

ANNUAL REPORT 1999-2000



GLITTEK GRANITES LIMITED



GLITTEK GRANITES LIMITED

BOARD OF DIRECTORS

MR. B. K. AGARWALA - Chairman
MR. K. K. AGARWAL - Managing Director
MR. ASHOKE AGARWAL - Jt. Managing Director
MR. S. K. WARRIOR

COMPANY SECRETARY

MR. RAM GOPAL AGARWAL

AUDITORS

M/S. RUNGTA & RUNGTA
Chartered Accountants

BANKERS

STATE BANK OF HYDERABAD
CENTRAL BANK OF INDIA
STATE BANK OF INDIA
ANDHRA BANK

Registered Office & Works

42, K.I.A.D.B. Industrial Area
Hoskote, Bangalore
Karnataka - 562 114
Phone : (08111) 71565, 71566
Fax : (08111) 71567
Email : glittek@vsnl.com

Share Transfer Agent

Computech International Ltd.
77/2A, Hazra Road,
Calcutta - 700 029
Contact person :
Mrs. B. Biswas, Mr. Prabir Sarkar
Phone : (033) 476-7350-54 (5 lines)
Fax : (033) 474-7674
Email : computec@cal.vsnl.net.in

Exchange on which Company's Shares are listed :

Ahmedabad, Bangalore, Calcutta and Mumbai.



NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the Members of Glittek Granites Limited will be held at 42, K. I. A. D. B. Industrial Area, Hoskote, Karnataka - 562114, on Saturday, the 30th Day of September 2000 at 11.30 A.M. to transact the following business.

ORDINARY BUSINESS :

1. To consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2000, the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri B. K. Agarwala who retires by rotation and is eligible for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

To consider and if thought fit, to pass with or without modification, the following resolutions as Special Resolution.

4. "Resolved that pursuant to the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956, the following new Article 53A be inserted after Article 53.

"53A" Notwithstanding anything contained in any other clause or clauses of the Article of Association of the Company, a holder or joint holders of shares or debentures, may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 and in the manner prescribed thereunder, a person to whom all the rights in the shares or debentures of the Company, shall vest in the event of death of such holder(s). Any nomination so made shall be dealt with by the Company in accordance with the provisions of Section 109B of the Companies Act, 1956."

5. Resolved that pursuant to the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956, the Article of Association of the Company be and are hereby altered as follows :

- A. Article 2 of the Articles of Association shall be altered to include the following definition at appropriate places :

- "Beneficial Owner" shall mean beneficial owner as defined in clause (a) of sub-section (1) of section 2 of the Depositories Act, 1996.
- "Depositories Act, 1996" shall include any statutory modification or re-enactment thereof.
- "Depository" shall mean a Depository as defined in Clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996
- "Registered Owner" means a Depository whose name is entered as such in the records of the company.
- "Security" means such security as may be specified by the Securities and Exchange Board of India from time to time.

- B. In Article 2 of the Articles of Association, the following definition of 'Member' shall be substituted for the existing definition / interpretation of 'Member'.

'Member' means the duly registered holder from time to time of the Shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner as defined above.

- C. Article 16 of the Articles of Association of the Company, shall be substituted with following new Articles

'16'. The Company shall cause to be kept a register and Index of Members in accordance with all applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with details of shares held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Company shall be entitled to keep in any state or country outside India a branch Register of Members resident in that state or country. 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 purpose of this Article.

- D. Article 17 of the Articles of Association of the Company shall be substituted by the following new Article

'17' The shares in the Capital of the Company shall be numbered progressively according to their several denominations provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are in dematerialised form, provided further that the company shall not issue any share certificates in respect of shares held in depository form or in dematerialised form. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

- E. After the new substituted Article 17 of the Articles of Association of the Company, the following new Article 17A shall be inserted with marginal note.

"17A" The Company shall be entitled to dematerialise its shares, debentures, or other securities, which may have been presently issued or which may be issued at a future date and also rematerialise its securities held in Depository in accordance with the rules framed under the Depositories Act, 1996.



- F. After Article 17A as inserted above, the following new Article 17B be added.
 "17B" Save as herein otherwise provided, the Company shall be entitled to treat the person, whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of Depository, as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent, future or partial or other claim or claims or rights to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by depository.
- G. After Article 52 of the Articles of Association of the Company, the following new Article 52 A shall be inserted :
 "52A" In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificate and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

NOTES :

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting.
2. Register of Member and Share Transfer Book of the Company will remain closed from 25th September to 30th September, 2000 (both days inclusive) for the Annual General Meeting.
3. Members are requested to notify change of address, if any, promptly to the Company.
4. SEBI has directed that trading would be compulsory in dematerialized form in the Company's Shares w.e.f. 26.02.2001.

Registered Office :
 42, K. I. A. D. B.
 Industrial Area, Hoskote
 Bangalore
 Karnataka - 562 114
 Date 27th day of July, 2000

By order of the Board
 For GLITTEK GRANITES LTD.

