visited the Resort. The Resort is getting overwhelming response from all over India and is on the prime property list of all prestigious travel consultants. This area of operations of the Company is projected to give a majority of income to the Company in the coming years also.

The financial market remained sluggish as in the previous years. Lease and hire purchase business remained slow and the Company continues its policy of trading cautiously in advancing moneys to prospective clients.

4. FIXED DEPOSITS

Your Company did not hold any deposits from the public as at the end of the year under review.

5. DIRECTORS

- Mr. Vipin Aggarwal, who retires by rotation, and being eligible, offers himself for reappointment at the forthcoming Annual General Meeting.
- Mr. Ramesh L. Adige, who retires by rotation, and being eligible, offers himself for reappointment at the forthcoming Annual General Meeting.
- Mr. V.K. Sachdeva, who retires by rotation, and being eligible, offers himself for reappointment.

6. AUDITORS AND AUDITORS' REPORT

M/s Kudsia and Associates, Chartered Accountants, auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received confirmation from them to the effect that their appointment, if made, will be within the limits prescribed under section 224 of the Companies Act, 1956.

The comments of the auditors in their report are self explanatory and require no further explanations.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors hereby state and confirm that:

(i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors had prepared the annual accounts on a going concern basis.

8. LISTING AGREEMENT

The equity shares of the Company are listed with the Bombay and Delhi Stock Exchanges and the listing fees has been paid. The cash flow statement for the year ended March 31, 2002 is also being annexed.

9. CORPORATE GOVERNANCE

Your Company has to comply with the corporate governance from the financial year 2002-2003 as per the provisions of the listing agreement with the stock exchanges. Necessary action is being taken in this direction.

10. DEMATERIALISATION OF EQUITY SHARES

The Company is in process of getting its equity shares in dematerialised form. After the dematerialisation, the shareholders may send their share certificates through their depository participants for having the shares in electronic form.

11. PARTICULARS OF EMPLOYEES

There was no employee covered by the limit prescribed under the provisions of section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

12. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Keeping in view the nature of business of the Company, information pursuant to Section 217(1)(e) of the Companies Act, 1956 regarding conservation of energy and technology absorption is not applicable to the Company.

There were no transactions in foreign exchange during the year.