

## **Annual Report 1999-2000**



**Badswapa SYNTEX LIMITED**

**Board of Directors**

Shri R. L. Toshniwal	(Chairman & Managing Director)
Shri L. N. Jhunjhunwala	
Shri D. S. Alva	
Shri A. N. Jariwala	
Shri Vijay Mehta	
Shri Kamal Kishore G. Kacholia	
Shri Rakesh Mehra	(Whole Time Director)
Shri Ravi Toshniwal	(Executive Director)
Shri P. C. Mohnot	(Nominee UTI)

**Executives**

Shri S. S. Sajal	President
Shri J.K. Rath	President (Commercial)
Shri S. N. Gupta	Senior Vice President (Technical)
Shri M. Bhutra	Vice President (Fabrics) & Company Secretary
Shri S. S. Kella	Vice President (Audit & Taxation)

**Auditors**

M/s Kalani & Co.  
Mangal Marg,  
Bapu Nagar,  
Jaipur-302 004

**Regd. Office & Mills**

Industrial Area,  
Dohad Road,  
BANSWARA-327 001 (Raj.)

**Bankers**

Punjab National Bank  
Union Bank of India  
Bank of Baroda  
Bank of India

**Jaipur Office**

Flat No. 11 (2nd Floor)  
'Ankur' Apartment  
S-6, Jyoti Nagar Extension  
(Behind SBBJ Flates)  
JAIPUR-302 005

**Mumbai Office**

Gopal Bhawan, 5th Floor,  
199, Princess Street,  
MUMBAI-400 002

**Delhi Office**

4633-34, Deputy Ganj,  
Sadar Bazar,  
DELHI-110 006

**QUALITY POLICY**

WE PROMISE TO ANTICIPATE AND EXCEED CUSTOMERS SATISFACTION BY:

1. BEING IN CLOSE CONTACT WITH CUSTOMERS AND GETTING THEIR FEED BACK.
2. CONTINUOUS INNOVATION IN PRODUCT DEVELOPMENT.
3. CONSTANT IMPROVEMENT IN QUALITY THROUGH H.R.D., UPGRADATION OF PLANT & MACHINERY AND IMPROVEMENT IN METHOD OF WORK.
4. PARTICIPATION OF MANAGEMENT AND ALL EMPLOYEES AS ONE TEAM.

**FINANCIAL HIGHLIGHTS**

(Rs. in lacs)

	1999-2000	1998-99	1997-98	1996-97
<b>TURNOVER AND PROFITS</b>				
Turnover (including export)	19,527	18,485	19,801	18,119
Exports (CIF Value)	9,403	7,865	8,108	7,250
Profit before Interest and Depreciation	1,944	1,648	1,734	1,782
Interest	1,333	1,280	1,251	1,452
Profit before Depreciation & Taxation	611	368	483	330
Profit after Depreciation	213	29	145	67
Taxation	25	18	19	-
Profit after Taxation	188	11	126	67
Dividend	-	-	-	-
<b>ASSETS AND LIABILITIES</b>				
Fixed Assets (Net of revaluation)	7,962	7,169	6,737	5,915
Fixed Assets (Net)	4,663	4,272	4,216	3,792
Net Current and Other Assets	5,270	4,740	4,674	4,181
Equity Share Capital	678	678	678	670
Reserves & Surplus (Excl. Rev. Res.)	2,404	2,216	2,205	2,048
Net Worth	3,025	2,820	2,795	2,616
Secured Loans	6,131	5,334	5,307	4,650
Other Long Term Liabilities	787	867	797	716
<b>RATIOS</b>				
Book value per Share (Rs.)	43.97	40.99	40.63	38.01
Earning per Share (Rs.)	2.73	0.15	1.83	0.97



## NOTICE

### TO THE SHAREHOLDERS

NOTICE is hereby given that twenty-fourth Annual General Meeting of the share holders of Banswara Syntex Limited, will be held at its Registered Office, Industrial Area, Dohad Road, Banswara on the 1st day of September, 2000 at 4.00 P.M. to transact the following business.

