

# DIGITAL MULTIFORMS LIMITED

Report  junction.com



MD	<input type="checkbox"/>		BKC	<input type="checkbox"/>
CS	<input type="checkbox"/>		DPY	<input type="checkbox"/>
RO	<input type="checkbox"/>		DIV	<input type="checkbox"/>
TRA	<input type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>		SHH	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>			<input type="checkbox"/>



<u>Contents</u>	<u>Page No.</u>
Board of Directors	1
Notice	2
Directors' Report	4
Auditors' Report	7
Balance Sheet	9
Profit and Loss Account	10
Schedules and Notes	11
Balance Sheet Abstract & Company's General Business Profile	24
Cash Flow Statement	26
Attendance Card/Proxy Form	28



Board of Directors

SHRI SURENDRA J. KOTWAL	CHAIRMAN & MANAGING DIRECTOR
SHRI NIPAM S. KOTWAL	JOINT MANAGING DIRECTOR
SMT. SADGUNA KOTWAL	
SHRI ABHILASH R. PATEL	NOMINEE DIRECTOR (GIIC)
SHRI JITENDRA SHAH	
SHRI NIMESH BHATT	
SHRI HIRALAL BHAGWATI	

Registered Office & Factory:

60/1, Village Palodia,  
Ta. Kalol, Dist. Mehsana,  
Gujarat

Auditors :

M/s. Parikh & Majmudar  
Chartered Accountant  
204-5-6, Harsh Avenue,  
Navjivan Press Road,  
Opp.High Court,  
Ahmedabad - 380 014.

Bankers :

Bank of Baroda  
Sardar Patel Colony Branch,  
Naranpura,  
Ahmedabad - 380 013.

NOTICE is hereby given that the Fifth Annual General meeting of the members of the company will be held on Tuesday, the 30th day of December, 1997 at the Registered Office of the Company at 60\1 , Village Palodia, Taluka : Kalol, Dist.: Mehsana at 4.00 p.m. to transact the following business.

1. To consider and adopt the Audited Profit & Loss Account for the year ended 30th September, 1997 and the Balance Sheet as at that date, alongwith the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Shri Nipam S. Kotwal who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Surendra J. Kotwal who retires by rotation, and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting upto the conclusion of the next Annual General meeting and fix their remuneration.

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

“RESOLVED THAT the Company do hereby accord its consent under Section 293 (1) (a) of the Companies Act, 1956 to mortgaging and/or charging by the Board of Directors of the Company (“ the Board”) of all of or any of the immovable and /or moveable properties of the Company, wherever situate, both present and future and/or whole or substantially whole of the undertaking of the Company in such Form and in such manner as the Board may think fit, together with the power to take over the management of the business and concern of the company in certain events for securing any loans and/or advances already obtained or that may be obtained from any Financial Institutions/Banks/ Insurance Companies/Authorities or any other party or person or persons and/or to secure any debentures that may be issued and all interests, compound/additional interest, commitment charges, costs, charges, expenses, premium on repayment or on redemption and all other moneys payable by the Company to the concerned lenders within the over all limit of Rs 50 crores ( Rupees Fifty Crores Only ) as approved earlier and further that the Board be and is hereby authorised to finalise with any or all concerned parties aforesaid the documents in relation or for creating the mortgages and/or charges aforesaid and to do all such acts, deeds and things including execution of any documents as may be necessary or expedient for giving effect to this resolution.”

For and on behalf of the Board of Directors

Regd. Office  
60\1, Village Palodia,  
Tal. : Kalol, Dist.: Mehsana.  
3rd December, 1997.

Surendra J. Kotwal  
(Chairman & Managing Director)

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself. A proxy need not be a member of the company.
2. Proxies, in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting.
3. The members are requested to bring copy of their Annual Report at the meeting.
4. Members are requested to inform at the Registered Office of the Company for change of address and transfer of shares.
5. Members desiring any information on the accounts are requested to send their queries to the Company at least 7 days before the Annual General Meeting, so that information can be made available at the time of meeting.
6. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business specified in the Notice is annexed hereto.

**Digital Multiforms Ltd.**

[illegible]

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

The following statement sets out the material facts to the point 5 of the Notice.

**Point 5 :**

Company proposes to borrow funds from the Banks and other financial institutions to meet the Expansion Activities and to meet the Working Capital requirements in excess of its Paid up Capital and free Reserves. As per the prevalent practice such institutions insist for the creation of charge on the undertaking of the company. The company proposes to pass resolution under section 293(1)(a) of the Companies Act, 1956 giving permission for creation of mortgage/charge on the undertaking of the company. Hence this Ordinary Resolution is recommended for the consideration and approval of the Shareholders.

None of the Directors of the company is interested in the resolution.

For and on behalf of the Board of Directors

Regd. Office :

60\1, Village Palodia,

Tal. : Kalol, Dist.: Mehsana.

