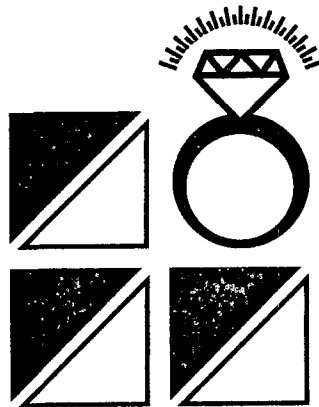


MD	✓		BKC	✓
CS	AA		DPY	✓
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

FOURTH ANNUAL REPORT 1997 - 98

Report  junction.com



RAJESH EXPORTS LIMITED





RAJESH EXPORTS LIMITED

BOARD OF DIRECTORS

SHRI RAJESH MEHTA *Executive Chairman*
 SHRI PRASHANTH MEHTA *Managing Director*
 SHRI P.SHIVASHANKAR

Auditors

M/S.P.K.RUNGTA & CO.
Chartered Accountants
 Bangalore.

Bankers

Canara Bank
 State Bank of India
 Indusind Bank Ltd.

Regd. Office

No 4, Batavia Chambers
 Kumara Krupa Road
 Kumara Park East
 Bangalore - 560001.

Share Transfer Agents

✓
 29/2/96
 Karvy Consultants Limited
 No.51/2, T.K.N. Complex
 Vanivilasa Road
 Opp. National College
 Basavanagudi
 Bangalore-560 011.

CONTENTS	Page
Notice	2-3
Report of Directors	4-5
Auditors' Report	6-7
Balance Sheet	8
Profit & Loss Account	9
Schedules to Balance Sheet.....	10-16
Cash Flow Statement	17
Balance Sheet Abstract	18

RAJESH EXPORTS LIMITED

NOTICE

NOTICE is hereby given that the 4th Annual General Meeting of the members of **RAJESH EXPORTS LIMITED** will be held **at the Registered office of the company at No.4, Batavia Chambers, Kumara Krupa Road, Kumarapark East, BANGALORE-560 001 on 29th September, 1998 at 11.00 A.M.** to transact the following business :

ORDINARY BUSINESS

1. To receive consider and adopt the Profit and Loss Account for the Year ended 31st March 1998 and the Balance Sheet as at that date together with the Reports of Auditors and Directors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Shri Rajesh Mehta who retires by rotation and being eligible offers himself for re-election.
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 special resolution:

RESOLVED THAT subject to all applicable provisions of the Companies Act 1956 (including statutory modification(s) or re-enactment thereof and any Ordinance promulgated in this regard for the time being in force and as may be enacted / promulgated from time to time) and subject to such other approvals, permissions, and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting approvals permissions and sanctions, which may be agreed to, by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors to buy back from the existing holders of equity on a proportionate basis and/or from the open market and /or from the lots smaller than market lots of the equity shares (odd lots), the equity shares of the Company, from out of its free reserves or out of the proceeds of any issue made by the Company specifically for the purpose, or from such other sources as may be permitted by law on such terms, conditions and in such manner as may be prescribed by law from time to time, provided that the aggregate of the equity shares so bought back shall not exceed 25% of the equity share capital of the Company.

Resolved further that the Board of Directors of the Company be and is hereby authorised to do all such acts & things as may be deemed necessary in this regard.

By order of the Board
for **RAJESH EXPORTS LIMITED**

Date : 29.07.98
Place : Bangalore

RAJESH MEHTA
Executive Chairman

Registered Office :

#4, Batavia Chambers, Kumarakrupa Road,
Kumarapark East, Bangalore-560 001.

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy instead of himself and the proxy need not be a member.
2. Proxies in order to be effective must be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19th September 1998 to 29th September 1998 (both days inclusive) for the purpose of payment of dividend, if declared.



4. Dividend if declared, will be paid on or after 29th September 1998 to those Members as on the date of Annual General Meeting.
5. It is suggested for the convenience of the Members that they inform the Company about their Bank Account Numbers, Name of Bank (also address of the Bank if they desire that the Warrant be mailed to the Bank directly) to enable printing of these particulars on the Dividend Warrant as a measure of abundant caution to minimise loss due to warrants falling into improper hands through forgery and fraud.
6. Members seeking any information with regard to Accounts are requested to write to the Company early so as to enable the Management to keep information ready.
7. Members / Proxies should bring the Attendance Slip sent herewith duly for attending the Meeting.
8. Members are requested to address their correspondence, including Share Transfer matters and Change of Address to :

KARVY CONSULTANTS LIMITED

No.51/2, T.K.N. Complex,
Vanivilas Road
Opp : National College,
Basavangudi, BANGALORE - 560 004.

9. An explanatory statement u/s 173 (2) of the companies Act, 1956 is annexed to the notice.

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

Item No.5

Buy back of own share or other securities convertible into equity shares by Companies is presently not allowed under the Companies Act, 1956. It is expected that the law will be amended to allow such buy back. A completely overhauled piece of legislation is expected soon.

