

ANNUAL REPORT

1998 - 99

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RAJESWARI GRAPHICS LIMITED

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.

WORKS 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 SIXTH ANNUAL GENERAL MEETING of the Share holders of the Company will be held on Thursday, the 30th September, 1999 at 10.00 A.M. at the FACTORY PREMISES, No. 54, Mugalivakkam, (Near L&T Service Station) 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 1999, the Balance sheet as at that date and the Auditor's Report there on.
2. To elect a director in place of Mr. G. Kumar who retires by rotation and being eligible offers himself for reappointment.
3. The retiring Auditors, M/s B. THIAGARAJAN & Co Chartered Accountants, Chennai retire from the Conclusion of this sixth Annual General Meeting and being eligible offer themselves for reappointment.

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 Register of Members and Share Transfer Books of the Company will remain closed from Saturday the 18th September, 1999 to Saturday the 25th September, 1999 (both days inclusive).
3. 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.
4. 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.
5. 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.
6. All documents referred in the above Notice are open for inspection at the Registered Office of the Company between 2 P.M. and 4 P.M. on any working day.
7. Members are requested to bring their Copies of their Annual Report to the meeting.

By Order of the Board

Place : Chennai
Date : August 30, 1999

G. RAMAMURTHY
CHAIRMAN & MANAGING DIRECTOR

RAJESWARI GRAPHICS LIMITED**DIRECTORS' REPORT**

Your Directors have great pleasure in presenting to you the sixth Annual Report and Audited Accounts of the Company for the year ended 31st March 1999.

SUMMARY OF FINANCIAL RESULTS*(RUPEES IN LACS)*

	for the year ended 31.03.99	for the year ended 31.03.98
INCOME		
Sales & Labour charges	91.17	130.63
Other income	2.05	1.71
TOTAL	93.22	132.34
EXPENDITURE		
Manufacturing Expenses	55.81	68.60
Administrative & Selling Exp.	21.28	61.30
Finance Charges	16.00	16.84
TOTAL	93.09	146.74
Profit/(Loss) before depn.	0.13	(14.40)
Depreciation	23.44	23.64
Profit/(Loss) after depn.	(23.31)	(38.04)
Balance brought forward from last year	(89.16)	(51.12)
Balance carried to Balance Sheet	(112.47)	(89.16)

OPERATIONS:

The Company has made turnover of Rs.91.17 Lacs and is confident of improving the same during the current year. Due to illegal strike of its workers at the offset division, the Company has declared a lock out of that division with effect from 5th May 1998. The Company is performing well during the current year (1998-1999) since the lock out had been lifted.

COST REDUCTION MEASURES:

The Company has taken many steps to reduce cost at various stages in order to achieve good performance. The remuneration of Directors have been reduced from Rs.7,11,600 during 1997-98 to Rs.2,91,000/- during 1998-99 and the administrative & selling expenses have been controlled to a great extent from Rs.61.30 Lacs in 1997-98 to Rs. 21.28 Lacs during 1998-99.

DIVIDEND:

As the Company has incurred net loss during 1998-99, your Directors are not recommending any Dividend for the year 1998-99.

DIRECTOR:

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

RAJESWARI GRAPHICS LIMITED**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.

FINANCIAL YEAR 1998 - 99
PROJECTED PROFITABILITY STATEMENT Vs. ACTUAL PERFORMANCE STATEMENT
(Rs. in lacs)

Particulars	Projected Profitability	Actual performance	Variation	
			Rs. in lacs	%
Net sales & other income	1259.39	93.22	1166.17	92.60
Cost of production	686.77	55.81	630.96	91.87
Gross Profit	572.62	37.41	535.21	93.47
NPBIDT	525.17	16.13	509.04	96.93
Lease rentals & Fin chgs.	25.54	16.00	9.54	37.35
Depreciation	31.52	23.44	8.08	25.63
NPBT	468.13	(23.31)	491.44	104.98
Tax	151.19	-	-	-
Net Profit after tax	316.94	(23.31)	340.25	107.35

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 (1999-2000).

FOREIGN EXCHANGE EARNINGS & OUTGO IN 1998-99

The Company has incurred expenditure in foreign exchange of Rs. Nil -towards travelling expenses (previous year : Rs.54,062)

Foreign Exchange Earnings: Rs.3,82, 174/- (Previous year : Rs.4,68,782/-).

RAJESWARI GRAPHICS LIMITED**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.

AUDITORS' REPORT:

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

1. Regarding item No.4 in the Notes of Accounts, we have to report that the matter relating to getting confirmation of balances from debtors and creditors etc., are being pursued and the same will be obtained.
2. Regarding item No.(xiv) of the annexure to the Auditors' report, the Company will take necessary steps to implement the internal audit system during the current year.
3. Regarding item No.(xvi & xvii) of the annexure to the Auditors' report, the Company will take necessary steps to remit the same during the current year.
4. With regard to the diminution in the value of quoted investments held by the company as on 31st March 1999 on the basis of market value thereof as on that date as referred to in para 2 (a) (i) of the Auditors' report, the directors state that in their opinion no provision is considered necessary in the accounts at this stage, since the investment is not held for immediate re-sale and the company expects improvement in the long run.
5. With regard to the obtaining of confirmation and other evidence as referred to the para 2(a) (ii) of the Auditors Report, the company will take suitable steps to obtain the same.
6. The other observations of the Auditors are self-explanatory and have been properly dealt with in the notes on accounts.

LISTING ARRANGEMENTS:

As per the latest amendment made in clause 32 of Listing agreement with the Madras stock exchange at which the company's securities are listed, along with other required details are summarised below:

Serial No:	Name of the stock exchange where securities are listed	Listing fee paid up to
1	The stock exchange , Mumbai	1997-98
2	Madras stock exchange Limited	1998-99

ACKNOWLEDGEMENTS:

Your Directors wish to thank the banks customers, and place on record their appreciation of the good work done by all the employees of the Company.

By Order of the Board

Place : Chennai
Date : August 30,1999

G. RAMAMURTHY
CHAIRMAN & MANAGING DIRECTOR

RAJESWARI GRAPHICS LIMITED**Auditors' Report**

To

The members of
RAJESWARI GRAPHICS LIMITED.
 CHENNAI, Tamil Nadu.

We have audited the attached Balance Sheet of RAJESWARI GRAPHICS LIMITED AS AT 31st March, 1999 and also the Profit and Loss account of the Company for the year ended on that date annexed thereto, we report that -

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in Paragraphs 4 and 5 of the said Order.

2. Further to our Comments in the Annexure referred to in paragraph (1) above,

[a] we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except,

i. the details regarding the financial worth of the investee companies as stated in Note No.16 of notes forming part of the accounts to ascertain the diminution, if any, in the value of investments made by the company and provision, if any, required therefor.

ii. Advances and Deposits of Rs. 19,65,522/- (inclusive of amount referred to in note no.6) on which we are not able to express any opinion in the absence of any confirmation or other evidence in respect of the same.

[b] in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;

[c] the Balance Sheet and the Profit and Loss Account are in agreement with the books of account;

[d] in our opinion, the profit and loss account and balance sheet of the company comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 except for accounting of gratuity, bonus, leave salary, insurance premium and foreign exchange transactions the effect of which on the accounts could not be ascertained.