3rd December, 1997.

Surendra J. Kotwal  
(Chairman & Managing Director)

Dear Shareholders,

## FINANCIAL RESULTS:

The summarised financial results of the company have been given below:

PARTICULARS	(Rs. in lacs)	
	Current Year (18 Months)	Previous Year (12 Months)
Sales	1448.37	746.69
Profit before Depreciation and Taxes	104.05	89.18
Less : Depreciation provided during the year	65.77	30.73
Profit beforeTax	38.28	58.45
Less : Provision for Taxation	(6.20)	—
Profit after Taxation	44.48	58.45
Add : Balance Brought Forward From Previous Year	82.38	23.93
Net Profit carried to Balance Sheet	126.86	82.38

## PROGRESS OF THE COMPANY

Sales for the current period is 1448.37 Lacs, despite of the adverse market conditions and overall recession prevailed throughout the year. However due increased cost of power and the materials the profits before tax were maintained at the lower level of Rs. 38.28 Lacs. Directors are hopeful of better performance for the coming period.

## EXTENTION OF ACCOUNTING YEAR

The current year under review has been extended upto 30th September, 1997 so as to cover the period of eighteen months from 1st April, 1996 to 30 th September, 1997. The required permission has been obtained in writing from the Registrar of Companies, Gujarat, under section 210(4) of the Companies Act, 1956.

## PROMISES VS. PERFORMANCES :

In terms of clause 43 of the Listing Agreement, the Company had projected in the prospectus dated 25-10-1994 that Sales and the Profit after Tax for the year ended 31st March, 1997 would be Rs. 1417.37 Lacs and Rs. 204.28 Lacs respectively. As against this the actual figures for the eighteen months ended on 30-09-97 are Rs 1448.38 Lacs and Rs. 44.48 Lacs respectively.

The shortfall in sales and the profitability margins is largely due to the tremendous recessionary conditions prevailed in the market throughout the year.

**DEPOSITS :**

Company has complied with the provisions of section 58 A of the Companies Act, 1956 and rules made thereunder while inviting the deposits.



The total amount of loans/ fixed deposits remained due for repayment and unclaimed on 30th September, 1997 was NIL.

Shri Nipam J. Kotwal and Shri Surendra J. Kotwal, Directors of the company retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

The Auditors of the Company, M/s Parikh & Majmudar , Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished a certificate that their appointment, if made shall be within the limits laid down under section 224(1B) of the Companies Act, 1956. Your Directors recommend the reappointment of M/s Parikh & Majmudar as Auditors of the Company.

The information in respect of employees of the Company as required under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 is enclosed as per Annexure- " A " forming part of this report.

- (a) The company is continuously starving for the energy consumption. Company has installed stabilisers and other energy saving devices to bring down the cost of power and avoid loss of and reduce the wastages in power consumption.
- (b) Company is mainly relying on the indigenous technology and knowhow. However the company has imported and installed Web Offset printing Machine from Holland, which is one of the best sophisticated machineries in printing technology, to bring out quality product with economic cost.
- (c) The information of foreign exchange earnings and outgo during the year is furnished in the Notes to the Accounts.

The Board of Directors wish to place on record their deep appreciation and gratitudes for the services rendered by the workers,staff and executives of the company.Board of Directors also convey their gratitude to the Investing Shareholders,customers,Suppliers,Banks,Financial Institutions and various Private and Government Agencies for their continued co-operation and confidence reposed in the company.

3rd December, 1997.

Surendra J. Kotwal  
(Chairman)

\*\*\*\*\*

## ANNEXURE - " A "

STATEMENT UNDER SECTION 217 (2A) READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES ) RULES, 1975 OF THE COMPANIES ACT, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED SEPTEMBER 30, 1997.

- A. Persons employed throughout the financial year under review and each of whom was in receipt of remuneration for that financial year which, in aggregate, was not less than Rs. 4,50,000. ( Proportionate to the period of 18 months.)
- B. Persons employed for the part of the financial year under review and each of whom was in receipt of remuneration for that part which in aggregate , was not less than Rs. 25,000 p.m.

Sr.	Name of Employee	Designation	Gross Remu- neration Rs.	Quali fication	Experience (Yrs.)	Date of Com- mencement of employment	Age (Yrs.)	Particulars of Previous Employment
A : Persons employed through out the financial year.								
1.	Shri Surendra J. Kotwal	Chairman & Managing Director	440,000	B.A.	34 Years	10-05-1994	62	25 Years Experience in Trading in papers and for chief executive 6 years at Digital Computer Forms
2.	Shri Nipam S. Kotwal	Managing Director	440,000	B.Com.	11 Years	10-05-1994	34	Marketing Manager for 2 Years at Surendra & Brothers & Nipam Papers. Partner in Digital Computer Forms for 6 years.

B : Persons employed for the part of the Financial Year. : Nil