

18th ANNUAL REPORT

1998-99



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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 Ranbir Chandra	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
Regd. Office : 15-1-37/3, Nowroji Road, Maharanipet
VISAKHAPATNAM - 530 002

Notice of Eighteenth Annual General Meeting

NOTICE is hereby given to all the members of the Company that the Eighteenth Annual General Meeting of the Company will be held on Friday the 24th December, 1999 at 11.30 a.m. at "NIVEDIKA, HOTEL DASPALLA", 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, 1999, Profit and Loss Account for the year ended 30th June 1999, together with notes and schedules attached thereto and the reports of the Auditors and Directors thereon.
2. To declare dividend on the Equity Share Capital of the Company.
3. To appoint Director in place of Mr. K. Haribabu who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass the following with or without modification 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, consent of the Company be and is hereby given to the variation in the terms and conditions of the appointment of Sri. T. Valsaraj, Managing Director of the Company for the balance period of his appointment i.e., upto 28.01.2001 with effect from 01.04.1999 as to remuneration mentioned hereunder and the remaining terms and conditions remains unchanged :

REMUNERATION :

Salary : Rs. 20,000/- Per Month.

6. To consider and if thought fit, to pass the following with or without modification 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, consent of the Company be and is hereby given to the variation in the terms and conditions of the appointment of Shri. S. Rajaram, Executive Director of the Company for the balance period of his appointment i.e., upto 28.01.2001 with effect from 01.04-1999 as to remuneration mentioned hereunder and the remaining terms and conditions remains unchanged :

REMUNERATION :

Salary : Rs. 10,000/- Per Month.

BY ORDER OF THE BOARD

For COASTAL TRAWLERS LIMITED

Regd. Office :

15-1-37/3, Nowroji Road
Maharanipeta
Visakhapatnam - 530 002
Date : 3rd November, 1999

(T. Valsaraj)
Chairman & Managing Director

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 Register will remain closed from 22.12.1999 to 24.12.1999 (both days inclusive) in terms of the provisions of section 154 of the Companies Act, 1956.
3. Explanatory Statement pursuant to the provisions of section 173(2) of the Companies Act, 1956 is annexed to and forms part of this notice.

COASTAL TRAWLERS LIMITED

4. The Company has its Equity Shares listed at :
- The Hyderabad Stock Exchange Limited
3-6-275, Himayat Nagar
Hyderabad - 500 029
 - The Stock Exchange, Mumbai
P.J. Towers, Dalal Street
Mumbai - 400 001.
 - The Stock Exchange, Ahmedabad
Khamadhenu Complex, Panjarapole
Opp. Sahajanad College
Ahmedabad - 380 015
 - The Delhi Stock Exchange Association Limited
3 & 4/4, Asif Ali Road
New Delhi - 110 002

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

ITEM No. 5

Sri. T. Valsaraj was appointed as Managing Director for the Company with effect from 29.1.1996 for a period of five years on a remuneration of Rs. 7,500/- per month and other perks as per Schedule XIII to the Companies Act, 1956. Now, it is proposed to enhance the remuneration payable to Mr. T. Valsaraj for balance period of his appointment i.e., upto 28.1.2001 from Rs. 7,500/- per month to Rs. 20,000/- per month in accordance with Schedule XIII to the Companies Act, 1956. The Board of Directors proposes this resolution to be passed as Special Resolution.

None of the Directors excepting Mr. T. Valsaraj is interested in the above resolution.

ITEM No. 6

Sri. S. Rajaram was appointed as Executive Director of the Company with effect from 29.1.1996 for a period of five years on a remuneration of Rs. 6,500/- per month and other perks as per Schedule XIII to the Companies Act, 1956. Now, it is proposed to enhance the remuneration payable to Mr. S. Rajaram for balance period of his appointment i.e., upto 28.1.2001 from Rs. 6,500/- per month to Rs. 10,000/- per month in accordance with Schedule XIII to the Companies Act, 1956. The Board of Directors proposes this resolution to be passed as Special Resolution.

None of the Directors excepting Mr. S. Rajaram is interested in the above resolution.

BY ORDER OF THE BOARD

Regd. Office :

15-1-37/3, Nowroji Road
Maharanipeta
Visakhapatnam - 530 002
Date : 3rd November, 1999

For COASTAL TRAWLERS LIMITED

(T. Valsaraj)
Chairman & Managing Director

COASTAL TRAWLERS LIMITED

Regd. Office : 15-1-37/3, Nowroji Road, Maharanipet
VISAKHAPATNAM - 530 002

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting their Eighteenth Annual Report together with the Audited Accounts for the year ended 30th June, 1999.

OPERATIONS & FINANCIAL RESULTS :

The Financial results for the year ended 30th June, 1999, are summarised below :

	(Rs. in Lakhs)	
FINANCIAL RESULTS :	1998-99 Rs.	1997-98 Rs.
Gross sales & Other Income	4349.81	3284.54
Profit/Loss before interest & Depreciation	131.44	101.37
Less :		
Interest	78.51	63.42
Depreciation	34.74	32.81
Net profit/loss	18.19	5.14

Your Directors are pleased to report that despite the continuing slow-down in industrial activity and contrary to the general corporate trends during the year under review, your company posted improved financial results. During the year under report your company achieved a turnover of Rs. 4349.81 lakhs, representing an increase of 32.43% over the previous year figure of Rs. 3284.54 lakhs. Your Company earned a net profit of Rs. 18.19 lakhs during the year under report after charging depreciation and financial charges as against the previous period profit figure of Rs. 5.14 lakhs.

PRODUCT :

Your Directors are pleased to report that the Company's brand names "COASTAL" and "COASTAL GOLD" have been enjoying wide recognition and acceptability in the International market and earned a foreign exchange of US \$ 86,53,552.04 from export operations.

FUTURE PROSPECTS :

Your directors are hopeful that the company would continue to achieve positive results in the coming years.

COASTAL TRAWLERS LIMITED

DIVIDEND :

Your Directors are glad to recommend payment of a maiden dividend at the rate of 5% on the paid-up Equity Share Capital of the Company.

DEPOSITS :

The Company has not accepted any deposits during the period under report.

DIRECTORS :

Sri. K. Haribabu is retiring at the forth coming annual general meeting and being eligible offers himself for reappointment.

Resolution are being proposed to increase the remuneration of Sri T. Valasaraj, Managing Director and Sri S. Raj Ram, Executive Director.

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.

Y2K PROBLEM :

Computer systems were modified to make them compatible for Y2K problem and the cost incurred is negligible.

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.

ACKNOWLEDGEMENTS :

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

Sd/-

(T. VALSARAJ)

Chairman

Place : Visakhapatnam

Date : 03-11-1999

ANNEXURE - I**COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.****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) Purchased		
Units	9,50,048	8,70,600
Total amount (in Rs.)	35,29,744	29,51,695
Rate/Unit (in Rs.)	3.72	3.39
(b) Own Generation		
Through D.G. Units	76,325	85,425
Total Amount (in Rs.)	2,22,232	2,14,142
Unit/Lt. of Diesel Oil		
Cost/Unit (in Rs.)	2.91	2.52

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 export plans :

(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 \$	
		1997-98	1998-99	1997-98	1998-99
----- Not Applicable -----					

(B) FOREIGN EXCHANGE EARNINGS :

The total exports made by the Company is given below :

Year	Quantity in Kgs.	Value in US \$
1997-98	585,800.00	7,174,112.78
1998-99	968,395.60	8,653,552.04
★ Current period	377,250.80	3,625,523.97

★ Current period is up to 03-11-1999

An amount of **US \$ 21,259** have been spent on import of spares for the vessels.

An amount of **GBP 2,915** has been spent on import of spares for the vessels.

An amount of **DM 11,839** has been spent on import of spares for the vessels.

An amount of **JPY 212,500** has been spent on import of spares for the vessels.

An amount of **US \$ 312,548.87** was paid towards freight on the export of goods.

An amount of **US \$ 1,831.63** and **S \$ 2,201.01** was spent towards foreign travel to Singapore, Bangkok and Taiwan by Mr. T. Valsaraj, Managing Director of the Company.

BY ORDER OF THE BOARD

Report  for COASTAL TRAWLERS LIMITED

Place : Visakhapatnam

(T. Valsaraj)

Date : 03-11-1999

Chairman