

## 7th Annual Report 1998-99



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**KARNAVATI ALFA INTERNATIONAL LTD.**

**KARNAVATI ALFA INTERNATIONAL LIMITED**

**BOARD OF DIRECTORS** :

<b>Shri Subhashbhai C. Mehta</b>	<i>Chairman</i>
<b>Shri Dipakbhai S. Mehta</b>	<i>Managing Director</i>
<b>Shri Pradipbhai S. Mehta</b>	<i>Executive Director</i>
<b>Shri Premjibhai P. Patel</b>	<i>Executive Director</i>
<b>Shri Kantibhai L. Patel</b>	<i>Director</i>
<b>Shri Laljibhai T. Patel</b>	<i>Director</i>
<b>Shri Dhirubhai V. Kotadia</b>	<i>Director</i>

**AUDITORS** : **P. K. Modi & Co.**  
*Chartered Accountants*  
 Ahmedabad.

**BANKERS** :

**The Kalupur Commercial Co. Op. Bank Ltd.**  
 Ahmedabad.

**State Bank of Travancore**  
 Ahmedabad.

**The Classic Co-Op. Bank Ltd.**  
 Ahmedabad.

**REGISTERED OFFICE** :

Vishal House,  
 Opp. Sales India  
 B/h. Oriental Bank of Commerce,  
 Ashram Road,  
 Ahmedabad - 380 009.

**FACTORY** :

Survey No.189/1-2,  
 Iyava, Vasna,  
 Sanand Viramgam Highway,  
 Dist. : Ahmedabad.

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**KARNAVATI ALFA INTERNATIONAL LIMITED****DIRECTORS' REPORT**

TO,  
THE MEMBERS,  
KARNAVATI ALFA INTERNATIONAL LIMITED,

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

**FINANCIAL HIGHLIGHTS:**

	1998-99	1997-98
SALES	4,69,05,502	5,48,90,796
NET PROFIT/(LOSS) BEFORE DEPRECIATION	(43,73,160)	(49,38,962)
ADD/(LESS) :DEPRECIATION	11,04,089	10,29,358
PROFIT/(LOSS) AFTER DEPRECIATION	(54,77,249)	(59,68,320)
PROVISION FOR TAXATION :	---	---
PROFIT/(LOSS) AFTER TAX	(54,77,249)	(59,68,320)
BALANCE OF PROFIT/(LOSS) TRANSFERRED TO BALANCE SHEET :	(62,09,124)	(7,31,875)

The Company suffered loss due to increment in cost of Production.

**DIVIDEND :**

The Director regret their inability to recommend dividend due to loss.

**BOARD OF DIRECTORS**

Shri Dhirubhai V. Kotadia, Shri Kantibhai L. Patel and Shri Laljibhai T. Patel the Directors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Necessary resolutions for their re-appointment are incorporated in the notice. The Board recommends their re-appointment.

**INSURANCE**

The Company's assets are adequately insured.

**STOCK EXCHANGE LISTING**

Equity Shares of the Company are listed on Ahmedabad Stock exchange, The Stock Exchange - Mumbai. The Company has paid Annual Listing Fees to each of the above Stock Exchanges for the year 1999-2000.

**Y2K MEASURE**

The production process of any units of the Company is not dependent on year 2000 compliance. For other areas the Company has taken necessary steps to ensure Y2K Compliance for its Hardware / Software.

**AUDITORS**

M/S. P. K. Modi & Co., Chartered Accountants, Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

**AUDITORS' REPORT**

Notes forming the part of Account referred to by the Auditors in their report are self explanatory and therefore do not call for any further comments.

**PARTICULARS OF EMPLOYEES**

There were no employees drawing remuneration of Rs. 3,00,000 or more employed throughout the year or Rs. 25,000 or more per month employed for a part of the year and hence particulars pursuant to Section 217(2A) of the Companies Act, 1956 are not given.

**7th ANNUAL REPORT 1998-99****CONSERVATION OF ENERGY/TECHNOLOGY/ABSORPTION ETC.:**

The information pursuant to Section 217 (1) (e) of the Companies Act read with the companies (Disclosures of Particulars in the Report of Board of Directors) Rules 1988 is given the annexure to Directors' report.

**APPRECIATION**

The Directors record their appreciation to the Company's Shareholders and Bankers for their support and look forward to their Co-operation in the coming years to ensure a prosperous future of the Company.

Your Directors wish to place on record their sincere appreciation for the efforts and spirit of dedication shown by the employees at all levels.

FOR AND BEHALF OF BOARD OF DIRECTORS

PLACE : AHMEDABAD  
DATE : 27th August, 1999

**SUBHASHBHAI C. MEHTA**  
CHAIRMAN.

**ANNEXURE TO DIRECTORS' REPORT**

**STATEMENT PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 AND THAT COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH, 1999.**

**A. CONSERVATION OF ENERGY**

The Company endeavours to conserve energy wherever possible.

**POWER AND FUEL CONSUMPTION**

	<b>1998-99</b>	<b>1997-98</b>
<b>1. Diesel</b>		
Purchased Units (Litres)	<b>87,600</b>	75,500
Total Cost (Rupees)	<b>9,54,344</b>	7,84,190
Rate per Unit (Rupees)	<b>10.89</b>	10.39
Consumption (in Units) per unit of production	<b>0.14</b>	0.13
<b>2. Electricity</b>		
Purchased Units	<b>5,74,356</b>	5,27,196
Total Cost (Rupees)	<b>19,88,922</b>	16,38,207
Rate per Unit	<b>3.46</b>	3.11
Consumption (in Units) per unit of production	<b>0.94</b>	0.89

**B. TECHNOLOGY ABSORPTION**

The Company does not use any imported technology in its manufacturing operations.

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

THE DETAILS OF FOREIGN EXCHANGE EARNING AND OUTGO IS AS :

	<b>1998-99</b>	(Rs. in lacs) <b>1997-98</b>
i) FOREIGN EXCHANGE EARNED	<b>NIL</b>	NIL
ii) FOREIGN EXCHANGE USED	<b>24.68</b>	96.33

FOR AND BEHALF OF BOARD OF DIRECTORS

PLACE : AHMEDABAD  
DATE : 27th August, 1999

**SUBHASHBHAI C. MEHTA**  
CHAIRMAN.