

BOARD OF DIRECTORS

Shri. A.K. Nair	Chairman (Ceased w.e.f.17-7-98)
Shri. P. Muralidharan	Executive Director
Ms. Dwipa Y. Mankodi	Director
Smt. Ila Y. Mankodi	Director
Dr. J.H. Sanghvi	Director (Resigned w.e.f.30-9-98)
Shri. S.K. Mankad	Director
Shri. N.T. Vaishnav	Director
Shri. P.S. Vijayakumar	Director (Ceased w.e.f.13-3-98)
Ms. Amy Y. Mankodi	Additional Director w.e.f. 30-09-98

FACTORY & REGISTERED OFFICE

Pampampallam
Pudussery East
Palghat - 678 625
Kerala State

CORPORATE OFFICE

Mayo Hospital Campus
Savli Road
Hami, Baroda - 390 022.

AUDITORS

M/s. Krishnamoorthy & Krishnamoorthy
Chartered Accountants
XXXVI/170. T.D. Road
Cochin - 682 011.

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**GUJARAT INJECT (KERALA) LIMITED**

NOTICE:

NOTICE is hereby given that the Seventh Annual General Meeting of the members of Gujarat Inject (Kerala) Limited will be held on Saturday, 31st Oct. 1998 at 11.00 a.m., at the Registered Office of the company at Pampampallam, Pudusery East, Dist-Palghat 678625 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 1998 and the Profit and Loss Account of the Company for the year ended on that date along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. N.T. Vaishnav who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Mrs. Ila Y. Mankodi who retires by rotation and being eligible offers herself for reappointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:

5. To consider the statutory resolution as follows:

"Resolved that the company has become a sick Industrial Company within the meaning of Section 3(1)(O) of the Sick Industrial Companies (Special Provisions) Act 1985, as the accumulated losses exceeded its entire net worth as on 31-3-98".

"Further resolved that a reference shall be made by the Company to the Board for Industrial and Financial Reconstruction as per Section 15(1) of the Sick Industrial Companies (Special Provisions) Act 1985, and Mr. P. Muralidharan, Executive Director of the Company be and is hereby authorised to make a reference within 60 days from hereof."

6. To appoint Ms. Amy Y. Mankodi as a director

To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution.

"Resolved that Ms. Amy Y. Mankodi in respect of whom the company has received a notice under section 257 of the Companies Act, 1956, from a member proposing the candidature of Ms. Amy Y. Mankodi for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement by rotation."

7th ANNUAL REPORT

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.
The proxy in order to be effective, must be deposited at the Registered Office of the Company not less than forty Eight hours before the commencement of the Annual General Meeting.
2. The Register of members and the Share Transfer Books of the Company will remain closed from 29th October 1998 to 31st October 1998 (both days inclusive) in terms of section 154 of the Companies Act, 1956.
3. The members are requested to:
 - a) Intimate to the Company, changes if any, in their Registered Address at the earliest.
 - b) Intimate about consolidation/clubbing of different folios into one, if share holdings are under multiple folios. The members must submit all share certificate for this purpose. The folios will be clubbed and then the Share Certificate shall be returned after suitable endorsement.
 - c) To bring copies of Annual Reports and the Attendance Slip duly filled in with them at the Annual General Meeting.
4. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least seven days before the 7th Annual General Meeting, so as to easyable to the management to keep the information ready.
5. Relevancy of question and order of speaking at the meeting will be decided by the Chairman.

By order of the Board of Directors of
GUJARAT INJECT (KERALA) LIMITED

Cochin
30th September, 1998

Sd/-
P. Muralidharan
(Executive Director)

**GUJARAT INJECT (KERALA) LIMITED**

ANNEXURE TO THE NOTICE

Explanatory statement (pursuant to sec. 173(2) of the Companies Act 1956.

Item No. 5

The company has accumulated losses eroding the entire net worth as on 31-3-98 and has become a Sick Industrial Company. It is statutorily required that under the relevant Sections of the Sick Industrial Companies (Special Provisions) Act 1985 and a resolution to this effect has already been passed in the meeting of the Board of Directors of the Company on 26th June, 1998. Since the same need be further approved by this A.G.M., this resolution is set out under this item in the notice.

Item No. 6

Ms. Amy Y. Mankodi was appointed as a Director on 30-09-1998 in the casual vacancy arised due to the resignation of Sri. J.H. Sanghvi. Her term as Director ceases at this A.G.M. She being the legal heir of Sri. Y.R. Mankodi, she is proposed to fill the vacancy of the office of the Director. So the Board of Directors propose the resolution is set out under the items in the Notice.

She is the daughter of Smt. Ila Y. Mankodi and hence she and Ms. Deepa Y. Mankodi are interested in this resolution.

