

5th
ANNUAL
REPORT
1998-99

SHREE GANESH
ELASTO PLAST LIMITED
(FORMERLY : MAGNUS PLASTICS LIMITED)

SHREE GANESH ELASTOPLAST LIMITED**BOARD OF DIRECTORS**

Mr. Rajesh N. Sheth	:	Chairman
Mr. Nimish B. Shah	:	Director
Mr. Nitin H. Mehta	:	Director
Mr. Milin R. Sheth	:	Managing Director

AUDITORS

M/s. Mukesh R. Chokshi & Co.
Chartered Accountants
Ahmedabad.

REGISTERED OFFICE AND FACTORY

Plot No. : 138/A, Sharkhej-Bavla Road,
Village : Vasna Chacharvadi, Tal. : Sanand,
Dist. : Ahmedabad - 382 210.

CORPORATE OFFICE

32, City Centre, 3rd Floor,
Near Swastik Char Rasta,
C. G. Road, Navrangpura,
Ahmedabad - 380 009.

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SHREE GANESH ELASTOPLAST LIMITED

NOTICE

NOTICE is hereby given that **FIFTH ANNUAL GENERAL MEETING** of the Company will be held on Thursday the 30th September, 1999 at the Registered Office of the Company at Plot No. 138/A, Sarkhej-Bavla Road, Village : Chacharwadi Vasna - 382 210, Tal. - Sanand, Dist : Ahmedabad, at 10.00 a.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance-sheet of the Company as at 31st March, 1999, Profit & Loss Account for the year ended on that date, report of the Board of Directors and also the report of the Auditors thereon.
2. To appoint a director in place of Shri Nimish B. Shah, who retires by rotation but being eligible offers himself for re-appointment.
3. To appoint Auditors for the current year i.e. for the year 1999-2000 and to fix their remuneration.

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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of members and Share Transfer Books of the Company shall remain closed from Saturday, the 25th September, 1999 to Thursday, the 30th September, 1999. (Both days inclusive).
3. Members are requested to notify change in their address, if any to the Corporate Office of the Company at 32, 3rd Floor, City Centre, Near Swastik Char Rasta, Navrangpura, Ahmedabad : 380 009.
4. The members/ proxies are requested to bring a copy of the Annual Report and attendance slip duly filled in with them at the Annual General Meeting as extra copies will not be supplied at the meeting.

By order of the Board of Directors,
For SHREE GANESH ELASTOPLAST LIMITED

Place : Ahmedabad.
Date : 4th September, 1999

RAJESH N. SHETH
Chairman



SHREE GANESH ELASTOPLAST LIMITED**DIRECTORS' REPORT**

Your Directors present herewith their **FIFTH ANNUAL REPORT** on the working of the Company for the year ended 31st March, 1999.

FINANCIAL RESULTS :

Financial Results of the Company for the year ended 31st March, 1999 are summarised below :

	1998-99	1997-98
	Rupees	Rupees
Sales/Income	2842265	2563838
Other Income	160	1927710
Profit before Depreciation	(4621855)	135776
Depreciation	1111061	374089
Provision for taxation	Nil	Nil
Net Profit /(Loss)	(5732916)	(238313)

CURRENT YEAR :

In spite of rigorous efforts made by the Directors since inception, no product could be successfully launched to cater to the demand of the market. However your directors are planning to launch new products for use in automobile industries and it is anticipated that the said products will capture substantial segment of the market.

PUBLIC DEPOSITS :

The Company has not accepted any deposit from the public.

LISTING :

Securities of the Company are listed in Ahmedabad and Bombay Stock Exchanges and upto the year 1998-99 listing fee is already paid in both the stock exchanges.

INSURANCE :

The assets and properties of the Company are adequately covered by insurance.

DIRECTORS :

Shri Nimish B. Shah retires by rotation at the forthcoming Annual General Meeting of the Company but being eligible offers himself for the re-appointment.

PARTICULARS OF EMPLOYEES AND ADDITIONAL INFORMATION UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

A Statement giving information as per Section 217(2A) read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is : **NIL**

PARTICULARS AS REQUIRED UNDER SECTION 217(1)(e) :

Particulars as required under Section 217(1)(e) of the Companies Act, 1956 are as under :

ENERGY CONSERVATION TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

- A) Conservation of Energy : Nil
 B) Technological absorption : Company has fully absorbed the technology
 C) Foreign exchange earnings and out go :

	Current Year Rs.	Previous Year Rs.
i) Earnings	Nil	Nil
ii) Outgo	Nil	Nil

AUDITORS REPORT :

As regards observation made by Auditors vide Note No. 5(b) of Auditors Report, your Directors have to inform to the members that efforts are being made to recover the doubtful debt / loans & advances. Other observations of Auditors report are self explanatory.

AUDITORS :

M/s Mukesh R. Chokshi & Co. Chartered Accountants, Ahmedabad the Auditors of the Company hold their office upto the conclusion of the forthcoming Annual General Meeting of the Company. Your Directors recommend them for re-appointment for the year 1999-2000.

ACKNOWLEDGMENT :

Your Directors wishes to place on record their appreciation to Bankers of the Company. They also place on record, the valuable support received from the employees of the Company at all the levels.

By order of the Board of Directors,
For SHREE GANESH ELASTOPLAST LIMITED

Place : Ahmedabad.
 Date : 4th September, 1999

RAJESH N. SHETH
Chairman

SHREE GANESH ELASTOPLAST LIMITED**REPORT OF THE AUDITORS**

To
The Members,

We have audited the Balance Sheet of **SHREE GANESH ELASTOPLAST LIMITED**, (Formerly known as **MAGNUS PLASTICS LIMITED**) as at 31st March, 1999, together with the Profit & Loss Account of the Company for the year ended on that date annexed thereto and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books subject to para 5(c) below.
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
4. Profit and Loss Account and the Balance Sheet comply with the Accounting standards referred to in section 211(3C) of the Companies Act, 1956 to the extent applicable, except stated otherwise.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon, subject to the following,
 - a. Information regarding outstanding liability of Small Scale Industries, required to be disclosed as per Notification No. GSR 129(E) dated 22nd February, 1999 issued by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, has not been disclosed for want of details as stated in note no. 3 (a & b) (Schedule 16)
 - b. No Provision has been made for doubtful debts/ loans & advances aggregating to Rs. 2,27,82,091/-, as stated in Note no. 13 (Schedule 16)
 - c. The Company has changed the method of accounting of interest on loans taken/granted by the Company from accrual basis to cash basis. This has resulted in the increase in loss for the year to the extent of Rs. 17,37,219/- as stated in note No. 12 (Schedule 16)
 - d. Provision for accrued liability for Gratuity and Leave Encashment (amount not quantified) required to be made according to the requirements of Accounting Standard 15 regarding "Accounting for retirement benefits in the Financial Statement of Employers" has not been made in the accounts as stated in note no. 14 (Schedule 16)

give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :

 - a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1999, and
 - b) In the case of Profit and Loss Account of the Loss for the year ended on that date.
6. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and as per the information and explanations given to us, we further report that :
 - a. The company has maintained proper records showing full particulars including quantitative details and situations of Fixed Assets. The Fixed Assets have been physically verified by the management at the year end. We are informed that no serious discrepancies were noticed on physical verification as compared with the records of Fixed Assets.
 - b. None of the Fixed Assets have been revalued during the year.
 - c. The stock of finished goods for trading and raw materials have been physically verified by the management at the year end during the year.
 - d. In our opinion, the procedures of the physical verification of the aforesaid stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.