



17th

ANNUAL REPORT

2004-2005

COSTPLUS CREDIT CAPITAL LIMITED

CORPORATE PROFILE

DIRECTORS

1. DR.(MRS) MEENA AGGARWAL
2. MAJ.GEN.VIRENDRA SINGH
3. MR.V.P.MITTAL
4. MR.RAJIV GUPTA
5. MR.VIPIN AGGARWAL
6. MR.B.L.GUPTA
7. MRS.SHAKUNTALA RANI
8. MR. V.K.SACHDEVA

REGISTERED OFFICE

E4, IIND FLOOR
DEFENCE COLONY,
NEW DELHI 110 024

BANKERS

PUNJAB NATIONAL BANK
EAST OF KAILASH,
NEW DELHI.

STATE BANK OF INDIA
RANIKHET

AUDITORS

KUDSIA AND ASSOCIATES
154D, NEB VALLEY,
SAIN I K FARMS,
NEW DELHI 110 068

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COSTPLUS CREDIT CAPITAL LIMITED

Registered Office: E4, 11nd Floor, Defence Colony, New Delhi 110 024

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the members of Costplus Credit Capital Limited will be held on Wednesday, the 28th of September, 2005 at 0-13, 11nd 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, 2005 alongwith the reports of Directors and Auditors.
2. To appoint a director in place of Mr.V.P.Miftal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Mr.Vipin Aggarwal, 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. Rajiv Gupta, 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 from a member proposing the candidature of Mr.Rajiv Gupta for the office of 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 pursuant to provisions of section 17 and all other applicable provisions of the Companies Act, 1956, the objects clause of the Memorandum of the Company be altered by adding the subclause 29 in clause III (C) of the Memorandum of Association of the Company.

As Subclause 29 of Clause III-C

" To carry on the business of builders, developers or otherwise deal in houses, land, buildings (residential or commercial), townships, malls, markets and to maintain & equip the same with all or any amenities and entering into contracts of all kinds with builders, tenants and others."

BY ORDER OF THE BOARD OF DIRECTORS

PLACE: NEW DELHI
DATE: MAY 30, 2005

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 21 st, 2005 to September 27th, 2005 (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 item 6 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. Rajiv Gupta, who was coopted as an Additional Director during the year, 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. Rajiv Gupta for the office of Director. Your directors recommend the appointment of Mr. Rajiv Gupta as Director, liable to retire by rotation.

Apart from Mr. Rajiv Gupta, no other director is interested in the resolution.

Item No. 7

The Company was incorporated with the main objects of financing, leasing etc. The Directors have been thinking for some time past into diversifying in other fields to augment its income and profitability. To expand the business the following sub clause is being inserted to sub clause III-C of the Memorandum of Association of the Company".

" To Carry on the business of builders, developers or otherwise deal in houses, land, buildings (residential or commercial), townships, malls, markets and to maintain & equip the same with all or any amenities and to enter into contracts of all kinds with builders, tenants and others for the same."

The alteration in the object clause of the Memorandum of Association as set out above would be in the overall interest of the Company. The Directors therefore recommend this resolution of your approval. None of the directors are interested in the resolution.

BY ORDER OF THE BOARD OF DIRECTORS

**PLACE: NEW DELHI
DATE: MAY 30, 2005**

**VIPIN AGGARWAL
DIRECTOR**

DIRECTORS' REPORT TO THE SHAREHOLDERS
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Dear members,

Your Directors have pleasure in presenting the Seventeenth Annual Report of your Company for the year ended March 31, 2005.

1 FINANCIAL RESULTS (Rs. In lacs)

	For the year ended March 31,2005	For the year ended March 31,2004
a) Gross Revenue	52.19	58.20
b) Profit before Interest & Depreciation	16.14	38.86
c) Interest	5.69	8.67
d) Depreciation	9.35	9.23
f) Profit before Tax	1.10	1.44
g) Provision for Tax including deferred tax	0.69	0.82
h) Profit after Tax for the year	0.41	0.63
i) Balance of profit brought forward	11.00	10.37
j) Surplus carried to Balance Sheet	11.41	11.00

2. DIVIDEND

Keeping in view the financial results for the financial year 2004-2005, the Board does not recommend any dividend for the year.

3. BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year, the gross income declined from Rs. 58.20 lacs in the previous year to Rs. 52.19 lacs. This was basically due to fall in revenues from financial operations which declined from Rs. 8.45 lacs to Rs. 5.76 lacs. Business in the financial sectors has been witnessing a decline mainly due to stagnant financial markets and increased competition, combined with lowering of interest rates by banks and financial institutions. The Company continues its policy of trading cautiously in advancing moneys.

However, your Company continues to do well in the hospitality sector. 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 majority of income to the Company in the coming years also.

4. FIXED DEPOSITS

Your Company has not accepted any deposits from the public.

5. DIRECTORS

- Mr. V.P.Mital, who retires by rotation, and being eligible, offers himself for reappointment at the forthcoming Annual General Meeting.

- Mr.Vipin Aggarwal, 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 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 reappointment. 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 subsection (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 judgments 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, 2005 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(l)(e) of the Companies Act, 1956 regarding conservation of energy and technology absorption is not applicable to the Company.

12. VOTE OF THANKS

The Board of Directors wish to place on record their sincere appreciation for the invaluable guidance and support of Mr. Ramesh L.Adige and Mr.Vijay Aggarwal, both of whom resigned from the Board due to personal reasons. The Company shall truly miss their vision and untiring guiding spirit.

13. 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: NEWDELHI

VIPIN AGGARWAL

DATE: MAY 30,2005

(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 endeavors to improve on these aspects on an ongoing basis.

2. Board of Directors

The Board of Directors consists of eight directors. During the year 2004-2005, four Board Meetings were held on 29.04.2004, 30.07.2004, 30.10.2004, 24.01.2005. The following table gives details of directors, details of attendance of directors in Board Meetings, at the Annual General Meeting, number of memberships held by the Directors in the Board/Committees of various other 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	2	Yes	-	-	-
Mr.Vijay Aggarwal	Director	1	Yes	-	-	-
Mrs.Shakuntala Rani	Director	4	Yes	-	-	-
Mr.V.K.Sachdeva	Director	1	No	-	-	-

Directors seeking reappointment

Mr.V.P.Mittal, Mr.Vipin Aggarwal and Mr.V.K.Sachdeva retire by rotation and, being eligible, offer themselves for reappointment.

3. Audit Committee

The audit committee consists of three 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			
		29.4.04	30.7.04	30.10.04	24.01.05
Mr.Vipin Aggarwal	Chairman	Yes	Yes	Yes	Yes
Mr.B.L.Gupta	Director	Yes	No	Yes	No
Mr.Vijay Aggarwal	Director	No	Yes	No	Yes