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PRIMA



PRIMA PLASTICS LTD

PRIMA AT GLANCE

Rs. in Lacs*

Year ending March 31,	1999	1998	1997	1996
Sales & Other Income	5342	4424	2726	622
Operating Profit	1466	1257	590	133
Profit Before Tax	974	947	334	51
Profit after Tax	974	947	334	51
Dividend	275	275	0	0
Dividend Tax	30	28	0	0
Retained Earnings	699	672	334	51
Shareholders' Fund				
Equity Capital	1100	1100	1100	1100
Reserves	1828	1160	516	182
	2928	2260	1616	1282
Debts				
Term Loan	671	628	447	506
Working Capital Loan	359	64	141	0
Unsecured Loan	0	0	0	9
	1030	692	588	515
Total Liabilities	3958	2952	2205	1798
Fixed Assets (Net)	2576	1551	1216	1199
Capital Works in Progress	243	411	221	0
Net Current Assets	1116	963	737	563
Misc. Exps.	23	27	31	35
Total Assets	3958	2952	2205	1798
Operating Profit / Gross Income	27%	28%	22%	21%
Net Profit / Gross Income	18%	21%	12%	8%
Dividend	25%	25%	0%	0%
Current Ratio	1.99	3.02	2.35	5.87
DER	0.23	0.28	0.28	0.39
Debtors Turnover	6.28	6.97	5.43	2.28
Fixed Assets to Shareholders' Worth	0.96	0.87	0.89	0.94
EPS (Rs.)	8.85	8.61	3.04	0.47
CEPS (Rs.)	11.63	10.36	4.35	0.99
RONW	34%	42%	21%	4%
ROCE	40%	47%	28%	6%
Interest Coverage	7.85	10.69	5.28	5.55
DSCR	4.94	6.75	3.50	6.09
Gross Gearing	26%	23%	27%	29%

*not applicable to ratios.



DIRECTORS

Shri Manharlal V. Parekh (Chairman & Managing Director)
 Shri Mulchand S. Chheda
 Shri Krishnakant Chitalia
 Shri Rasiklal M. Doshi
 Shri Kirit Mehta
 Shri Bhaskar M. Parekh (Wholetime Director)
 Shri Dilip M. Parekh (Executive Director)

FIFTH ANNUAL GENERAL MEETING

Date : September 25, 1999
 Time : 11.30 A.M.
 Venue : Hotel Sandy Resorts,
 Devka Beach, Nani Daman,
 Daman (U.T.), Pin - 396 210.

BANKERS

Oman International Bank s.a.o.g.

AUDITORS

B.K. Mathur & Associates
 Chartered Accountants

REGISTERED OFFICE & WORKS

98/4, Prima House,
 Daman Industrial Estate,
 Kadaiya, Nani Daman,
 Daman (U.T.), Pin 396 210.

CORPORATE OFFICE

41, National House,
 Saki-Vihar Road, Andheri (East),
 Mumbai - 400 072

SHARE TRANSFER AGENT

Big Share Services Private Limited
 J - 12, Ansa Industrial Estate,
 Saki- Vihar Road, Andheri (East),
 Mumbai - 400 072

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NOTICE

Notice is hereby given that the Fifth Annual General Meeting of PRIMA PLASTICS LIMITED will be held at Hotel Sandy Resorts, Devka Beach, Nani Daman, Daman (U.T.), Pin 396 210 on Saturday, September 25, 1999 at 11.30 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 1999 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend for the year ended on March 31, 1999.
3. To appoint a Director in place of Shri Mulchand S. Chheda, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Bhaskar M. Parekh, who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

5. To appoint M/s. Rajesh Deedwania & Associates, Chartered Accountants, Mumbai as the Auditors of the Company, in place of retiring Auditors M/s. B. K. Mathur & Associates, Chartered Accountants, Mumbai and to authorised the Board of Directors to fix their remuneration.
6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution
 "RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals and sanctions as may be necessary, the Company hereby accords its consent and approval to the reappointment of Shri Manharlal V. Parekh as Chairman & Managing Director of the Company for a period of five years effecting from November 1, 1999 on such terms and conditions as set out in the draft agreement, a copy of which was placed before the Board and initialled by a Director for the purpose of identification, which agreement is hereby sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment including the remuneration, commission payable and perquisites to be provided to Shri Manharlal V. Parekh so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, or any amendments thereto."
 "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary for the purpose of giving effect to this resolution."
7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution
 "RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals and sanctions as may be necessary, the Company hereby accords its consent and approval to the reappointment of Shri Dilip M. Parekh as an Executive Director of the Company for a period of five years effective from January 1, 2000 on such terms and conditions as set out in the draft agreement, a copy of which was placed before the Board and initialled by the Chairman for the purpose of identification, which agreement is hereby sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment including the remuneration, commission payable and perquisites to be provided to Shri Dilip M. Parekh so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, or any amendments thereto."
 "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, for the purpose of giving effect to this resolution."
8. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution
 "RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification and re-enactment thereof, for the time being in force), the Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below:
 - i. The existing Article 16(a) be substituted with the following Article alongwith the marginal note indicated:
 "16(a) **Register and Index of Members**
 The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 150, 151 and other applicable provisions of the Act and the Depositories Act, 1996 with the details of shares or any other securities held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.
 The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of the Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

