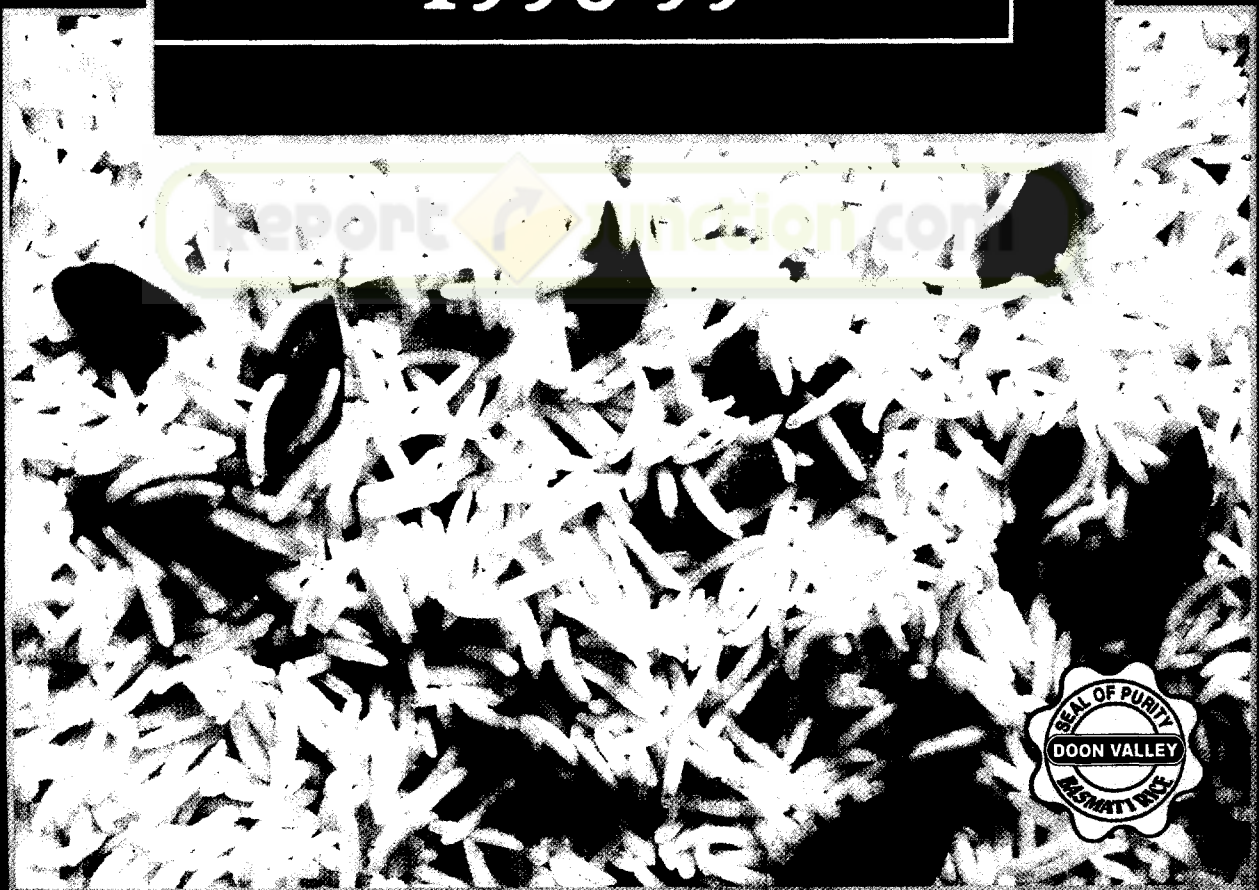


# DOON VALLEY

5th Annual Report  
1998-99



**DOON VALLEY**  
**RICE LIMITED**

**DOON VALLEY RICE LIMITED****BOARD OF DIRECTORS**

Shri Naresh Kumar Aggarwal  
**Chairman cum Managing Director**

Shri R.G. Gupta

Shri Imtiaz Ahmed

**COMPANY SECRETARY**

Shri R.P.Punjani

**FIFTH ANNUAL  
GENERAL MEETING**

Day : Thursday

Date : 30th September, 1999

Time : 09.00 A.M.

