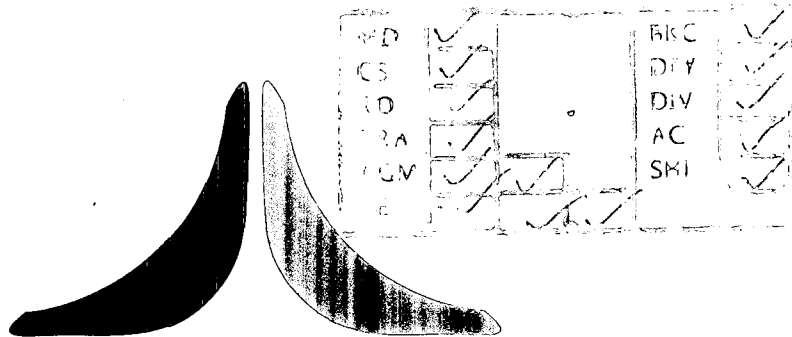




FORBES GOKAK LTD.

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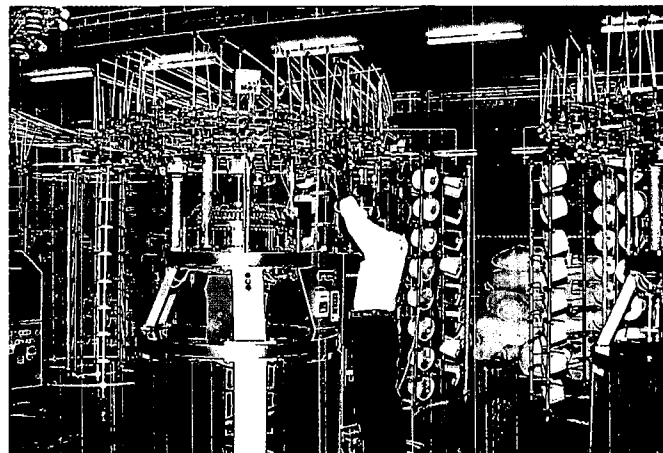
78th
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1996-97



Value addition—Terry towels made from Gokak dyed yarns



Products made from Gokak Yarns on display



Knitting of fabric at Campbell Knitwear at Marihal —Exports during the year aggregated to Rs. 12 crores.



DIRECTORS:	Dr. F. A. MEHTA	<i>Chairman</i>
	D. J. MADAN	<i>Deputy Chairman & Managing Director</i>
	N. A. SOONAWALA	<i>Vice-Chairman</i>
	D. N. POONEGAR	
	G. V. KAPADIA	
	M. R. PAI	
	D. B. ENGINEER	
	A. HYDARI	
	D. S. SOMAN	
	N. MAHALINGAM	<i>Whole-time Director</i>
	C. T. GHADIALI	<i>Director (Finance)</i>
	S. VENKATACHARI	
	J. K. SETNA	
	K. C. MEHRA	<i>Deputy Chairman & Managing Director (Designate)</i>
SECRETARY:	C. G. SHAH	<i>President (Finance) & Company Secretary</i>
MANAGEMENT:	D. J. MADAN	<i>Deputy Chairman & Managing Director</i>
	K. C. MEHRA	<i>Deputy Chairman & Managing Director (Designate)</i>
	N. MAHALINGAM	<i>Whole-time Director</i>
	C. T. GHADIALI	<i>Director (Finance)</i>
	C. G. SHAH	<i>President (Finance) & Company Secretary</i>
	P. K. KAKARADDI	<i>President & CEO (Textiles Division)</i>
	K. T. R. NAMBIAR	<i>President (Patvolk Division)</i>
	Dr. S. S. RAJADHYAKSHA	<i>Senior Vice-President (Industrial Relations)</i>
	G. D'SOUZA	<i>Senior Vice-President (Marketing-Textiles Division)</i>
	K. C. RAMAN	<i>Senior Vice-President (Patvolk Division)</i>
	C. A. KARNIK	<i>Vice-President (Personnel & HRD)</i>
	G. MUKHERJI	<i>Vice-President (Warrior Engineering)</i>
AUDITORS:	Messrs. A. F. FERGUSON & CO.	
	Messrs. S. B. BILLIMORIA & CO.	
SOLICITORS AND ADVOCATES:	Messrs. CRAWFORD BAYLEY & CO.	
	Messrs. MANEKSHA & SETHNA	
	Messrs. UDWADIA, UDESHI, DESAI, BERJIS & CHINOY (REGD.)	
LEGAL ADVISOR:	S. R. VAKIL	