#### ORDINARY BUSINESS

1. To receive, consider and adopt audited Balance sheet as at 31st March, 2000 and Profit and Loss account for the year ended as on that date and the report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Kamal Kishore G. Kacholia, who retires by rotation and being eligible offers himself for re-election.
3. To appoint a Director in place of Shri Vijay Mehta, who retires by rotation and being eligible offers himself for re-election.
4. To appoint Auditors and to fix their remuneration.

#### SPECIAL BUSINESS

##### 5. Creation of charge to secure Term Loan from IDBI.

To consider, and, if thought fit, to pass with or without modification, the following resolution as Ordinary resolution:-  
RESOLVED THAT pursuant to section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the mortgaging and/or charging by the Board of Directors of the Company of all the immoveable and moveable properties of the Company wheresoever situate, present and future and whole of the undertaking of the Company in favour of Industrial Development Bank of India for their term loan of Rs. 715 lacs, together with interest at the agreed rates, compound/further interest, commitment charges, premia on prepayment or on redemption, cost, charges, expenses and other monies payable by the company to the Industrial Development Bank of India in terms of the loan agreement(s) entered into/to be entered into by the company in respect of said loan.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the aforesaid Industrial Development Bank of India the documents for creating the aforesaid mortgage and/or charges and to do all such acts and things as may be necessary for giving effect to the above resolution.

##### 6. Creation of charge in favour of IDBI, PNB & EXIM Bank.

To consider, and, if thought fit, to pass, with or without modification the following resolution as Ordinary resolution:-  
RESOLVED THAT pursuant to section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the mortgaging and/or charging by the Board of Directors of the Company of all the immoveable and moveable properties of the Company wheresoever situate, present and future and the whole of the undertaking of the Company of all tangible and moveable properties and assets of the Company present and future to, or in favour of :-

- 1) Industrial Development Bank of India for its Term Loan of Rs. 425 lacs.
- 2) Punjab National Bank for its Term Loan of Rs. 360 lacs

##### 3) EXIM Bank for its Term Loan of Rs. 400 lacs.

together with interest at the agreed rate, compound/further interest, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company to the IDBI, PNB and EXIM Bank in terms of the loan agreement(s) to be entered into by the Company in respect of the said facilities.

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to finalise with the aforesaid lending Institutions the documents for creating the aforesaid mortgages and/or charges and to do all such acts and things as may be necessary for giving effect to the above resolution."

##### 7. Creation of Charge for non convertible debenture worth Rs. 300 lacs.

To consider, and, if thought fit, to pass with or without modification, the following resolution as Ordinary resolution:-

RESOLVED THAT pursuant to section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 the consent of the Company be and is hereby accorded to the mortgaging and/or charging by the Board of Directors of the Company of all the immoveable and moveable properties of the Company wheresoever situate, present and future and whole of the undertaking of the Company in favour of Bank of Baroda, the debenture trustee for privately placed non convertible debenture worth Rs. 300 lacs together with interest at the agreed rates, compound/further interest, commitment charges, premia on prepayment or on redemption, cost, charges, expenses and other monies payable by the Company to the Bank of Baroda in terms of the agreement(s) entered into/to be entered into by the company in respect of subscription of 15% non convertible debentures.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise the documents for creating the aforesaid mortgage and/or charges and to do all such acts and things as may be necessary for giving effect to the above resolution.

##### 8. Increase in remuneration payable to Shri RL Toshniwal, Chairman & Managing Director.

To consider, and, if thought fit, to pass with or without modification the following resolution as Ordinary resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 314 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactment thereof, and subject to such approvals as may be necessary, the salary payable to Shri RL Toshniwal as Chairman & Managing Director of the Company is hereby revised with effect from 1st May, 2000 to 31st July, 2004 on the terms and conditions including remuneration as set out below :

1. **Salary** : Rs. 75,000 P.M. which shall be increased every year by Rs. 5000/- (in the grade of Rs. 75000-5000-100000.)
2. **Commission** : 1% commission on net profit of the Company computed in the manner laid down as per schedule XIII of the Companies Act, 1956.
3. **Perquisites** : The perquisites shall be as follows :

