



**1998-99**

**ANNUAL REPORT**



**NOTICE**

**ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Fifth Annual General Meeting of **GALAXY AGRICO EXPORTS LIMITED** will be held at 301, Diwali Chambers, Dhebar Road, Rajkot - 360 001 on Friday, 10th Sep, 1999 at 10.00 Hours to transact the following business.

1. To receive, consider and adopt the Audited Balance Sheet as at 31st MARCH, 1999 and the Profit & Loss Account for the year ended on that date together with the Auditors' and Directors' Report thereon.
2. To appoint directors in place of Mr. Nathabhai Sadaria and Mr. Sanjaybhai Patel who retire by rotation and being eligible offer themselves for re-appointment.
3. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The register of members and share transfer books of the company will remain closed from Tuesday, 7th SEPT., 1999 to Friday, 10th SEPT., 1999 (both days inclusive).

The share department will be open from 9.30 a.m. to 12.30 p.m.

**30th JUNE, 1999**

**Registered Office :**  
**301, DIWALI CHAMBERS,**  
**DHEBAR ROAD,**  
**OPP MEHTA PETROL PUMP,**  
**RAJKOT - 360 002.**

**BY ORDER OF THE BOARD**

**JAYANTILAL D. PATEL**  
**CHAIRMAN & MNG. DIRECTOR**

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**DIRECTORS REPORT**

To,

The Members,  
GALAXY AGRICO EXPORTS LTD.,

The Directors have pleasure in presenting their **FIFTH ANNUAL REPORT** and the Audited Statement of Accounts of your company for the year ended 31st MARCH, 1999.

	31/03/99	(Rs. in Lacs) 31/03/98
<b>01) FINANCIAL RESULTS :</b>		
Income from Operations	782.26	612.81
Profit before Interest, Depreciation and Taxation	45.63	38.94
Less : Interest	17.63	13.62
Depreciation & Misc. Exp. Written off	15.06	14.12
Profit before Tax	12.94	11.20
Less : Provision for tax	0.00	0.15
Profit after Tax	12.94	11.05

**02) DIVIDEND**

The Directors do not recommend any dividend.

**03) EXPORTS :**

This year the company has exported agriculture equipments aggregating **Rs. 487.33** Lac as compared to **Rs. 447.76** lacs in the previous year. The increasing trend will continue in the future also., which will help increase the profitability of the company.

The company's products have been received well by overseas clients resulting in repeat orders and long term contracts.

**04) REVIEW OF PERFORMANCE :**

The overall performance of the company has been good. The company has also entered into an agreement with TATA Iron & Steel Company for doing their Jobwork for agriculture equipments like hoe. Shovel etc. This will substantially increase the profitability of the company in the coming years.

**05) PROJECTIONS V/S. PERFORMANCE :**

Pursuant to Clause 43 of the Listing Agreement the comparison of profitability projections against actuals as stated in the Prospectus dated 20/02/96 is given below :

PARTICULARS	FOR THE YEAR 1998-99	
	Rs. IN LACS	
	<b>PROJECTED</b>	<b>ACTUAL</b>
Total Income from Operations	2007.62	782.26
Profit after tax	171.45	12.94
Earning per share (Rs.)	3.43	0.26

The company could not achieve its projected figures due to underutilisation of capacities.



**06) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :**

Pursuant to section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the company has to give information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo.

Your company continues to accord high priority to conservation of energy.

**A. Power & Fuel Consumption**

i)	Electricity	1998-99	1997-98
a)	Purchased Units	4,27,215	3,11,015
	Total Amount	Rs. 18,96,416	13,81,177
	Rate / Unit	Rs. 4.44	4.44
b)	Own Generation	NIL	NIL
ii)	Fuel		
	Quantity (Ltr.)	2,45,170	2,36,950
	Total Cost	Rs. 13,70,379	13,72,357
	Average Cost	Rs. 5.59	5.79

**B. Consumption per unit of Production**

Your Company manufactures variety of products. The products, before reaching the finishing stage, pass through various operations. It is, therefore not feasible to furnish the information in respect of consumption of power and fuel per unit of production.

**C. Foreign exchange earnings and outgo**

Your Company has earned foreign exchange by exporting to Africa, Dubai, U. K. and the European markets, the particulars of which are as follows :

EXPORTS IN US \$	RUPEES IN LAC
11,35,252	487.34

**07) PROSPECTS :**

The agriculture sector continues to be the thrust area for the Government of India. Due to beneficial cost advantage that India enjoys, exports are expected to grow at a very fast rate.

Exports to the European, Asian and African markets will remain the major thrust areas and the company expects to build on the strengths already achieved.

**08) DIRECTORS :**

Mr. Nathabhai Sadaria and Mr. Sanjaybhai Patel retire by rotation and are eligible for re-appointment.

**09) PARTICULARS OF EMPLOYEES :**

There are no employees whose details are required to be mentioned as per Section 217(2A) of the Companies Act, 1956.

**10) AUDITORS :**

M/s. KALARIA & SAMPAT, Chartered Accountant, retire as auditors of the company at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have furnished the necessary certificates. Your directors request their re-appointment. Their remuneration may also be appropriately decided.

**11) Y2K PREPAREDNESS**

All systems and programs are Y2K compliant.

**12) STOCK EXCHANGE LISTING :**

Your Company's shares are listed Mumbai, Saurashtra Kutch (Rajkot) Calcutta and Ahmedabad Stock exchanges.

**13) GENERAL :**

Your directors wish to express their appreciation to all employees of the Company for their excellent support and co-operation in achieving the Organisational Goals during the period under review.

The Board wishes to thank the Government, Company's Bankers and all other Institutions connected with the company, who have extended their support to the company during its operations.

**FOR & ON BEHALF OF THE BOARD,**

**RAJKOT, 30th JUNE, 1999**

**JAYANTILAL D. PATEL  
CHAIRMAN & MANAGING DIRECTOR**

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### **AUDITORS' REPORT**

To,  
The Members,  
GALAXY AGRICO EXPORTS LTD.,  
RAJKOT

We have audited the attached Balance Sheet of GALAXY AGRICO EXPORTS LTD., as at 31st MARCH, 1999 and the Profit & Loss Account of the company for the year ended on that date annexed and report that :

- 01) As required by the manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Companies Act, 1956 and on the basis of such checks as we considered appropriate, we annex hereto a statement on the matters specified in the para 4 & 5 of the said order.
- 02) Further to our comments, in the Annexure referred to in paragraph 1 above, we report that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of the books of the company.
  - c) The Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of account
  - d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act., 1956.
  - e) In our opinion and to the best of our information and according to the explanation given to us, the above mentioned Balance Sheet and Profit & Loss Account together with the notes thereon and attached thereto, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
    - i) In the case of the Balance Sheet, of the state of affairs of the company as on 31st MARCH, 1999 and,
    - ii) In the case of Profit & Loss Account, of the profit of the company for the year ended on that date.
- 03) We have also examined the attached Cash Flow Statement of the Company for the year ended March 31, 1999. The Statement has been prepared in accordance with the requirements of Clause 32 of the listing agreements entered into with Stock Exchange.

**FOR KALARIA & SAMPAT  
CHARTERED ACCOUNTANTS**

**RAJKOT, 30th JUNE, 1999**

**ATUL M. KALARIA  
PARTNER**