**FORBES GOKAK LTD.**

BANKERS:	PUNJAB NATIONAL BANK STANDARD CHARTERED BANK THE HONGKONG AND SHANGHAI BANKING CORPORATION LTD. UNION BANK OF INDIA STATE BANK OF INDIA
REGISTRARS AND SHARE TRANSFER AGENTS:	TATA CONSULTANCY SERVICES, UNIT: FORBES GOKAK LIMITED, 6, LOTUS HOUSE, SIR VITHALDAS THACKERSEY MARG, MUMBAI 400 020
MILLS:	GOKAK FALLS (District Belgaum - Karnataka) - 591 308 VADODARA (Gujarat) 390 005
FACTORIES: AURANGABAD	1. A-7, M.I.D.C. AREA, CHIKALTHANA, AURANGABAD 431 210 2. PLOT B-13, WALUJ INDUSTRIAL AREA, AURANGABAD 431 133
MUMBAI	CHANDIVALI ESTATE, KURLA-POWAI ROAD, MUMBAI 400 072
REGISTERED OFFICE:	FORBES BUILDING, CHARANJIT RAI MARG, FORT, MUMBAI 400 001



SEVENTY-EIGHTH ANNUAL REPORT 1996-97

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The Annual General Meeting will be held on Friday, the 26th September, 1997 at 4.00 P.M. at Bombay House Auditorium, 24, Homi Mody Street, Mumbai 400 001.



NOTICE

NOTICE is hereby given that the SEVENTY-EIGHTH ANNUAL GENERAL MEETING of the Shareholders of FORBES GOKAK LIMITED, will be held at the Bombay House Auditorium, 24, Homi Mody Street, Mumbai 400 001 on Friday, the 26th September, 1997 at 4.00 P.M. to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors.
2. To declare a dividend.
3. To appoint a Director in place of Mr. D. B. Engineer who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. D. S. Soman who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr. J. K. Setna who retires by rotation and is eligible for re-appointment.
6. To appoint a Director in place of Mr. N. A. Soonawala who retires by rotation and is eligible for re-appointment.
7. To consider and, if thought fit, to pass, with or without modification, the following resolution, as a Special Resolution :

“RESOLVED that Messrs. A.F. Ferguson & Co. and Messrs.S.B. Billimoria & Co., Chartered Accountants, be and they are hereby appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at the remuneration to be determined by the Board of Directors, plus their actual travelling and other expenses in connection with the Company’s audit.”

8. To appoint a Director in place of Mr.K.C.Mehra, who was appointed as an Additional Director of the Company under Article 112 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting by reason of Section 260 of the Companies Act, 1956, but is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a shareholder, proposing him for the office of Director.
9. To consider and, if thought fit, to pass, with or without modification, the following resolution, as an Ordinary Resolution :

“RESOLVED that subject to provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Mr.K.C.Mehra, as the Managing Director (Designate) from 1st April, 1997 to 30th September, 1997 and as the Deputy Chairman & Managing Director from 1st October, 1997 to 31st March, 2002, i.e. for an aggregate period of 5 years from 1st April, 1997 to 31st March, 2002 (both days inclusive) on the remuneration as set out in the draft Agreement to be entered into between the Company and Mr.Mehra, placed before this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER that subject to the provisions of Schedule XIII to the Companies Act, 1956, the remuneration as set out in the aforesaid draft Agreement be paid to Mr. Mehra as minimum remuneration notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary, increase, expand, enhance, enlarge, widen or alter the scope of the remuneration and perquisites, including the monetary value thereof, from time to time as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole-time Directors in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard and that the aforesaid draft Agreement between the Company and Mr. Mehra be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Mr. Mehra.

