

GUJARAT RAFFIA INDUSTRIES LIMITED

**GRIL**

**14TH  
ANNUAL REPORT**

**1998-99**

**GUJARAT RAFFIA INDUSTRIES LIMITED****FOURTEENTH ANNUAL REPORT 1998-99**

<b>BOARD OF DIRECTORS</b>	: SHRI ASHOK CHHAJER SHRI PRADEEP BHUTORIA SHRI ARPIT K PATEL	CHAIRMAN MANAGING DIRECTOR DIRECTOR
<b>AUDITORS</b>	: MS TALATI & TALATI, CHARTERED ACCOUNTANTS, 3RD FLOOR, AMBIKA CHAMBERS, NEAR HIGH COURT, NAVRANGPURA, AHMEDABAD - 380 009.	
<b>COMPANY LAW</b>	: SHRI KASHYAP R. MEHTA CONSULTANT COMPANY SECRETARY	
<b>BANKERS</b>	: BANK OF BARODA	
<b>REGISTERED OFFICE</b>	: 'GRIL HOUSE', PLOT NO.455, SANTEJ-VADSAR ROAD, VILLAGE : SANTEJ, TALUKA : KALOL-382 721. DIST : MEHSANA	
<b>CITY OFFICE</b>	: 35, OMKAR HOUSE, C.G.ROAD, NEAR SWASTIK CHAPRASTA, NAVRANGPURA, AHMEDABAD - 380 009.	
<b>WORKS</b>	: 1. VILLAGE : BUDASAN TAL : KADI DIST : MEHSANA (N. GUJ.) 2. VILLAGE : SANTEJ TAL : KALOL DIST : MEHSANA (N. GUJ.)	

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**FOURTEENTH ANNUAL REPORT 1998-99**

**NOTICE**

**NOTICE** is hereby given that the **FOURTEENTH ANNUAL GENERAL MEETING** of the Members of **GUJARAT RAFFIA INDUSTRIES LIMITED** will be held as scheduled below :

Date : 23rd September, 1999

Day : Thursday

Time : 11.00 Noon

Place : At the Registered Office of the Company at :  
'GRIL House', Plot No. 455, Santej-Vadsar Road,  
Village : Santej, Taluka : Kalol - 382 721  
Dist : Mehsana (N. Guj.)

to transact the following business :

**ORDINARY BUSINESS :**

1. To receive and adopt the Audited Profit and Loss Account for the year ended 31st March, 1999 and the Balance Sheet as on that date alongwith the Directors' Report and Auditors' Report thereon.
2. To appoint Director in place of Shri Arpit Patel, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

**Registered Office :**  
'GRIL House', Plot No. 455,  
Santej-Vadsar Road,  
Village : Santej,  
Taluka : Kalol-382 721  
Dist : Mehsana (N. Guj.)

Date : 31st July, 1999

By Order of the Board,

**PRADEEP BHUTORIA**  
Managing Director



**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. THE INSTRUMENTS APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTER OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Pursuant to the Section 154 of the Companies Act, 1956, Register of Members and Share Transfer Book of the Company will remain closed from **Thursday, the 16th September, 1999 to Thursday, the 23rd September, 1999 (both days inclusive).**
3. Members intending to require informations about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
4. Members are requested to :
  - a) Intimate, if shares are held in the same name or in the same order and names, but in more than one account to enable the company to club the said accounts into one account.
  - b) Notify immediately the change in their registered address, if any, to the Company.



**FOURTEENTH ANNUAL REPORT 1998-99****DIRECTORS' REPORT TO THE SHAREHOLDERS**

Dear Shareholders,

Your Directors present the Fourteenth Annual Report together with the Audited statement of accounts for the Financial Year 1998-99 ended on 31st March, 1999.

**1. FINANCIAL RESULTS :**

(Rs. in lacs)

	For the year 1998-99	Previous Year 1997-98
Operating Profit (before Interest and Depreciation)	70.79	28.24
Less : Interest	115.72	92.11
Profit/ (Loss) before Dep.	(44.93)	(63.87)
Less : Depreciation	90.52	88.85
Profit/(Loss) before tax	(135.45)	(152.72)
Less : Provision for tax	—	—
Profit/(Loss) after tax	(135.45)	(152.72)
Add :Balance Brought Forward from Previous year.	3.31	156.03
Balance Carried to Balance Sheet	(132.14)	3.31

**2. DIVIDEND :**

Due to losses suffered during the year the Board of Directors are unable to recommend dividend for the year under review.

