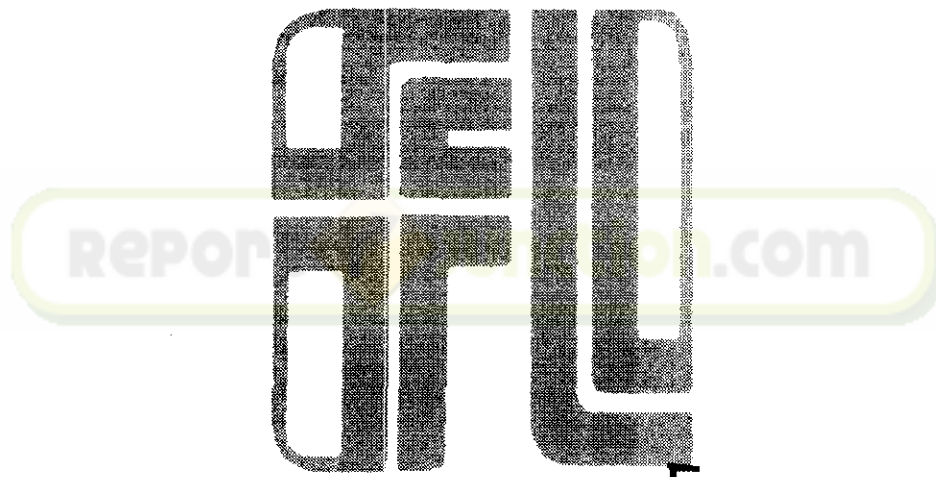


**10th  
ANNUAL REPORT  
1999-2000**



**FLEX FOODS LIMITED**



## **FLEX FOODS LIMITED**

### **1999-2000**

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#### **BOARD OF DIRECTORS**

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ASHOK CHATURVEDI  
Chairman

HARISH CHATURVEDI

T.N. PANDEY  
(Nominee - ICICI)

G.N. GUPTA

R.K. GUPTA

S.K. KAUSHIK  
Chief Executive

R.K. JAIN

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#### **COMPANY SECRETARY**

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RAJESH DHEER

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#### **AUDITORS**

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JAIN SINGHAL & ASSOCIATES  
Chartered Accountants  
E-169, Masjid Moth,  
Greater Kailash - III  
New Delhi - 110 048

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#### **BANKER**

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CANARA BANK

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#### **REGISTERED OFFICE**

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Lal Tappar Industrial Area,  
P.O. Resham Majri,  
Haridwar Road,  
Dehradun (U.P.)

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#### **SHARE DEPARTMENT**

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110, First Floor, Bhanot Corner,  
Pamposh Enclave,  
Greater Kailash-I,  
New Delhi-110 048.  
Phone Nos. : 6440917, 6440925  
Fax No. : 6216922

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#### **WORKS**

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Lal Tappar Industrial Area  
P.O. Resham Majri,  
Haridwar Road  
Dehradun  
UTTAR PRADESH

Chhiggerwala  
Dehradun  
UTTAR PRADESH



## FLEX FOODS LIMITED

### NOTICE

Notice is hereby given that the 10th Annual General Meeting of the Members of Flex Foods Limited will be held on Saturday the 16th day of September, 2000 at 3:00 P.M. at the Registered Office of the Company at Lal Tappar Industrial Area, P.O. Resham Majri, Haridwar Road, Dehradun (U.P.) to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2000 and the Profit & Loss Account for the year ending on that date together with the Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Shri R.K. Gupta, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. M/s Jain Singhal and Associates, Chartered Accountants, New Delhi, retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

#### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri G.N. Gupta, who was appointed as Director w.e.f. 28.07.99 in the casual vacancy caused by the resignation of Shri R.K. Atal and who holds office upto the date of this Annual General Meeting in terms of Section 262 of the Companies Act, 1956 and Article 102 of the Articles of Association of the Company and in respect of whom the Company has received notice in writing pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri S.K. Kaushik, who was appointed as an Additional Director of the Company w.e.f. 11th August, 2000 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and Article 101 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provision of Section 309, Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, and subject to such

other approvals/sanctions, as may be necessary, approval of the members of the Company be and is hereby accorded to the continuation of the payment of remuneration, minimum remuneration in case of loss or inadequate profit in any financial year as set out in the explanatory statement, which shall be deemed to form part hereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary and/or revise the remuneration of Shri S.K. Kaushik within the overall limit approved herein and to settle any question or difficulties in connection therewith or incidental thereto."

7. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri R.K. Jain, who was appointed as an Additional Director of the Company w.e.f. 11th August, 2000 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and Article 101 of the Articles of the Association of the Company and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modifications or re-enactment thereof, to mortgaging and/or charging by the Board of Directors of the Company all or any of the such immovable and movable properties of the Company by way of *pari-passu* charge as agreed/may be agreed between the Company and the National Horticulture Board (NHB) and the whole of the undertaking of the Company together with the power to take over the management of the business and undertaking/concern of the Company in certain events to or in favour of NHB for the financial assistance of Rs.100 lacs for setting up post harvest and marketing infrastructure facilities. RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to vary and/or alter the terms and conditions of the security aforesaid in consultation with the NHB.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to prepare, finalise and execute with the NHB documents, deeds, writings and agreements, as may be necessary for creating mortgages and/or charges as aforesaid and to do all such acts, deeds, matters and things as may be necessary and/or expedient for giving effect to the above resolution."

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

"RESOLVED THAT pursuant to provisions of Section



## FLEX FOODS LIMITED

81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) and in accordance with the provisions of the Memorandum & Articles of Association of the Company and of the subsisting guidelines/regulations prescribed by the Securities and Exchange Board of India or any other Relevant Authority to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions, alteration and modifications as may be stipulated by any of them while granting such approvals, consents, permissions and sanctions which the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution) is hereby authorised to accept in its absolute discretion, the Board be and is hereby authorised on behalf of the Company to issue, offer and allot equity shares on preferential basis at a price calculated in accordance with SEBI guidelines in this regard or at par @ Rs.10/- per share, whichever is more to the below mentioned entities as per financial restructuring scheme approved by ICICI Ltd. for conversion of loans of ICICI Ltd. and unsecured loans of the group company(ies) into equity shares :

- (i) The ICICI Ltd. to the extent of Rs.13 million; and
  - (ii) Flex Industries Ltd. to the extent of Rs.31.5 million
- RESOLVED FURTHER THAT for the purpose of giving effects to the above, the Board be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and to accept any modifications in the above proposal as may be required by the authorities involved in such issues and also to settle any questions or difficulties that may arise in regard to the offer, issue and allotment of equity shares and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings in connection with the issue of equity shares."

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

"RESOLVED THAT pursuant to Section 61 and other applicable provisions of the Companies Act, 1956 and pursuant to the guidelines issued/rules framed by the Securities & Exchange Board of India (SEBI)/respective Stock Exchanges and subject to the approvals, permissions and consents of SEBI and/or concerned Stock Exchanges, if any, required and subject to such conditions as may be stipulated by SEBI/Stock Exchanges or any other Statutory Authorities as the case may be, which the Board of Directors be and is hereby authorised to accept, the Board of Directors be and is hereby authorised to seek voluntary delisting of the Securities of the Company listed on The Stock Exchange, Ahmedabad, Madras Stock Exchange Ltd., Chennai and The Calcutta Stock Exchange Association Ltd., Calcutta and for that matter to approach the respective Stock Exchanges and/or any other concerned authorities seeking its/their approval for voluntary delisting of the securities from the

aforesaid Stock Exchanges.

RESOLVED FURTHER THAT the Board of Directors be and is hereby further authorised to settle all questions or difficulties that may arise in regard to the aforesaid voluntary delisting of securities as it may in its absolute discretion deem fit without being required to seek any further approval of the members of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby further authorised to do all other acts, deeds, matters and things as may be necessary in connection therewith including taking all necessary steps to comply with all legal and procedural formalities and further to authorise any of its committee or any of its Directors/Officers of the Company to give effect to the aforesaid resolution."

