



**16th**  
**Annual Report**  
**2003-2004**

**Costplus Credit Capital Limited**

<b>CORPORATE PROFILE</b>
--------------------------

**DIRECTORS**

1. DR.(MRS) MEENA AGGARWAL

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  
154-D, NEB VALLEY,  
SAINIK FARMS,  
NEW DELHI 110 068

## **COSTPLUS CREDIT CAPITAL LIMITED**

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

### **NOTICE**

Notice is hereby given that the Sixteenth Annual General Meeting of the members of Costplus Credit Capital Limited will be held on Saturday, the 25th of September, 2004 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,2004 alongwith the reports of Directors and Auditors.
2. To appoint a director in place of Mr.Ramesh L.Adige, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Maj.Gen.Virendra Singh, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a director in place of Mrs. Shakuntala Rani, who retires by rotation and being eligible,offers herself 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.

**BY ORDER OF THE BOARD OF DIRECTORS**

**PLACE: NEW DELHI**  
**DATE: AUGUST 31, 2004**

**VIPIN AGGARWAL**  
**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, 2004 to September 24th, 2004 (both days inclusive).
6. Members are requested to bring their copies of the Annual Report to the meeting.

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear members,

Your Directors have pleasure in presenting the Sixteenth Annual Report of your Company for the year ended March 31, 2004.

### 1. FINANCIAL RESULTS (Rs. In lacs)

	For the year ended March 31, 2004	For the year ended March 31, 2003
a) Gross Revenue	58.20	62.09
b) Profit before Interest, Depreciation and Loss on Sale of Assets	38.86	26.25
c) Interest	8.67	16.48
d) Depreciation	9.23	8.06
f) Profit before Tax	1.44	1.26
g) Provision for Tax including deferred tax	0.82	0.84
h) Profit after Tax for the year	0.63	0.42
i) Balance of profit brought forward	10.37	17.46
j) Surplus carried to Balance Sheet	11.00	17.87

### 2. DIVIDEND

Keeping in view the financial results for the financial year 2003-2004, the Board does not recommend any dividend for the year.

### 3. BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year, the gross income was Rs. 58.20 lacs. Profit after tax was Rs. 0.62 lacs as compared to Rs. 0.42 lacs in the previous year.

Your Company did impressive business in its Resort at Ranikhet.

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 in this year also. 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 has not accepted any deposits from the public.

### 5. DIRECTORS

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

- Maj. Gen. Virendra Singh, who retires by rotation, and being eligible, offers himself for reappointment at the forthcoming Annual General Meeting.

- Mrs. Shakuntala Rani, who retires by rotation, and being eligible, offers herself for reappointment at the forthcoming Annual General Meeting.

## 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, 2004 is also being annexed.

## 9. 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.

## 10. 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.

## 11. 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.

## 12. ACKNOWLEDGEMENTS

Your directors would like to express their grateful appreciation for the assistance and cooperation received from the Company's Bankers, Institutions and Clients. Your Directors also acknowledge the sincere efforts put in by all the employees of the Company.

for and on behalf of the Board

PLACE NEW DELHI  
DATE AUGUST 31, 2004

VIPIN AGGARWAL  
(DIRECTOR)

## CORPORATE GOVERNANCE REPORT

In compliance with clause 49 of the Listing Agreement with Stock Exchanges, the Company is pleased to submit this report on the matters mentioned in the said clause and the practices followed by the Company in this regard:

### 1 Company's philosophy on Code of Governance

The Company believes in and practices good Corporate Governance. The Company's essential character is shaped by the very values of transparency, professionalism and accountability. The Company continuously endeavours to improve on these aspects on an ongoing basis.

### 2 Board of Directors

The Board of Directors consists of nine directors. During the year 2003-2004, four Board Meetings were held on 28.04.2003, 29.07.2003, 30.10.2003, 29.01.2004

The following table gives details of directors, details of attendance of directors of Board Meetings, at the Annual General Meeting, number of memberships held by the Directors in the Board/Committees of various Companies

Name	Category	Attendance Particulars		Number of other directorship and Committee Member/Chairmanships		
		Board Meeting	Last AGM	Other Director	Committee Membership	Committee Chairman
Mrs.Meena Aggarwal	Chairperson	4	Yes	8	-	-
Gen.Virendra Singh	Director	1	No	-	-	-
Mr.V.P.Mittal	Director	1	No	3	1	-
Mr.Ramesh Adige	Director	1	No	-	-	-
Mr.Vipin Aggarwal	Director	4	Yes	8	-	-
Mr.B.L.Gupta	Director	4	Yes	-	-	-
Mr.Vijay Aggarwal	Director	3	Yes	-	-	-
Mrs.Shakuntala Rani	Director	4	Yes	-	-	-
Mr.V.K.Sachdeva	Director	1	No	-	-	-

#### Directors seeking reappointment

Mr.Ramesh L.Adige, Maj.Gen.Virendra Singh and Mrs.Shakuntala Rani retire by rotation and, being eligible, offer themselves for reappointment.

