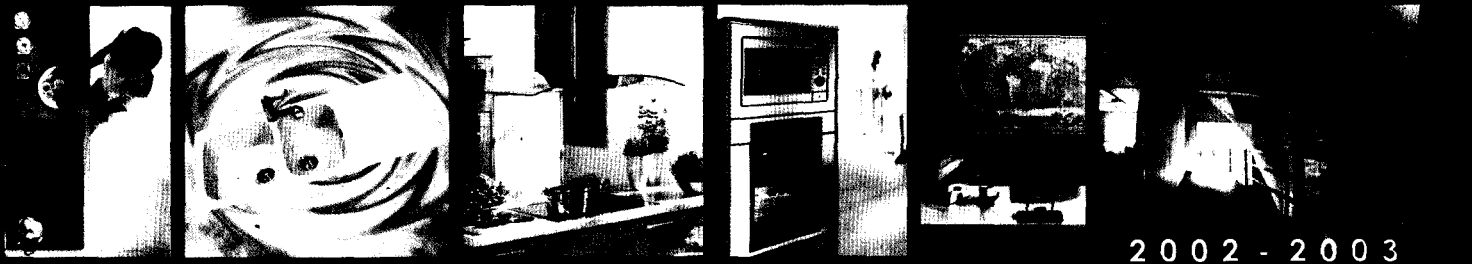




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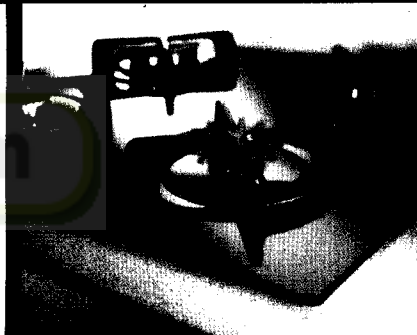
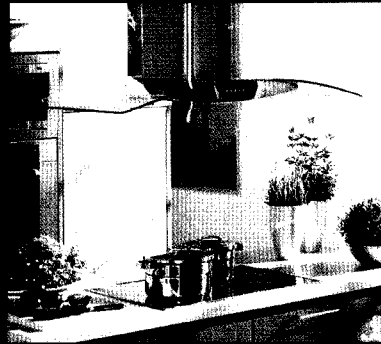


Acrysil Limited

www.reportjunction.com A QS 9000 Company

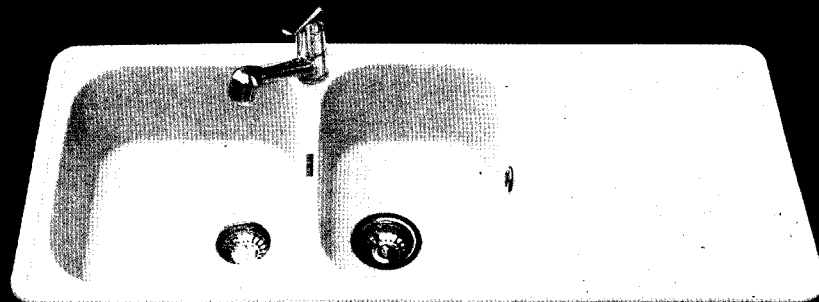
We create better living !!

lifestyle products



A kitchen...an area that reveals your individual life style is strangely a place that is not styled up. Acrysil Ltd., set up base to change all this. It brought in technology and products that would offer comfort and better value for money.

CARYSIL sinks are made with the most innovative technology under stringent quality control procedures, making the product competent enough to be readily accepted in the world market. Today, Acrysil exports more than 70% of its products worldwide and is consistently adding new and better products each year.



Kitchen Sinks
Solid Surfaces
Flooring
Hobs & Hoods

BOARD OF DIRECTORS

| | |
|-----------------------|------------------------------|
| Shri A. M. Parekh | Chairman & Managing Director |
| Shri C. A. Parekh | Executive Director |
| Shri V. C. Mehta | |
| Shri R. J. Shah | |
| Shri M. Nageswará Rao | |
| Shri J. R. Naik | |
| Shri Ajit R. Sanghvi | |
| Dr. Minoo D. Daver | |
| Shri Kekoo Gandhi | |

COMPANY SECRETARY

Shri Dharmesh N. Thaker

AUDITORS

Sanghavi & Company,
Chartered Accountants.

