



ANNUAL REPORT
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GUJARAT TOOLROOM LIMITED

BOARD OF DIRECTORS

Shri Saurabh N. Kinariwala

Chairman & Managing Director

Shri Samveg A. Lalbhai

Dr. M. N. Vora

Shri G. S. Davar

Shri Suresh S. Jain

Executive Director

Smt. Shreya S. Kinariwala

(Alternate to Shri G. S. Davar)

AUDITORS

C. R. Sharedalal & Co.

Chartered Accountants

Ahmedabad - 380 009

BANKERS

Union Bank of India

Ahmedabad

REGISTERED OFFICE & WORKS

37 - B, Phase - 1, G. I. D. C. Vatva

Ahmedabad - 382 445, India

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18TH ANNUAL GENERAL MEETING

Date : 25th February, 2002

Day : Monday

Time : 9.30 a.m.

Place : 37-B, Phase -1, G. I. D. C.,
Vatva, Ahmedbad - 382 445**CONTENTS****PAGE NO.**

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NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the Members of Gujarat Toolroom Limited will be held on Monday, the 25th day of February, 2002 at 9.30 a.m. at the Registered Office of the Company situated at Plot No. 37-B, Phase-1, G.I.D.C., Vatva, Ahmedabad - 382 445 to transact the following business :

ORDINARY BUSINESS :

- (1) To receive, consider and adopt the Audited Balance-Sheet as at 30th September, 2001 and the Profit & Loss Account for the Period 1st April 2000 to 30th September, 2001, together with Directors' and Auditors' reports thereon.
- (2) To appoint a Director in place of Dr. M.N. Vaidya who retires by rotation and being eligible offers himself for re-appointment.
- (3) To re-appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board of Directors

SAURABH N. KINARIWALA
Chairman & Managing Director

PLACE : AHMEDABAD

DATE : NOVEMBER 27, 2001

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 ON A POLL ONLY AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (2) Members / Proxies should bring the attendance slip duly filled in alongwith them for attending the Meeting.
- (3) Proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before commencement of the Meeting.
- (4) The Register of Members and Share Transfer Books of the Company will remain closed from 15th February, 2002 to 25th February, 2002 (both days inclusive).
- (5) Members are requested to notify immediately change in their address to the Company at its Registered Office at Plot No. 37-B, Phase-1, G.I.D.C., Vatva, Ahmedabad-382 445.

DIRECTORS' REPORT

To,
The Members

Your Directors present herewith their 18th Annual Report and the Audited Account of the Company for the Period ended 30th September, 2001.

FINANCIAL RESULTS :

	(Rs. in Lacs)	
	(18 Months)	(18 Months)
	2000-2001	1999-00
Sales	89.96	105.01
Other Income	1.09	0.18
Total Income	91.05	105.19
Less : Expenses	63.52	86.60
Operating Profit	27.53	18.59
Less : Interest	18.59	14.00
Depreciation	27.91	19.06
Profit / (Loss) before Tax	(18.97)	(14.47)
Less : Taxation for the year	NIL	NIL
Provision for Taxation in respect of earlier years	NIL	0.35
Net Profit / (Loss) after Tax	(18.97)	(14.82)
Balance B/F	78.96	93.37
Balance carried to Balance-Sheet	59.99	78.55

OPERATIONS :

During the financial year ended 30th September, 2001 the sales has been recorded at Rs. 89.96 lacs (18 months Period) as compared to a sale of Rs. 105.01 lacs, During a Period of 12 Months in the previous year. After providing for interest of Rs 18.59 Lacs. (Previous year Rs 14.00 Lacs) Depreciation of Rs. 27.91 Lacs. (Previous year Rs 19.06 Lacs) amortisation of Rs 2.10 Lacs (Previous year Rs 2.10 Lacs; your Company has suffered a loss of Rs. 18.97 Lacs (Rs. 14.47 Lacs). On annualised basis, the loss is lower at Rs. 12.65 Lacs as compared to Rs. 14.47 Lacs in the previous year. In view of loss suffered by the company, your directors express their inability to recommend any dividend for the year under review.. The current year's accounts are for 18 months period hence figures are not comparable with that of the previous year.

