

19th ANNUAL REPORT 1999-2000



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COASTAL TRAWLERS LIMITED

COASTAL TRAWLERS LIMITED

VISAKHAPATNAM

Board of Directors

Sri T. Valsaraj	Managing Director
Sri S. Rajaram	Executive Director
Sri K. Hari Babu	Director
Sri G.V.V. Satyanarayana	Director

Bankers

Bank of India
Visakhapatnam Overseas Branch
Visakhapatnam

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Auditor

Mr. V.V.S. Bhagavan
Chartered Accountant
7-1-59/4 & 8, Ameerpet
Hyderabad - 500 016

Registered & Administrative Office

15-1-37/3, Nowroji Road, Maharaniipeta
Visakhapatnam - 530 002

COASTAL TRAWLERS LIMITED**COASTAL TRAWLERS LIMITED**

-- Regd Office: 15-1-37 / 3, Nowroji Road, Maharanipeta, Visakhapatnam - 530 002

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given to all the members of the Company that the Nineteenth Annual General Meeting of the Company will be held on Thursday the 28th December 2000 at 11.30 A.M. at the Registered Office of the Company Visakhapatnam to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider, and adopt the annual accounts consisting of Balance Sheet as at 30th June, 2000, Profit and Loss Account for the year ended 30th June 2000, together with notes and schedules attached thereto and the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Sri Ranbir Chandra who retires by rotation and being eligible does not offer himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

1. To consider and if thought fit to pass the following resolution as SPECIAL RESOLUTION:

"RESOLVED that pursuant to Section 268, 269, 309, 310, 311, 198 and Schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approvals of the Central Government and / or Financial Institutions, if any required, consent of the Company be and is hereby given to the renewal of the appointment of Sri. T. Valsaraj as Managing Director of the Company for the period 28.01.2001 to 27.01.2003 as to remuneration mentioned hereunder:

REMUNERATION:

Salary : Rs. 20,000 per month

PERQUISITES:

Perquisites will be restricted to an amount equal to the annual salary to be reckoned on the basis of actual expenditure or liability incurred by the Company as provided under explanation to section 198 of the Companies Act, 1956. Within this overall limit, the perquisites may be paid as stated below:

CATEGORY - A

- i) Housing : The expenditure incurred by the Company on hiring accommodation will be subject to a limit of 50% of the salary over and above 10% payable by the Managing Director.

If the Company does not provide accommodation, house rent allowance will be paid by the Company in accordance with the para mentioned above.

The expenditure incurred by the Company on Gas, Electricity, water and Furnishings will be evaluated as per Income-tax Rules, 1962. This will however be subject to a ceiling of 10% of the salary.

- ii) Medical Reimbursement: Expenses incurred for the Managing Director and the family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

COASTAL TRAWLERS LIMITED

- iii) **Leave Travel Concession:** For the Managing Director and his family, once in a year incurred in accordance with the rules specified by the Company.
- iv) **Club Fees:** Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) **Personal Accident Insurance:** Premium not to exceed Rs. 1,000/- per annum.
Explanation: For the purposes of Category-A "family" means the spouse the dependant children and dependant parents of the Managing Director.

CATEGORY-B

- i) Company's contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- ii) **Gratuity:** Payable at a rate not exceeding half a month's salary for each completed year of service.
- iii) **Encashment of leave at the end of the tenure.**

CATEGORY - C

- i) Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company.
- ii) Provision to Telephone at residence. Personal long distance calls on telephone shall be billed by the Company.

2. To consider and if thought fit to pass the following resolution as SPECIAL RESOLUTION:

"RESOLVED that pursuant to Section 268, 269, 309, 310, 311, 198 and Schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approvals of the Central Government and / or Financial Institutions, if any required, consent of the Company be and is hereby given to the renewal of the appointment of Sri. S. Rajaram as Executive Director of the Company for the period 28.01.2001 to 27.01.2006 as to remuneration mentioned hereunder:

REMUNERATION:

Salary : Rs. 12,500 per month

PERQUISITES:

Perquisites will be restricted to an amount equal to the annual salary to be reckoned on the basis of actual expenditure or liability incurred by the Company as provided under explanation to section 198 of the Companies Act, 1956. Within this overall limit, the perquisites may be paid as stated below:

CATEGORY - A

- i) **Housing :** The expenditure incurred by the Company on hiring accommodation will be subject to a limit of 50% of the salary over and above 10% payable by the Executive Director

If the Company does not provide accommodation, house rent allowance will be paid by the Company in accordance with the para mentioned above.