- ii. The following new Articles together with the marginal notes be inserted as Articles 27(d), 70(c) and 70(d) after the existing Articles 27 & 70 respectively:

"27(d) Dematerialisation of Securities

For the purpose of this Article :

(i) Definitions:

Beneficial Owner: 'Beneficial Owner' shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996;

Bye-Law: 'Bye-Law' means bye-law made by a Depository under Section 26 of the Depositories Act, 1996;

Depositories Act: 'Depositories Act' shall mean the Depositories Act, 1996, and any statutory modification(s) or re-enactment thereof for the time being in force;

Depository : 'Depository' means an Entity which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992 and wherein the securities of the Company are dealt within accordance with the provisions of the Depositories Act, 1996;

Record: 'Record' includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;

Regulations: 'Regulations' means the regulations made by SEBI;

SEBI: 'SEBI' means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992; and

Security: 'Security' means such securities as may be specified by SEBI from time to time;

Shareholder or Member: 'Shareholder' or 'Member' means the duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Shares and/or Preference shares of the Company as also one whose name is entered as a beneficial owner of the Shares in the records of the Depository;

(ii) Dematerialisation of Securities:

Notwithstanding anything to the contrary contained in these Articles, the Company shall be entitled to dematerialised its securities (both existing and future) held by it with the Depository and to offer its securities in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any;

(iii) Option for Investors:

Every person subscribing to/acquiring securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security;

(iv) Securities in Depositories to be in Fungible Form:

All securities of the Company held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B and 187C of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners;

(v) Rights of Depositories and Beneficial Owners:

- Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner;
- Save as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it;
- Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository;

(vi) Depository to furnish information:

Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs;

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(vii) Option to opt out in respect of any security:

If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be;

(viii) Section 83 and 108 of the Act not to apply for Transfer of Securities:

Notwithstanding anything to the contrary contained in the Articles-

- a. Section 83 of the Act shall not apply to the Shares with a Depository;
- b. Section 108 of the Act or these Articles shall not apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owner in the records of the Depository;

(ix) Intimation of Allotment of Securities dealt with by a Depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities;

(x) Distinctive number of Securities held in a Depository:

Nothing contained in the Act or these Articles regarding necessity of having distinctive number for securities issued by the Company shall apply to securities held in a Depository;

(xi) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners, maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of these Articles;

(xii) Applicability of the Depository Act:

In case of transfer of securities, where the Company has not issued any certificate and where such securities are being held in an electronic and fungible form in a Depository, the provisions of the Depository Act, 1996 shall apply;

(xiii) Company to recognise the rights of Registered Holders as also Beneficial Owners in the records of the Depository:

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any *benami* trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

"70(c) Nomination

- (i) Every shareholder or other securityholder of the Company, may, at any time, nominate in the prescribed manner, a person to whom his shares or other security of the Company shall vest in the event of his death;
- (ii) Where the shares in or other security of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner a person to whom all the rights in the shares or other security of the Company, as the case may be, shall vest in the event of death of all the joint holders;
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise in respect of such shares and other securities of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares or other securities of the Company, the nominee shall, on the death of the shareholder or other security holder or, as the case may be, on the death of the joint holder become entitled to all the rights in such shares or other securities or, as the case may be, all the joint holders, in relation to such shares or other securities, to the exclusion of all other persons unless the nomination is varied or cancelled in the prescribed manner.
- (iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or other security, to make the nomination to appoint, in the prescribed manner, any person to become entitled to share in, or other security of, the Company in the event of his death, during the minority;

"70(d) Transmission of Securities in case of Nomination

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -