



# **LINEAR POLYMERS LIMITED**

**16th Annual Report**  
and accounts 2002-2003



---

**16th Annual Report**  
and accounts 2003

---

**Board of Directors:**

Shri Ashok Shah	Chairman and Managing	Director
Shri Aditya Shah	(Appointed on 25/06/03)	Director
Shri Shashank Shah		Director
Shri Dinesh Mehta	(Retired on 25/06/03)	Director

---

**Auditors:**

Jain & Bafna  
5, Ganesh Wadi, 4th Floor,  
Mumbai - 400 002

---

**Regd. Office:**

279, Shah & Nahar Industrial Estate,  
A-2 Building, Lower Parel (W.),  
Mumbai - 400 013

---

**Bankers :**

State Bank Of India  
Canara Bank

---

**Solicitor:**

Little & Co.

---

## **LINEAR POLYMERS LIMITED**

---

### **NOTICE**

**NOTICE** is hereby given that the Sixteenth Annual General Meeting of the Members of **M/S LINEAR POLYMERS LIMITED** will be held at Green Room, Garware Club House, Wankhede Stadium, Churchgate, D Road, Mumbai 400 020 on Monday, the 18<sup>TH</sup> August, 2003 at 10.00 A.M. to transact the following business:

#### **AS ORDINARY BUSINESS:**

- (1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2003 and the Audited Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
- (2) To appoint Director in place of Shri Shashank Shah who retires by rotation, and being eligible offers himself for re-appointment.
- (3) To appoint Auditors and to fix their remuneration.

#### **AS SPECIAL BUSINESS:**

- (4) To consider and, if thought fit, to pass the following resolution with or without modifications as SPECIAL RESOLUTION:-

**"RESOLVED** that the equity shares of the Company be delisted from The Stock Exchange, Ahmedabad in accordance with the relevant laws, rules, regulations and guidelines (including statutory modifications or re-enactments thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanctions as may be necessary and compliance with such conditions and modifications as may be necessary for this purpose."

**"RESOLVED FURTHER** that the Board of Directors of the company be and is hereby authorised to seek voluntary delisting, to take all necessary steps in this regard and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty doubt, that may arise in regard to delisting of the equity shares and to execute all such deeds, documents writings as may be necessary desirable or expedient as may deemed fit and for this purpose to delegate the authority thus vested in it by virtue hereof, to the Managing Director or any other person whom the Managing Director may consider suitable to do the various acts, deeds, things required to be done in this behalf."

- (5) To consider and, if thought fit, to pass the following resolution with or without modifications as SPECIAL RESOLUTION:-

**"RESOLVED** that pursuant to the provisions of section 198, 269, 309 and 310 and schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the approval of the company be and is hereby accorded for the appointment of Shri Ashok Shah, as Managing Director, for a period of 5 years from 01/04/2003 to 31/03/2008 and payment of



remuneration of Rs. 10,000/- (Rupees Ten Thousand Only) per month.

- (6) To consider and, if thought fit, to pass the following resolution with or without modifications as SPECIAL RESOLUTION:-

**"RESOLVED** that subject to the approval of the Central Government wherever required pursuant to the provisions of section 21, 23 and all other applicable provisions of the Companies Act, 1956, the consent of the Company be and is hereby accorded for the change in the name of the Company from LINEAR POLYMERS LIMITED to **LINEAR INDUSTRIES LIMITED** or such other name as may be approved by the Registrar of Companies, Maharashtra and agreed to by the company, with effect from the date of such approval by the Central Government and further authorised Board of Directors to take all necessary steps and to do all things deeds and acts to give effect to the foregoing resolution."

**"RESOLVED** further that the old name viz Linear polymers Limited wherever it occurs in the Memorandum and Articles of Association be deleted and substituted with the new name namely **LINEAR INDUSTRIES LIMITED** or such other name as may be approved by Registrar of Companies, Maharashtra and agreed to by the Company."

- (7) To consider and, if thought fit, to pass the following resolution with or without modifications as an ordinary resolution.

