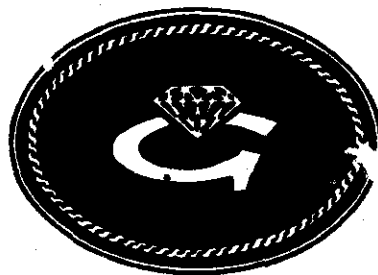


Annual Report

1999-2000



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Goldiam International Limited

MANUFACTURERS & EXPORTERS OF DIAMONDS & JEWELLERY

Goldiam International Limited

BOARD OF DIRECTORS

MANHAR R. BHANSALI Chairman
 RASHESH M. BHANSALI Managing Director
 CHANDRESH A. MEHTA
 VIMAL N. SEDANI
 AJAY M. KHATLAWALA
 RAJESH G. KAPADIA

SECRETARY

M. K. VARMA

AUDITORS

H.S. GANDHI & CO.,
 Chartered Accountants

BANKERS

Punjab National Bank
 State Bank of India
 Bank of India
 Citibank N. A.

REGISTERED OFFICE

Gems & Jewellery Complex,
 Seepz, Andheri (East),
 Mumbai - 400 096.

BRANCH OFFICE

Shop No. 2, Prasad Chambers,
 Opera House, Mumbai - 400 004.

REGISTRARS AND TRANSFER AGENTS

Upto the date of Annual General Meeting :

Consolidated Share Services Pvt. Ltd.,
 Shanti Nagar, Cross Road, 'A',
 Near M.I.D.C. Bus Depot,
 M.I.D.C. , Andheri (East),
 MUMBAI - 400 093.
 Tel. Nos. : 835 5635/36/37 • Fax No. : 838 1384

After the Annual General Meeting :

Intime Spectrum Registry Pvt. Ltd.,
 260, Shanti Industrial Estate,
 Sarojini Naidu Road, Mulund (W),
 Mumbai - 400 080.
 Tel. Nos. : 5647731/5672716/5684590 • Fax : 5672693
 Email : isrl@vsnl.com

Branch at :

202, Daver House, D. N. Road, Mumbai - 400 001.

LISTING

The Stock Exchange, Mumbai,
 Phiroze Jeejeebhoy Towers,
 Dalal Street.
 Mumbai - 400 001.

Jaipur Stock Exchange Limited,
 Stock Exchange Building,
 Jawaharlal Nehru Marg,
 Malaviya Nagar,
 Jaipur - 302 017.

Stock Exchange, Ahmedabad,
 Kamadhenu Complex,
 Opp. Sahajanand College,
 Panjarapole,
 Ahmedabad - 380 015.

The Delhi Stock Exchange Association Limited,
 DSE House,
 3/1, Asaf Ali Road,
 New Delhi - 110 002.

DEMATERIALISATION WITH NSDL

ISIN : INE025B01017

THIRTEENTH ANNUAL GENERAL MEETING

will be held on Friday, 28th July, 2000, at 4.00 p.m. at Vishal Hall, Vishal Shopping Centre, Andheri-Kurla Road, Near Andheri Station, Andheri (East), Mumbai -400 069.

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NOTICE

NOTICE is hereby given that the THIRTEENTH ANNUAL GENERAL MEETING of the Members of GOLDIAM INTERNATIONAL LIMITED will be held on Friday, 28th July, 2000, at 4.00 p.m. at Vishal Hall, Vishal Shopping Centre, Andheri-Kurla Road, Near Andheri Station, Andheri (East), Mumbai- 400 069, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, the Audited Balance Sheet and the Profit and Loss Account of the Company and the Auditors' Report thereon for the year ended 31st March, 2000.
2. To confirm the Millennium Interim Dividend of Rs.7/- per equity share.
3. To appoint a Director in place of Shri Rajesh Kapadia, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Vimal N. Sedani, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s. H.S. Gandhi & Company, Chartered Accountants, as Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to increase the remuneration of the Managing Director Shri Rashesh M. Bhansali to Rs. 1,00,000/- per month w.e.f. 1.4.2000, for the remainder of his appointment approved by the Members at the Annual General Meeting held on 9.9.1996, the other terms and conditions remaining unchanged.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any year, the salary payable to the Managing Director shall be governed by Part II of Schedule XIII of the Companies Act, 1956, or any statutory modification thereto."