It is proposed to buy back not exceeding 25% of the total voting powers relating to the shares or of the Company from the existing share holders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), subject to necessary enactment in this regard.

The buy back of shares as aforesaid would entail investing of an amount which would not be less than the market value of the shares of the Company and shall be met out the free reserves or out of the proceeds of an issue specifically made for the purpose or from such other sources as may be permitted by law. The shares so bought back shall be dealt with as per the prevailing regulations.

The Board is of the opinion that it will be in the best interests of the Company if shareholders approve the said resolution, permitting such buy back so that the company will be able to implement this resolution once the law is amended. The resolution if approved, will be operative and given effect to from the applicable date as may be prescribed in this regard. The resolution is an enabling provision aimed at facilitating the Company to buy back its shares as soon as legally permitted.

The Directors recommend the resolution for the approval of the shareholders. None of the Directors of the Company is, in any way, concerned or interested in the resolution.

By order of the Board
for **RAJESH EXPORTS LIMITED**

Date : 29.07.98
Place : Bangalore

RAJESH MEHTA
Executive Chairman

RAJESH EXPORTS LIMITED

DIRECTOR'S REPORT

Your Directors have pleasure in presenting their Fourth Report on the business and operations of the Company for the year ended 31st March 1998.

FINANCIAL RESULTS

	For the year 31st March 1998	(Rs. in Lakhs) For the period 31st March 1997
	Rs.	Rs.
Profit before depreciation	301.37	1017.63
Depreciation	12.30	11.65
Profit after depreciation	289.07	1005.98
Provision for taxation	82.69	1.80
Profit after tax	206.38	1004.18
Transferred to general reserve	300.00	900.00
Dividend	19.87	14.88
Balance surplus transferred to Balance Sheet	61.09	176.57

OPERATIONS

The year under review was one of the worst year in history of Jewellery trade. The price of gold dropped to a record low of USD 280 per ounce from the four year steady price around 380 USD to 400 USD per ounce. The decrease in price by about 30% hit hard all Jewellery traders and only very few were able to end the year with a healthy looking Balance Sheet. However, due to meticulous planning your Company was able to earn profit even in this adverse situation. Further the fall in gold prices forced the Company to resort to domestic sale which was not as profitable as exports. This explains the drop in the profits even though there was a stupendous increase in turnover. Your directors are sparing no efforts to restore and increase the profit earning capacity of the Company. Your Directors are confident of achieving record profit during the current year. The results of the first quarter of the current year bear testimony to this assurance with the profits for period being the highest ever for any quarter in the history of the Company.

DIVIDEND

Your Directors recommend for your consideration the payment of dividend for the year 1997-98 at the rate of 10% to be paid, if approved by the members at the ensuing Annual General Meeting, to all members whose names stand registered in the books of the Company on 29.09.98.

PROMISE VERSUS PERFORMANCE

In terms of Clause 43 of the listing agreement, your Directors give below the actual performance for the year 1997-98 as against the projections made in the prospectus.

	Projections	(Rs. in Lacs) Actuals
	Rs.	Rs.
Total Income	10234.00	39133.17
P A T	1202.32	206.38
Equity Capital	700.00	699.35*
E P S	17.18	2.95

* An Amount of Rs. 76,500/- is due from the share holders towards Equity Capital and an amount of Rs. 3,06,000/- towards share premium account.

STATUTORY PARTICULARS

(A) Particulars of Employees

During the year under review there were no employees who were drawing a remuneration in excess of Rs. 3 lakhs per annum or Rs. 25,000/- per month, if employed for a part of the year

**(B) Conservation of the Energy**

Your Directors are proud to state that your Company is one of the lowest energy consuming units.

(C) Research & Development and Technology Absorption

The Company plans to set up a research & development wing at the jewellery park now under construction.

DIRECTORS

Shri Rajesh Mehta, Director of your Company retires by rotation and being eligible offers himself for re-election.

AUDITORS

M/s P.K. Rungta & Company, Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for appointment.

LISTING

The shares of the Company continue to be listed at Ahmedabad, Mumbai and Bangalore Stock Exchanges. The annual listing fee to Mumbai and Bangalore Stock Exchanges have been paid.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation of the devotion to the duty of the employees, which resulted in successful performance of the Company and are confident that with the active support of the employees of the Company, the Company will be able to meet its future challenges effectively. Your Directors would also like to place on record their thanks to the Canara Bank, State Bank of India and Indusind Bank Limited for their co-operation and timely assistance to the Company. Your Directors also express their gratitude to the share holders for their unstinted support.

Report



junction.com

For and on behalf of the Board

Date : 29.07.98
Place : Bangalore

RAJESH MEHTA
Executive Chairman