**"RESOLVED** that Shri Aditya Shah additional director, who holds office up to the date of ensuing Annual General Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**REGD. OFFICE**

279, Shah & Nahar Industrial Estate,  
A-2 Building, Lower Parel (W.),  
Mumbai 400 013.  
Dated : 25/06/2003

**BY ORDER OF THE BOARD**

**(Shashank Shah)**  
**DIRECTOR**

**NOTE:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**LINEAR POLYMERS LIMITED**

---

3. The Share Transfer Register and Member's Register shall remain closed from 11/08/2003 to 18/08/2003 (both days inclusive).
4. Members are requested to notify changes in address if any, immediately to the Company at the registered office quoting their folio numbers.
5. The Company's share are now traded in Dematerialised form. Members are therefore requested to get their shares converted into D-mat form.
- 6. EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

**ITEM NO: 4**

Presently the equity shares of the Company are listed on the Stock Exchange at Ahmedabad & BSE. The shares of the Company are not being traded at the Stock Exchange, Ahmedabad. Consequent to the recent changes in the capital market in relation to the manner of dealing in shares the volume of trading in Company's equity shares at Ahmedabad will result into nil trading there. This does not justify payment of listing fees and other compliances. The board of Directors of the Company has accordingly decided to get the shares of the Company de-listed from The Stock Exchange, Ahmedabad in accordance with the applicable laws, rules, regulations and guidelines.

As required under the listing agreement entered into by the Company with the Stock exchange your approval for the proposal is sought by way of a special resolution for de-listing the shares of the company from the stock exchange, Ahmedabad.

None of the directors is concerned or interested in the above resolution.

**ITEM NO: 5**

Shri Ashok Shah, since long, has been serving as the Managing Director of the Company and under his guidance the company has progressed. The Company is presently implementing a project for manufacture of textile goods. The board has accordingly appointed Shri Ashok Shah as the Managing Director for a period of 5 years from 01/04/2003 to 31/03/2008 on a remuneration of Rs. 10,000/- per month. The said remuneration is in accordance with Schedule XIII of the Companies Act, 1956. Your approval is therefore required by way of a special resolution as set out above for the appointment of Shri Ashok Shah as Managing Director for a period of 5 years and payment of remuneration of Rs. 10,000/- per month pursuant to section 198, 269, 309 & 310 of the Companies Act, 1956.

Shri Ashok Shah, Shri Shashank Shah and Shri Aditya Shah are deemed to be interested in the said resolution.



---

**ITEM NO: 6**

The present name of the Company namely LINEAR POLYMERS LIMITED is proposed to be changed to LINEAR INDUSTRIES LIMITED in view of the new activities being undertaken by the Company. The proposed name will truly reflect the main activity in the name of the company. It is therefore proposed to change the name of the company. As the change in the name requires the approval of the members by a special resolution pursuant to section 21/23 of the Companies Act, 1956 and hence the resolution as set out in Item No.6 is recommended for passing as a Special Resolution.

None of the Directors of the Company are in any way interested or concerned in passing the aforesaid resolution.

**ITEM NO: 7**

Shri Aditya Shah who was appointed during the year as an additional director on the Board pursuant to section 260 of the Companies Act, 1956. He would hold office of director only upto the date of ensuing annual General Meeting. He has wide experience in Company administration and marketing. The Company would be immensely benefitted with his presence on the Board. As required under section 257 of the Companies Act, 1956, notice in writing has been received from member signifying the intension to propose the appointment of Shri Aditya Shah as director of the Company along with the prescribed deposit of Rs. 500/- from him.

Members are therefore requested to appoint him as director of the Company.

Shri Ashok Shah and Shri Shashank Shah may be deemed to be interested or concerned in the said resolution.

**LINEAR POLYMERS LIMITED****DIRECTORS REPORT**

To,  
The Members,

Your directors have pleasure in presenting their Sixteenth Annual Report with the Audited Accounts for the year ended on 31<sup>st</sup> March, 2003.

**FINANCIAL RESULTS:**

	<b>Current Year ended 31.03.03 (Rs. In Lacs)</b>	<b>Previous Year ended on 31.03.02 (Rs. In Lacs)</b>
Operating profit before depreciation	<b>3.51</b>	7.33
Less : Depreciation	<b>0.05</b>	0.40
Profit before Tax	<b>3.46</b>	6.93
Less: Provision for Tax(including write backs)	<b>(4.54)</b>	0.80
Profit after tax	<b>8.00</b>	6.13
Balance B/F from Previous year	<b>28.06</b>	21.93
Balance carried to Balance Sheet	<b>36.06</b>	28.06

**OPERATIONS:**

The Company has been implementing the project for the manufacture of textile goods. The said project is in advanced stage of implementation and is expected to commence the commercial production soon.