**3. REVIEW OF OPERATIONS :****PRODUCTION, SALES AND WORKING RESULTS :**

The production of PE Fabric/Sacks/Tarpaulin/Ropes during the year under review was 3244 M.T. against 2258 M.T. during previous year registering an increase of 43.66%. However, the Sales of Fabric/Sacks/Tarpaulin during the year under review was Rs. 1374 lacs as compared to Rs. 1049 lacs during 1997-98 registering an increase of 30.98%.

The Operating Profit (before Interest and Depreciation) was Rs. 70.79 lacs as compared to Rs. 28.24 lacs during 1997-98. Similarly, Gross Loss for the year under review stood at Rs. 44.93 lacs against Gross Loss of Rs. 63.87 lacs during 1997-98. The Loss after Tax during the year was Rs.135.45 lacs as compared to net loss of Rs. 152.72 lacs during 1997-98.

The results were affected due to increase in cost of utilities, other manufacturing expenses and specifically financial charges.

**4. FINANCE :**

4.1 The Company has been sanctioned Term Loan of Rs. 168.68 lacs as Term Loan Scheme from IDBI to part finance incremental margin requirement for working capital.


**GUJARAT RAFFIA INDUSTRIES LIMITED**

- 4.2 The Company's Income-tax Assessment and Sales-tax Assessments both are completed upto financial year 1995-96.
- 4.4 The Company is enjoying fund based and non fund based Working Capital Facilities of Rs. 425 lacs from Bank of Baroda, Kadi Branch, Kadi (North Gujarat).
- 5. DIRECTORS :**  
One of your Directors viz. Shri Arpit K. Patel retires by rotation in terms of Articles 99 and 100 of the Articles of Association of the Company. He, however being eligible offers himself for reappointment. Shri Mohanraj M. Singhi resigned from his office as Director with effect from 30th April, 1999. Your Directors place on record their sense of appreciation for the services rendered by him during his tenure as Director.
- 6. PERSONNEL :**  
Industrial relations continued to remain cordial and peaceful during the year under review.
- 7. LISTING :**  
The Equity Shares of the Company are listed on Ahmedabad, Mumbai, Calcutta and National Stock Exchanges. The Company is generally regular in paying listing fees to the Stock Exchanges.
- 8. GENERAL :**
- 8.1 INSURANCE :**  
The Company's properties including building, plants, and machineries, stock, stores etc. continued to be adequately insured against risks such as fire, riots, strikes etc.
- 8.2 AUDITORS :**  
The present Auditors of the Company M/s Talati & Talati, Chartered Accountants, Ahmedabad will retire by rotation at the ensuing Annual General Meeting. They have submitted certificate for their eligibility for reappointment under Section 224(1-B) of the Companies Act, 1956. The Notes of the Auditors to the accounts are self-explanatory.
- 8.3 PARTICULARS OF EMPLOYEES :**  
The applicable particulars pursuant to the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable, as there has been no employee of the Company employed during the year for a remuneration of Rs. 3,00,000/- per annum, if employed for full year or Rs. 25,000/- per month, if employed for the part of the year.
- 8.4 DEPOSITS :**  
At the end of the Financial Year under Report, no fixed deposit remained unclaimed by the deposit holder which was due for repayment.
- 9. PARTICULARS AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988, IS AS PER ANNEXURE - I ANNEXED HERewith.**
- 10. ACKNOWLEDGMENTS :**  
Your Directors express their sincere gratitude for the assistance and co-operation extended by Financial Institutions, Banks, Government Authorities, Shareholders, Suppliers and Customers.  
Your Directors also wish to place on record their appreciation of the contribution made by the employees at their levels.

PLACE : AHMEDABAD.

For and Behalf of the Board,

DATE : 31ST, JULY, 1999

**ASHOK CHHAJER**  
CHAIRMAN