

# **7th Annual Report 1999-2000**

Report  junction.com



**N. R. Agarwal**  
**Industries Limited**

## N. R. Agarwal Industries Limited

---

### Board of Directors

Shri N. R. Agarwal

Shri G. N. Agarwal

Shri R. N. Agarwal

Shri S. N. Chaturvedi

Shri B. P. Muktieh

*Managing Director*

*Director*

*Director*

*Director*

*Nominee of IDBI*

REGISTERED OFFICE,  
FACTORY & SHARE DEPT.

Plot No.169, GIDC.,

VAPI - 396 195,

Dist : Valsad,

Gujarat State

CORPORATE OFFICE:

415-418, Janki Centre, 4<sup>th</sup> Floor

29, Shah Industrial Estate

Off: Veera Desai Road

Andheri (W), Mumbai - 400 058

Auditors

CHATURVEDI & PARTNERS

Banker

BANK OF BARODA

Annual General Meeting will be held on  
Friday, 29<sup>th</sup> September 2000 at  
Plot No.901, 3<sup>rd</sup> Phase, GIDC, Vapi, Dist.  
Valsad (Gujarat) - 396 195.

## Annual Report 1999-2000

**NOTICE**

NOTICE is hereby given that the Seventh Annual General Meeting of the members of N.R.AGARWAL INDUSTRIES LIMITED will be held at Plot No.901, 3<sup>rd</sup> Phase, GIDC, Vapi, Dist. Valsad (Gujarat) – 396 195 on Friday, the 29<sup>th</sup> September 2000 at 11.00 A.M. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2000 and Profit and Loss Account for the year ended 31<sup>st</sup> March 2000 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S.N.Chaturvedi who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass, with or without modification(s) the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provision of Section 17 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the confirmation and approval of the Company Law Board, the Registered Office of the Company be shifted from the State of Gujarat to the State of Maharashtra".

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provision of Section 17 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the confirmation and approval of the Company Law Board, the Memorandum of Association of the Company be and is hereby altered to the extent and in the manner detailed hereunder:

The existing Clause-II of the Memorandum of Association of the Company be and is hereby substituted by the following:

**Clause-II**

The Registered Office of the Company will be situated in the State of Maharashtra."

6. To consider and if thought fit, to pass, with or without modification(s) the following resolution as Special Resolution:

"RESOLVED THAT the listing of the securities with the Delhi Stock Exchange be and is hereby cancelled and that the Shares of the Company be delisted on the Delhi Stock Exchange subject to the approval of shareholders of the company and as per the guidelines issued by SEBI."

**NOTES:**

1. A member who is entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote, instead of himself and the proxy need not be a member.
2. The instrument of proxy for use of the meeting must be lodged at the Registered Office of the Company, not less than forty eight hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Book of the Company will remain closed from Tuesday, 26<sup>th</sup> September 2000 to Friday, 29<sup>th</sup> September 2000 (both days inclusive) for the purpose of Annual General Meeting.
4. Members are requested to immediately notify the Company in case of any change in address and should specify their full address in capital letters clearly indicating the pincode of the post office.
5. Members are requested to bring their copy of Annual Report as the extra copies will not be supplied at the Annual General Meeting.
6. In case members desire to raise any queries they are requested to send them at the Registered Office of the Company, at least 10 days in advance so that related information may be kept available at the meeting.
7. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special Business is annexed hereto.

By order of the Board of Directors

Place : Mumbai  
Date : 22<sup>nd</sup> August, 2000

**N.R. Agarwal**  
Managing Director

## N. R. Agarwal Industries Limited

### ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956. ITEM NO. 4 AND 5: SHIFTING OF REGISTERED OFFICE:

At present the Registered Office of the Company is situated in the State of Gujarat at 169, GIDC, Phase-II, Vapi- 396 195, Dist-Valsad, Gujarat State. The Company also have its Corporate Office situated in the State of Maharashtra at 415-418, Janki Centre, 4<sup>th</sup> Floor, 29, Shah Industrial Estate, Off: Veera Desai Road, Andheri (West), Mumbai- 400 058.

The Directors of the Company, Sales, Accounts and Administrative Offices of the Company are situated at the said Corporate Office. The Vapi is small industrial Town and therefore, it is difficult to get efficient administrative and executive staff at a reasonable cost. The activities of the Company have been expanded and Company's main business activity is being carried out in the State of Maharashtra. The major customers, suppliers of goods & services, bankers, major shareholders are all located in the State of Maharashtra.

The Board of Directors of the Company at its meeting held on 22.08.2000 has decided to shift the Registered Office of the Company from the State of Gujarat to the State of Maharashtra subject to necessary confirmation and approval of the Company Law Board and Members of the Company. The Board is of the opinion that with the shifting of the Registered Office in the State of Maharashtra, the business of the Company can be carried on more advantageously, economically and effectively and will have administrative convenience. The Board of Directors also opined that the interest of the creditors, lenders, suppliers of goods & services, shareholders and general public will not be affected consequence to the

shifting of Registered Office in the State of Maharashtra.

As per the provision of the Section 17 of the Companies Act, 1956 the Company can shift its Registered Office from one State to another with the approval and confirmation of the Company Law Board and approval of Shareholders is required by passing Special Resolution.

The Board recommends the resolution to be passed. None of the Directors of the Company is concerned or interested in this Resolution.

ITEM NO. 6: DELISTING OF SHARES ON DELHI STOCK EXCHANGE:

The Equity Share Capital of the Company is listed on Delhi Stock Exchange at the time of Company's maiden public issue in the month of July 1994. However it has been observed that there are very few shareholders holding the share capital of the company in that region and trading on the shares in Delhi Stock Exchange is also negligible.

The Company has adopted measures to cut the cost of the Company and the Board of Directors at its meeting held on 22.08.2000 have decided to delist the shares on Delhi Stock Exchange as per guidelines issued by SEBI to All Stock Exchanges vide SMDRP/ CIR-14/98 dated 29-04-1998 and other applicable guidelines issued by SEBI from time to time.

The Board recommends the resolution to be passed. None of the Directors of the Company is concerned or interested in this Resolution.

By order of the Board of Directors

**N.R. Agarwal**  
Managing Director

Place : Mumbai  
Date : 22nd August, 2000

## Annual Report 1999-2000

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in submitting their Seventh Annual Report along with the Audited Annual Accounts for the year ended March 31, 2000.

**FINANCIAL RESULTS:**

Your Company's performance during the year as compared with that during the previous year is summarized below:

Particulars	(Rs.in lakhs)	
	For the Year 31.03.2000	For the Year 31.03.99
1. Net Sales /Income from Operations	7186.36	5379.08
2. Other Income	8.09	14.56
3. Total Expenditure	6427.06	4877.79
4. Interest	497.83	329.08
5. Gross Profit after Interest but before Depreciation and Taxation	269.56	186.77
6. Depreciation	177.06	128.70
7. Provision for Taxation	11.50	6.50
8. Net profit for the year	81.00	51.57
9. Prior year Adjustments +/-	(6.12)	(6.15)
10. Surplus brought forward from the previous year	450.30	404.89
11. Total amount available for appropriation	525.18	450.30
12. Surplus carried over to Balance Sheet.	525.18	450.30

**1) THE STATE OF THE COMPANY'S AFFAIRS:**

Your Directors are pleased to inform that your company has achieved a turnover of Rs.7186 Lacs as compared to Rs.5379 Lacs for the previous year and recorded Profit after Tax of Rs.81.00 Lacs as against a Profit of Rs.51.57 Lacs in the previous year.

The newsprint project of the Company has stabilized during the year under review. During the year, company installed additional equipment in the newsprint project, which has resulted in enhanced production and improved quality of the newsprint manufactured by your company. The Management is contemplating to further increase the production and quality of the newsprint by installing more equipment in near future.