By Order of the Board

Place : NOIDA

Dated : 11th August, 2000

**RAJESH DHEER**

Company Secretary

**Regd. Office :**

Lal Tappar Industrial Area

P.O. Resham Majri, Haridwar Road

Dehradun (U.P.)

**NOTES :**

1. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED, DULY COMPLETED, TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 12.09.2000 to 16.09.2000 (both days inclusive).
4. Members are requested to notify change in address, if any, to the Company at its Registered Office, quoting correct Folio Number(s).
5. The Company has paid the Annual Listing fees for the year 2000-2001 to the following Stock Exchanges viz. the Stock Exchange Ahmedabad, the Stock Exchange, Mumbai, the Calcutta Stock Exchange Association Ltd., the Delhi Stock Exchange Association Ltd. and Madras Stock Exchange Ltd. at which the Company's securities are presently listed.
6. Members can avail of the nomination facilities by filing Form No. 2B as prescribed under Companies (Central Government's) General Rules and Forms, 1956 with the Company. The Blank Form will be supplied on request.
7. In terms of notification No.SMDRP/POLICY/CIR-23/2000 dated 29th May, 2000 of the Securities & Exchange Board of India (SEBI) the trading in the shares of the Company would be compulsorily in dematerialised form by all investors w.e.f. 26th February, 2001.



## FLEX FOODS LIMITED

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

#### ITEM NO. 4

Shri G.N. Gupta was appointed as Director w.e.f. 28.07.99 in the casual vacancy caused by the resignation of Shri R.K. Atal.

Mr. G.N. Gupta is a Tax Consultant. He retired as Chairman of Central Board of Direct Taxes. During his illustrious career with the Govt. of India, he held several important positions. The Directors feel that his induction would further strengthen the Board and his rich experience would be of immense benefit to the Company.

Notice has been received from a member of the Company alongwith requisite fees under Section 257 of the Companies Act, 1956 proposing his candidature for appointment to the office of Director.

The Board of Directors recommend the resolution for your approval.

Except Shri G.N. Gupta, no other Director is concerned or interested in the said resolution.

#### ITEM NO. 5 & 6

Shri S.K. Kaushik joined the Company as Chief Executive and appointed as 'Manager' under the Companies Act, 1956 w.e.f. 24.08.1999, for a period of five years which was duly approved by the Members of the Company at the 9th Annual General Meeting held on 20.09.1999.

With a view to expanding & broad basing the Board of Directors of the Company, and further giving recognition to the services rendered by Shri S.K. Kaushik, Shri Kaushik has been elevated to the Board of Directors of the Company w.e.f. 11.08.2000. In accordance with Section 260 of the Companies Act, 1956 and Article 101 of the Articles of Association of the Company, he holds office upto the date of the ensuing Annual General Meeting of the Company.

Further, a notice has been received from a member of the Company alongwith requisite fee under Section 257 of the Companies Act, 1956 proposing his candidature for appointment to the office of Director.

Shri Kaushik being Chief Executive and in the whole-time employment of the Company, with the induction to the Board, he will be deemed to have become Whole-time Director of the Company pursuant to explanation to Section 269 of the Companies Act, 1956.

There is no change in other terms and conditions of his appointment as already approved by the members of the Company. He shall continue to be entitled to the remuneration and other benefits as detailed here-under :

The remuneration of Shri S.K. Kaushik by way of salary, perquisites and/or other allowances/benefits shall not exceed Rs.1.25 lacs per month or Rs.15.00 lacs per annum subject to maximum of 5% of the net profit of the Company. If in any financial year during the currency of the tenure of Shri S.K. Kaushik, the Company has no profits or the profits are inadequate, the Company may pay him remuneration by way of salary, perks and other allowances as per Schedule XIII of the Companies Act, 1956 or subject to the approval of the Central Government, if any, required in case

the minimum remuneration exceeds the limits as mentioned in Schedule XIII of the Companies Act, 1956.

The following perquisites shall however, not be included for calculating the above limits of the remuneration :

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund made by the Company to the extent these are singly or put together are not taxable under the Income-tax Act.

2. Payment of Gratuity at the rate of one-half month's salary for each completed year of service and encashment of leaves as per company's rule at the end of tenure.

He shall also be eligible for Company's car with driver and telephone at residence. The personal long distance call and use of car for private purpose shall be billed by the Company to Shri S.K. Kaushik.

The aforesaid appointment shall be subject to determination by either party by not less than 3 months notice in writing given at any time to the other party.

Subject to above conditions, the Chairman and/or Committee of Directors shall determine the exact quantum of remuneration and nature of perquisites and other allowances and vary/alter the same from time to time subject to the aforesaid limits.

The Board of Directors recommend the resolution for your approval.

None of the Directors of the Company except Shri S.K. Kaushik is concerned or interested in the said resolution.

#### ITEM NO. 7

Shri R.K. Jain was appointed as an Additional Director of the Company w.e.f. 11.08.2000 by the Board of Directors in accordance with Section 260 of the Companies Act, 1956 and Article 101 of the Articles of Association of the Company. He holds office upto the date of the ensuing Annual General Meeting of the Company.

Shri Jain is a Chartered Accountant having more than 20 years of experience particularly in the field of finance, accounts and taxation. He has been associated with the Flex Group almost since its inception and as such, is quite familiar with the affairs of the group activities.

The Directors feel that his induction would further strengthen the Board and his rich experience and overall understanding of the Group's business, could be of immense benefit to the Company.

Notice has been received from a Member of the Company alongwith requisite fee under Section 257 of the Companies Act, 1956 proposing his candidature for appointment to the office of Director.

The Board of Directors recommend the resolution for your approval.

None of the Directors of the Company except Shri R.K. Jain is concerned or interested in the said resolution.

#### ITEM NO. 8

Section 293 (1) (a) of the Companies Act, 1956 provides *inter-alia* that the Board of Directors of a public company shall not, without the consent of such company in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or





## FLEX FOODS LIMITED

where the company owns more than one undertaking, the whole or substantially the whole of the any such undertaking. The Company is to avail the financial assistance of Rs.100 lacs from the National Horticulture Board (NHB) for setting up of post harvest and marketing infrastructure facilities, which shall be secured by *pari-passu* charge on the property of the company. Mortgaging/charging by the Company of its immoveable and moveable properties in favour of NHB as aforesaid may be regarded as disposal of the whole or substantially the whole of the said undertaking(s) of the Company and therefore requires consent of the Company pursuant to Section 293(1)(a) of the Companies Act, 1956. The Board of Directors recommend the resolution for your approval.

None of the Directors of the Company is concerned or interested in the resolution.

### ITEM NO. 9

The Company had approached the Financial Institution for financial restructuring package due to adverse business conditions and tight liquidity position. The ICICI Ltd. has approved the financial restructuring scheme which *inter-alia* provides for conversion of loan of the ICICI Ltd. to the extent of Rs.13 million and unsecured loan of the Group Company(ies) to the extent of Rs.31.5 million respectively into equity shares at par.

In view of this it is proposed to issue equity shares to ICICI Ltd. and to Flex Industries Ltd.

As per the SEBI guidelines and pursuant to provision of Section 81(1A) of the Companies Act, 1956, the aforesaid issue of Equity Shares require the approval of the Members by way of Special Resolution.

Since the aforesaid issue of equity shares is governed by SEBI guidelines for issue of equity shares on preferential basis to select group of persons accordingly the issue of shares will be at a price as enumerated in the SEBI guidelines or at Rs.10/- per share whichever is higher.

At present ICICI Ltd. is not holding any shares of the Company. However, Flex Industries Ltd. is holding 12,00,000 (15%) shares of the Company. Assuming the proposed loan is converted into equity shares at par @ Rs.10/- per share, the shareholding of ICICI Ltd. and Flex Industries Ltd. would be 10.44% and 34.94% respectively of the increased Equity Capital of the Company.

