

# ANNUAL REPORT

## 1996 - '97



**RAJESWARI GRAPHICS LIMITED**

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>



## **RAJESWARI GRAPHICS LIMITED**

### **DIRECTORS**

Shri G. RAMAMURTHY, *Chairman & Managing Director*

Shri G. BABU, *Director (Technical)*

Shri G. KUMAR, *Director (Technical)*

Shri G. KARTHIKEYAN, *Director (Technical)*

### **AUDITORS**

M/s B. THIAGARAJAN & CO

*Chartered Accountants*

### **BANKER**

STATE BANK OF INDIA,

*Siruthozil Branch, Chennai - 34.*

### **REGD OFFICE**

36, Arcot Road, Kodambakkam, Chennai - 600 024.

### **FACTORY**

54, Mugalivakkam, Porur, Chennai - 600 116.

### **EXPORT DIVISION**

156/1, Vannier Street, Choolaimedu, Chennai - 600 094.

### **GRAPHIC DIVISION**

A 16, Basement, Gemini Parsn Complex, Chennai - 600 006.

**RAJESWARI GRAPHICS LIMITED****NOTICE**

NOTICE IS HEREBY GIVEN that the FOURTH ANNUAL GENERAL MEETING of the Share holders of the Company will be held on Monday, the 29th September, 1997 at 10.00 A.M. at 'THE FACTORY PREMISES', No. 54, MUGALIVAKKAM, PORUR, CHENNAI - 600 116 to transact the following business:-

**AS ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report, the Profit and Loss account for the year ended 31st March 1997, the Balance sheet as at that date and the Auditor's Report there on.
2. To elect a director in place of Mr. G. Karthikeyan who retires by rotation and being eligible offers himself for reappointment.
3. The retiring Auditors, M/s B. THIAGARAJAN & Co Chartered Accountants, Chennai retires from the Conclusion of this fourth Annual General Meeting and being eligible offers themselves for reappointment.

**AS SPECIAL BUSINESS :**

4. To Consider and if thought fit, to Pass with or without Modification the following resolution as an ORDINARY RESOLUTION:-

"RESOLVED THAT the Company here by accords its approval and Consent Under Section 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and all other applicable Statutory Provisions, if any, to the increase in the remuneration benefits and amenities Payable to Mr. G. RAMAMURTHY, Managing Director, of the Company with effect from 1st April 1997, upon the terms, Conditions and stipulations Contained in a Supplemental Agreement to be entered into between the Company and Mr. G. RAMAMURTHY, a draft where of is placed before the Meeting and for the purpose of Identification is subscribed by the Chairman which Agreement is here by specifically Sanctioned with liberty to the Board of Directors to alter and vary the terms and Conditions of the Said Agreement as may be agreed to between the Board of Directors and Mr. G. RAMAMURTHY shall not exceed the Maximum limits for payment of Managerial remuneration Prescribed in Schedule XIII of the Companies Act, 1956 and in accordance with the Policy rules regulations or guidelines in force from time to time".

RESOLVED FURTHER THAT the Board of Director be and is hereby authorised to take all necessary or desirable steps for the aforesaid purpose and matter incidental thereto".

5. To Consider and if thought fit, to Pass with or without Modification the following resolution as an ORDINARY RESOLUTION:-

"RESOLVED THAT the Company here by accords its approval and Consent Under Section 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and all other applicable Statutory Provisions, if any, to the increase in the remuneration benefits and amenities Payable to Mr. G. BABU, Director (Technical), of the Company with effect from 1st April 1997, upon the terms, Conditions and stipulations Contained in a Supplemental Agreement to be entered into between the Company and Mr. G. BABU, a draft where of is placed before the Meeting and for the purpose of Identification is subscribed by the Chairman which



## RAJESWARI GRAPHICS LIMITED

Agreement is here by specifically Sanctioned with liberty to the Board of Directors to alter and vary the terms and Conditions of the Said Agreement as may be agreed to between the Board of Directors and Mr. G. BABU shall not exceed the Maximum limits for payment of Managerial remuneration Prescribed in Schedule XIII of the Companies Act, 1956 and in accordance with the Policy rules regulations or guidelines in force from time to time".

RESOLVED FURTHER THAT the Board of Director be and is hereby authorised to take all necessary or desirable steps for the aforesaid purpose and matter incidental thereto".

6. To Consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the Company hereby accords its approval and consent under Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and all other applicable statutory provisions if any to the increase in the remuneration, payable to Mr. G. KUMAR Director (Technical) of the Company with effect from 1st April, 1997 upon the terms and conditions to be entered into between the Company and Mr. G. KUMAR a draft where of is placed before the Meeting, and, for the purpose of identification is subscribed by the Chairman, which is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions as may be agreed between the Board of Directors and Mr. G. KUMAR, provided however that the remuneration payable to Mr. G. KUMAR, shall not exceed the maximum limits for payment of managerial remuneration prescribed in Schedule XIII of the Companies Act, 1956 and in accordance with the policies, rules, regulations or guidelines in force from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all necessary or desirable steps for the aforesaid purpose and matters incidental thereto".

7. To Consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the Company hereby accords its approval and consent under Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and all other applicable statutory provisions if any to the increase in the remuneration, payable to Mr. G. KARTHIKEYAN Director (Technical) of the Company with effect from 1st April, 1997 upon the terms and conditions to be entered into between the Company and Mr. G. KARTHIKEYAN a draft where of is placed before the Meeting, and, for the purpose of identification is subscribed by the Chairman, which is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions as may be agreed between the Board of Directors and Mr. G. KUMAR, provided however that the remuneration payable to Mr. G. KARTHIKEYAN, shall not exceed the maximum limits for payment of managerial remuneration prescribed in Schedule XIII of the Companies Act, 1956 and in accordance with the policies, rules, regulations or guidelines in force from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all necessary or desirable steps for the aforesaid purpose and matters incidental thereto".

8. To Consider and if thought fit, to pass, with or without modification, the following resolution as a special resolution:-

"RESOLVED THAT pursuant to Sec. 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as follows:-

**RAJESWARI GRAPHICS LIMITED**

By deleting the existing Article 9 and substituting in its place the following as Article 9:-

"The Company shall issue, unless the Stock Exchanges otherwise agree allotment letters and share certificates in such units of trading (market units) as may be specified by the Stock Exchanges".

"The Board of Directors shall have power to decline any request for sub-division of a certificate into two or more certificates unless each certificate after sub-division represents the market units of shares".

**NOTE :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

The Proxy form in order to be effective must be duly Completed, stamped and lodged with the Registered office of the Company not less than forty eight hours before the commencement of the meeting.

2. The Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business set out in item No: 4 to 8 above, is annexed here to.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday the 16th September, 1997 to Monday the 29th September, 1997 (both days inclusive).
4. Members/Proxy holders must bring the attendance slip duly signed to the meeting and hand it over at the entrance. Xerox copy/torn attendance slips will not be accepted at the entrance of the meeting hall.
5. Members are requested to quote their registered folio number in all Correspondence with the Company and notify the Company immediately of change, if any in the Registered Address and/or of their mandatees.
6. Members who are holding shares in more than one folio are requested to intimate to the Registered office the details of all their folio numbers for consolidation into a single folio.
7. All documents referred in the above Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 2 P.M. and 4 P.M. on any working day.
8. Members are requested to bring their Copies of their Annual Report to the meeting.

By Order of the Board

- sd -

Place : Chennai

Date : 03.09.97

**G. RAMAMURTHY**

CHAIRMAN & MANAGING DIRECTOR

**RAJESWARI GRAPHICS LIMITED****EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2)  
OF THE COMPANIES ACT, 1956.****ITEM NO:4**

At the meeting of the Board of Directors held on 31st July, 1997, the Board approved an increase in the remuneration benefits and amenties payable to the Managing Director. The new terms embodied in Supplemental Agreement to be entered into upon receipt of the approval of the shareholders, with effect from 1st April 1997, for the reminder period of his tenure of office is as follows:-

**SALARY:**

A salary of Rs 18,000/- (Rupees Eighteen thousand only) per month.

**PERQUISITES:**

In addition to the above, the Managing Director shall be entitled to the perquisites restricted to an amount equal to the annual salary or Rs.2,16,000/- per annum, which ever is less. Approval of members is required for the variation in terms of appointment of Managing Director and hence the proposed resolution is placed for getting the same.

This explanatory statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956 of the Agreements to be entered into between the Company and Mr. G. RAMAMURTHY.

**ITEM NO:5**

At the meeting of the Board of Directors held on 31st July, 1997 the Board approved an increase in the remuneration payable to Mr. G. BABU, Director (Technical) the increase of salary shall be from Rs 8,000/- P.M. to Rs 12,000/- P.M. with effect from 1st April 1997 for the reminder period of his tenure of office. Approval of the members is required for the variation in the terms of appointment of the whole-time Directors and hence the proposed resolution is placed for getting the same.

This Explanatory Statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956 of the variation in remuneration of Mr. G. BABU, Director (Technical).

**ITEM NO:6**

At the meeting of the Board of Directors held on 31st July, 1997, the Board approved an increase in the remuneration payable to Mr. G. KUMAR Director (Technical) the increase of salary shall be from Rs 8,000/- P.M. to 12,000/- P.M. with effect from 1st April 1997, for the remainder period of his tenure of office. Approval of members is required for the variation in terms of appointment of the whole time Director and hence the proposed resolution is placed for getting the same.

This Explanatory Statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956 of the variation in terms of remuneration of Mr. G. KUMAR, Director (Technical).

**ITEM NO:7**

At the meeting of the Board of Directors held on 31st July, 1997, the Board approved an increase in the remuneration payable to Mr. G. KARTHIKEYAN, Director (Technical) the increase of salary shall be from Rs.8,000/- p.m. to

**RAJESWARI GRAPHICS LIMITED**

is required for the variation in terms of appointment of the wholetime Director and hence the proposed resolution is placed for getting the same.

This Explanatory Statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956 of the variation in terms of remuneration of Mr. G. KARTHIKEYAN, Director (Technical).

**MEMORANDUM OF INTEREST OF DIRECTORS:**

Mr. G. RAMAMURTHY, Mr. G. BABU and Mr. G. KUMAR as brothers of Mr. G. KARTHIKEYAN may be deemed to be concerned or interested in these items of business (item No: 4 to 7).

**ITEM NO:8**

The Government of India guidelines and the Stock Exchange Listing agreements provide for issue of shares only in marketable lots for easy liquidity. Splitting of share certificates which are issued in marketable lots into non-marketable lots causes a lot of difficulties. In order to have an effective enforcement of above guidelines, the Articles of Association of the Company need amendment. Accordingly, the above resolution is recommended for your approval.

By Order of the Board

- sd -

Place : Chennai

Date : 03.09.97

**G. RAMAMURTHY**  
CHAIRMAN & MANAGING DIRECTOR

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**RAJESWARI GRAPHICS LIMITED****DIRECTORS' REPORT**

Your Directors have great pleasure in presenting to you the Fourth Annual Report and Audited Accounts of the Company for the year ended 31st March 1997.

**SUMMARY OF FINANCIAL RESULTS***(RUPEES IN LACS)*

	for the year ended 31.03.97	for the year ended 31.03.96
<b>INCOME</b>		
Sales & Labour charges	141.46	117.76
Other income	1.75	3.99
<b>TOTAL</b>	<u>143.21</u>	<u>121.75</u>
<b>EXPENDITURE</b>		
Manufacturing Expenses	71.25	72.36
Administrative & Selling Exp.	63.48	52.71
Finance Charges	18.84	13.40
<b>TOTAL</b>	<u>153.57</u>	<u>138.47</u>
Profit/(Loss) before deph.	(10.36)	(16.72)
Depreciation	23.81	15.46
Profit/(Loss) after deph.	(34.17)	(32.18)
Prior period expenses	2.13	Nil
Balance profit /(Loss)	(36.30)	(32.18)
Balance brought forward from last year	(14.82)	17.36
Balance carried to Balance Sheet	(51.12)	(14.82)

**OPERATIONS:**

The Company has made good investments in setting up the Export Division and the Said division would reap rich profits during the current year (1997-98).

**DIVIDEND:**

As the Company has incurred net loss during 1996-97, your Directors are not recommending any Dividend for the year 1996-97.

**DIRECTOR:**

Mr. G. Karthikeyan is due to retire by rotation and being eligible offers himself for re-appointment.

**PUBLIC DEPOSITS:**

During the year under review, the Company has neither invited nor received any deposits from the public.

**AUDITORS :**

M/s B. THIAGARAJAN & Co., Chartered Accountants, Chennai retire at the ensuing Annual General Meeting and are eligible for re-appointment. You are requested to appoint Auditors and fix their remuneration.

**RAJESWARI GRAPHICS LIMITED**

FINANCIAL YEAR 1996 - '97

PROJECTED PROFITABILITY STATEMENT Vs. ACTUAL PERFORMANCE STATEMENT

(Rs. in lacs)

Particulars	Projected Profitability	Actual performance	Variation	
			Rs. in lacs	%
Net sales & other income	908.45	143.21	765.24	84.24
Cost of production	502.58	71.25	431.33	85.82
Gross Profit	405.87	71.96	333.91	82.27
NBIDT	365.94	32.31	333.63	91.17
Lease rentals & Fin chgs.	25.54	18.84	6.70	26.23
Depreciation	31.52	23.82	7.70	24.43
NPBT	310.81	(10.35)	321.16	103.33
Tax	94.12	Nil	Nil	N.A.
Net Profit after tax	216.69	(10.35)	227.04	104.78

**REASONS FOR VARIATION:**

The Company has made projections based on the then existing capital market operations which will assure good & sizeable orders for printing of public issue application forms, prospectus and other related publicity materials. As there has been depressed primary market operations, the expected orders were not available for the industry as a whole in general and moreover there has been reduction in the size of advertising and publicity budget of various corporate clients of the Company due to the overall credit squeeze and tight money policy in the economy which has severely affected our Company's projections. This is only temporary in nature and as soon as the current dull phase in the Indian Economy improves, the company can perform well during the current year (1997-98).

**FOREIGN EXCHANGE EARNINGS & OUTGO IN 1996-97**

The Company has incurred expenditure in foreign exchange of Rs.2,18,366/-towards travelling expenses (previous year : Rs.5,73,826/-)

Foreign Exchange Earnings: Rs.27,00,730/- (Previous year : Rs.78,532/-).

**PARTICULARS OF EMPLOYEES:**

The Statement of Particulars of employees required in terms of Section 217(2A) of the Companies Act, 1956 and the rules framed thereunder has not been appended as there was no employee to be covered in such statement for the year.

**NOTES ON ACCOUNTS:**

The Directors feel that the Notes on Accounts are self-explanatory and do not require further explanation except the following :