The expenditure incurred by the Company on Gas, Electricity, water and Furnishings will be evaluated as per Income-Tax Rules, 1962. This will however be subject to a ceiling of 10% of the salary.

COASTAL TRAWLERS LIMITED

- ii) **Medical Reimbursement:** Expenses incurred for the Executive Director and the family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- iii) **Leave Travel Concession:** For the Executive Director and his family, once in a year incurred in accordance with the rules specified by the Company.
- iv) **Club Fees:** Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) **Personal Accident Insurance:** Premium not to exceed Rs. 1,000/- per annum.

Explanation: For the purposes of Category-A "family" means the spouse the dependant children and dependant parents of the Executive Director.

CATEGORY-B

- iv) Company's contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the income tax Act, 1961.
- v) **Gratuity:** Payable at a rate not exceeding half a month's salary for each completed year of service.
- vi) **Encashment of leave** at the end of the tenure.

CATEGORY - C

- iii) **Provision of car for use on Company's business:** Use of car for private purpose shall be billed by the Company.
- iv) **Provision to Telephone at residence:** Personal long distance calls on telephone shall be billed by the Company.

3. To consider and if thought fit to pass the following resolution as ORDINARY RESOLUTION:
"RESOLVED to appoint Sri. G.V.V. Satyanarayana as a Director, Liable for retirement by rotation."

By Order of the Board
For Coastal Trawlers Limited

Place : Visakhapatnam
Date : 18-11-2000.

(T. Valsaraj)
Managing Director

COASTAL TRAWLERS LIMITED**NOTES:**

1. Every Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote instead of himself and such a proxy need not be a Member of the Company. Proxy Form is enclosed herewith. Proxy Form if intended to be used, it should be returned to the Company not less than 48 hours before the time for holding the Annual General Meeting.
2. The Register of Members and the Share Transfer Registers will remain closed from 26.12.2000 to 28.12.2000 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
3. The Company has its shares listed at:
 - a). The Hyderabad Stock Exchange Limited,
3-6-275, Himayath Nagar,
Hyderabad - 500 029
 - b). The Stock Exchange Mumbai,
P.J. Towers, Dalal Street,
Mumbai - 400 001.
 - c). The Stock Exchange Ahmedabad,
Khamadhenu Complex, Panjarapole,
Opp. Sahajanad College, Ahmedabad - 380 015
 - d). The Delhi Stock Exchange Association Limited,
3 & 4 /4, Asif Ali Road,
New Delhi - 100 002
4. Explanatory statement pursuant to section 173 of the Companies Act, 1956 is enclosed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT 1956**Item No 1 & 2**

It is sought to renew the appointments of Shri. T.Valsaraj as Managing Director and Shri. S. Rajaram as Executive Director of the Company for a further period of five years with effect from 28-01-2001, on the terms and conditions as set-out in resolution.

Both Shri T.Valsaraj and Shri. S.Rajaram may be considered to be interested in the resolution as set out in the Notice. The Board of Directors of your Company recommend passing of the resolution.

Item No.3

Shri. G.V.V.Satyanarayana was co-opted as an additional Director by the Board of Directors and his tenure of office is up to the conclusion of the ensuing AGM. The Company has received a proposal from a shareholder under section 257 of the Companies Act, 1956 for the appointment of Mr. G.V.V. Satyanarayana as a Director, liable for retirement by rotation.

Your Directors recommend the adoption of the resolution as set out in the Notice. Shri. G.V.V.Satyanarayana is concerned or interested in the said resolution, as it concerns his appointment as a Director.

COASTAL TRAWLERS LIMITED**DIRECTOR'S REPORT**

To
The Members

Your Directors have pleasure in presenting their Nineteenth Annual Report together with the Audited Accounts for the year ended 30th June, 2000.

OPERATIONS & FINANCIAL RESULTS :

The financial results for the year ended 30th June, 2000, are summarised below :

FINANCIAL RESULTS	(Rs. in millions)	
	1999-2000 Rs.	1998-1999 Rs.
Gross Sales & Other Income	420.466	434.981
Profit / Loss before interest & Depreciation	14.098	13.144
Less :		
Interest	9.441	7.851
Depreciation	3.821	3.474
Net Profit	0.836	1.819

Your Directors are pleased to report that your Company achieved a turnover of Rs.420.466 millions during the period under report as against the previous year figure of Rs.434.981 millions. Your Company earned a net profit of Rs.0.836 millions as against the previous year profit of Rs.1.819 millions. The reduction of profit during the year under report is due to the change in policy of the Government of India reducing the Export benefits entitlement to 5% from 10%.

