

Where legend and technology mingle



Annual Report 2000-2001



P G Foils Ltd.



Founder Chairman - late Shri. Parasraj G. Shah
(18.8.1933 - 16.3.1982)

**BOARD OF DIRECTORS**

SHRI PANKAJ P SHAH
 SHRI ASHOK P SHAH
 SHRI ABHAY P SHAH
 SHRI POORAN RAJ G SHAH
 SHRI S B KABRA
 SHRI A S PURI
 SHRI VIMAL DHADDA
 SHRI HEMANT K NEMA
 SHRI PRAMOD TALERA

MANAGING DIRECTOR
 JOINT MANAGING DIRECTOR
 WHOLE TIME DIRECTOR
 DIRECTOR
 DIRECTOR
 DIRECTOR
 DIRECTOR
 DIRECTOR
 DIRECTOR

SENIOR EXECUTIVES

SHRI R M JAIN
 SHRI G CHATTERJEE
 SHRI S B SINGH
 COMPANY SECRETARY
 SHRI VISHU KAUSHAL

EXECUTIVE DIRECTOR (FINANCE)
 GENERAL MANAGER(WORKS)
 GENERAL MANAGER (MKTG).

AUDITORS

M/s H M Singhvi & Co.
 Chartered Accountants
 Johari Bazar , Jaipur.

BANKERS

IDBI Bank Ltd.
 Global Trust Bank Ltd.
 State Bank of Bikaner & Jaipur

REGISTERED OFFICE

6, Neptune Tower, Ashram Road, Ahmedabad-380 009 (Guj).
 Phone : (079) 6587606,6587285,6589803 fax : 079-6584187

WORKS & HEAD OFFICE

PO : Pipalia Kalan – 306 307 Dist.Pali Rajasthan
 Tel.(02937) 20202, 87151-52-53-54-55 Fax:02937-87150
 E-Mail pgfoils@sancharnet.in

SALES OFFICES

MUMBAI	:	Neelam Building,1st Floor, 80 Marine Lines. Mumbai-400 002 Tel. : (022)2813448,2813046, 2817497 • Fax: : 022-2813502 E-mail : pgfmum@bom7.vsnl.net.in
CHENNAI	:	37, Arcot Road,Chennai-600 026 Tel. : (044) 4801009, 4802022, 4729161
AHMEDABAD	:	6, Neptune Tower, Ashram Road,Ahmedabad-380009 Tel. : (079) 6587606,6587285,6589803 • Fax : 079-6584187
DELHI	:	3058/3063,D.B.Gupta Road, 1st Floor, Pahar Ganj, Delhi-110 055 Tel. : (011)3521033-34,3517472-73 Fax:3521035
BANGALORE	:	No.977-A,23rd Main, 4th 'T' Block, Jayanager, Bangalore-560 041 Ph. : 6347863
HYDERABAD	:	House No.10-5-3/2/3, Masab Tank, Opp.Gardan Tower, Hyderabad- 500 028 Ph. : (040) 6704413,3323576 • Fax : 3323570
JAIPUR	:	A/1-302, Kamal Appt. Near Ram Mandir, Bani Park, Jaipur – 302 016 Tel. : (0141) 203023,203048

REPRESENTATIVE OFFICE

KOLKATA	:	Shri KC Bhandari, Kamal Steel Industries, CentrePoint 28/2, Shakespeare, Sarani, Flat No.801,8th Floor, Kolkata – 700 017 Tel. : (033) 2407009, 2400792
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NOTICE



NOTICE is hereby given that the Twenty second Annual General Meeting of the members of PG FOILS LIMITED will be held at the Orient Club, Kavi Nanalal Marg, Near Gujrat Collage Railway Crossing, Ellisbridge, Ahmedabad on saturday 8th September, 2001 at 11 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance sheet of the Company as at 31st March, 2001 and the Profit & Loss account for the year ended on 31st March 2001, the report of the Directors and the Auditor's thereon.
2. To appoint a Director in place of Shri Pooran Raj G Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Vimal Dhadda, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution :-

"RESOLVED THAT Shri Hemant K Nema who was appointed as an Additional Director by the Board at its meeting held on 31st Oct. 2000, in terms of section 260 of the Companies Act, 1956 and who holds office upto this Annual General Meeting and in respect of whom a notice has been received from a share holder, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

"RESOLVED THAT subject to the provisions of section 198, 269, 309 and 311 and all other applicable provisions, if any read with Schedule XIII of the Companies Act, 1956 Shri Ashok P Shah be and is hereby appointed as Joint Managing Director of the Company for a further period of 5 years from 30th April, 2001 on the terms and conditions including remuneration as set out in the draft agreement placed before the meeting and for the purpose of identification initialled by the Chairman which is hereby specifically approved."