REGISTRAR & TRANSFER AGENT

R & D Consultants Ltd.,
610, Dalamal Towers,
211, Nariman Point,
Mumbai 400 021.
Phone : (022) 22834347/74, 22884667/68
Fax : (022) 22855759 E-mail : rndcons@vsnl.net

BANKERS

State Bank of Saurashtra,
Bhavnagar.

WORKS

Survey No.312,
Bhavnagar - Rajkot Highway (13th Km.)
Navagam, Post: Vartej,
Bhavnagar 364 060, Gujarat (India).
Phone : (0278) 2540218, 2540893, 2540392, 2540232
Fax : (0278) 2540558

REGISTERED OFFICE

Old Kamani Chambers, 2nd Floor,
32, Ramjibhai Kamani Marg,
Ballard Estate,
Mumbai 400 001 (India).
Phone : (022) 56311523, 56311524 Fax : (022) 56311525

Acrysil Limited

NOTICE

Notice is hereby given that the **SIXTEENTH ANNUAL GENERAL MEETING** of the Members of **ACRYSIL LIMITED** will be held at M. C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai 400 001 on Tuesday, the 23rd September, 2003, at 3.30 p.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account of the Company for the year ended 31st March, 2003, the Balance Sheet as at that date, and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. M. Nageswara Rao, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. R. J. Shah, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Chirag A. Parekh, who was appointed as an Additional Director by the Board of Directors of the Company Pursuant to Article 107 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member, pursuant to Section 257 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII to the said Act as amended up-to-date, the consent of the Company be and is hereby accorded to the appointment of Mr. Chirag Ashwin Parekh as an Executive Director of the Company for a period of 5 (five) years with effect from 2nd November, 2002, upon the terms and conditions including remuneration and perquisites as set out in the Explanatory Statement."

6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Kekoo Gandhi, who was appointed as an Additional Director by the Board of Directors of the Company Pursuant to Article 107 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member, pursuant to Section 257 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."

7. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its consent to the Board of Directors for borrowing any sum or sums of money from time to time from any one or more of the Banks and/or from any one or more persons, firms, Bodies Corporate or Financial Institutions, Multilateral agencies, Foreign Institutional Investors, Foreign Financial Institutions and from any other persons or combination thereof whether by way of overdrafts, cash credit, advance or deposits, loans, debentures or bills discounting or otherwise and whether unsecured or secured by simple mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether in full or in part, whether immovable, movable or stock in trade (including raw materials, stores, spare parts and components in stock or in transit) current assets and work in progress and all or any of the undertakings of the Company, provided that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not exceed at any time the aggregate of the paid up capital of the Company and its free-reserves, (that is to say, reserves not set apart for any specific purpose) by a sum of Rs. 500 Lacs (Rupees five hundred lacs only) in rupees and/or in equivalent foreign currency."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable."

Acrysil Limited**NOTES:**

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THE POLL ONLY INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- B. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item Nos.5 to 7 of the Notice set out above is annexed hereto.
- C. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, the 16th September, 2003 to Tuesday, the 23rd September, 2003 (both days inclusive).
- D. Members are requested to notify immediately any change in their address/mandate/bank details, if any, quoting their folio number(s) to the Company's Registrar & Transfer Agent.
- E. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Transfer Agent, and send their share certificates to enable consolidation of their holdings into single folio.
- F. Members who hold shares in the physical form can nominate, as permitted under Section 109A of the Companies Act, 1956, a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filing Form 2B. Blank forms will be supplied by the Company's Registrar & Transfer Agent on request. Members holding shares in dematerialised form may contact their Depository Participant for recording nomination in respect of their shares.
- G. Members desiring any information or clarification on the Accounts and also any item on the Agenda are requested to send in writing queries to the Company, at least one week before the Meeting, so as to enable the Management to keep the information available at the Meeting. Replies will be provided in respect of such written queries received only at the Meeting.
- H. Members are requested to bring with them their copy of the Annual Report to the General Meeting.