The Company continues to be adversely affected due to slump in the economy.

OUTLOOK :

During the period under review your company has taken effective steps to improve performance of the company as a result loss has been reduced from Rs 14.47 Lacs to Rs. 12.65 Lacs on Annualised basis.

Your Company decided to focus on certain industry segments and achieve specialisation in these segments which includes Medical Disposable Syringes, Caps and Closures and Micro Drip Irrigation. Your Company further decided to prefer mould orders with supply of components so that stable revenue stream from moulded components can be obtained.

Your Company has reduced the cost of operations, by reducing manpower, selling and administrative expenses and interest cost.

Your Company proposes to focus more on supply of components and reduce its dependence on mould making. Your directors think that the new business strategy will enable to turn around the Company during the ensuing years.

DIRECTORS :

The Board of Directors of the Company records with deep sorrow the sad demise of Mr. Natvarlal P. Kinariwala, the founder and promoter director of the Company, on 9th January, 2001.

M.N.Vora, director of the Company retires from the Board by rotation in accordance with the provisions of Article No. 22(b) of the Articles of Association of the Company and being eligible, offer themselves for re-appointment. The Board recommends re-appointments of Dr. M.N.Vora.

RESPONSIBILITY STATEMENTS

The Directors confirm :

- That in the preparation of Annual Accounts, the applicable Accounting Standard have been followed and that no material departures have been made from the same ;
- That they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year and of the Profit or Loss of the Company for that period ;
- That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- That they have prepared the Annual Accounts on a Going concern basis.

FIXED DEPOSIT :

The Company has not accepted any deposit coming under purview of the provisions of section 58(A) of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975, as amended.

AUDITORS :

M/s. C. R. Shredalal & Co. Chartered Accountants, Ahmedabad, the Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment. The Auditors have also furnished a certificate to the effect that their re-appointment, if made, will be within the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956.

AUDITORS' REPORT :

The Auditors' Report and Notes on Accounts are self-explanatory and hence no further explanation is necessary.

PERSONNEL :

During the year, employee-employer relations continued to be cordial. Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended by the Companies (Amendment) Act, 1988 is NIL as no employee is in receipt of remuneration exceeding the limits specified in the said section.

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

The details of 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 are annexed hereto as Annexure-A.

LISTING OF EQUITY SHARES :

The equity shares of the Company are listed at Ahmedabad and Mumbai Stock Exchanges and the Company has paid annual listing fee to each of the above Stock Exchange for the year 2001-2002.

ACKNOWLEDGEMENT :

Your Directors wish to place on record their appreciation of the devoted services of all employees during the year.

Your Directors also acknowledge with thanks the co-operation and support extended by Union Bank of India, Ahmedabad, and various Government Departments. Your Directors thank customers for the confidence reposed.

For and on behalf of the Board of Directors

SAURABH N. KINARIWALA
Chairman & Managing Director

PLACE : AHMEDABAD

DATE : NOVEMBER 27, 2001

ANNEXURE - 'A'**ANNEXURE TO DIRECTORS' REPORT****(A) CONSERVATION OF ENERGY :****Power and Fuel Consumption :**

(1) Electricity :	<u>2000-2001</u>	<u>1999-2000</u>
(a) Purchased		
Unit	115052	72960
Total Amount (Rs.)	574109	363568
Rate/Unit (Rs.)	4.99	4.98
(b) Own Generation		
Unit	2966	3149
Total Amount (Rs.)	22361	18735
Rate/Unit (Rs.)	7.54	5.95
(2) Coal	NIL	NIL
(3) Furnace Oil	NIL	NIL
(4) L. P. G.	NIL	NIL

Energy conservation measures taken :

The Company is using electricity and Diesel generator. However, the Company has arranged for regular maintenance of drive motors and control gear equipment to get optimum efficiency.

(b) Additional investment and proposal, 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 and cost of production of goods :

The cost of electricity in total production cost is very negligible; and hence no impact will be visible.