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

"RESOLVED THAT subject to the provisions of section 198, 269, 309 and 311 and all applicable provisions, if any read with Schedule XIII of the Companies Act, 1956 Shri Abhay P Shah be and is hereby appointed as Whole Time Director of the Company for a further period of 5 years from 30th April, 2001 on the terms and conditions including remuneration as set out in the draft agreement placed before the meeting and for the purpose of identification initialled by the Chairman which is hereby specifically approved."

REGISTERED OFFICE

6, Neptune Tower,
Ashram Road,
AHMEDABAD-380 009

Place : Delhi
Date : 17th July 2001.

By order of the Board

(PANKAJ P SHAH)
Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AN ANNUAL GENERAL MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF .A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT 6, NEPTUNE TOWER ASHRAM ROAD, AHMEDABAD-380009 NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THIS ANNUAL GENERAL MEETING.
2. Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of special business is annexed hereto.
3. The Register of members and share transfer books of the company will remain closed from 03-09-2001 to 08-09-2001 (Both days inclusive).
4. Members are requested to notify any changes in their address and mandats, if any immediately at the Registered Office of the Company in writing.
5. Members are requested to bring their copy of the annual report along with admission slip with them at the Annual General Meeting as no extra copies of annual report or attendance slip will be distributed at the meeting venue.
6. In view of the amendment to the companies Act, 1956 the unclaimed dividend that are to be transferred to Investor Education and Protection Fund to be set up by the Central Government are as follows :

S.No.	Date of Declaration	Financial Year	Amount (Rs.)
(1)	30th Sept. 1996	1995-96	549301.00
(2)	29th Sept. 1998	1997-98	141834.00

7. Demat Registrar's Address : M/s Pinnacle Shares Registry Pvt. Ltd.
Near Ashoka Mills, Naroda Road
Ahmedabad - 380 025

REGISTERED OFFICE

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Place : Delhi
Date : 17th July 2001.

By order of the Board

(PANKAJ P SHAH)
Managing Director



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT,1956.

ITEM NO. 5

Shri Hemant K Nema was appointed as an Additional Director of the Company on 31st Oct.2000 under the provisions of section 260 of the Companies Act,1956 and as per articles of association. Shri Hemant K Nema shall hold office upto the date of Annual General Meeting i.e. 8th Sept.2001 The Company has received a notice along with Rs.500/- under section 257 of the Companies Act,1956 from a member proposing the candidature of Shri Hemant K Nema for the office of the Director, liable to retire by rotation. In order to broad base the Board, the Directors recommend his appointment to the shareholder for approval.

None of the Directors, except Shri Hemant K Nema himself is, any way, concerned or interested in the said resolution.

ITEM NO.6

The Board of Directors of the Company at its meeting held on 30th April,2001 appointed Shri Ashok P Shah who has vast experience in the field of Foils & Packaging materials and also looks after legal matters of the Company, as Joint Managing Director of the Company for a further period of 5 years from 30th April,2001 on the existing terms & the conditions and remuneration as allowable under Companies Act,1956 . The remuneration and perquisites payable to Shri Ashok P Shah is as below.

Salary Rs. 15,000.00 per month.

Two club fee excluding whole time membership fees.

The Draft agreement as stated in resolution is available for inspection by the member of the Company on any working day between 11 A.M. to 3.00 P.M. Your Directors recommend the resolution for your approval.

None of the Director except Shri Pankaj P Shah, Shri Abhay P Shah & Shri Pooran Raj G Shah who are related to Shri Ashok P Shah, apart from Shri Ashok P Shah himself is interested in the resolution. The above information may be treated as abstract and memoranda under section 302 of the Companies Act,1956.

ITEM NO. 7

The Board of Directors of the Company at its meeting held on 30th April,2001 appointed Shri Abhay P Shah who looks after overall marketing function including Exports of the Company as Whole Time Director of the Company for a further period of 5 years from 30th April,2001 on the existing terms & conditions and remuneration as allowable under the Companies Act,1956. The remuneration and perquisites payable to Shri Abhay P Shah is as below.

Salary Rs. 15,000.00 per month.

Two club fee excluding whole time membership fees.

The Draft agreement as stated in resolution is available for inspection by the member of the Company on any working day between 11 A.M. to 3.00 P.M. Your Directors recommend the resolution for your approval.

None of the Director except Shri Pankaj P Shah, Shri Ashok P Shah & Shri Pooran Raj G Shah who are related to Shri Abhay P Shah, apart from Shri Abhay P Shah himself is interested in the resolution. The above information may be treated as abstract and memoranda under section 302 of the Companies Act,1956.