- i) **Housing** : Free furnished residential accommodation with gas, electricity, water, furnishing and maintenance charges. If the Company does not provide residential accommodation, he will be paid such house allowance as the Board may decide from time to time and expenses on gas, electricity, water, furnishing and maintenance charges will be borne by the Company.
- ii) **Medical Reimbursement** : Expenses actually incurred for self and family, in accordance with the rules specified by the Company.
- iii) **Leave** : Full pay leave of one month for every eleven month of service which can be accumulated.
- iv) **Leave Travel Concession** : For self and family once in a year incurred in accordance with the rules specified by the Company.
- v) **Club Fee** : Fees of clubs subject to a maximum of two clubs except admission and life membership fee.
- vi) **Personal Accident Insurance** : Premium not to exceed Rs. 4000/-per annum.
- vii) **Conveyance** : Free use of the Company's car with Driver.
- viii) **Telephone** : Free telephone facility at residence.
- ix) **Servant allowance** : Not exceeding Rs. 24,000 per annum.

NOTE : Provision of car of use on the Company's business and telephone at residence will not be considered in computing the value of perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

In addition to the perquisites, Shri RL Toshniwal shall also be entitled to the following benefits which shall not be included in the computation of ceiling on remuneration specified above :

- (i) **Provident Fund** : 12% of the salary or as per Rules of the Company including any statutory modifications or enactment thereof for the time being in force, whichever is higher.  
Contribution to Provident Fund will not be included to the extent, it is not taxable under the Income Tax Act, 1961.
- (ii) **Gratuity** : Gratuity payable shall not exceed half month's salary for each completed year of service.
- (iii) **Encashment of leave at the end of the tenure.**
- (iv) **Reimbursement of Expenses** : Apart from the remuneration as aforesaid, Shri RL Toshniwal shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in discharge of his duties efficiently in connection with the business of the Company.

4. **Sitting Fee etc.** : No sitting fee shall be paid to Shri RL Toshniwal for attending the Meeting of Board of Directors or any committee thereof of the Company. He shall not be liable to retirement by rotation.

RESOLVED FURTHER THAT Shri Mahesh Bhutra, Vice President (Fabric) and Company Secretary of the Company be and is hereby authorised to take all such steps as may be necessary and desirable for giving effect to the above

resolution.

#### 9. Increase in remuneration payable to Shri Ravi Toshniwal, Executive Director.

To consider, and, if thought fit, to pass with or without modification the following resolution as Ordinary resolution.

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 314 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactment thereof and subject to such approval as may be necessary, the salary payable to Shri Ravi Toshniwal as Executive Director of the Company is hereby revised with effect from 1st May, 2000 to 23rd Aug., 2002 on the terms and conditions including remuneration as set out below :

1. **Salary** : Rs. 50,000 P.M. which shall be increased every year by Rs. 5000/- (in the grade of Rs. 50,000-5,000-75,000).
2. **Perquisites** : The perquisites shall be as follows :-

- i) **Housing** : Free furnished residential accommodation with gas, electricity, water, furnishing and maintenance charges. If the Company does not provide residential accommodation, he will be paid such house allowance as the Board may decide from time to time and expenses on gas, electricity, water, furnishing and maintenance charges will be borne by the Company.
- ii) **Medical Reimbursement** : Expenses actually incurred for self and family in accordance with the rules specified by the Company.
- iii) **Leave** : Full pay leave of one month for every eleven month of service which can be accumulated.
- iv) **Leave Travel Concession** : For self and family once in a year incurred in accordance with the rules specified by the Company.
- v) **Club Fees** : Fees of clubs subject to a maximum of two clubs except admission and life membership fee.
- vi) **Personal Accident Insurance** : Premium not to exceed Rs. 4000/-per annum.
- vii) **Conveyance** : Free use of the Company's car with driver.
- viii) **Telephone** : Free telephone facility at residence.
- ix) **Servant allowance** : Not exceeding Rs. 24,000 per annum.

NOTE : Provision of car of use on the Company's business and telephone at residence will not be considered in computing the value of perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

In addition to the perquisites Shri Ravi Toshniwal shall also be entitled to the following benefits which shall not be included in the computation of ceiling on remuneration specified above.