R. G. Agarwal ..
 Company Secretary

**ANNEXURE TO THE NOTICE
 EXPLANATORY STATEMENT UNDER SECTION 173(2)
 OF THE COMPANIES ACT, 1956**

Resolution No. 4.

The Companies (Amendment) Act, 1999 has inter-alia, made a provision through Section 109A and 109B whereby a holder or joint holders of shares can nominate a person to whom all the rights in the shares or debentures of a Company shall vest in the event of death of such holder(s). Where a nomination has been made in the prescribed manner by the Shareholder(s) or debenture holder(s) the nominee shall, on the death of the shareholder(s) or debenture holder(s) as the case may be, be entitled to all rights, in the shares or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. It is therefore, proposed to introduce a New Article in the Articles of Association of the Company by way of an enabling provision to provide for nomination facility in accordance with the newly enacted provisions of the Companies Act, 1956.

Resolution No. 5.

Consequent to the passing of the Depositories Act, 1996 and the introduction of the Depository system, some of the provisions of the Articles of Association relating to the issue, transfer/transmission, dealing in shares, etc are proposed to be amended to conform to the requirements of the Depositories Act, 1996.

A copy of the Articles of Association of the Company together with the proposed alteration is available for inspection by the members during business hours on any working day, at the Registered Office of the Company except holidays observed by the Company and will also be available at the Meeting.

The Board recommends passing of the Resolutions.

None of the Directors of the Company is, in any way, concerned or interested in the above resolutions.



DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Tenth Annual Report alongwith Audited Statement of Accounts for the year ended 31st March, 2000.

1. FINANCIAL RESULTS :

	(Rs. in lacs)	
	1999-00	1998-99
Sales & Other Income	1601.84	904.05
Profit before Interest & Depreciation	186.72	144.98
Less : Interest	433.50	357.03
Depreciation	89.17	82.95
Loss for the Year	335.95	295.00
Loss carried to Balance Sheet	1466.72	1130.77

2. OPERATIONS REVIEW :

During the year under review your Company has achieved an export Sales turnover of Rs.1595.58 lacs in comparison to Rs. 896.55 lacs in the previous year. In spite of sharp increase in sales, the performance of the Company further worsened due to sharp increase in interest burden. The Company's inherent strength has been shakened due to continued losses. Its revival lies only through a rehabilitation scheme to be implemented under the aegis of BIFR.

To improve the overall profitability of the Company constant efforts are being made.

3. DIVIDEND :

Due to losses suffered by the Company in the year under review, the Directors regret their inability to recommend dividend to the Shareholders.

4. REFERENCE TO THE BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION :

As reported in the previous year, The Board for Industrial and Financial Reconstruction (BIFR) has declared the Company, a sick industrial Company and appointed Industrial Development Bank of India as the operating agency. The Company has submitted a rehabilitation proposal to the operating agency for preparing rehabilitation scheme.

5. DIRECTORS :

Shri B. K. Agarwala, Director of the Company retires by rotation and being eligible, offer himself for re-appointment.

6. AUDITORS & AUDITORS' REPORT :

M/s. Rungta & Rungta, Chartered Accountants, the Auditors of the Company will retire at the forthcoming Annual General Meeting and are eligible for reappointment. The notes on Accounts referred to in the Auditors' Report, are self explanatory and, therefore do not call for any further explanation.

7. TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

In accordance with the requirement of section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, a statement showing particulars with respect to conservation of energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed hereto and forms part of this report.

8. INDUSTRIAL RELATIONS :

The company continued to maintain cordial relations with the employees. The performance of the Company during the year as reflected in the attached accounts could be made possible only with the positive response from all the Associates. The Board wishes to place on record its appreciation of the excellent efforts put in by all the employees of the Company.

9. PERSONNEL :

No employee of the Company is covered u/s 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

10. LISTING AGREEMENT :

As per the clause 49 of Listing Agreement with Bangalore Stock Exchange Ltd., the details regarding Stock Exchanges at which the Company's Securities are listed, alongwith other required details, are summarised below :

Sl. No.	Name and address of the Stock Exchange where securities are quoted	Listing Fee Paid upto
1.	Bangalore Stock Exchange Ltd. Stock Exchange Towers No. 51, 1st Cross, J. C. Road Bangalore - 560 027	2000-2001
2.	The Stock Exchange, Mumbai P.J.Towers, Dalal Street, Mumbai - 400 001	2000-2001
3.	The Calcutta Stock Exchange Association Ltd. 7, Lyons Range, Calcutta - 700 001	2000-2001
4.	The Stock Exchange Ahmedabad Kamdhenu Complex, Panjarapole Ahmedabad - 380 015	2000-2001

11. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the support and co-operation extended by the Financial Institutions, Board For Industrial and Financial Reconstruction (BIFR) and Banks.

Place : Calcutta
Date : 30th June, 2000

For and on behalf of the Board
K. K. Agarwal
Managing Director