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to increase the remuneration of the Whole Time Director, Shri Chandresh A. Mehta to Rs. 45,000/- per month w.e.f. 1.8.1999, for the remainder of his appointment approved by the Members at the Annual General Meeting held on 9.9.1996, the other terms and conditions remaining unchanged.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any year, the salary payable to the Whole Time Director shall be governed by Part II of Schedule XIII of the Companies Act, 1956, or any statutory modification thereto."

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to increase the remuneration of the Whole Time Director Shri Vimal N. Sedani to Rs. 45,000/- per month w.e.f. 1.8.1999, for the remainder of his appointment approved by the Members at the Annual General Meeting held on 15.7.1999, the other terms and conditions remaining unchanged.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any year, the salary payable to the Whole Time Director shall be governed by Part II of Schedule XIII of the Companies Act, 1956, or any statutory modification thereto."

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as detailed below:

- A. Article 1 of the Articles of Association be altered to include the following definition at appropriate places:

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- "Beneficial Owner" shall mean beneficial owner as defined in clause (a) of sub - section (I) 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.
 - "SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
 - "Security" means such security as may be specified by the SEBI from time to time
 - "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.
- B. Article 1 of the Articles of Association of the Company be further amended by substituting the Clause "Register" as under:
- "The Register" means the Register of Members to be kept pursuant to the Act, and where shares are held in dematerialised form "The Register" shall include the Register of Beneficial Owners maintained by a Depository."
- C. Article 9 of the Articles of Association of the Company shall be substituted by the following :
- "9. 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 or in dematerialised form."
- D. Article 16 of the Articles of Association of the Company shall be substituted by the following new Article:
- "16. 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."
- E. After Article 17 of the Articles of Association of the Company, the following new Article 17A shall be inserted:
- "17A. 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 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 in that state or country."
- F. The following Articles, 27A, 27B, 27C, 27D and 27E shall be inserted after the existing Article 27 of the Articles of Association of the Company:
- "27A. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing shares and other securities, rematerialise its shares and other securities held in the Depositories and/or offer its fresh shares and other securities, in a dematerialised form pursuant to the Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996."
- "27B. 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

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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."

"27C. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C, 372A of the Companies Act, 1956 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners."

"27D 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.

"27E Save as otherwise provided 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.

The beneficial owner of the 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."

G. After Article 60 of the Articles of Association of the Company, the following new Article 60A shall be inserted:

"60A. In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates 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."

H. After Article 65 of the Articles of Association of the Company, the following Article 65A shall be inserted:

"65A. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by transferor and transferee both of whom are entered

as beneficial owners in the records of a Depository."

I. After Article 66 of the Articles of Association of the Company, the following Article 66A shall be inserted:

"66A. Notwithstanding anything contained in these Articles, every holder of shares in or Debentures of the Company may at any time nominate in the manner prescribed under the Act, a person to whom his shares in or debentures of the Company shall vest in the event of his death. Such nomination and right of nominee to be registered as holder of shares/debentures as the case may be or for transfer of the shares/debentures as the case may be shall be governed by the provisions of Section 109A and 109B and other applicable provisions of the Companies Act, 1956."

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

"RESOLVED THAT pursuant to Section 163 of the Companies Act, 1956 and any other provisions as may be applicable, and in supersession of earlier decisions in this regard, consent of Company be and is hereby given to keep the Register of Members, Indexes, Share Transfer Forms and Registers, instead of being kept at the Registered Office of the Company at Gems & Jewellery Complex, SEEPZ, Andheri (East), Mumbai - 400 096, at the office of the Company's Share Transfer Agents, M/s Intime Spectrum Registry Pvt. Ltd., 260, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (West), Mumbai - 400 080, from 1.8.2000 where the Register and Indexes as mentioned above shall remain open for inspection on all working days excepting Saturdays from 11.00 a.m. to 5.00 p.m."

