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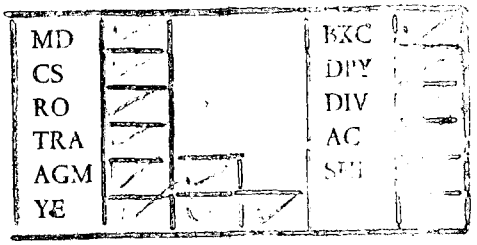


# FORBES GOKAK LTD.

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# 79th ANNUAL REPORT 1997 - 98

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Raad voor Accreditatie

**BUREAU OF INDIAN STANDARDS**

**LICENCE FOR THE QUALITY SYSTEMS CERTIFICATION**

**(Accredited by Raad voor Accreditatie, Netherlands)**

***Licence No.QSC/L*** - 000663.1

1. By virtue of the power conferred on it by the Bureau of Indian Standards Act, 1986 (63 of 1986), the Bureau hereby grants to **M/s Gokak Mills (Division of Forbes Gokak Ltd.), Gokak Falls, Distt. Belgaum-591 308 (Karnataka)**

(hereinafter called the Licensee) the right and licence to be listed in the Bureau's register of Licensees of Quality System Certification in respect of the products or *processes* particularly described in the schedule hereto, bearing the same number as this licence. Such products shall be manufactured by the Licensee at only the address(es) given above, and under the Quality System in accordance with **IS/ISO 9002:1994**

2. The licence is granted subject to the relevant provisions of the above Act and the rules and regulations made thereunder governing the licences referred to above, and the Licensee hereby covenants with the Bureau duly to observe with the said Rules and Regulations.

3. This licence shall be valid from **16 July 1997 to 15 July 2000** and may be renewed as prescribed in the Regulations.

Signed, Sealed and Dated this **Fourth** day of **Aug** one thousand nine hundred and **Ninetyseven**

**DIRECTOR GENERAL**
**for BUREAU OF INDIAN STANDARDS**

---

Schedule to Licence No. QSC/L- **000663.1**
Issued to **M/s Gokak Mills (Division of Forbes Gokak Ltd.), Distt. Belgaum-591 308**

**SCHEDULE**

Products/processes with respect to which the firm has been granted the licence for Quality Systems Certification:

**Manufacture and Supply of Grey and Dyed, Cotton and Polyester/Cotton Blends in Single, Double and Plied Yarns (Corded and Combed), Canvas, Belting Duck, Cotton and Nylon Tyre Cords and Cotton Terry Towels.**

**DIRECTOR GENERAL**
**for BUREAU OF INDIAN STANDARDS**

QSC - F6 4-17 Issue 03 Jan 96

COMMITMENT TO QUALITY - ISO 9002 QUALITY SYSTEM RECERTIFICATION FOR FURTHER 4 YEARS FOR GOKAK MILLS, GOKAK FALLS.

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FORBES GOKAK LTD.

| | | |
|---|---|---|
| **DIRECTORS:** | Dr. F. A. MEHTA | *Chairman* |
| | K. C. MEHRA | *Deputy Chairman & Managing Director* |
| | N. A. SOONAWALA | *Vice-Chairman* |
| | G. V. KAPADIA | |
| | M. R. PAI | |
| | D. B. ENGINEER | |
| | D. S. SOMAN | |
| | J. K. SETNA | |
| | K. T. R. NAMBIAR | *Executive Director (Shipping)* |
| | DR. S. S. RAJADHYAKSHA | *Executive Director (HRD)* |
| | C. G. SHAH | *Executive Director (Finance) & Secretary* |
| | P. K. KAKARADDI | *Executive Director (Textiles)* |
| | R. N. JHA | |
| **SECRETARY:** | C. G. SHAH | *Executive Director (Finance) & Secretary* |
| **MANAGEMENT:** | K. C. MEHRA | *Deputy Chairman & Managing Director* |
| | K. T. R. NAMBIAR | *Executive Director (Shipping)* |
| | DR. S. S. RAJADHYAKSHA | *Executive Director (HRD)* |
| | C. G. SHAH | *Executive Director (Finance) & Secretary* |
| | P. K. KAKARADDI | *Executive Director (Textiles)* |
| | C. A. KARNIK | *Director (HRD)* |
| | G. MUKHERJI | *Director (Engineering)* |
| **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 | |
| **BANKERS:** | PUNJAB NATIONAL BANK | |
| | STANDARD CHARTERED BANK | |
| | THE HONGKONG AND SHANGHAI BANKING CORPORATION LTD. | |
| | UNION BANK OF INDIA | |
| | STATE BANK OF INDIA | |



