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IVth Annual Report 1998-99

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Gorani Industries Limited

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Gorani Industries Ltd.

BOARD OF DIRECTORS

Balkishan Gorani
Narendra Gorani — Managing Director
Anil Gorani
Sanjay Gorani

Auditors

M/s. A.P. Garg & Co.
Chartered Accountants

BANKERS

Central Bank of India

LEGAL ADVISORS

C.L. Tiwari (Advocate)

REGISTERED OFFICE

Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
INDORE-452 006 (M.P.)

SHARE REGISTRARS

M/s. Synergy Computers
209, City Centre M.G. Road,
INDORE-452 003

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NOTICE

Notice is hereby given that the **FOURTH ANNUAL GENERAL MEETING** of **GORANI INDUSTRIES LIMITED** will be held at 32-33, Sector F, Industrial Area, Sanwer Road, Indore (M.P.) on Wednesday, the 28th July. 1999 at 3.00 P.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Statement of the Accounts for the Year ended on 31st March, 1999 and the Report of Directors and the Auditors Report.
2. To appoint a Director in place of Shri Sanjay Gorani who retire by rotation and is eligible for reappointment.
3. To appoint Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company and to fix their remuneration. The retiring Auditor M/s. A.P. Garg & Co., Chartered Accountants, Indore are eligible for and offer their services on reappointement.

By order of the Board of Directors

Place : Indore
Date : 28th June, 1999

NARENDRA GORANI
(Managing Director)

NOTES

1. A member entitled to attend and vote at the meeting entitled to appoint a proxy to attend and vote instead of himself. The proxy need not to be the member of the company. The proxy representation must be registered at the registered office of the company not less than 48 hours before the meeting.
2. Member seeking any information with regard to Annual Accounts of the Company are required to write at least 10 days in advance so as to enable the company to keep the information ready. Replies will be provided only at the meeting.
3. Members who have multiple accounts in identical names or joint names in same order are required to intimate the company the Ledger Folio of such account to enable the company to consolidate all such shareholdings in one account.
4. Members are requested to bring their copy of Annual Report to the Annual General Meeting as additional copies will not be circulated at the meeting.
5. Member/proxies should bring the attendance slip duly filled in for attending the meeting.
6. The Shareholders are requested to inform the change of their address if any to the Company.
7. The Register of Member and the Share Transfer Book of the Company will remain closed from 20th July, 1999 to 27th July, 1999 (Both days inclusive).

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DIRECTORS REPORT

To,
The Members,
Gorani Industries Limited

Your Directors have pleasure in presenting the Fourth Annual Report of the Company together with the Audited Accounts for the year ended March 31, 1999.

FINANCIAL RESULT

(Rs. in Lacs)

	Current Year	Previous Year
Sales	**914.92**	789.02
Profit before Depreciation, Interest and Miscellaneous expenses written off	**88.11**	84.97
Interest	**47.11**	50.11
Depreciation	**25.60**	24.60
Miscellaneous exps. written off	**11.97**	11.97
Profit/(Loss) for the year	**03.43**	(01.71)
Balance brought forward	**(29.54)**	(27.83)
Net Profit/(Loss) carried to Balance Sheet	**(26.11)**	(29.54)

PERFORMANCE

The Performance of the Company during the year under review is better than previous year despite the recessionary conditions affecting the Indian Industries in general and as your Company product being Kerosene Wick Stove and is mainly used in rural and backward classpopulation in the country therefore it has been affected much more than other items. Inspite of this, with the continuous efforts of the Directors, the Company has shown profit of Rs. 3.43 Lacs as compared to loss of Rs. 1.71 Lacs last year. In addition to increase in sales by 15.96% the production is also increased by 22.30% as compared to last year.

With the perception of its commitment to enter in the export market your company has shown success during the year by exporting FOB value od Rs. 46.33 Lacs Kerosene Wick Stoves to Nigeria. Your Directors are hopeful of good demand in African and other Neighbouring Countries. To Continue the broad base of its product range the Company has launched another product of fuel efficient non pressure Kerosene Wick Stove of lower Tank capacity under brand name of "Winner". The product is been well accepted in the market and has given good report of increased capacity utilisation and sales even in the extremely dull market conditions.

