



**GUJARAT
FOILS LTD.**

**7th Annual Report
1998-99**

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GUJARAT FOILS LIMITED

7TH ANNUAL GENERAL MEETING

Day : Thursday
Date : 30th December, 1999
Time : 9.30 a.m.
Venue : Karnavati Club Ltd.,
 Sarkhej-Gandhinagar
 Highway,
 Ahmedabad - 380 058

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Notes :-

1. Members are requested to bring this copy of the Annual Report to the Meeting, as copies of the Report will not be distributed at the Meeting.
2. Members seeking further information about the Accounts and/or operations of the Company, are requested to send their queries to the Company at its Registered Office at least TEN days before the date of the Meeting.

Board of Directors : Kishor H. Patel *Chairman*
 Naresh H. Patel *Managing Director.*
 Navneet Mohan Mittal *Jt. Managing Director*
 Nilkamal P. Kajiwala *Director*
 Pramod Jain *Director*
 B. K. Shah *(GLIC Nominee)*

Auditors : V. Patel & Co.
 Chartered Accountants
 Ahmedabad.

Bankers : Bank of Baroda

Registered Office : B-702, Vasupujya Towers,
 Opp. Iskon Temple,
 Satellite, Ahmedabad - 380 015

Works : 3436-3446, Phase IV,
 Chhatral G.I.D.C.,
 Ta. Kalol, Dist. Mehsana.

**GUJARAT FOILS LIMITED****NOTICE**

NOTICE is hereby given that the Seventh Annual General Meeting of the Shareholders of **GUJARAT FOILS LIMITED** will be held on 30th December, 1999 at 9.30 a.m. at Kamavati Club Ltd., Sarkhej-Gandhinagar Highway, Ahmedabad - 380 058 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date and the report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Nilkamal P. Kajiwala who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Kishor H. Patel who retires by rotation and being eligible offers himself for reappointment.
4. To appoint auditors and fix their remuneration.

Registered Office :

B-702, Vasupujya Towers,
Opp. Iskon Temple,
Satellite,
Ahmedabad - 380 015
Date : 29th November, 1999

By Order of the Board

Navneet Mohan Mittal
Jt. Managing Director

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE SHARE DEPARTMENT OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The register of Members and Share Transfer Books will remain closed from Monday the 27th December, 1999 to Friday the 31st December, 1999 (Both Days Inclusive) for the purpose of Annual General Meeting.
3. Members holding shares of the company under more than one ledger folio are requested to send to the company details of all such folios together with the share certificates for consolidating the folios into one. The share certificates will be returned to the shareholders after making the requisite endorsement thereon.
4. Members are requested to intimate the change in the registered address if any, to the Company's Registered Office.



DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting herewith their Seventh Annual Report and together with the Audited Statement of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS :

	(Rs. In lacs)	
	1998-99	1997-98
Sales & Other Income	1320.31	723.23
Profit/(Loss) before taxation	45.85	(55.49)
Provision for taxation	2.00	NIL
Profit after tax	43.85	(55.49)
Balance Carried Forward	43.85	(55.49)

DIVIDEND :

In view of the past losses sustained by the Company and to conserve the resources, your Directors do not recommend any dividend.

PRESENT OPERATIONS & FUTURE PROSPECTS :

The Company's operations were encouraging during the year under review as compared to the previous year. The sales has increased and was nearly double as compared to the previous year. However, the profitability has largely been affected due to the recession period being faced by the industry as a whole and the increased cost of raw materials and overheads which could not be passed on to the customers.

Your Directors are pleased to inform that the working of present financial year upto 30th September, 1999 has shown the encouraging results resulting into the sales of Rs.995.53 lacs. Directors are hopeful to achieve better results for the current Financial Year.

PROJECTIONS VERSUS ACTUALS :

The company has made its maiden public issue on 07.12.95 the allotment of which was made on 10.01.96. In the prospectus, following was projected against which the performance is as mentioned alongside.

	(Rupees In Lacs)	
Particulars	Projections	Performance
Total Income	3392.00	1320.31
PBIDT (Loss)	633.00	82.43
Net Profit (Loss)	348.00	43.85

The projections could not be achieved due to following reasons :

1. Subdued Market Condition.
2. Irregular Supply of Power from Gujarat Electricity Board.
3. Liquidity crunch faced by the clients and competition faced by the Company.

DIRECTORS :

Shri Nilkamal P. Kajiwalla and Shri Kishor H. Patel retire from the Board by rotation and being eligible, offers themselves for re-appointment.



GUJARAT FOILS LIMITED

FIXED DEPOSITS :

During the year under review, the Company has not accepted any deposits from the public.

PARTICULARS OF EMPLOYEES :

The particulars of Employees falling under the purview of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) rules, 1975 are Nil.

INDUSTRIAL RELATIONS :

The industrial relations with employees remained cordial throughout the year. Your Directors wish to place on record their appreciation of the devoted services rendered by the workers, staff and employees of the Company.

AUDITORS :

M/s. V. Patel & Co., Chartered Accountants, Auditors of the Company hold office upto the date of Annual General Meeting. The Company has received Certificate under section 224(1)(B) of the Companies Act, 1956 from M/S V.Patel & Co., Chartered Accountants signifying that the appointment if made, at the ensuing Annual General Meeting, will be within the limits specified. Your Directors recommend to appoint and fix the remuneration of Auditors.

A search and seizure was carried out at the premises of the Company during the year under review. However, the Company had obtained the photo copies of documents seized and the same were submitted to the Auditors for their report. Actual liability till date has not been ascertained.

As regard the remark of Auditor for non provision of Doubtful Trade Debts, your Directors have to state that the Company is pursuing the matter and are hopeful to recover the debt. However, if any, becomes bad-debts the same shall be provided in the year of final settlement.

PARTICULARS OF CONSERVATION OF ENERGY ETC. :

The statement of particulars with respect to conservation of energy, technology absorption and Foreign Exchange earning and outgo pursuant to section 217(2)(e) of the Companies Act, 1956 read with The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed herewith as Annexure A which forms part of this report.

LISTING :

The shares of the Company are listed at the Ahmedabd Stock Exchange, the regional stock exchange and the Mumbai Stock Exchange. The Company has paid the listing fees of both the Stock Exchanges for year 1999-2000.

Y2K STATUS :

The systems and the software installed are Y2K Compliant and the Company has framed out a contingency plan for the same. Your Directors donot foresee any difficulty in the matter and the expenses if any would be negligible.

APPRECIATION :

Your Directors place on record their sincere appreciation for continuous support of financial Institutions, Banks, Central and State Governments, valued customers and devoted employees for their continuous contribution to the company.

The Directors also express their gratitude to the Shareholders for the confidence reposed in the Management of the Company.

For and on behalf of the Board

Place : Ahmedabad
Date : 29th November, 1999

Navneet Mohan Mittal
Joint-Managing Director

Nilkamal P. Kajiwala
Director