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| | |
|---|---|
| **REGISTRARS AND SHARE TRANSFER AGENTS:** | TATA CONSULTANCY SERVICES,<br>UNIT: FORBES GOKAK LIMITED,<br>6, LOTUS HOUSE,<br>SIR VITHALDAS THACKERSEY MARG,<br>*MUMBAI 400 020* |
| **MILLS:** | GOKAK FALLS (District Belgaum - Karnataka) - 591 308<br>VADODARA (Gujarat) 390 005 |
| **FACTORIES:** | |
| **AURANGABAD** | 1. A-7, M.I.D.C. AREA,<br>CHIKALTHANA,<br>AURANGABAD 431 210<br>2. PLOT B-13,<br>WALUJ INDUSTRIAL AREA,<br>AURANGABAD 431 133 |
| **MUMBAI** | CHANDIVALI ESTATE,<br>KURLA-POWAI ROAD,<br>MUMBAI 400 072 |
| **REGISTERED OFFICE:** | FORBES BUILDING,<br>CHARANJIT RAI MARG,<br>FORT, MUMBAI 400 001 |



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FORBES GOKAK LTD.

# SEVENTY-NINTH ANNUAL REPORT 1997-98

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**The Annual General Meeting will be held on Friday, the 21st August, 1998 at 4.00 P.M. at Bombay House Auditorium, 24, Homi Mody Street, Mumbai 400 001.**



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# NOTICE

NOTICE is hereby given that the SEVENTY-NINTH 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 21st August, 1998 at 4.00 P.M. to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1998 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 Dr. F. A. Mehta who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. G. V. Kapadia who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr. M. R. Pai who retires by rotation and is eligible for re-appointment.
6. To appoint a Director in place of Mr. R. N. Jha who holds office upto the date of this Annual General Meeting pursuant to Section 262 of the Companies Act, 1956 read with Article 113 of the Articles of Association of the Company, 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.
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."

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8. To consider and, if thought fit, to pass, with or without modification, the following resolution, as a Special Resolution :

   "RESOLVED that pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered in the following manner :

   (A) Insert the following Article as Article 26A after Article 26 :

   26A. Notwithstanding anything contained in these Articles, in the event it is permitted by law for a Company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by the law.

   (B) Insert the following Heading and Article as Article 70A after Article 70 :

   **'Dematerialisation of Securities'**

   70A. (1) For the purpose of this Article : –

   **Definitions** 'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;

   'SEBI' means the Securities & Exchange Board of India;

   'Depository' means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992; and

   'Security' means such security as may be specified by SEBI from time to time.



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**Dematerialisation of Securities** (2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

**Options for Investors** (3) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

**Securities in Depositories to be in fungible form** (4) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

**Rights of Depositories and Beneficial Owners** (5)

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

**Service of Documents** (6) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

**Transfer of Securities** (7) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**Allotment of Securities dealt with in a Depository** (8) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

**Distinctive numbers of Securities held in a Depository** (9) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

**Register and Index of Beneficial Owners** (10) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security-holders for the purposes of these Articles."