By order of the Board,

M. K. VARMA
Company Secretary

Place : Mumbai
Date : 12th June, 2000

Regd. Office.
Gems & Jewellery Complex,
Seepz, Andheri (E),
Mumbai - 400 096.

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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.
- 2) The instrument appointing proxy should, however, be deposited at the Company's Registered Office not less than 48 hours before the commencement of the meeting.
- 3) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business mentioned above is annexed hereto.
- 4) The Register of Members and Share Transfer Books will remain closed from Tuesday, 25th July, 2000 to Friday, 28th July, 2000 (both days inclusive).
- 5) Members are requested to furnish particulars relating to Saving/Current Bank Account Number and the name of the Bank with whom such account is held to enable the Company to print the said details in the Dividend Warrant after the name of the payee to ensure against their misappropriation.
- 6) The Company has voluntarily dematerialised its shares with National Securities Depository Limited, who have allotted ISIN INE025B01017. Members are requested to avail of the benefit of the same. Members may please note that SEEBI has now announced that the shares of the Company will have to be traded compulsorily in the dematerialised form w.e.f. 28.08.2000.
- 7) In all correspondence with the Company, members are requested to quote their folio numbers and in case the shares are held in the dematerialised form, they should quote their client ID Number and DP ID Number.
- 8) Members, who hold shares in de-materialised form are requested to bring their client ID and DP ID numbers for easier identification of attendance at the meeting.
- 9) Share holders are requested to note that if physical documents, viz. Demat Request Forms (DRF) and share certificates, etc. are not received from their DPs by the Company/Registrar within a period of 30 days from the date of generation of the DRN for dematerialisation, the DRN will be treated as rejected/cancelled. Upon rejection/cancellation of the DRN, a fresh DRF has to be forwarded along with the share certificates by the DPs to the Company/Registrar. This note is only to caution shareholders that they should ensure that their DPs do not delay in sending the DRF and share certificates to the Company/Registrar after generating the DRN.
- 10) Members desiring to have any information on the accounts are requested to write to the Company at least one week before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Meeting.
- 11) As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of Annual Report with them.
- 12) Members can now avail of the facility of nomination in respect of shares held by them pursuant to the amendment to the Companies Act, 1956. The prescribed form (Form 2B) is being sent with the Notice. Members desiring to avail of this facility may send their nomination form duly filled in, to the Company or its Share Transfer Agents by quoting their respective folio numbers
- 13) Information u/s 205A read with the Companies Unpaid Dividend (Transfer to General Reserve Account of the Central Government) Rules, 1978 as amended is given below:
 - (i) Pursuant to Section 205 of the Companies Act, 1956 all unclaimed/unpaid dividends up to the financial year ended 31.3.1995 have been transferred to the General Reserve Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, 'EVEREST', 100, Marine Lines, Mumbai by submitting an application in the prescribed form.
 - (ii) Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

*Annual Report 1999-2000***EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE DATED 12th JUNE 2000 :****Item No. 6**

Approval has been given by the members at the Annual General Meeting held on 9.9.1996 for reappointment of Shri. Rashesh M. Bhansali as the Managing Director as per the terms and conditions detailed therein. The Board of Directors at their meeting held on 12.6.2000 decided to increase his remuneration from the existing level of Rs. 87,500/- to Rs. 1,00,000/- with effect from 1.4.2000 in appreciation of the overall development of the Company. In addition to the salary mentioned above he is entitled to usual benefits such as Bonus, Gratuity, Privilege Leave, and commission out of net profit as computed under the Companies Act, 1956 subject to ceiling prescribed under the Companies Act, 1956 of such amount and in such proportion as may be decided by the Board of Directors. He is also entitled to reimbursement of medical expense subject to a ceiling of one month's salary in a year or three months' salary over a period of three years, leave travel concession for self and family, membership of two clubs, Personal Accident Insurance with premium not exceeding Rs. 5000 p.a., Car, and Telephones at residence for office use, as per the provisions contained in Schedule XIII to the Companies Act, 1956.

Shri Rashesh M. Bhansali has wide and rich experience in the field of Diamonds and Jewellery, and in managing the affairs of the Company, under whose stewardship the Company has reached new heights. The Board of Directors in appreciation of this and considering his experience and ability, recommends the approval of members to the resolution.

