



RAJ RAYON LIMITED

7TH
ANNUAL REPORT
1999-2000

RAJ RAYON LIMITED

BOARDS OF DIRECTORS :	SHRI SUSHIL KUMAR KANODIA	<i>Chairman & Jt. Managing Director</i>
	SHRI GOURISHANKAR PODDAR	<i>Managing Director</i>
	SHRI JAGDISH CHANDRA SOMANI	<i>Director</i>
COMPANY SECRETARY :	SHRI PRADEEP KUMAR AGRAWAL	
AUDITORS :	M/S. R.S.AGRawal & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI	
BANKERS :	STATE BANK OF INDIA	
REGISTERED OFFICE :	3A/205, MITTAL INDUSTRIAL ESTATE, SAKI NAKA, ANDHERI (EAST), MUMBAI -400 059.	
WORKS / FACTORY :	1. SURVEY NO. 272/1/1	Village : Dadra Dist : Silvassa Dadra & Nagar Haveli (U.T.)
	2. SURVEY NO. 185/1/1	Plot No. 17, Village : Amli Dist. : Silvassa Dadra & Nagar Haveli (U.T.)

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RAJ RAYON LIMITED

NOTICE

Notice is hereby given that the 7th Annual General Meeting of the Members of RAJ RAYON LIMITED will be held on Saturday, 30th September 2000 at 1.30 p.m. at Sudarshan Hotel, A.K.Road, Saki Naka, Andheri (East), Mumbai-400 072 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2000, Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri Sushil Kumar Kanodia, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT" in pursuance of guideline No.SMDRP/CIR/14/98 dated 29th April, 1998 of SEBI (Securities and Exchange Board of India) and any statutory modification and amendments thereof regarding voluntary de-listing of shares from the Stock Exchanges and subject to the approval of SEBI and the concerned Stock Exchanges if any, the consent of the company is hereby accorded to de-list the Equity Shares of the company from Jaipur Stock Exchange on or before 31.3.2001 and the Board is hereby authorised to do all acts, deeds, things, necessary and expedient while complying with the said guidelines for de-listing of the Equity Shares.

By order of the Board of Directors,

Pradeep Agrawal

President Finance &
Company Secretary

Mumbai, 30th June 2000

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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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received at the registered office of the Company at any time but not less than 48 hours before the commencement of the meeting.
3. Explanatory Statement pursuant to section 173(2) of the Companies act 1956 is annexed hereto.
4. Members/Proxies should bring the Attendance slip send herewith duly filled in for attending the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 26th September 2000 to Saturday, 30th September 2000 (both days inclusive).
6. All documents referred to in the accompanying notice are open for inspection at the registered office of the company during office hours on all working days, except Sunday, between 11.00 a.m. And 1.00 p.m. up to the date of the Annual General Meeting.
7. The Members are requested to address all their correspondence including change of address, if any, quoting their folio number to the Registered office of the Company.

ANNEXTURE TO NOTICE

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

Item No.4

SEBI (Securities and Exchange Board of India) has recently announced guidelines for voluntary de-listing of Shares from Stock Exchanges where the shares of the Company are either not quoted or rarely traded.

The Board has observed that the shares of the company are rarely traded on the Jaipur Stock Exchange and the Board recommended de-listing of the Shares of the company from Jaipur Stock Exchange. This requires permission of the Members at the General Meeting by passing a Special resolution.

The Board will be fixing a Record Date thereby giving an exit opportunity to the affected shareholders of the region in compliance with the relevant clause of the Listing Agreement entered into with the respective Stock Exchange.

Your Directors recommend the resolution as set out at item no.4 of the Notice for your approval.

The Directors of the company may deem to be interested in this resolution to the extent of Shares to be bought by them.

By order of the Board of Directors

Pradeep Agrawal
President Finance &
Company Secretary

Mumbai, 30th June 2000

RAJ RAYON LIMITED

DIRECTOR'S REPORT

The Directors have pleasure in presenting the 7th Annual Report and the audited accounts for the financial year ended on 31st March 2000.