At present the Registered Office of the Company is situated in the State of Gujarat at 169, GIDC, Phase-II, Vapi- 396 195, Dist-Valsad, Gujarat State. The Company also have its Corporate Office situated in the State of Maharashtra at 415-418, Janki Centre, 4<sup>th</sup> Floor, 29, Shah Industrial Estate, Off: Veera Desai Road, Andheri (West), Mumbai- 400 058.

The Directors of the Company, Sales, Accounts and Administrative Offices of the Company are situated at the said Corporate Office. The Vapi is small industrial Town and therefore, it is difficult to get efficient administrative and executive staff at a reasonable cost. The activities of the Company have been expanded and Company's main business activity is being carried out in the State of Maharashtra. The major customers, suppliers of goods & services, bankers, major shareholders are all located in the State of Maharashtra.

The Board is of the opinion that with the shifting of the Registered Office in the State of Maharashtra, the business of the Company can be carried on more advantageously, economically, and effectively and will have administrative convenience. The Board of Directors also opined that the interest of the creditors, lenders, suppliers of goods & services, shareholders and general public will not be affected consequence to the shifting of Registered Office in the state of Maharashtra.

As per the provision of the Section 17 of the Companies Act, 1956 the Company can shift its Registered Office from one State to another with the approval and confirmation of the Company Law Board and approval of Shareholders is required by passing Special Resolution.

**2) DIVIDEND :**

Your Company is just over six years old and continues to require substantial investments in

## N. R. Agarwal Industries Limited

expansion, modernization and other infrastructure activities. Considering the growth momentum we believe that retention would help create additional shareholder value by increasing the return on equity. Due to various reasons, the stock market has remained listless and the share prices have been subdued.

As you are aware, the Company has maintained its commitment towards repayment of loan installments to the Financial Institutions.

Keeping in view the above facts, your Directors are do not recommend any dividend for the year 1999-2000.

### 3) DIRECTORS:

Mr.S.N.Chaturvedi retires by rotation and being eligible offers himself for reappointment as per the provisions of Articles of Association of the Company.

### 4) FIXED DEPOSITS :

As on 31<sup>st</sup> March, 2000 no fixed deposit was outstanding.

### 5) DISCLOSURE UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:

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 Board of Directors) Rules, 1988, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure-I forming part of this report.

### 6) PARTICULARS OF EMPLOYEES :

Information required to be furnished in terms of Section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975 is given in Annexure-II forming part of this report.

### 7) AUDITORS :

M/s. Chaturvedi & Partners, Chartered Accountants retire at the conclusion of the forthcoming Annual General Meeting and being eligible are willing to continue in office. The Board recommends their re-appointment.

### 8) INDUSTRIAL RELATIONS :

The Employer - Employee relations were cordial throughout the year under review.

### 9) ACKNOWLEDGEMENT :

The Board wishes to record its appreciation of the efforts put in by the employees of the company. The Board also acknowledge the support received from Financial Institutions, Banks and different Government Agencies.

By order of the Board of Directors

**N.R.Agarwal**  
Managing Director

Place : Mumbai

Date : 22nd August, 2000

## ANNEXURE - I

INFORMATION REQUIRED UNDER SECTION 217(1)(e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988, AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31st MARCH 2000

### I) CONSERVATION OF ENERGY :

#### A) Energy Conservation measures taken :

Energy conservation measures are undertaken by the Company on regular basis by installing various Equipments and drives etc., and the process is an ongoing process.

#### B) Additional investment and proposals for reduction of consumption of energy :

The Company is undertaking a process of increased automation and improved layout.

#### C) Impact of the measures at A & B above for reduction of energy consumption and consequent impact on the cost of production of goods :

The Company has been able to achieve reduction in specific energy Consumption.

#### D) Total energy consumption and energy consumption per unit of Production as per Form -A