

# 12th Annual Report

MD	✓				BKC	✓
CS	✓				DPY	NA
RO	✓				DIV	NA
TRA	NA				AC	✓
AGM	✓	✓			SHI	✓
YE	✓	✓	✓			✓

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## Mercury Metals Limited

1997-98

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FOR MERCURY METALS LTD.

*John Kesteven*  
DIRECTOR

## Mercury Metals Limited

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**Board of Directors** : Shri Radheshyam L. Kabra **Chairman**  
Shri Ramprakash L. Kabra  
Dineshchandra R. Lahoti

**Company Secretary** : Sanjay R. Antala

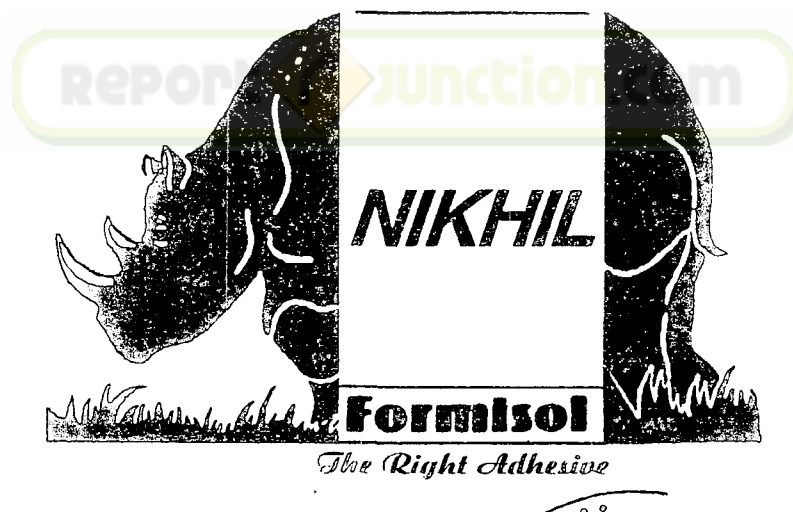
**Auditors** : Badrilal Punglia & Co.  
Chartered Accountants  
C/71, 2nd Floor, B. G. Tower,  
Outside Delhi Gate,  
Ahmedabad - 380 004.

**Bankers** : The Bank of Rajasthan Limited  
Bharat Overseas Bank Limited  
Vijaya Bank

**Registered Office** : 4th Floor, Agrawal Complex,  
Near Municipal Market,  
C.G. Road, Navrangpura,  
Ahmedabad - 380 009.

MD	<input checked="" type="checkbox"/>	BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>	DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>	DNV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>	AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	SEI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

# Twelfth Annual Report



**NIKHIL ADHESIVES LIMITED**

Registered Office : 39, Gundavali, Off. Sir M.V. Road, Andheri (E), Mumbai - 400 069.


**Formisol**
**NIKHIL ADHESIVES LIMITED**
*12th Annual Report 1997-1998*
**BOARD OF DIRECTORS**

Shri. V. R. Mehta, Chairman  
 Shri. P. D. Desai  
 Shri. R. J. Sanghavi  
 Shri. U. J. Sanghavi  
 Shri. A. J. Sanghavi  
 Shri. T. J. Sanghavi

**Auditors**

P. V. Vakharia & Co.  
 Chartered Accountants

**Bankers**

Bank of India

**Registered Office**

39, Gundavali  
 Off Sir M. V. Road,  
 Andheri (East)  
 Mumbai - 400 069.

**Plant**

Shreeji Industrial Estate  
 Vadkun, College Road,  
 Dahanu, Dist. Thane - 401 602.

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**Formisoi**
**NIKHIL ADHESIVES LIMITED**
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### **NOTICE**

**Notice** is hereby given that the **Twelfth Annual General Meeting of Nikhil Adhesives Limited** will be held at the Registered office of the company, on Tuesday 29th September, 1998, at 4.00 P.M. to transact the following business:-

- (1) To receive, consider, and adopt the Balance Sheet as at 31st March, 1998 and the Profit and Loss account for the year ended on that date and the reports of the Directors and the Auditors.
- (2) To appoint a Director in place of Mr. V.R.Mehta, who retires by rotation and is eligible for reappointment.
- (3) To appoint Director in place of Mr. P.D.Desai, who retires by rotation and is eligible for reappointment.
- (4) To appoint Auditors and fix their remuneration.
- (5) To consider and, if thought fit, to pass, with or without modifications, the following resolutions as an special Resolutions:-

*"RESOLVED THAT the consent of the Company be and is hereby accorded to buy its own shares by the company from the market or by public offer or otherwise as and when Section 77 and other applicable provisions of the Companies Act, 1956 are amended permitting purchase of own shares by the Companies. Consent is further accorded that the shares so purchased can be kept as treasury stock or extinguished or sold in the market as and when deemed fit provided that the net purchased shares in stock at any time shall not exceed such number and aggregate face value of shares as may be permitted as per the law then in force.*

*RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and things as may be necessary for purchasing own shares of the Company, selling own shares so purchased, appointing brokers, delegating powers on this behalf and such other deeds and matters as may be necessary from time to time to give effect to this resolution."*

**Notes :**

- (1) A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and a proxy need not be a member.
- (2) The register of Members and the Transfer Books of the company will remain closed from 14th September 1998 to 29th September, 1998 (both days inclusive.)
- (3) Members are also requested to advise, indicating their folio Number, the change of their addresses, if any to company at its registered office.