- (i) **Provident Fund** : 12% of the salary or as per Rules of the Company including any statutory modifications or enactment thereof for the time being in force, whichever is higher.

Contribution to Provident Fund will not be included to the extent, it is not taxable under the Income Tax Act, 1961.



- (ii) **Gratuity** : Gratuity payable shall not exceed half month's salary for each completed year of service.
- (iii) **Encashment of leave at the end of the tenure.**
- (iv) **Reimbursement of Expenses** : Apart from the remuneration as aforesaid, Shri Ravi Toshniwal shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in discharge of his duties efficiently in connection with the business of the Company.

3. **Sitting Fee etc.** : No sitting fee shall be paid to Shri Ravi Toshniwal for attending the Meeting of Board of Directors or any committee thereof of the Company. He shall not be liable to retirement by rotation.

RESOLVED FURTHER THAT Shri Mahesh Bhutra, Vice President (Fabric) and Company Secretary of the Company be and is hereby authorised to take all such steps as may be necessary and desirable for giving effect to the above resolution.

#### 10. Increase in remuneration payable to Shri Rakesh Mehra, Whole Time Director.

To consider, and, if thought fit, to pass with or without modification the following resolution as Ordinary resolution.

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 314 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactment thereof and subject to such approval as may be necessary, the salary payable to Shri Rakesh Mehra as Whole Time Director of the Company is hereby revised with effect from 1st May, 2000 to 30 Sept., 2003 on the terms and conditions including remuneration as set out below :

1. **Salary** : Rs. 50,000 P.M. which shall be increased every year by Rs. 5000/- (in the grade of Rs. 50,000-5,000-75,000).
2. **Perquisites** : The perquisites shall be as follows :-
  - i) **Housing** : Free furnished residential accommodation with gas, electricity, water, furnishing and maintenance charges. If the Company does not provide residential accommodation, he will be paid such house allowance as the Board may decide from time to time and expenses on gas, electricity, water, furnishing and maintenance charges will be borne by the Company.
  - ii) **Medical Reimbursement** : Expenses actually incurred for self and family in accordance with the rules specified by the Company.
  - iii) **Leave** : Full pay leave of one month for every eleven month of service which can be accumulated.
  - iv) **Leave Travel Concession** : For self and family once in a year incurred in accordance with the rules specified by the Company.
  - v) **Club Fees** : Fees of clubs subject to a maximum of two clubs except admission and life membership fee.
  - vi) **Personal Accident Insurance** : Premium not to exceed Rs. 4000/- per annum.
  - vii) **Conveyance** : Free use of the Company's car with driver.

viii) **Telephone** : Free telephone facility at residence.

ix) **Servant allowance** : Not exceeding Rs. 24,000 per annum.

NOTE : Provision of car of use on the Company's business and telephone at residence will not be considered in computing the value of perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

In addition to the perquisites, Shri Rakesh Mehra shall also be entitled to the following benefits which shall not be included in the computation of ceiling on remuneration specified above.

(i) **Provident Fund** : 12% of the salary or as per Rules of the Company including any statutory modifications or enactment thereof for the time being in force, whichever is higher.

Contribution to Provident Fund will not be included to the extent, it is not taxable under the Income Tax Act, 1961.

(ii) **Gratuity** : Gratuity payable shall not exceed half month's salary for each completed year of service.

(iii) **Encashment of leave at the end of the tenure.**

(iv) **Reimbursement of Expenses** : Apart from the remuneration as aforesaid, Shri Rakesh Mehra shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in discharge of his duties efficiently in connection with the business of the Company.

3. **Sitting Fee etc.** : No sitting fee shall be paid to Shri Rakesh Mehra for attending the Meeting of Board of Directors or any committee thereof of the Company. He shall not be liable to retirement by rotation.

RESOLVED FURTHER THAT Shri Mahesh Bhutra, Vice President (Fabric) and Company Secretary of the Company be and is hereby authorised to take all such steps as may be necessary and desirable for giving effect to the above resolution.