FINANCIAL RESULTS

	Current Year 1999-2000	Previous Year 1998-99
Sales and Other Income	6800.54	4307.35
Profit before Depreciation and Tax	190.47	279.42
Less: Depreciation	134.14	130.93
Profit before Tax	56.33	148.49
Less: Provision for taxation	4.00	1.50
Net Profit after Tax	52.33	146.99
Add: Balance brought forward from previous year	504.55	359.09
Add/(Less): Prior Period Adjustment	0.35	(1.53)
Balance carried to Balance Sheet	557.23	504.55

DIVIDEND

In view of inadequate profits Board is not recommending any dividend for the year ended 31st March 2000.

PROJECT & FINANCE

Expansion project at Amli Unit has been completed in 2nd Quarter of 1999 with the financial assistance of SICOM Ltd by way of lease finance and company has started commercial production on all 4 Himson Texturising Machines. After completion of expansion project total capacity has been increased by 2600 Ton P.A.

DIRECTORS

Shri Sushil Kumar Kanodia retires by rotation and is eligible for reappointment.

CONSERVATION OF ENERGY, TECHNOLOGY RESERVATION, AND FOREIGN EXCHANGE EARNING/OUT GO.

Information pursuant to section 217 (i)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given herein below: -

A) Conservation of Energy:

As in the past, the Company continue its efforts to improve methods of energy conservation and utilisation. The information of power and fuel consumption and cost per unit of production is furnished in the prescribed form herein below.

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FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Units	Current Year	Previous Year
(a)	Power and Fuel Consumption :			
1.	Electricity purchased			
	Unit	KWH in Lacs	59.51	31.35
	Total Amount	Rs. in Lacs	158.34	96.30
	Average Rate	Rs. per unit	2.66	3.07
2	High Speed Diesel			
	Quantity	Kilo Litres	2465.16	2201.57
	Total Cost	Rs. in Lacs	266.21	226.45
	Average Rate	Rs. per litre	10.80	10.29
b)	Consumption per unit of production:			
1.	Electricity (KWH)			
	Yarn	100Kgs.	75.22	61.98
	High Speed Diesel (Litres)			
	Yarn	100Kgs.	31.16	43.53
B)	Technology Absorption:			
	As in the past, the Company continues its efforts to improve quality of yarns as routine activities.			
C)	Foreign Exchange earning and outgo:			
	Total earning in foreign exchange :	Rs. Nil. (Rs. Nil)		
	Total expenditure in foreign exchange :	Rs.24.89 Lacs (Rs.18.48 Lacs)		

PERSONNEL

Statement showing the names and other particulars of employees of the company pursuant to section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

Sr. No.	Employee's Name	Designation	Remuneration	Qualification	Age (Yrs.)	Total Experience	Date of Commencement of Employment	Particulars of Previous Employment		
								Organisation	Designation	Period (Yrs.)
1	2	3	4	5	6	7	8	9	10	11
1	Gourishankar Poddar	Managing Director	Rs. 10,08,000/-	Inter	39	21	01-04-1994	Adhunik Synthetics Ltd.	Whole Time Director	7 Yrs.
2.	Sushil Kumar Kanodia	Joint Managing Director	Rs. 10,08,000/-	B.Com., L.L.B	44	23	01-12-1996	Adhunik Yarns Ltd.	Whole Time Director	2 Yrs.

AUDITORS

M/s. R. S. Agrawal & Associates, Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. You are requested to re-appoint the Auditors and to fix their remuneration.

The specific notes forming part of the accounts referred to in the auditors report is self-explanatory and gives complete information.

APPRECIATION

The Board of Directors place on record their appreciation for the support and co-operation received from the Government, Bankers, Financial Institutions, Customers, Suppliers, Employees and Shareholders of the company.

For and on behalf of the Board

Mumbai, 30th June 2000

Sushil Kumar Kanodia
Chairman & Jt.
Managing Director