

# 8th ANNUAL REPORT 1998-'99



**MAHINE PRODUCTS LIMITED**

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**BOARD OF DIRECTORS**

MR.S.ANDREWS	: MANAGING DIRECTOR
MR.G.JOHN	: WHOLE-TIME-DIRECTOR
MR.GEORGE JOSEPH	: DIRECTOR
MR.ANTONY GEORGE	: DIRECTOR
MR.P.T.JOSEPH	: DIRECTOR
COL. (Rtd.) A.V.VISWANATHAN	: DIRECTOR
MR.T.M.THOMAS I.A.S	: DIRECTOR(KSIDC NOMINEE)
MR.P.ANDREWS	: DIRECTOR
MR.SEBASTIAN GEORGE MORRIS	: DIRECTOR

**Company Secretary**

A.A.VARGHESE

**Auditors**

RAJKUMAR ERUPACKAL & CO  
Chartered Accountants  
Central Buildings, XVIII/36  
Temple Road, Kottayam

**Bankers**

THE FEDERAL BANK LTD

**Factory**

P.B.NO.1243, PUTHENTHOPPU  
THIRUVANANTHAPURAM 695 586  
Ph:420001, 420306 Fax: 420002

**Registered Office**

39/3196, MANIKKATH CROSS ROAD  
RAVIPURAM, COCHIN 682 016  
KERALA

**NOTICE**

Notice is hereby given that the Eighth Annual General Meeting of the members of Euro Marine Products Ltd., will be held on Monday, the 26th of July, 1999 at 10.30a.m. at Hotel Abad Plaza, M.G.Road, Ernakulam, Cochin 682 035 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Director's Report, Audited Profit and Loss Account for the year ended 31st March, 1999 and the Balance Sheet at that date together with the Auditor's Report thereon.
2. To appoint auditors and fix their remuneration.
3. To appoint Director in place of Mr.P.Andrews, who retires by rotation and being eligible, offers for re-appointment.
4. To appoint Director in place of Mr Sebastian George Morris who retires by rotation and being eligible, offers for re-appointment.
5. To appoint Director in place of Mr Antony George who retires by rotation and being eligible, offers for reappointment.

**SPECIAL BUSINESS**

To consider and if thought fit to pass with or without modifications the following resolution

6. As an Ordinary Resolution  
"RESOLVED that Mr G. John, Whole-Time Director of the Company whose term of office ends on 28th September, 1999, be and is hereby appointed as a Whole-Time Director of the Company for a further period of three years as per the draft agreement to be entered by the Company with him, submitted to the meeting and signed by the Chairman for the purpose of identification".

**NOTES**

1. The Register of Members and Share Transfer Books of the Company will remain closed from 15th July to 26th July, 1999, both days inclusive.
2. A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
3. Members are requested to bring their copies of Annual Report to the meeting for reference.
4. Members are requested to notify immediately any change in their address to the Company's Registered Office at 39/3196, Manikkath Cross Road, Ravipuram, Cochin 682 016, quoting their folio numbers.
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least ten days in advance, so as to enable the Company to keep the information ready.
6. Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special Business of the notice set out above is annexed hereto.

By order of the Board of Directors  
Sd/-

A.A.Varghese  
Company Secretary

Cochin  
5th June, 1999

# ANNEXURE TO THE NOTICE Explanatory Statement

(Pursuant to Section 173 (2) of the Companies Act, 1956)

## Item No 6

The Board of Directors at its meeting held on 30th May, 1999 has proposed that Mr G. John, Whole-Time Director of the Company whose term expires on 28th September, 1999, be appointed under Section 269, 309 and 314 of the Companies Act, 1956, for a period of another three years in view of his valuable contribution to the Company. Messrs S. Andrews and P. Andrews, his brothers-in-law and his brothers, Messrs Antony George, Sebastian George Morris and George Joseph are interested or concerned in this resolution

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in submitting the Eighth Annual Report together with the audited financial statements for the year ended 31st March, 1999

## FINANCIAL RESULTS

(Rupees in lakhs)

Sl. No.	Particulars	Audited result for the year ended 31.03.1999	Previous accounting year 31.03.1998
01.	Net Sales/Income from operations	492.70	784.33
02.	Stock Variance	1.44	67.99
03.	Other Income	17.11	13.50
04.	Total Expenditure	506.84	828.66
05.	Interest	58.51	44.40
06.	Gross Profit after Interest but before Depreciation & Tax	(54.10)	(7.24)
07.	Depreciation	29.74	25.23
08.	Provision for Taxation	0.00	0.00
09.	Net Profit/Loss	(83.84)	(32.47)
10.	Paid-up Equity Share Capital	660.00	660.00
11.	Reserves Excluding Revaluation Reserves	00.00	8.63
	Total Income (Rs. in lakhs)	509.81	
	Profit before tax (Rs in lakhs)	(83.84)	

## BUSINESS PERFORMANCE

We are pleased to report that your directors, with the financial assistance from KSIDC, were able to complete the modernisation of the factory at Puthenthope. The modernisation works were done to the exacting requirements of EEC and the expenses were much more than we expected. Application for the EEC Approval is being processed

and we expect the final inspection of the factory very soon. We hope we would be able to get the EEC Approval without much delay and we will be able to resume our exports to European Countries soon.

During the period of modernisation of our factory, processing was suspended and we had to store our processed seafood products elsewhere. With the result, our exports were seriously affected. This aggravated the already difficult position in our seafood exports. In spite of these problems, it is heartening to note that our performance was considerably better than many other companies in seafood export.

Your Directors, in spite of the difficulties in recent years, are very optimistic about the future of your Company. After obtaining the EEC Approval, we would be able to increase our exports to European Countries where the Company's products have already gained considerable acceptance. We are sure that with our vigorous efforts, we will be able to recapture the lost European market. The exports will go up and the Company will certainly will become very profitable. We seek your continued support in our endeavour to make your company prosperous.

#### **DIRECTORATE**

Mr Antony George, Mr Sebastian George Morris and Mr P. Andrews who retire by rotation and being eligible offer themselves for reappointment. Mr. G. John, Whole Time Director, whose term of office ends on 28th September, 1999 is considered for re-appointment as a Whole-Time Director.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

Best efforts are made to conserve energy and the consumption of energy has been minimal in the processing plants. The technology used in the processing is indigenous and has been used by the Company for quite some time.

There is no foreign collaboration and there was no import of machinery or components for the processing. The Foreign earnings to the country is considerable as a result of the export performance of the Company.

#### **AUDITORS**

Rajkumar Erupackal & Co. the company's retiring Auditors, being eligible, offers themselves for reappointment.

#### **PARTICULARS OF EMPLOYEES**

No employee is in receipt of remuneration exceeding the limits set out under Section 217 (2A) of the Companies Act, 1956

#### **INDUSTRIAL RELATIONS**

The industrial relations continued to be cordial throughout the period under review. Your Directors wish to place on record their appreciation for the excellent team work with which the workers and officers of the Company at all levels have contributed to the performance of the Company.