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DIRECTORS REPORT

To

The Members

Your Directors have pleasure in presenting the 7th Annual Report of the Company and Audited Statement of Accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS

	Current year from April '97 to March '98 (Rs. in lacs)	Current year from April'96 to March'97 (Rs. in lacs)
Sales	70.94	86.24
Profit/Loss before Depreciation & Tax	(-) 245.81	(-)213.10
Less : Depreciation	47.05	46.92
(Profit/Loss): for the year	(-)292.86	(-)260.02
Add (Less): Profit/Loss brought forward from previous year	(-)488.33	(-)228.31
Balance carried to Balance Sheet	(-)781.19	(-)488.33

DIVIDEND

Since the Company has not made profits during the year, your Directors do not recommend any Dividend for the financial year ended 31st March, 1998.

REVIEW OF WORKING & OPERATIONS

The year under review was quite unfavourable for the company due to the unhealthy competition in the domestic market, financial constraints due to inadequate working capital and severe power cuts imposed by Electricity Board. The capacity utilization was around 10% as against the projected 70%. The turnover that could be achieved was only of Rs. 70.94lacs, sustaining a loss of Rs. 292.86 lacs. The company had achieved a major break through in the International market and had bagged an export order for US \$ 8 lacs, in a world wide tender for the supply of its products to Sri Lanka. The supplies against these orders could not be completed in time due to the severe power cut imposed by the Electricity Board and also due to inadequate working capital. Tie-up with other renowned merchant exporters are also underway.

Due to stringent financial constrains, the expansion and diversification have been further deferred.



GUJARAT INJECT (KERALA) LIMITED

FIXED DEPOSITS

In terms of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975, we report that your Company has not accepted or renewed Fixed Deposits during the year under review.

INSURANCE

All the properties and insurable interest of your Company are adequately insured.

DIRECTORS

Sri. A.K. Nair, who was the Chairman of the organisation and inducted as a nominee director from KSIDC was withdrawn in his capacity as director from the Board of the Company with effect from 17-07-98. Your Directors gratefully acknowledge the valuable services and guidances rendered by Sri.A.K. Nair.

Sri. P.S. Vijayakumar, Nominee Director of KSIDC was withdrawn from the Board with effect from 13-03-98. Your Directors gratefully acknowledge the valuable services and guidances rendered by Sri.P.S. Vijayakumar.

Dr. J.H. Sanghvi, Director of the Company has resigned in his capacity as Director of Company which was accepted by the Board on 30-09-98. The directors gratefully acknowledge the valuable services and guidances rendered by Dr. J.H. Sanghvi.

PARTICULARS OF EMPLOYEES

As regards the details of remuneration paid to employees as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1988 as amended, it is submitted that there was no employee in the Company drawing remuneration more than Rs.300000/- for the year or Rs.25000/- p.m. if employed for part of the year.

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

Information 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 is given in Annexure A to the Report and forms part of the same.

AUDITORS' REPORT

The notes forming part of the accounts are self-explanatory and do not call for any further clarifications under section 217(3) of the Companies Act, 1956.

AUDITORS

M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, retiring auditors hold office upto the ensuing Annual General Meeting and are eligible for reappointment. They have submitted a certificate for their eligibility for re-appointment under Section 224 (1B) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge the support and service rendered to the Company by KSIDC, Bankers, Financial Institutions, Government Authorities, Shareholders and Associates.

Your Directors also gratefully acknowledge the spirit and dedication of the employees, who have put in their untiring efforts to improve and strengthen the working of the Company.

Registered Office:

Pampampallam Village

Pudussery East

Dist. Palghat (Kerala)

Palghat - 678625.

By order of the Board of Directors of
GUJARAT INJECT (KERALA) LIMITED

Sd/-

P. Muralidharan
(Executive Director)

Cochin

30th September, 1998



GUJARAT INJECT (KERALA) LIMITED

ANNEXURE "A" TO THE DIRECTORS REPORT:

Information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo required to be furnished pursuant to the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules 1988 and forming part of the Directors Report for the year ended 31st march 1998.

A. CONSERVATION OF ENERGY

- a. Energy conservation measures taken:
Stringent standards for conservation of energy are enforced in the entire plant. Leakage of steam is minimised by making all the pipelines leakproof.
- b. Additional investment and proposals, if any, being implemented for reduction of consumption of energy:
Nil
- c. Impact of the measures at (a) and (b) above for reduction of energy consumption consequent impact on the cost of Production of goods:
Measures taken for minimising leakage of steam have resulted in maintaining the cost of steam at minimum level.
- d. Total energy consumption and energy consumption per unit of production as per Form-A of the Annexures in respect of industries specified in the Schedule thereto.
Details of total energy consumption and energy consumption per unit of production are given in Form-A hereunder:

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as Form-B:
The relevant information is given in Form-B hereunder.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. On the export front, the overall performance of the Company is excellent and one of the front runners from India in the year under review and the years to come.
2. Total foreign exchange used and earned:
During the current year of operations the company has earned foreign exchange earnings worth Rs.69.84.480/- (Previous year: 18.63.242/-) and spent Rs.2.865/- (Previous year: Rs.98.518/-) towards foreign travel.