#### 11. Appointment of Additional Director

To consider, and, if thought fit, to pass, with or without modification the following resolution as Ordinary resolution:

"RESOLVED THAT Shri Dinker Shankar Alva, who was appointed as Additional Director of the Company (by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director) be and is hereby appointed as a Director of the Company liable to retire by rotation."

Registered Office  
Industrial Area, Dohad Road,  
BANSWARA-327 001 (RAJ.)  
Palce : Mumbai  
Date : 12th June, 2000

By order of the Board

**MAHESH BHUTRA**  
VICE PRESIDENT (FABRIC)  
& COMPANY SECRETARY



## NOTES

1. The Register of Members and Shares Transfer Book of the Company shall remain closed from 17th August, 2000 to 1st September, 2000.
2. 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. Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the Company not less than 48 hours before the meeting.
3. Shareholders are requested to notify to the Company immediately any change in their address.
4. **Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.**

### Item No. 5

The Company has undertaken a modernisation programme under Technology Upgradation Fund Scheme (TUFS) and under the scheme Industrial Development Bank of India has sanctioned a term loan of Rs. 715 lacs.

As security for above borrowings, Company is required to give charge of its moveable/immovable properties in favour of Industrial Development Bank of India who has sanctioned the above borrowings. This may be regarded as disposal of properties/undertaking of the Company. It is, therefore, necessary to get approval from the shareholders by way of passing the resolution under section 293(1) (a) of Companies Act, 1956 before creation of mortgage/charge.

None of the Directors of the Company are interested in this resolution.

### Item No. 6

Under the aforesaid Technology Upgradation Fund scheme (TUFS), Industrial Development Bank of India has further sanctioned Term Loan of Rs. 425 lacs and it is likely that Punjab National Bank and EXIM Bank may also sanction Term Loan of Rs. 360 lacs and Rs. 400 lacs respectively.

As security for above borrowings, Company is required to give charge of its moveable/immovable properties in favour of Punjab National Bank and EXIM Bank who have sanctioned the above borrowings. This may be regarded as disposal of properties/undertaking of the Company. It is, therefore, necessary to get approval from the shareholders by way of passing the resolution under section 293(1) (a) of Companies Act, 1956 before creation of mortgage/charge.

None of the Directors of the Company are interested in this resolution.

### Item No. 7

To meet the normal capital expenditure and also to meet shortfall in cash flow generated in current year company has issued 15% secured non convertible debentures worth Rs. 300 lacs.

As security for above subscription, Company is required to give charge of its moveable/immovable properties in favour of Bank of Baroda, who have appointed as the debenture trustee. This may be regarded as disposal of properties/undertaking of the Company. It is, therefore, necessary to get approval from the shareholders by way of passing the resolution under section 293(1) (a) of Companies Act, 1956 before creation of mortgage/charge.

None of the Directors of the Company are interested in this resolution.

### Item No. 8,9 & 10

Shri RL Toshniwal, Chairman & Managing Director, Shri Ravi Toshniwal, Executive Director and Shri Rakesh Mehra, Whole Time Director are associated with the Company since last so many years. During their tenure the Companies activities have increased leaps and bounds particularly it has established in the global market strongly and now exporting to all parts of globe. In view of their competency, experience and contribution towards the Company's performance and progress compared to the remuneration payable to other comparable personnel in the country the terms of their revised remuneration as set out in the resolution are considered to be just, fair and reasonable.

Since the remuneration payable to Chairman & Managing Director, Executive Director, Whole Time Director requires approval of the members of the Company in General Meeting pursuant to sections 198 and 309 read with schedule XIII of the Companies Act, 1956, the resolutions as set out in this item of notice is recommended for the approval of the members.

None of Directors except Shri RL Toshniwal, Shri Ravi Toshniwal and Shri Rakesh Mehra, is in any way concerned or interested in the above resolutions.