None of the Directors except Shri Rashesh M Bhansali and Shri Manhar R. Bhansali, is deemed to be concerned or interested in this Resolution.

Item No. 7

Approval has been given by the members at the Annual General Meeting held on 9.9.1996 for reappointment of Shri. Chandresh A. Mehta as a Whole-Time Director as per the terms and conditions detailed therein. The Board of Directors at their meeting held on 21.10.1999 decided to increase his remuneration from the existing level of Rs. 37,500/- to Rs. 45,000/- with effect from 1.8.1999 in

appreciation of the overall development of the Company. In addition to the salary mentioned above he is entitled to usual benefits such as Bonus, Gratuity, Privilege Leave, and commission out of net profit as computed under the Companies Act, 1956 subject to ceiling prescribed under the Companies Act, 1956 of such amount and in such proportion as may be decided by the Board of Directors.

Shri Chandresh A. Mehta has wide and rich experience in the field of Diamonds and Jewellery. The Board of Directors considering his experience and ability, recommends the approval of members to the resolution.

None of the Directors except Shri Chandresh A.Mehta is deemed to be concerned or interested in this Resolution

Item No. 8

Approval has been given by the members at the Annual General Meeting held on 15.7.1999 for reappointment of Shri. Vimal N Sedani as a Whole-Time Director as per the terms and conditions detailed therein. The Board of Directors at their meeting held on 21.10.1999 decided to increase his remuneration from the existing level of Rs. 37,500/- to Rs. 45,000/- with effect from 1.8.1999 in appreciation of the overall development of the Company. In addition to the salary mentioned above he is entitled to usual benefits such as Bonus, Gratuity, Privilege Leave, and commission out of net profit as computed under the Companies Act, 1956 subject to ceiling prescribed under the Companies Act, 1956 of such amount and in such proportion as may be decided by the Board of Directors.

Shri. Vimal N. Sedani has wide and rich experience in the field of Diamonds and Jewellery. The Board of Directors considering his experience and ability, recommends the approval of members to the resolution.

None of the Directors except Shri. Vimal N. Sedani is deemed to be concerned or interested in this Resolution

Item No. 9

The Depositories Act, 1996 has amended some of the provisions of the Companies Act, 1956 and other related laws pertaining to issue, holding, transfer and dealing in shares and other securities as also issue of relevant certificates so as to facilitate the introduction and implementation of the Depository System. The Board of Directors of the Company has

Goldiam International Limited

decided to dematerialise the shares of the Company voluntarily to facilitate members deal in the shares in a better way.

In order to bring the Company's Articles of Association in line with the above, certain changes are required to be made in the Articles of Association of the Company, subject to the approval of the Shareholders in the General Meeting.

The insertion of Article 65A is based on the facility for nomination provided u/s 109A and 109B of the Companies Act, 1956 pursuant to the Companies (Amendment) Act, 1999.

The Board of Directors recommends passing of the aforesaid Special Resolutions at Item 9.

None of the Directors is deemed to be concerned or interested in the passing of the resolution.

Item No. 10

M/s Intime Spectrum Registry Pvt. Ltd., has been appointed as the Share Transfer Agents, both for Physical and Dematerialised Shares of the Company, w.e.f. 1.8.2000. When the Company voluntarily dematerialised its shares on 3.2.2000, they have been appointed as the Share Transfer Agents for the dematerialised shares. Now as SEBI has notified that the Company's shares should be compulsorily traded in the demat form w.e.f. 28.8.2000, by Circular No. SMDRP/POLICY/CIR-23/2000, dated 29.05.2000, and the trading in physical form will be minimal in due course of time it is felt appropriate to have only one Share Transfer Agents for both the type of shares. Till

now all the Statutory Registers relating to members were kept at the office of M/s Consolidated Share Services Pvt. Ltd. which is now to be transferred to the office of M/s Intime Spectrum Registry Pvt. Ltd., w.e.f. 1.8.2000 as they will be handling the Share Transfer work of the Company from that date.