By Order of the Board of Directors

Dharmesh Thaker
Company Secretary

Mumbai, June 23, 2003.

Registered Office:

Old Kamani Chambers, 2nd Floor,
32, Ramjibhai Kamani Marg,
Ballard Estate,
Mumbai 400 001.

Acrysil Limited

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

At the meeting of the Board of Directors of the Company held on October 28, 2002, the Board of Directors co-opted Mr. Chirag A. Parekh as an Additional Director to the Board of Directors of the Company. By virtue of the provisions of Section 260 of the Companies Act, 1956 and Article 107 of the Articles of Association of the Company, he holds an office as a Director upto the date of ensuing Annual General Meeting of the Company. A Notice pursuant to Section 257 of the Companies Act, 1956, has been received from a member in writing, proposing the candidature of Mr. Chirag A. Parekh as a Director of the Company.

Further, pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the shareholders at the general meeting, the Board of Directors of the Company at the said meeting, appointed Mr. Chirag A. Parekh as an Executive Director of the Company for a period of 5(five) years with effect from November 2, 2002. Mr. Chirag A. Parekh, a graduate in Business Administration from Switzerland majored in 'International Marketing' carries with him varied experience. He has been with the Company since last 10 years and contributed significantly to the growth of the Company. It would, therefore, be in the interest of the Company that the Board should continue to avail of the benefit of his rich experience. An abstract of the terms and conditions of appointment of Executive Director pursuant to Section 302 of the Companies Act, 1956 are as under :

Period

The appointment is effective from 2nd November, 2002, for a period of five years i.e. upto 1st November, 2007.

Overall Remuneration

Subject to the provisions of section 198, 269, 309, Schedule-XIII, as amended from time to time, and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the shareholders at a general meeting, the remuneration payable to Mr. Chirag A. Parekh, Executive Director, in any financial year shall be as under:

(i) Salary :

Salary of Rs.35,000/- (Rupees Thirty Five Thousand only) per month in the grade of Rs.35,000 – 5,000 – 60,000.

(ii) Commission :

One percent of the net profits of the Company as determined in the manner laid down in Sections 349 and 350 of the Companies Act, 1956.

(iii) House Rent Allowance :

30% of basic salary per month, subject to change as may be made by the Board of Directors.

(iv) Perquisites

In addition to the above remuneration, Mr. Chirag A. Parekh shall be entitled to the following by way of the perquisites :

(a) Car will be provided by the Company for official use.

(b) Telephone connection at residence to be provided by the Company.

(c) Gas/electricity/water/furnishing the value of which should not exceed 10% of basic salary.

(d) Medical Expenses: Maximum reimbursement permitted is one month's salary, per annum. However, in case of major sickness, 3 months' salary can be claimed at a time, over a block of 3 years.

(e) Leave Travel Assistance: Reimbursement of leave travel expenses in respect of travelling alone, to any place in India (including home district) for self, wife and dependent children, at actuals, once a year.

- (f) Leave : One month's leave with full pay for every 11 months' service subject to the condition that unutilised leave will be allowed to be encashed as per service conditions of the Company.
- (g) Membership of Clubs: Membership of not more than 2 clubs, (for which subscription will not include entrance fee), will be paid by the Company.
- (h) Insurance: Premium upto Rs.4,000/- per annum for Personal Accident, Group Life Insurance and Flight Insurance coverage as applicable to other senior executives of the Company.
- (i) Company's contribution to P.F. and Superannuation Fund: These together should not be in excess of 27% of the basic salary.
- (j) Gratuity : Contribution to LIC under Group Gratuity Scheme @ 15 days' salary for each completed year of service.

Other terms

- (a) Mr. Chirag A. Parekh shall not be entitled for sitting fees for attending meetings of the Board of Directors of the Company or Board Committees so long as he functions as the Executive Director of the Company.
- (b) Subject to the provisions of the Companies Act, 1956, Mr. Chirag A. Parekh, Executive Director shall not, while he continues to hold office of the Executive Director, be subject to retirement by rotation of Directors and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire.