RESOLVED FURTHER that the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Mehra in terms of the aforesaid draft Agreement.”

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

“RESOLVED that subject to provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the re-appointment of Mr.C.T.Ghadiali, as Director (Finance) of the Company for a period of 5 years from 28th September, 1997 to 27th September, 2002 (both days inclusive) on the remuneration as set out in the draft Agreement to be entered into between the Company and Mr.Ghadiali, placed before this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER that subject to the provisions of Schedule XIII to the Companies Act, 1956, the remuneration as set out in the aforesaid draft Agreement be paid to Mr. Ghadiali as minimum remuneration notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary, increase, expand, enhance, enlarge, widen or alter the scope of the remuneration and perquisites, including the monetary value thereof, from time to time as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole-time Directors in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard and that the aforesaid draft Agreement between the Company and Mr. Ghadiali be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Mr. Ghadiali.

RESOLVED FURTHER that the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Ghadiali in terms of the aforesaid draft Agreement.”

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

“RESOLVED that Mr.K.T.R.Nambiar be and is hereby appointed a Director of the Company liable to retire by rotation, under Article 134 of the Articles of Association of the Company read with Section 257 of the Companies Act, 1956, with effect from 1st October, 1997.

RESOLVED FURTHER that subject to provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Mr.K.T.R.Nambiar, as Whole-time Director of the Company for a period of 5 years from 1st October,1997 to 30th September,2002 (both days inclusive) on the remuneration set out in the draft Agreement to be entered into between the Company and Mr.Nambiar, placed before this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER that subject to the provisions of Schedule XIII to the Companies Act, 1956, the remuneration as set out in the aforesaid draft Agreement be paid to Mr. Nambiar as minimum remuneration notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary, increase, expand, enhance, enlarge, widen or alter the scope of the remuneration and perquisites, including the monetary value thereof, from time to time as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole-time Directors in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard and that the aforesaid draft Agreement between the Company and Mr. Nambiar be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Mr. Nambiar.

RESOLVED FURTHER that the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Nambiar in terms of the aforesaid draft Agreement.”

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



“RESOLVED that Dr.S.S.Rajadhyaksha be and is hereby appointed a Director of the Company liable to retire by rotation, under Article 134 of the Articles of Association of the Company read with Section 257 of the Companies Act, 1956, with effect from 1st October, 1997.

RESOLVED FURTHER that subject to provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Dr.S.S.Rajadhyaksha, as Whole-time Director of the Company for a period of 5 years from 1st October, 1997 to 30th September,2002 (both days inclusive) on the remuneration set out in the draft Agreement to be entered into between the Company and Dr. Rajadhyaksha, placed before this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER that subject to the provisions of Schedule XIII to the Companies Act, 1956, the remuneration as set out in the aforesaid draft Agreement be paid to Dr. Rajadhyaksha as minimum remuneration notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary, increase, expand, enhance, enlarge, widen or alter the scope of the remuneration and perquisites, including the monetary value thereof, from time to time as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole-time Directors in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard and that the aforesaid draft Agreement between the Company and Dr.Rajadhyaksha be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Dr. Rajadhyaksha.

RESOLVED FURTHER that the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Dr. Rajadhyaksha in terms of the aforesaid draft Agreement.”

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

“RESOLVED that Mr.C.G.Shah be and is hereby appointed a Director of the Company not liable to retire by rotation, under Article 134 of the Articles of Association of the Company read with Section 257 of the Companies Act, 1956, with effect from 1st October, 1997.

RESOLVED FURTHER that subject to provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Mr.C.G.Shah, as Whole-time Director of the Company for a period of 5 years from 1st October, 1997 to 30th September, 2002 (both days inclusive) on the remuneration as set out in the draft Agreement to be entered into between the Company and Mr.Shah, placed before this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER that subject to the provisions of Schedule XIII to the Companies Act, 1956, the remuneration as set out in the aforesaid draft Agreement be paid to Mr. Shah as minimum remuneration notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary, increase, expand, enhance, enlarge, widen or alter the scope of the remuneration and perquisites, including the monetary value thereof, from time to time as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole-time Directors in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard and that the aforesaid draft Agreement between the Company and Mr. Shah be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Mr. Shah.

