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# Arex Industries Limited

8TH ANNUAL REPORT 1996-97

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FOR AREX INDUSTRIES LIMITED

*[Signature]*

MANAGING DIRECTOR

*We weave brands*

## AREX INDUSTRIES LIMITED

### Board of Directors :

Shri Dinesh A. Bilgi	Chairman & Managing Director
Shri Vasant R. Shah	Director
Shri Paresh L. Vyas	Director
Shri Niranjana J. Shah	Director
Shri Laxman C. Tilani	Director
Shri Pragnesh K. Shah	Director
Shri K.V. Ramkrishnan	Nominee Director GIC

### Bankers :

State Bank of India

### Auditors :

M/S. Paresh Vakil & Co.  
Chartered Accountants  
Ahmedabad.

### Corporate Office :

S/10, Vikram Chambers,  
Ashram Road,  
Ahmedabad - 380 009.

### Sales Offices :

Ahmedabad  
Mumbai  
Bangalore  
Chennai  
Tirupur

### 8TH ANNUAL GENERAL MEETING

**Date :** 13th December, 1997  
**Day :** Saturday  
**Time :** 10.30 A.M.  
**Place :** Hotel Rajvee, 3317, G.I.D.C.  
Chhatral - 382 729

### Registered Office & Plant :

612, GIDC,  
Chhatral.  
Dist. : Mehsana -382 729

Notice of the 8th Annual General Meeting of the Company to be held on Saturday, the 13th December 1997 at 10.30 a.m. (S.T.) at Hotel Rajvee, 3317, G.I.D.C. Chhatral-382 729, to transact the business mentioned therein is enclosed herewith.

Shareholders are requested to bring their copy of the Annual Report while attending the Meeting.

## **Arex Industries Ltd.**

### **NOTICE**

NOTICE is hereby given that the Eighth Annual General Meeting of the members of **AREX INDUSTRIES LIMITED** will be held on Saturday, the 13th day of December, 1997 at Hotel Rajvee, 3317, G.I.D.C. Phase IV, Chhatral -382 729 at 10.30 A.M. to consider and transact the following business.:

1. To consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 1997 and the Balance Sheet as on that date alongwith Directors and Auditors Reports thereon.
2. To appoint Director in place of Mr. Vasant R. Shah, who retires by rotation and being eligible for reappointment.
3. To appoint Director in place of Mr. Paresh L. Vyas, who retires by rotation and being eligible for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**Registered Office :**  
612, GIDC Industrial Estate,  
Chhatral, Taluka Kalol,  
District Mehsana  
Gujarat

**By order of the Board of Directors**

**Dinesh Bilgi**  
**Chairman & Managing Director**

**Date :** November 11, 1997

#### **NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE 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. **Members desiring to seek any information on the Annual Accounts to be explained at the meeting are requested to send their queries in writing to the Company at the Registered office so as to reach at least, 7 days before the date of the Meeting to make the required information available.**
3. **Members are requested to :**
  - **Bring their copy of the Annual Report to the Meeting as the practice of distributing copies of accounts in the meeting has been discontinued.**
  - **Intimate, if Shares are held in the same name or in the same order and names but in more than one account to enable the Company to club the said Accounts into one account.**
  - **Notify immediately the change of address, if any, to the Company.**

**Arex Industries Ltd.****DIRECTORS' REPORT**

To,  
The Members,

The Directors have pleasure in presenting the Eighth Annual Report together with the audited statement of Accounts for the year ended on 31st March, 1997.

**FINANCIAL RESULTS**

	(Rs. in Lacs)	
	Year ended 31/03/1997	Year ended 31/03/1996
Sales (Net)	299.77	239.69
Profit before depreciation	76.51	65.17
Less : Depreciation	71.72	33.48
Provision for Taxation	0.72	Nil
Profit after tax	4.07	31.69

**DIVIDEND**

With a view to conserve the resources of the Company, the Directors do not recommend any dividend.

**OPERATIONS**

The company's efforts for the development of the market and for upgrading of its product quality have favourable results. During the year the company achieved a Turnover of Rs. 299.77 Lacs. In view of rapidly growing demand of woven labels in the country your Directors hope, baring unforeseen circumstances, to achieve better performance during the current financial year.

**DEPOSITS**

The Company has not accepted deposits from the public during the year under review.

**ACCOUNTS**

The notes referred to by Auditors in the report are self explanatory and hence do not require any explanation.

**FINANCE**

The company has repaid loan installment sum amounting to Rs. 50.01 lacs during the year.

**MARKET POTENTIAL AND SELLING ARRANGEMENT**

All the customer service centres at Ahmedabad, Mumbai, Bangalore, Chennai and Tirupur are working satisfactory and proposing further customer service centres at Indore and Jaipur.

**INFORMATION PURSUANT TO SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956.****A. CONSERVATION OF ENERGY**

In house study was made for identifying areas for optimum utilisation of power and fuel. No additional investment has been made or proposed for reduction of consumption of energy.

**B. PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

Any Research and Development (R & D) program has not been carried out by the company, and also no effort has been made towards technology absorption.



## Annual Report 1996-97

adaptation and innovation.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earning in foreign exchange is: NIL.

Foreign Exchange used. Rs. 73,948/-

### INFORMATION AS PER SECTION 217 (2-A) OF THE COMPANIES ACT, 1956 AND THE RULES FRAMED THERE UNDER

Name : Dinesh Apparao Bilgi  
Age : 45 years  
Qualification : B.Tech. (Textiles)  
Date of Employment : 1st May, 1994  
Designation : Managing Director  
Remuneration received : Rs. 6,00,000/- (Gross)  
Experience : 21 years  
Last employment held : Self employed

### DIRECTORATE

In accordance with the provisions of the Companies Act, 1956, and companies Articles of Association, Mr. Vasant R. Shah and Mr. Paresh L. Vyas retire by rotation and being eligible for reappointment.

### INFORMATION UNDER LISTING AGREEMENT

The performance as well as projections for the year 1996-97 are as under :

	(Rs. in Lacs)	
	Projections	Actual
Sales (Net)	914.03	299.77
Net Profit after Tax	375.34	4.07
Earning per Shares	9.72	0.10

Reason for lower performance was mainly on account of stiff competition

### INSURANCE

All the assets of the Company including buildings, plant and machinery and stocks are adequately insured.

### AUDITORS

M/s. Paresh Vakil & Co., Chartered Accountants, Ahmedabad, retires at the conclusion of the forthcoming annual general meeting and being eligible offer themselves for reappointment.

### ACKNOWLEDGMENT

Your Directors please to place on record their sincere gratitude to the Financial Institutions, Banks and Business Constituents for the continued and valuable co-operation and support to the Company.

Your Directors especially desire to place on record their satisfaction of the services rendered by the employees of the company.

**Regd. Office :**  
612, GIDC Industrial Estate,  
Chhatral, Taluka Kalol,  
District Mehsana - 382 729.  
GUJARAT.  
Date : November 11, 1997

By Order of the Board of Directors

**Dinesh Bilgi**  
Chairman & Managing Director