Ceiling on Remuneration

The remuneration including perquisites payable to Mr. Chirag A. Parekh, Executive Director of the Company, shall not exceed the limit prescribed in Part II in Section II (1)(A) of Schedule XIII with reference to the effective capital of the Company as at the end of every financial year, during the tenure of his appointment.

Minimum Remuneration

Notwithstanding anything herein, where, in any financial year during the currency of tenure of the Executive Director, the Company has no profit or its profits are inadequate, the Company shall pay, by way of minimum remuneration, the aforesaid remuneration including perquisites as specified hereinabove, provided that the total remuneration including perquisites shall not exceed the limit prescribed in Part II in Section II(1)(A) of Schedule XIII with reference to the effective capital of the Company as at the end of every financial year, during the tenure of this appointment or such other amount and perquisites as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

The Executive Director shall not be entitled, under any circumstances whatsoever, to any compensation for loss of office, unless otherwise decided by the Company.

The Board of Directors recommends this resolution for the approval of the Members.

Except Mr. Ashwin M. Parekh, relative and Mr. Chirag A. Parekh, being an appointee, no other Director of the Company is concerned or interested in the said resolution.

Item No. 6

At the meeting of the Board of Directors of the Company held on June 23, 2003, the Board of Directors co-opted Mr. Kekoo Gandhi as an Additional Director to the Board of Directors of the Company. By virtue of the provisions of Section 260 of the Companies Act, 1956 and Article 107 of the Articles of Association of the Company, he holds an office as a Director upto the date of ensuing Annual General Meeting of the Company. A Notice pursuant to Section 257 of the Companies Act, 1956, has been received from a member in writing, proposing the candidature of Mr. Kekoo Gandhi as a Director of the Company.

ACRYSIL LIMITED

Mr. Kekoo Gandhi possesses wide experience, knowledge and expertise. It would, therefore, be in the interest of the Company that the Board should continue to avail of the benefit of his experience and advice. The Board recommends this resolution for the approval of the Members.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution.

Item No. 7

The Company owns and operates its Factory unit situated at Bhavnagar in Gujarat and is planning to expand its production capacity to meet the global requirement. For that purpose it would be inevitable to import the different machinery, moulds & dies, etc. The investment required for the proposed expansion project would run upto approximately Rs. 500 lacs. The expansion project envisaged is proposed to be financed through commercial borrowings from Banks & other Financial Institutions, etc. Therefore, it is proposed to authorise the Board of Directors to borrow monies, for that purpose, provided that the monies to be borrowed together with the monies already borrowed by the Company shall not exceed at any time the aggregate of the paid up capital of the company and its free reserves by a sum of Rs. 500 Lacs (Rupees Five Hundred lacs only) in rupees and/or in equivalent foreign currency.

The Directors recommends the Resolution for members' approval as it is in the interest of the Company.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution.

By Order of the Board of Directors

Dharmesh Thaker
Company Secretary

Mumbai, June 23, 2003.

Registered Office:

Old Kamani Chambers, 2nd Floor,
32, Ramjibhai Kamani Marg,
Ballard Estate,
Mumbai 400 001.

DIRECTORS' REPORT

To
THE MEMBERS OF THE COMPANY

Your Directors have pleasure in presenting the **Sixteenth** Annual Report of the Company for the period 1st April, 2002 to 31st March, 2003.

FINANCIAL RESULTS:

The operations of the Company are as under:

(Rs. in Lacs)

| | As on 31.03.2003 | As on 31.03.2002 |
|--|---------------------|---------------------|
| 1 Net Sales/Income from Operations | 1368.94 | 1316.32 |
| 2 Other Income | 32.99 | 7.54 |
| 3 Total Income (1 + 2) | 1401.93 | 1323.86 |
| 4 Total Expenditure | 1222.17 | 1144.42 |
| 5 Interest | 56.18 | 54.60 |
| 6 Gross Profit after Interest but before Depreciation and Taxation (3 – 4 – 5) | 123.58 | 124.84 |
| 7 Depreciation | 46.77 | 33.33 |
| 8 Profit before Taxation (6 – 7) | 76.81 | 91.51 |
| 9 Provision for Taxation | 16.18 | 25.42 |
| 10 Net Profit after Tax (8 – 9) | 60.63 | 66.09 |

OPERATIONS OF THE COMPANY :**Performance:**

Despite adverse economic conditions, the Company could achieve progress. The sales turnover in value has increased to Rs.1360.10 lacs from Rs. 1303.23 lacs in the previous year registering an increase of 4.36%. The profit before tax has decreased to Rs.76.81 lacs from Rs. 91.51 lacs in the previous year.