PRODUCT :

The Company's products and Brand names however continue to enjoy good popularity and your company earned foreign exchange of US \$ 8,250,439 equivalent to Rs.346,456,590/- from Export Operations.

FUTURE PROSPECTS :

Your Directors are hopeful that the Company's performance will be maintained, essentially by better management techniques and management practices, and stricter controls at all facets of the Company's operations.

COASTAL TRAWLERS LIMITED**DIRECTORS :**

Sri Ranbir Chandra is retiring at the forth coming Annual General Meeting and has not offered himself for reappointment.

Resolutions are being proposed for the renewal of the appointments of Sri T. Valsaraj as Managing Director and Sri S. Rajaram as Executive Director and for payment of remuneration / perquisites for a period of five years with effect from 28-01-2001.

Sri G.V.V. Satyanarayana was co-opted as an Additional Director by the Board of Directors and the Company has received a Notice from shareholders proposing that he be appointed as a Director, liable for retirement by rotation.

AUDITORS :

The present Auditor of the Company Sri V.V.S. Bhagavan, Chartered Accountant, Hyderabad, will retire at the conclusion of this Annual General Meeting. However, being eligible he offers himself for reappointment and intimated that his reappointment, if made, shall be within the limits prescribed under section 224(1-B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES :

There are no employees falling within the purview of the section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

ADDITIONAL INFORMATION :

Additional Information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed in terms of section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto (Annexure-I) and forms part of this report.

ACKNOWLEDGEMENT :

The Board expresses its appreciation of the continued co-operation, assistance, guidance and support extended by the Government of India (including the Ministry of Food Processing Industries), Bank of India, Overseas Branch, Visakhapatnam, MPEDA, MMD, FSI, EIA, importers of the Company's product abroad, investors and various other Central and State Government Agencies and Local Authorities.

The Board also records its deep appreciation of the creditable services rendered and unstinted support and co-operation extended by the Company's employees at all levels.

FOR AND ON BEHALF OF THE BOARD

For COASTAL TRAWLERS LIMITED

Place : Visakhapatnam
Date : 18-11-2000

(T. VALSARAJ)
Chairman

COASTAL TRAWLERS LIMITED

ANNEXURE - 1

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1998.

A. CONSERVATION OF ENERGY :

Wherever possible energy conservation measures have already been implemented and there is no major area where further energy conservation measures can be taken. However, efforts to conserve and optimise the use of energy through improved operational methods and other means will continue.

Utmost priority has been given in achieving reduction in per unit consumption of energy as well as finding alternate cheaper source of energy.

(A) POWER AND FUEL CONSUMPTION :	Current Year	Previous Year
Electricity		
(a) Purchase		
Units	7,60,667	9,50,048
Total Amount (in Rs.)	3,084,708	3,529,744
Rate / Unit (in Rs.)	3.5	3.72
(b) Own Generation		
Through D.G. Units	36,095	76,325
Total Amount (in Rs.)	177,750	222,232
Unit/Lt. of Diesel Oil		
Cost/Unit (in Rs.)	4.91	2.91

B. TECHNOLOGY ABSORPTION :

Efforts made in technology absorption
as per Form B of Annexure

Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Activities relating to exports initiative taken to increase exports, development of new export markets for products and services and exports plans :

COASTAL TRAWLERS LIMITED**(a) Foreign Exchange and Outgo :**

The total foreign exchange earnings and the particulars of purchase of raw materials are given as under :

Sl. No.	Description of Import	Qty. in Kgs.		Value in US \$	
		1998-99	1999-00	1998-99	1999-00

– Not Applicable –

(b) Foreign Exchange Earnings :

The total exports made by the Company is given below :

Year	Quantity in Kgs.	Value in US \$
1998-1999	9,68,396.60	8,653,552.04
1999-2000	8,35,685.20	8,250,439.00
* Current Period	3,77,242.00	3,694,451.00

* Current period is upto 18-11-2000

- An amount of US \$ 87,188 have been spent on import of spares for the vessels.
- An amount of HKD 58,300 has been spent on import of spares for the vessels.
- An amount of US \$ 256,622 was paid towards freight on the export of goods.
- An amount of US \$ 3,631.42 and S \$ 1,289.43 was spent towards foreign travel by Mr. T. Valsaraj, Managing Director of the Company.

BY ORDER OF THE BOARD

For COASTAL TRAWLERS LTD.

Place : Visakhapatnam
Date : 18-11-2000

(T. VALSARAJ)
Chairman