RESOLVED FURTHER that the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Shah in terms of the aforesaid draft Agreement.”

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

“RESOLVED that Mr.P.K.Kakaraddi be and is hereby appointed a Director of the Company liable to retire by rotation, under Article 134 of the Articles of Association of the Company read with Section 257 of the Companies Act, 1956, with effect from 1st October, 1997.

RESOLVED FURTHER that subject to provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Mr.P.K.Kakaraddi, as Whole-time Director of the Company for a period of 5 years from 1st October, 1997 to 30th September, 2002 (both days inclusive) on the remuneration as set out in the draft Agreement to be entered into between the Company and Mr.Kakaraddi, placed before this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER that subject to the provisions of Schedule XIII to the Companies Act, 1956, the remuneration as set out in the aforesaid draft Agreement be paid to Mr. Kakaraddi as minimum remuneration notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary, increase, expand, enhance, enlarge, widen or alter the scope of the remuneration and perquisites, including the monetary value thereof, from time to time as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole-time Directors in accordance with Schedule XIII to the Act or any amendments made hereafter in this regard and that the aforesaid draft Agreement between the Company and Mr. Kakaraddi be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Mr. Kakaraddi.

RESOLVED FURTHER that the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr.Kakaraddi in terms of the aforesaid draft Agreement.”

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

“RESOLVED that subject to all the requisite approvals, consent of the Company be and is hereby accorded pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company, transferring or otherwise disposing of all or any part of the Company's Optics Division Undertaking at such price and on such terms and conditions as the Board may in their discretion determine to be most favourable to and/or in the best interests of the Company.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things and to execute all such documents, agreements or writings, as they may consider necessary, requisite or proper for the purpose of giving effect to the above resolution”.

For and on behalf of
the Board of Directors
F.A.MEHTA
Chairman.

Mumbai, 26th August, 1997
Registered Office:
Forbes Building,
Charanjit Rai Marg, Fort,
Mumbai 400 001

**NOTES :**

1. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A SHAREHOLDER.
2. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is annexed hereto.
3. As advised through newspapers, the Register of Members and the Share Transfer Books of the Company, will remain closed for the purpose of payment of Dividend from 9th September, 1997 to 26th September, 1997 (both days inclusive).
4. The Dividend, when declared, will be payable on and after Tuesday, the 30th September, 1997 to those Shareholders whose names appear on the Register of Members on 26th September, 1997.
5. Shareholders are requested to notify the REGISTRARS AND SHARE TRANSFER AGENTS immediately at their address mentioned as follows, any change in their address, to ensure prompt receipt of the Dividend Warrants.
6. SHAREHOLDERS ARE ADVISED, IN THEIR OWN INTEREST THAT ALL THE COMMUNICATIONS TO THE COMPANY OR ITS REGISTRARS AND SHARE TRANSFER AGENTS WHICH WOULD HAVE THE EFFECT OF AMENDING THE PERMANENT DETAILS OF THE LEDGER FOLIO SHOULD BE SIGNED BY ALL THE SHAREHOLDERS.
7. Please check whether you have encashed Dividend Warrants for earlier years. If the Dividend Warrants are lost or have become time-barred, please apply for duplicate/revalidated Dividend Warrants before the last dates indicated below :

Dividend for the year ended	Rate of Dividend	Dividend Warrant dated	Date on which unpaid amount is required to be paid to the Central Government	Shareholders should apply latest by
31st March, 1994	45%	30-09-94	10-11-97	20-10-97
31st March, 1995	45%	29-09-95	09-11-98	20-10-98
31st March, 1996	25%	30-09-96	10-11-99	20-10-99

Advices are also being sent in this behalf, to the concerned members individually.

Please address all communications including lodging of Transfer Deeds to -

REGISTRARS AND SHARE TRANSFER AGENTS

Tata Consultancy Services,

UNIT: Forbes Gokak Ltd.

6, Lotus House,

Sir Vithaldas Thackersey Marg,

Mumbai 400 020

Kindly quote your ledger folio no.