**Explanatory Statement under Section 173 of the Companies Act, 1956      Item No.5.**

It is proposed to obtain the consent of the shareholders for purchasing of its own shares by the Company. At present section 77 of the Companies Act prohibits buying of its own shares by the Company. The amendments are being contemplated in Section 77 and other applicable provisions of the Companies Act, 1956, which may permit purchase of own shares by the Company. This resolution will enable Company to purchase its own shares as and when the relevant amendments are made in the Companies Act, 1956. This resolution will be effective after the relevant amendments are made in the Companies Act, 1956.

None of the Directors of the Company is concerned or interested in this resolution.

**Registered Office :**

39, Gundavali, Off. Sir M.V. Road,  
Andheri (E), Mumbai - 400 069.  
Date : 27th August, 1998

By order of the Board of Director

Umesh J. Sanghavi  
Managing Director


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**NIKHIL ADHESIVES LIMITED**
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## Directors Report

### To The Members of the Nikhil Adhesives Limited

The Board of Directors are pleased to present the Twelfth Annual Report together with audited accounts of the company for the year ending 31st March 1998.

Financial Result	1997-98	1996-97
	(Rs.in thousand)	
Gross profit before Depreciation & Tax	2120	2051
Less:-Depreciation	853	865
Profit before tax	1267	1186
Less:-Tax Provision for current year	400	290
Tax Provision for earlier year	—	447
Profit after Tax	867	449
Balance brought forward	1825	1376
Available for appropriation	2692	1825
<b>Appropriations</b>		
Proposed Dividend	-	-
Transfer to General Reserve	-	-
Last year's Dividend Adjustment	-	-
Balance carried forward	2692	1825
<b>Total</b>	2692	1825
	=====	=====

At the outset the Board of Directors painfully inform the members about the sad demise of your Chairman Shri J.R.Sanghavi since inception of the company on 28th December 1997. He was a great source of inspiration to the Board which places on record the valuable service rendered and guidance received from time to time. In his demise, the Company has suffered an irreparable loss which has created a void which only time may fill up. We pray God that his soul may remain in eternal peace.

### Dividend

Your Directors do not propose to recommend any dividend this year in view of insufficient surplus and general sluggishness in the economy.

### Operations

The Total Sales (Net) during the year were Rs.1227.31 Lakhs as against Rs.854.85 Lakhs in the previous year.

The Profit before tax stood at Rs.12.67 lakhs as against Rs.11.86 lakhs in the previous year. Profit after tax for the current year is Rs. 8.67 lakhs compared to Rs.4.49 lakhs during the previous year.

The year under review witnessed tight monetary liquidity and general sluggishness in market which was quite visible in consumer market. These had effect on the profitability of the company. Your company has further introduced cost saving measures and cut down expenses in areas of unprofitable operations.

Research work is pursued in a systematic way with a view to develop new products in the industrial sector where at times each customer's requirement as to quality has to be given primary consideration.

### Conservation of energy,technology absorption,foreign exchange earning and outgoing.

The information required under section 217(1) (e) of the companies Act, 1956,read with the companies (Disclosure of particulars in the report of the Board of Directors) Rules,1988 is annexed hereto and forms part of the Report.

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**Particulars of employees**

None of the employees has been paid remuneration covered by section 217 (2A) of the companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975.

**Insurance**

All properties of the companies including Building, Plant & Machinery and Stock have been adequately insured.

**Directors**

In accordance with the provision of the companies Act 1956, Shri V.R.Mehta and Shri P.D.Desai retire by rotation and being eligible have offered themselves to be elected as directors.

**Comparative Figures Of Projections and Actuals.**

The comparison of Actual performance for the year 1997-98 with the projections indicated in the prospectus at the time of public issue is as under:

	(Rs.in Lacs)	
	Projected	Actuals
Net sales	1453.30	1227.31
Net profit after Tax	181.92	8.67

**Auditors**

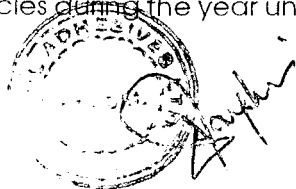
M/s. P.V.Vakharia & Co. Chartered Accountants will hold the office until the conclusion of the forthcoming Annual General Meeting. You are requested to appoint the said firm as statutory auditors to hold office from the conclusion of the ensuing General Meeting.

**Employees Relations**

Relation between the employees and the Management remained cordial during the year. The directors appreciate the efficient and devoted services rendered by the executives, staff members and the workers.

**Acknowledgment**

Your company is grateful for support and co-operation from Bank of India. The Directors also acknowledge with gratitude the abundant assistance received from various Government authorities and other agencies during the year under review.



On the behalf of Directors

V.R.MEHTA  
Chairman

Place : Mumbai  
Date : 30th June, 1998

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