Section 163 of the Companies Act, 1956 requires the approval of members by a special resolution to keep the above registers in a place other than the Registered Office of the Company and hence the proposed resolution.

None of the Directors of the Company is deemed to be concerned or interested in the above resolution.

DOCUMENTS FOR INSPECTION

The documents referred to in the Notice and Explanatory Statement in Item No. 6, 7 & 8 above are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days until the date of the Annual General Meeting.

A copy of the Articles of Association of the Company together with the proposed alterations, will be available for inspection of the Members at the Registered Office of the Company during the aforesaid timings.

By Order of the Board

M. K. VARMA
Company Secretary

Place : Mumbai
Date : June 12, 2000

*Annual Report 1999-2000***DIRECTORS' REPORT**

Dear Members,

Your Directors have great pleasure in presenting this Thirteenth Annual Report on the affairs of the Company together with the Audited Statements of Accounts for the year ended on 31st March, 2000.

(Rupees in Lacs)

	Year ended 31.3.2000	Year ended 31.3.1999
FINANCIAL RESULTS		
Sales for the year	9305.99	8130.66
Inter department transfer	—	58.91
	<u>9305.99</u>	<u>8189.57</u>
Profit before Interest, depreciation & taxation	1835.32	1260.97
Less: Interest	—	2.34
Operating profit before depreciation	<u>1835.32</u>	<u>1258.63</u>
Less: Depreciation	102.60	97.50
Profit before taxation	<u>1732.72</u>	<u>1161.13</u>
Provision for taxation	73.08	15.27
Provision for taxation written off/written back		1.02
Excess provision for property tax written back	47.45	
Profit after taxation	<u>1707.09</u>	<u>1144.84</u>
Add: Balance brought forward	523.31	276.57
Profit available for appropriation	<u>2230.40</u>	<u>1421.41</u>

DIVIDEND

As you are aware your Directors have declared Millennium Interim Dividend @ 70% on equity shares for the year ended on 31.3.2000, which was paid to the shareholders whose names were in the Register of Members as on 25.4.2000. In view of this interim dividend your Directors have decided not to recommend further dividend and the same would be treated as final dividend.

OPERATIONS

The turnover for the year under review increased from Rs.8130.66 lacs to Rs.9305.99 lacs, registering a growth of 14.45%, and your Directors are happy to

inform you that the Company could achieve this with the reputation the Company has earned in the International Market over the years and the continued quality control measures the company is undertaking to keep up the reputation. The net profit after provision for interest, depreciation and taxation has also maintained the growth pattern due to the cost effective measures adopted by the Company.

As mentioned in the last year's report, the Company has started manufacturing Platinum Jewellery, which is expected to give far better returns in the years to come, thus increasing the profitability of the Company.

DEMATERIALISATION

Your Directors have pleasure to inform you that to take advantage of the technological developments for the benefits of the members of the Company, the Shares of the Company has been made available for trading in the dematerialised form. The details are given elsewhere in the report.

ALTERATION TO ARTICLES OF ASSOCIATION

Dematerialisation of Shares and insertion of Sections 109A & 109B in the Companies Act, 1956 have necessitated amendments to the Articles of Association of the Company, to incorporate the provisions relating to these in the Articles. Your Directors, therefore, recommend passing of the Resolution set out in Item 9, of the Notice.

BUYBACK OF SHARES

During the year under review the Company bought back, by way of letter of offer, 1900 Equity Shares of Rs. 10/- each at the price of Rs. 32.50 per share and paid Rs.42,750/- by way of premium.

DIRECTORS

As per Article 118 of the Articles of Association of the Company, Shri Rajesh Kapadia and Shri Vimal N. Sedani, Directors of the Company will retire by rotation and being eligible offer themselves for re-appointment. Your Directors recommend their re-appointment.

Your Directors, in appreciation of the achievements made by the Company under the stewardship of the Managing Director, Shri Rashesh M. Bhansali have decided to increase his remuneration to Rs.1,00,000/- p.m.with effect from 1.4.2000. The remuneration payable to the Whole Time Directors, Shri Chandresh A. Mehta and Shri Vimal N. Sedani,