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9. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

"RESOLVED that if and when permitted by the law and subject to all applicable provisions of the law and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include any Committee thereof) or as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to or accepted by the Board, the consent of the Company be and is hereby accorded to the Board, to purchase such number of Equity Shares or other Securities specified by the Government, of the Company, as may be thought fit, from the holders of the Equity Shares or other Securities of the Company in such proportion and manner as may be permitted by the law, not exceeding 10% of the present paid-up capital of the Company, from such funds of the Company as are permitted to be used for this purpose or out of the proceeds of any issue made by the Company, on such terms and subject to such conditions as may be prescribed by the law.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts and things and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the said purchase of Equity Shares or other Securities.

RESOLVED FURTHER that nothing herein above contained shall confer any right on any shareholder to offer or any obligation on the Company or the Board to buy back any Equity Shares or Securities."

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

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof) and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include any Committee thereof) or as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to or accepted by the Board in its sole discretion, the consent of the Company be and is hereby accorded to the Board to create, offer, issue or allot, in one or more tranches, to such persons as are in the permanent employment of the Company at the time the issue is made and to the Managing/Whole-time Directors of the Company, as may be decided solely by the Board, such number of Equity Shares of the Company of the face value of Rs.10/- each, not exceeding 5% or such higher percentage, if permitted by law, not however exceeding 10% of the Subscribed Equity Shares of the Company at that time, as the Board may deem fit, for subscription for cash or allocated as an option to subscribe, on such terms and at such price as may be fixed and determined by the Board prior to the issue and offer thereof in accordance with the applicable guidelines and provisions of law and otherwise ranking *pari passu* with the Equity Shares of the Company as then issued and in existence and on such other terms and conditions and at such time or times as the Board may, in its absolute discretion and in the best interest of the Company deem fit; Provided that the aforesaid issue of Equity Shares may instead be in the form of fully or partly Convertible Debentures, Bonds, Warrants or other securities as may be permitted by the law, from time to time and the issuance of such securities in the aggregate will result in not more than 5% or such higher percentage, as may be permissible, not however exceeding 10% of the Subscribed Equity Shares of the Company at that time.

RESOLVED FURTHER that the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required in pursuance of the above issue, and that the Equity Shares so allotted shall rank in all respects *pari passu* with the existing Equity Shares of the Company save and except that such Equity Shares shall carry the right to receive either the full dividend or a pro-rata dividend from the date of allotment, as may be decided by the Board, declared for the financial year in which the allotment of the Equity Shares shall become effective.



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RESOLVED FURTHER that the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to all necessary approvals to the Board to secure, if necessary, all or any of the above mentioned securities to be issued, by the creation of mortgages and/or charges on all or any of the Company's immoveable and/or movable assets, both present and future in such form and manner and on such terms as may be deemed fit and appropriate by the Board.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form and terms of the Issue, the Issue price and all other terms and matters connected therewith including the creation of mortgages and/or charges and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to settle any questions or difficulties that may arise in regard to the Issue."

For and on behalf of
the Board of Directors

F. A. MEHTA
*Chairman.*

*Mumbai, 20th July, 1998*
*Registered Office:*
Forbes Building,
Charanjit Rai Marg, Fort,
Mumbai 400 001

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**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 11th August, 1998 to 21st August, 1998 (both days inclusive).

4. The Dividend, when declared, will be payable on and after Monday, the 31st August. 1998 to those Shareholders whose names appear on the Register of Members on 21st August, 1998.

5. Shareholders are requested to notify the REGISTRARS AND SHARE TRANSFER AGENTS immediately at their address mentioned as follows, any change in their bank account details and address, to ensure correct and 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.



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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 declared on | Date on which unpaid amount is required to be paid to the Central Government | Shareholders should apply latest by |
|---|---|---|---|---|
| 31st March, 1995 | 45% | 22-09-1995 | 09-11-1998 | 20-10-1998 |
| 31st March, 1996 | 25% | 26-09-1996 | 10-11-1999 | 20-10-1999 |
| 31st March, 1997 | 30% | 26-09-1997 | 10-11-2000 | 20-10-2000 |

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

Please address all other 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.**

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