Venue : Outside Jundla Gate,  
 Karnal-132 001 (Haryana)

**BANKERS**

State Bank of India

**AUDITORS**

A.K.G. & ASSOCIATES  
 Chartered Accountants  
 Novelty Road, Karnal.

**WORKS & REGD. OFFICE**

Outside Jundla Gate,  
 Karnal-132 001.

**CORPORATE OFFICE**

A-48, II Floor, Wazirpur  
 Industrial Area, Delhi-110 052.

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**DOON VALLEY**

**DOON VALLEY RICE LIMITED****NOTICE**

**NOTICE** is hereby given that the Fifth Annual General Meeting of the Company would be held as under:

Day : Thursday  
 Date : 30th September, 1999  
 Time : 09.00 A.M.  
 Venue : Outside Jundla Gate,  
 Karnal-132 001 (Haryana)

to transact the following businesses:

**ORDINARY BUSINESS:**

1. To consider and adopt the Directors' Report, Auditors' Report and Audited Accounts of the Company for the year ended 31st March, 1999.
2. To appoint a Director in place of Shri R.G. Gupta who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s A.K.G. & ASSOCIATES, Chartered Accountants, Karnal, as auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto and subject to such approvals, if any, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Shri Naresh Kumar Aggarwal, as Chairman cum Managing Director for a further period of 5 years w.e.f. 2nd February, 2000 on the terms and conditions as set out in the Explanatory Statement attached to this Notice and hereby approved, with liberty to the Board of Directors to revise the terms as to remuneration, from time to time, within the limits provided for in the said Schedule XIII or any amendment thereof for the time being in force."

By Order of the Board  
 Sd/-

Place: Karnal  
 Date : 26th August, 1999

**R.P. Punjani**  
 Company Secretary

**NOTES**

1. **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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item No. 4 of this notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 1999 to 30th September, 1999 (both days inclusive).
4. Members are requested to bring their copies of the Annual Report to the Annual General Meeting.
5. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.

**DOON VALLEY**

**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.****ITEM No. 4**

Mr. Naresh Kumar Aggarwal was appointed as the first Managing Director of the Company for a period of five years with effect from 2nd Feb., 1995 in terms of Article No. 109 of the Articles of Association of the Company, in the Extra ordinary General Meeting of the Company held on 2nd Feb., 1995 and his terms would expire on 1st February, 2000.

Mr. Naresh Kumar Aggarwal has handled all his responsibilities very efficiently during the period of his appointment. Keeping in view his expertise in the field, the Board of Directors has recommended his appointment as Managing Director of the Company designated as Chairman cum Managing Director for a further period of five years with effect from 2nd February, 2000. The terms and conditions of appointment of Shri Naresh Kumar Aggarwal are as under:

1. **Period:** Period of Appointment is five years with effect from 2nd February, 2000.
2. **Salary:** Rs.25000/- p.m. including Dearness and all other Allowances.
3. **Commission:** 1% commission on the net profit as computed u/s 349 and 350 of the Companies Act, 1956, subject to the ceiling of 50% of the Salary.
4. In addition to salary and Personal Pay the following perquisites will be provided as per the Rules of the Company:
  - (i) **HOUSING:** The expenditure by the Company on hiring furnished accommodation for the Managing Directors will be subject to the following ceiling:  
60% of the Salary, over and above 10% payable by the Managing Director.
  - (ii) **MEDICAL REIMBURSEMENT:** Re-imbursement of actual expenses incurred for self and family subject to the ceiling of one month salary in a year or three months salary over a period of three years.
  - (iii) **LEAVE TRAVEL CONCESSION:** Leave Travel expenses for self and family once in a year incurred to and from any place in India in accordance with rules of the Company.
  - (iv) **CLUB FEE:** Reimbursement of fees of not more than two clubs. This will not include admission and life Membership Fees.
  - (v) **PERSONAL ACCIDENT INSURANCE:** Personal Accident Insurance cover as applicable in line with the rules of the Company.

In addition to above he shall also be entitled to following Perquisites:-

- (a) 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.
- (b) Gratuity at a rate not exceeding half a month salary for each completed year of service.
- (c) Encashment of Leave at the end of the tenure.
- (d) Car with Driver as per the rules of the Company.
- (e) Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company.