**DIVIDEND :**

In view of in-adequacy of distributable profit, the directors do not recommend any dividend for the year.

**DIRECTORS:**

In accordance with the provisions of Articles of Association of the company Shri Shashank Shah retire by rotation, and being eligible, for re-appointment have offered himself for re-appointment. Shri Aditya Shah was appointed as additional Director and holds office upto ensuing AGM, offers himself for re-appointment.

**AUDITORS:**

M/S Jain & Bafna Chartered Accountants, Mumbai will retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Your directors confirm that:

1. In the preparation of the annual accounts, applicable accounting standards have been followed, with proper disclosure of any departures,



2. The accounting policies are consistently applied and reasonable, prudent judgement and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year,
3. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
4. That the directors have prepared the accounts on a going concern basis.

**SECRETARIAL COMPLIANCE CERTIFICATE:**

Your directors confirm that the Company has complied with all the applicable provisions of the Companies Act, 1956 and has obtained the requisite certificate pursuant to Companies (Compliance Certificate) Rules 2002.

**PARTICULARS OF EMPLOYEES**

There were no employees who were in receipt of remuneration which is in aggregate not less than Rs.24,00,000/- per annum, if employed throughout the year or Rs.2,00,000/- per month, if employed for part of the year.

**CORPORATE GOVERNANCE:**

Your company has always followed the philosophy of conducting its business with due compliances of laws, rules regulations and sound internal control systems and procedures. Though the guidelines for corporate Governance stipulated by stock exchanges, have not become applicable to the Company, however, a report thereon is annexed to this report.

**OTHER INFORMATION:**

As required under section 217(1)(e) of the Companies Act, 1956 read with rule 2 of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988, the particulars relating to the conservation to energy, technology absorption. Foreign Exchange earnings and outgo is NIL.

**ACKNOWLEDGEMENT:**

The Directors would like to express their gratitude to the financial institutions, and the Company's bankers for their continued Co-operation. Finally the directors would like to acknowledge their appreciation, to all the employees of the Company for their sincere and dedicated services.

For and on behalf of the Board.

Mumbai: Dated: 25/06/2003

**(Ashok Shah)**  
Chairman



**LINEAR POLYMERS LIMITED****ANNEX TURE TO BE DIRECTOR'S REPORT ON CORPORATE GOVERNANCE:**  
**(Pursuant to clause 49 of the listing agreement)****1. Company's philosophy on code of governance:**

Your company believes that good corporate governance contemplates that corporate actions balance the interests of all shareholders and satisfy the test of accountability and transparency. Your company has always followed the philosophy of conducting its business with due compliance of rules, regulations and sound internal control systems and procedures.

**2. Board of Directors:****(A) Composition & size of the Board:**

The present strength of the board is 3 Directors. The board comprises of executive and non executive directors, including the chairman cum managing director.

**(B) Board Meetings held during the year:**

5 Board Meetings were held during the financial year 2002-03 on the following dates:

31/05/2002	31/07/2002
31/10/2002	31/01/2003
31/03/2003	

**(C) The attendance at Board meetings and at the last AGM and the number of other directorships and committee memberships / chairmanships of directors is given below:**

<b>Name of Directors</b>	<b>Category of Management</b>	<b>No. Of Board meetings attended</b>	<b>Attendance of last AGM (Yes/No)</b>	<b>No. Of Directorship in other companies</b>	<b>Committee membership</b>
Shri Ashok Shah	Chairman	5	Yes	2	Nil
Shri Shahshank Shah	Director	5	Yes	3	Nil
Shri Aditya Shah	Director	1	No	1	Nil
Shri Dinesh Mehta	Director	4	No	NIL	Nil

**(D) The company furnishes the relevant informations in respect of the matters placed before the board and board committee(s) including the matters listed in annexture 1 of clause 49 of the listing agreement wherever applicable and materially significant.****3. Audit Committee:**

As regards the constitution of Audit committee, Board of Directors feels that the same is not required as the audit of the Company is closely monitored by the Chairman and other directors.

**4. Remuneration Committee:**

Since none of the Director are presently drawing any salary or remuneration from the Company and hence the constitution of the remuneration committee for the time being is not needed.