Your Directors have further launched few more new brand products of Kerosene Wick Stoves in the market in current year to over come the recessional market. The new brand named products are made territorial resulting in increased sales.

The Company is continuously on the look out for new value added products and expanding production and market base. In line with this your company has identified a fuel efficient and bright flame "Hurricane Lantern" designed and developed by the company after studying the drawbacks of existing designs. The product Hurricane Lantern has very good market in rural and hilly regions of India moreover the product has vast export market in African conntries, as is revealed by the survey carried for the purpose. Your Directors plan to launch it in the market by middle of this year barring the unforeseen circumstances.

Thus by launching of new branded product, entering into export market and also adding a new product current financial year, your directors expect much attractive results in current year.

DIVIDEND

To strengthen the financial position of the company and also due to marginal profit your Directors are unable to recommend any dividend for the year.

PUBLIC DEPOSITS

There were no Deposits at the end of the year and the company did not accept any deposits from the Public during the year.

DIRECTORS

In accordance with the provisions of Companies act, 1956 and the Articles of Association of the Company Mr. Sanjay Gorani retire by rotation at this Annual General Meeting of the Company and being eligible, offer himself for reappointment.

AUDITORS REPORT

The observations of the Auditors are explained, wherever necessary, in appropriate notes to the accounts.

AUDITORS

The statutory Auditors of the Company M/s. A.P. Garg & Co., Chartered Accountants, Indore retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment as Auditors of the Company.

PERSONNEL

No employee has been paid remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information relating to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under 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, is given in Annexure-I forming part of this Report.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the assistance and support extended by the Financial Institutions, Commercial Bank, Shareholders, Customers, Staff and Worker of the Company.

Place : Indore
Date : May 26, 1999

For and on Behalf of the Board
Narendra Gorani
Chairman

ANNEXURE I TO THE DIRECTORS REPORT

Information as per Section 217 (1) (e) read with the companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors Report for the Year ended 31st March, 1999.

1. **Conservation of Energy**

   1.1 Energy conservation measures taken :

   1. Additional power capacitors are installed to limit down demand.
   2. Changeover switch system has been employed to avoid electricity wastage.

   1.2 Additional investments and proposal, if any, being implemented for reduction of consumption of energy :

   Due to effective steps already taken to conserve energy, there is no immediate proposal to invest further.

   1.3 Impact of the above measures:

   More efficient utilisation of power and consumption of electricity per unit of production has decreased.

2. Total energy consumption and energy consumption per unit of production as per form- A of the Annexure in respect of Industries specified in the schedule thereto.

Particulars	Unit	1998-99	1997-98
a. Electricity			
Purchased Units	KWH	**4,98,216**	4,52,105
Total Amount	Rs.	**20,42,410**	19,22,630
Rate per Unit	Rs/KWH	**4,10**	4.25
b. Own generation			
Units	KWH	**17,595**	10,605
Units/Ltr. of Diesel	KWH	**2.44**	1.08
Cost per Unit	Rs./KWH	**4.47***	9.66

* This figure is not comparable from the figures of previous year due to change in calculation method.

Electricity Consumed · KWH 0.96 1.06

3. **Particulars as per Form B :**

   3.1. **Research & Development (R&D) :**

   3.1.1. The Company has technical agreements with Indian Institute of Petroleum and Indian Oil Corporation. The Research and Developments done by these institutions in the field of conservation of Kerosene are incorporated by the Company in its in house laboratory.

   3.1.2. **Expenditure on Research & Development** : As the Company has technical agreements with IOC & IIP, there is no need to make any additional expenditure on Research and Development.

   3.2. **Technology Absorption, Adoptation & Innovation:**

   Technology obtained from IOC & IIP has been successfully adopted and implemented.

   3.3. Foreign Exchange Earnings & Outgo :

   Earnings Rs. 64,63,035/-
   Outgo Rs. 48,682/-

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