REGISTERED OFFICE

6, Neptune Tower,
Ashram Road,
Ahmedabad – 380 009

Place : Delhi
Date : 17th July. 2001

By Order of the Board,

(PANKAJ P SHAH)
Managing Director.

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 22nd Annual report of your Company together with the audited annual account of the Company for the year ended 31st March, 2001.

FINANCIAL HIGHLIGHTS

	Rs. in lacs. 2000-2001
Sales & Other Incomes	7382.37
Profit before Depreciation & Tax	209.27
Less : Depreciation	108.73
Profit before Taxation	100.55
Less : Provision for Taxation	10.00
Profit After Tax	90.55
Add/Less : Prior Period Adjustments	67.66
Add : Profit Brought Forward	832.62
Surplus carried over to Balance Sheet	990.83

OPERATIONS

Due to sluggish market conditions and severe competitions your Company could not pass the price increase of Raw materials to customers thus resulting low realisation and profitability. Your Company has made improvement in performance like record production of Aluminium Foil and, high Export and cost saving in expenses. We expect improvement in production and operating profits in current year. The turnover of your Company for the year is Rs.7070.86 lacs representing a growth of 7.88% approximately over that of previous year. The profit after tax for the year amounting to Rs.90.55 lacs however reflects a decrease of approximately 473.77 % over that of previous year beside above reason mainly due to decrease of other income from 548.5 lacs to Rs.311.71 lacs on account of reduction of share of profit from a partnership firm in which your Company is a partner.

DIVIDEND

Your Directors do not recommend any payment of dividend for year ended 31st March, 2001.

FIXED DEPOSITS

Your Company has neither accepted nor invited any Fixed Deposits from the Public during the year under review.

DIRECTORS

Shri Pooran Raj G Shah and Shri Vimal Dhadda Directors will retire from the board by rotation at this Annual General Meeting and being eligible have offered themselves for reappointment.

INDUSTRIAL RELATIONS

The company continue to maintain cordial relation with its Workers, Supervisors & Officers in all divisions to enable it to achieve better performance.

FORFEITURE OF SHARES

11600 Equity share were forfeited during the year for non payment of call money arrear as a result of which the company's paidup equity share capital stands reduced to Rs. 7,80,00,000/-.

DEMAT TRADING

As per the directives of The Securities and Exchange Board of India (SEBI), the Company's shares are being compulsorily trade in the dematerialisation mode with effect from 2nd of April, 2001. Necessary agreement have already been entered by the Company with NSDL, CDSL and also with M/s Pinnacle Share Registry Pvt. Ltd., Ahmedabad who shall act as registrar for transfer of shares of the company in electronic mode only.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 217 (2AA) of the Companies Act., 1956 your Director state that :-

- In preparation of annual accounts, the applicable accounting standards have been followed.
- Appropriate accounting policies have been selected and applied consistently and judgements and estimates made, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year ended 31st March, 2001 and the profit and loss account for the year ended 31st March, 2001.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the companies act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

AUDIT COMMITTEE

The Company has constituted an audit committee of the directors pursuant to the provisions of Section 292 A of the Companies Act. (Amendment) Act, 2000. The Board of Directors have defined the scope and power of such committee.

PARTICULARS OF EMPLOYEES

For the year under review there are no employees covered as per the requirement of section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of employee) rules 1975 as amended.

AUDITORS

Messers H.M. Singhvi & Co. Chartered Accountants, Jaipur the Auditors of the Company will retire at this ensuing Annual General Meeting. The company has received their confirmation that their appointment if made and approved would be within the prescribed limits under section 224 (1-B) of the Companies Act 1956. Accordingly the said Auditors may be re-appointed as Auditors of the Company at this Annual General Meeting.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provision of the section 217 (1) (e) of Companies Act 1956, read with Companies Disclosure of particulars in the report of Board of Directors Rules 1988, regarding conservation of Energy, Technology absorption & Foreign Exchange earning and outgo is given in the Annexure "A" forming part of this report.

ACKNOWLEDGEMENTS

Your directors would like to express their appreciation for the assistance & co-operation received from the Central & State Government and Banks during the year under review. The Director also express their gratitude to the Company customers and suppliers who have supported the Company to achieve more efficiency and productivity.

The Board of Directors place on record their appreciation for the continued Co-operation and support extended to the Company by its Share Holders, Staff members and workers for maintaining cordial relations.

REGISTERED OFFICE

6, Neptune Tower,
Ashram Road,
Ahmedabad-380 009

By Order of the Board,

Place : Delhi
Date : 17th July. 2001

(PANKAJ P SHAH)
Managing Director.