The above may be treated as an abstract of the terms of the contract in relation to his appointment between the Company and Shri Naresh Kumar Aggarwal pursuant to Section 302 of the Companies Act, 1956.

The Company stands to gain considerably by the appointment of Shri Naresh Kumar Aggarwal as Managing Director of the Company in view of his experience and expertise and in these circumstances the Directors recommend the resolution set out in this Item No. 4 of the accompanying Notice for your approval.

Shri Naresh Kumar Aggarwal is deemed to be interested in the resolution as it relates to his appointment.

By Order of the Board  
Sd/-

**R.P. Punjani**  
Company Secretary

Place: Karnal

Date : 26th August, 1999

**DOON VALLEY**

**DOON VALLEY RICE LIMITED****DIRECTORS' REPORT****TO THE SHAREHOLDERS:**

Your Directors have pleasure in presenting the Fifth Annual Report of the Company alongwith the Audited Accounts for the year ended 31st March, 1999.

**FINANCIAL RESULTS**

	(Rs. in Lakhs)	
	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
	<b>(1998-99)</b>	<b>(1997-98)</b>
<b>Profit before Depreciation &amp; Finance Charges</b>	<b>382.78</b>	<b>349.49</b>
Less: Finance Charges	<b>234.70</b>	226.54
Depreciation	<b>21.54</b>	<b>11.79</b>
<b>Net Profit after Depreciation &amp; Finance Charges</b>	<b>126.54</b>	<b>111.16</b>
<b>APPROPRIATIONS</b>		
Provision for Taxation	<b>9.50</b>	4.50
Proposed Dividend	-	-
General Reserve	-	-
<b>Balance Carried Forward</b>	<b>1151.43</b>	<b>1034.38</b>

**DIVIDEND**

It is endeavour of your company to make optimum use of its funds for ongoing setup, Expansion and Working Capital requirements. Keeping in mind the aforesaid factors your Directors have decided not to recommend any Dividend for the year ended 31.03.1999.

**CURRENT YEAR WORKING**

Your Directors in the Current year expects that the Company would leave no stone unturned in improving its' performance and achieving better results.

**DISCLOSURE UNDER CLAUSES 43 & 49 OF THE LISTING AGREEMENT****a) Projections Vs Performance**

In terms of Clause 43 of the Listing Agreement executed between the Company and the Stock Exchanges concerned, your Directors give below the actual performance for the year 1998-99 as against the projections made in the Prospectus Dated July 18th, 1995:

	<b>Actual</b>	<b>(Rs. in lacs)</b>
		<b>Projections</b>
Total Income	<b>6246.72</b>	4300.99
PAT	<b>117.04</b>	870.63

The variation between the Projected and Actual figure as regard to Profit after Tax is attributable to unexpected increase in the Cost of Paddy which ultimately effect the cost of Production and due to practice of the Company to fulfil all previous commitments.

**b) Disclosure under Clause 49**

The Equity Shares of the Company are listed at Ahmedabad, Mumbai, Calcutta, Delhi and Jaipur Stock Exchanges. The Annual Listing Fees has already been paid to all of these Stock Exchanges

**Y2K COMPLIANCE**

The Company has already taken necessary steps to ensure Y2K Compliance for all its Computer Operations and it does not foresee any Operational Problem on account of the same. The Company is in a position to meet the Cost which is not material.

**DIRECTORS**

Shri Ram Gopal Gupta, Director of the Company, retire by rotation at the ensuing Annual General Meeting & being eligible offer himself for re-election.

During the Year under review, Mr. Prem Chand Aggarwal has resigned from the Directorship of the Company. The Board appreciated the contribution given by Shri Prem Chand Aggarwal during his tenure as a Director of the Company.

**AUDITORS**

The Auditors M/s A.K.G. & Associates, Chartered Accountants, Karnal, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

**FIXED DEPOSITS**

During the period under review, your Company has not accepted any Fixed Deposit within the meaning of Section 58(A) of the Companies Act, 1961 and the rules made thereunder.

**DOON VALLEY**