No change is envisaged either in the control or in the Management of the Company as a result of aforesaid issue of the equity shares.

The allotment is proposed to be made immediately after the proposal is approved by Members of the Company. The pattern of share holding before and after the allotment will be as follows:

Category	Before the Issue		After the Issue	
	No. of shares	% age	No. of shares	% age
Promoter and Associates	4195340	52.44	7345340	59.00
Financial Institution	—	—	1300000	10.44
Public	3804660	47.56	3804660	30.56
	8000000	100.00	12450000	100.00

The lock in period and number of shares subject to lock in shall be as per SEBI guidelines applicable to allotment of shares on preferential basis.

A certificate as required under the guidelines certifying that the issue proposed is in accordance with the SEBI guidelines is being obtained and will be available for inspection seven days prior to the date of Annual General Meeting at the Regd. Office of the Company on any working day and also at the place of the meeting on the meeting day.

The Board of Directors recommend the resolution for your approval.

Except Shri Ashok Chaturvedi and Shri Harish Chaturvedi being the Directors of Flex Industries Limited and Shri T.N. Pandey being the nominee of ICICI Ltd., no other Director is concerned or interested in the said resolution.

### ITEM NO. 10

In terms of Prospectus dated 17.03.1992 the Company's equity shares of Rs.10/- each and Non-Convertible Debentures of Rs.100/- each have been listed at Delhi Stock Exchange Association Ltd., Delhi (being regional Stock Exchange for the Company), The Stock Exchange - Mumbai, The Stock Exchange - Ahmedabad, The Calcutta Stock Exchange Association Ltd. - Calcutta and Madras Stock Exchange Ltd., Chennai. For quite some time, it has been observed that either there is no trading or the volume of trading in the securities of the Company is quite insignificant at the Stock Exchanges at Ahmedabad, Chennai & Calcutta. Further the percentage of securities held by the shareholders/debentureholders in the regions falling under the jurisdiction of these three Stock Exchanges is almost negligible.

However, since the securities shall continue to be listed at Delhi and Mumbai Stock Exchanges, no inconvenience is likely to be caused to the shareholders/debentureholders falling under the jurisdiction of Ahmedabad, Madras & Calcutta regions.

In view of the above and further to avoid incurring of unproductive cost and interaction with so many Stock Exchanges, it is felt desirable to discontinue with the listing of the securities of the Company on these three Stock Exchanges.

The Board of Directors recommend the resolution for your approval.

All material documents, copy of listing agreement etc. are open for inspection to the members till the conclusion of the Annual General Meeting at the Registered Office of the Company.

None of the Directors of the Company is concerned or interested in the Resolution.

By Order of the Board

Place : NOIDA  
Dated : 11th August, 2000

**RAJESH DHEER**  
Company Secretary

**Regd. Office :**  
Lal Tappar Industrial Area  
P.O. Resham Majri  
Haridwar Road  
Dehradun (U.P.)



## FLEX FOODS LIMITED

### DIRECTORS' REPORT

To the Members,

Your Directors present their 10th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2000.

#### FINANCIAL RESULTS

The summarised financial results for the year ended 31st March, 2000 and for the previous year ended 31st March, 1999 are as follows :

	Year ended 31.03.2000	(Rs. in lacs) Year ended 31.03.1999
Sales	1219.59	1361.43
Other Income	6.93	25.90
Profit before Interest, Financial Charges and Depreciation	70.75	368.21
Interest & Financial Charges	213.73	208.94
Depreciation	141.20	139.98
Profit/(Loss) before tax	(284.18)	19.29
Provision for taxation	—	0.59
Add: Provision written back	0.59	—
Profit/(Loss) after tax	(283.59)	18.70

#### CORPORATE OVERVIEW & FUTURE OUTLOOK

The year under review was a difficult year for the Company both in terms of turnover and profitability. The Company ended the financial year 31st March, 2000 with a turnover of Rs.1219.59 lacs and a net loss of Rs.283.59 lacs as against a turnover of Rs.1361.43 lacs and a net profit of Rs.18.70 lacs in the previous financial year ended 31st March, 1999.

The Company being an export based Company, the depressed international market scenario for its products was the main factor for the subdued performance. The situation was further aggravated with the shifting of preference of the consumers to air dried mushroom from freeze dried mushroom and stiff competition from other countries resulting in low realisation.

Further, the Company had diversified into herbs and green pepper where the margins were better. However, the Company could not take advantage of the same, due to short harvesting period of herbs and limited freeze drying capacity resulting into lower turnover.

Though, there has been a temporary setback in the freeze dried mushroom segment, but this segment otherwise holds good potential in the international market. The Management is already seized of the matter and has initiated several corrective measures to contain the negative trend and costs and to improve the productivity and realisations. The efforts of Management have started yielding positive results and there has been reasonable improvement in the performance of the Company both in terms of production and turnover.

The Company is exploring the market potential of various freeze dried products including herbs and has been able to create demand for some of its products in the global market. Research & development in the areas of various production processes & methods is being carried out to achieve higher productivity, better quality and to save cost. The construction of Blast Freeze facility has already been undertaken to eliminate the bottlenecks of existing freezing capacity and to attain optimum use of its growing and processing facilities.

With the improvement in the international market and commissioning of the Blast Freeze facility the Company would be able to process the herbs during off season period too, which will result into better turnover and realisation.

#### DIVIDEND

Your Directors regret their inability to recommend any dividend due to loss during the year under review.

#### FINANCE

Due to adverse operating conditions in the Company's business, the Company had been facing tight liquidity position. The tight liquidity position not only affected Company's capacity to meet its financial obligation towards financial institution & banks but also started affecting the smooth operations of the Company. With a view to overcome the difficult situation the Company approached ICICI Ltd. with a financial restructuring package. ICICI Ltd. had approved the said package which *inter-alia* involves :

- i) Conversion of part of outstanding loans to the extent of Rs.13 million into equity shares at par.
- ii) Revision in the repayment schedule of balance loan with Zero Percent Interest Rate. (Starting from year ending March, 2003 to 2006 by way of annual instalment @ 27.50%, 30.00%, 30.00% & 12.50% respectively.)
- iii) Conversion of part of promoters unsecured loan to the extent of Rs.31.5 million into equity shares at par.

In line with the above Canbank Mutual Fund has also restructured the privately placed 19% Non-Convertible Debentures, which *inter-alia* includes :

- i) Compound Interest/Liquidated Damages upto 31.03.2000 are waived.
- ii) The rate of interest on outstanding debentures reduced from 19% p.a. to 14% p.a. w.e.f. April, 2000.
- iii) The simple interest accrued upto 31.03.2000 and further interest accrued upto 31.03.2001 at the revised rate shall be funded by way of Zero Rate Debentures (ZRDs)/Funded Interest Term Loan (FITL).
- iv) The repayment of the principal dues of debentures shall be payable in 20 quarterly instalments commencing from June 2001 and ending with March, 2006.
- v) The repayment of ZRDs/FITL be payable in 16 quarterly instalments commencing from June, 2001 and ending in March, 2005.

Further, the Company had approached National Horticulture Board (NHB) for financial assistance of Rs.100 lacs for setting up of Post Harvest & Marketing Infrastructure facility, which has since been approved.

#### DELISTING OF SECURITIES

The volume of trading in the securities of the Company is quite insignificant at the Stock Exchanges of Ahmedabad, Calcutta and Chennai. Further, the percentage of Securities held by the Shareholders & Debentureholders in the regions falling under the jurisdiction of these three Stock Exchanges is almost negligible. To avoid incurring of unproductive cost and interaction with so many Stock Exchanges, it is proposed to seek voluntarily delisting of the Securities of the Company from these Stock Exchanges.

#### FIXED DEPOSIT

During the year under review, your Company did not accept any Fixed Deposit from the Public.

#### DIRECTORS

Shri G.N. Gupta was inducted on the Board in the casual