### 3 Audit Committee

The audit committee consists of three independent directors viz. Mr.Vipin Aggarwal, Mr. B.L.Gupta and Mr.Vijay Aggarwal. The terms of reference specified by the Board for the Audit Committee are as follows:

- Recommend the appointment of Statutory Auditors, fixation of audit fees and approval for payment of fees for any other services.
- Appointment of Internal Auditors, determine the scope of internal audit and fixation of internal audit fees.
- Review of internal control systems through discussions with Statutory Auditors and Internal Auditors and key employees, if any.
- Implementing measures to strengthen internal control systems, and ensuring compliance to the internal control systems.
- Selection of accounting policies to be adopted by the Company after due deliberations and compliance with accounting standards and generally accepted accounting principles.
- Compliance with listing and other legal requirements concerning financial statements.
- Reviewing periodic financial statements before submission to the Board.
- Discussion with Statutory and Internal Auditors about major findings and observations during the course of audit.

The following table gives details of Directors/attendance of Directors of Audit Committee Meetings:

Name	Category	Attendance			
		28.04.03	29.07.03	30.10.03	29.01.04
Mr.Vipin Aggarwal	Chairman	Yes	Yes	Yes	Yes
Mr.B.L.Gupta	Director	Yes	Yes	Yes	Yes
Mr.Vijay Aggarwal	Director	No	Yes	Yes	Yes

**4 Remuneration Committee****A Terms of Reference:**

To review, assess and recommend the appointment of Executive and Non-Executive Directors and to review their remuneration package, to recommend compensation to the Non-Executive Directors in accordance with the provisions of the Companies Act, 1956.

**B Composition:**

The Committee comprises three directors. The Committee met two times during the year on 28.04.2003 and 30.10.2003. The attendance of Members at the Meeting was as follows:

Name	Category	n. of Meetings Attended
Mr.Vipin Aggarwal	Chairman	2
Mr.B.L.Gupta	Director	2
Mrs.Meena Aggarwal	Director	2

**C Remuneration Policy**

Remuneration of employees largely consists of base remuneration and perquisites. The components of the total remuneration vary for different cadre and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled etc. The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, retain talent and reward merit.

**D Details of remuneration paid to Directors for the year ended 31.03.2004**

The details of remuneration paid to directors during the year ended March 31, 2004 are as follows:

Name	Service Contract/ Notice Period	Remuneration paid (in Rs.)		
		Sitting Fee	Salary	Total
Mrs.Meena Aggarwal	Retire by rotation	NIL	NIL	NIL
Mr.B.L.Gupta	Retire by rotation	500	NIL	500
Mr.V.P.Mittal	Retire by rotation	500	NIL	500

**5 Shareholders/Investors Grievance Committee**

The Board of the Company has constituted an Executive Committee, which, amongst others, also looks after share transfers. The Committee, inter alia, approves issue of duplicate share certificates and oversees and reviews all matters connected with securities transfers. The Committee also looks into redressing of shareholders' complaints like transfer of shares, non-receipt of Annual Report etc. The Company oversees the performance of the Registrars and Transfer Agents and recommends measures for overall improvement in quality of investor services. The constitution of the shareholders' grievance Committee is as follows:

Name	Category
Mr.Vipin Aggarwal	Chairman
Mr.Vijay Aggarwal	Director

No complaints were received during the year from shareholders.

**6 General Body Meetings**

Location and time for last three Annual General Meetings are:

Financial Year	Date	Time	Location
2000-2001	28.09.2001	10.00 A.M.	Holiday Club, Panchsheel Encl., N.Delhi
2001-2002	25.09.2002	10.00 A.M.	O-13, IInd Floor, Lajpat Nagar II, N.Delhi
2002-2003	25.09.2003	10.00 A.M.	O-13, IInd Floor, Lajpat Nagar II, N.Delhi

No Special Resolutions were required to be put through postal ballot last year.

No Special Resolutions on matters requiring postal ballot are placed for shareholders' approval at this meeting.