Kitchen Centres:

Your Company could maintain its total sales of Kitchen Centres at Rs. 945.30 lacs in the current year as compared to Rs. 947.81 lacs in the previous year. The Company's exports were worth Rs.798.97 lacs as against Rs. 839.49 lacs in the previous year.

Thermoplastic Co-Extruded Profiles:

The total Sales of these products have gone up from Rs. 355.42 lacs in the previous year to Rs. 414.48 lacs this year, registering an increase of 16.62 %.

DIVIDEND:

In view of the sink expansion project undertaken by the Company, it would be desirable to conserve the funds of Company for this project. Therefore, your Directors found prudent not to declare dividend for the year under review.

RESEARCH & DEVELOPMENT:

The Company has a plan to introduce new products during the current year, which will contribute to increase revenue.

DIRECTORS:

Mr. M. Nageswara Rao and Mr. R. J. Shah retire by rotation and being eligible, offer themselves for re-appointment.

Mr. J. A. Sanghrajka and Mr. Karl Schock resigned from the Directorship of the Company with effect from June 23, 2003. The Board of Directors places on record its sincere and warm appreciation for the valuable advice and guidance given by them to the Company during their tenure as Directors.

ACRYSIL Limited

The Board of Directors of the Company at its meeting held on October 28, 2002 has appointed Mr. Chirag A. Parekh as an Executive Director of the Company w.e.f. November 2, 2002. He shall hold office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956. The Company has received requisite notice under Section 257 of the said Act from a shareholder proposing his re-appointment as a Director.

Mr. Kekoo Gandhi who was appointed as an Additional Director of the Company w.e.f. June 23, 2003 by the Board of Directors at its meeting held on that date, shall hold office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956. The Company has received requisite notice under Section 257 of the said Act from a shareholder proposing his re-appointment as a Director.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed;
2. appropriate accounting policies have been selected and applied consistently, and have 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 as at March 31, 2003 and of the profit of the Company for the period April 1, 2002 to March 31, 2003;
3. proper and sufficient care has been taken 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;
4. the Annual Accounts have been prepared on a going concern basis.

PARTICULARS REGARDING CONSERVATION OF ENERGY, ETC. :

In accordance with the requirements of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, statement showing particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are annexed hereto and form part of this report.

AUDITORS:

The Auditors, M/s. Sanghavi & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment, as the auditors of the Company. Your Directors recommend their reappointment as the Company's auditors.

UNCLAIMED DEPOSITS:

In compliance with the Companies (Acceptance of Deposits) Rules, 1975, your Directors report that all the fixed deposits due for repayment/renewal on or before 31st March, 2003 were either paid or renewed.

PERSONNEL:

Relationship with the employees was cordial. Since no employee of the Company is drawing remuneration in excess of the ceilings prescribed under the Companies (Particulars of Employees) Rules, 1975, as amended, read with Section 217(2A) of the Companies Act, 1956, information for the same is not furnished.

ACKNOWLEDGEMENTS:

Your Board would like to place on record its sincere appreciation for the wholehearted support and contribution made by all its employees from across the Company, as also its shareholders, distributors, bankers and all other business associates towards the conduct of efficient operations of your Company.

For and on behalf of the Board of Directors

A. M. PAREKH

Chairman & Mg. Director

Bhavnagar, June 23, 2003

Registered Office:

Old Kamani Chambers, 2nd Floor,
32, Ramjibhai Kamani Marg,
Ballard Estate,
Mumbai 400 001 (India).