### Item No. 11

Shri Dinker Shankar Alva was appointed as an Additional Director of the Company on 29th day of January, 2000 by the Board of Directors of the company. According to the provisions of section 260 of the Companies Act, 1956, he holds office as Director only upto the date of the ensuing Annual General Meeting. As required by section 257 of the Act a notice has been received from a member signifying his intention to propose appointment of Shri Dinker Shanker Alva as a Director alongwith a deposit of Rupees Five Hundred. The Board consider it desirable that the Company should continue to avail of his services.

None of the Directors except Shri Dinker Shanker Alva of the Company are interested in this resolution.

Registered Office  
Industrial Area, Dohad Road,  
BANSWARA-327 001 (RAJ.)  
Palce : Mumbai  
Date : 12th June, 2000

By order of the Board  
**MAHESH BHUTRA**  
VICE PRESIDENT (FABRIC)  
& COMPANY SECRETARY



## DIRECTORS' REPORT

### TO THE MEMBERS,

The Directors have pleasure in presenting the 24th Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2000

### FINANCIAL RESULTS

	(Rs. in lacs)	
	This Year 1999-2000	Previous Year 1998-99
Turnover	19,527	18,485
Accretion to Stock	239	153
	19,766	18,638
Less : Operating Cost	17,822	16,990
Profit before interest	1,944	1,648
Less: Interest	1,333	1,280
Profit before depreciation	611	368
Less: Depreciation	426	380
Revaluation reserve withdrawn	(28)	(41)
Profit before tax	213	29
Less : Taxation	25	18
Profit after tax	188	11

### WORKING RESULTS & OPERATIONS

The Company has made steady progress in terms of production and sales, despite recession in textile industry. Production of yarn has increased to 98.68 lac kgs as against 89.19 lac kgs of previous year showing an increase of 10.63%. Production of cloth has increased to 146.91 lac mtrs as against 127.86 lac mtrs of previous year showing an increase of 14.90%

Consequently profit before depreciation was Rs. 611 lacs as against Rs. 368 lacs of previous year. Profit after depreciation was Rs. 213 lacs as against Rs. 29 lacs of previous year. On account of modernisation programme undertaken and to conserve the liquidity no dividend is being recommended by your Directors.

### SALES & EXPORTS

The total sales including transfers has increased to Rs. 195 crores as compared to Rs. 185 crores in the year 1999. The Company's exports including export incentives have risen to Rs. 9403 lacs CIF as against Rs. 7865 lacs CIF of previous year.

This has been possible as the Company have focused on export on value added fabrics. The Directors are happy to report that Company has been recognised as

a Trading House by Govt. of India, Ministry of Commerce. The Company has also received best export award from SRTEPC for export of Polyester Viscose blended fabrics as well as Acrylic yarn and 3rd best performance award for overall export of all synthetic and blended textiles.

### FINANCE

During the year Company was sanctioned a Term Loan of Rs. 715 lacs by IDBI under TUF scheme for modernisation. Company has also issued non convertible secured debentures of Rs. 300 lacs on private placement basis. Bankers of the Company, Punjab National Bank, Union Bank of India, Bank of Baroda and Bank of India have also sanctioned need based working capital finance.

### DIRECTORS

Shri Kamal Kishore G. Kacholia and Shri Vijay Mehta are retiring by rotation and offer themselves for re-election. During this period Shri D. S. Alva has been co-opted on the Board of Directors of the Company. Unit Trust of India has withdrawn the nomination of Shri Manish Joshi on the Board and appointed Shri P.C. Mohnot. The Board placed on record the appreciation of services rendered by Shri Manish Joshi and welcome Shri D. S. Alva and Shri P. C. Mohnot.

### FIXED DEPOSITS

The Company continues to accept the deposit offered by the public and at the close of the year it has fixed deposit of Rs. 666.41 lacs from the deposit holders. All interest and principal dues are being paid regularly.

### AUDITORS

M/s. Kalani and Co., Chartered Accountants, Jaipur holds office as the Auditors of the Company until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Deviations reported by the Auditors from the accounting standards are in regard to note No. 5 being accounting policies constantly followed by the Company. The other comments are explained in accounting policies and notes on accounts and needs no further comments.

### ENERGY CONSERVATION

As required under section 217 (1) (e) of the Companies Act, 1956, and the rules framed thereunder, a statement