

16th ANNUAL REPORT 10

1999 - 2000

RISHI PACKERS LIMITED

RISHI PACKERS LTD.

16th Annual Report 1999-2000

Board of Directors

Mr. H.B. Patel
~ Chairman & Managing Director
Dr. B.V. Bhoota
Mr. B.P. Patel
Mr. K.K. Kapadia
Mr. K.B. Patel
Mr. A.N. Patel

Financial Advisors

Transcendental Corporate Consultants Pvt. Ltd.

Auditors

Alladi Krishnan & Kumar
31, 'Mangalya',
93, Balgovindas Road,
Mumbai - 400 016.

Bankers

Canara Bank
Tamarind Lane Branch,
Calcut House, Fort,
Mumbai - 400 023.

Registered Office

612, Veena Killedar Industrial Estate,
10-14, Pais Street, Byculla (West),
Mumbai - 400 011.

Factory

Survey No. 381, Causeway Road,
Village Kachigam, Taluka Daman,
Union Territory of Daman & Diu.

Plot No.277/3/3 Dadra Demni Road,
U.T. of Dadra & Nagar Haveli.

Registrars & Transfer Agents

M/s. Bhandari Data Processors,
26, 7th Floor, Tardeo,
A.C. Market, Mumbai - 400 034.

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NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held at Indian Merchant's Chambers, Kilachand Conference Room, 2nd Floor, IMC Marg, Churchgate, Mumbai - 400 020 on the Tuesday, 5th September, 2000 at 11 a.m. to transact the following business :

As Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2000 and the Profit & 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 Mr. K.K. Kapadia who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint a Director in place of Mr. B.P. Patel who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

By Order of the Board

V.D. GORAY
Secretary

Registered Office :

612, Veena Killedar Industrial Estate,
10-14, Pais Street, Byculla (West),
Mumbai - 400 011.

Place : Mumbai

Date : 20th June, 2000.

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NOTES :

- A. 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.
- B. The Register of Members and Share Transfer Books of the Company will remain closed from 2nd September, 2000 to 5th September, 2000 (both days inclusive).
- C. Members are requested to notify change of address, if any, to the registrars and Transfer agents, M/s. Bhandari Data Processors, 7th Floor, Room No. 26, Tardeo A.C. Market, Tardeo, Mumbai - 400 034.

RISHI PACKERS LTD.**16th Annual Report 1999-2000****DIRECTORS' REPORT**

We present herewith Annual Report and Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

	Rs. in Lacs	
	1999-2000	1998-1999
Profit before Financial Charges & Depreciation	348.64	307.53
Less : Financial Charges	173.27	151.69
Depreciation	112.15	80.28
Profit Before Tax	63.22	75.56
Less : Provision for Tax	Nil	Nil
Profit After Tax	63.22	75.56

PERFORMANCE

During the year your Company achieved a turnover of Rs. 2720.31 Lacs as compared to Rs. 2038.24 Lacs for the Previous Year. The turnover shows a healthy increase of 33% over previous year. However, the Net Profit for the year at Rs. 63.22 Lacs is lower than the Net Profit of Rs 75.56 Lacs achieved during the previous year. The reduction in Net Profit is due to high Financial Charges and Depreciation in the year under report. The Company incurred substantial capital expenditure, on the Raschel Bags project and expansion at Dadra, during the year 1998-99. Due to this the Interest and Depreciation cost which was Rs. 134 Lacs in 1997-98 has increased to Rs. 232 Lacs in 1998-99 and to Rs. 285 Lacs in 1999-2000. The capacity utilization of the new projects has improved substantially in the year 1999-2000. This is evidenced by the sharp increase in Production and Sales. However, the capacity utilisation needs to be further improved. The Raschel division's performance improved only towards the last quarter of the accounting year.

CONTRIBUTION TO EXCHEQUER

The Company has paid Rs. 445.82 Lacs by way of Customs Duty, Excise Duty, and Income Tax.

EXPORTS

During the year under report your Company's exports amounted to Rs. 268.64 Lacs showing an increase of 100% over last year. As indicated last year the Company has identified export as a thrust area. Unfortunately, the new EXIM Policy is not very favorable for exports and hence in the current year exports may not show much growth. However, the long term prospects are good. The Company's products are exported to Middle East, Europe and Africa. New markets are also being explored.

CURRENT YEAR

The turnover in first two months of the current year is Rs.480 Lacs as compared to Rs.385 Lacs in the same period of previous year. The Gross Sales figure may not show a substantial growth in current year because of reduction in excise duty by 8% as also lower raw material prices. However, we expect to increase Sales volume by 20-25% in the current year. The outlook on profitability is still little uncertain on account of recession in user's industries as well as non-opening of new markets.

MARKET DEVELOPMENTS

In April, 2000 the Jute Packaging Order was diluted to allow 20% sugar and 10% foodgrains to be packed in HDPE/PP bags. This was an extremely positive development. However, unfortunately due to the timing of order no business was generated for the industry in the current season. We are hopeful that this development will benefit the woven sack industry tremendously.

The company has introduced new products like Shade Nets and Green House Films aimed at the Agriculture sector. The product has been well received and has tremendous growth prospects, for years to come.

DIVIDEND

In order to conserve resources the Board of Directors have decided not to recommend dividend for the year 1999-2000.

INSURANCE

All the properties of the Company have been adequately insured against fire, riot, earthquake, and various other risks.

FIXED DEPOSITS

During the period under report, the Company has accepted deposits amounting to Rs. 13.25 Lacs. There are no unclaimed or unpaid deposits. Total amount of deposits outstanding as on 31st March, 2000 amounts to Rs. 32.19 Lacs.

DIRECTORS

Mr. K.K. Kapadia and Dr. B.P. Patel retire by rotation and being eligible, offer themselves for re-appointment.

During the year Mr. Mohanlal Shah resigned from the Board due to ill health. Mr. Shah was a Director from the inception of the company and always provided the company with his valuable advice and guidance. The Board of Directors would

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like to place on record their appreciation for the valuable services rendered by Mr. Shah during his tenure as a Director on the Board.

PARTICULARS OF EMPLOYEES

During the year under Report, Mr. H.B. Patel has drawn remuneration in excess of Rs.6,00,000/- per annum.

Age	Qualification/Experience (Year)	Date of Employment	Designation/Nature of Duties	Gross Remuneration	Last Employment held
43	B.Com., F.C.A., A.I.C.W.A. (17 years)	7.2.1984	Chairman and Managing Director	Rs. 9.38 Lacs	Nil

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

The information required to be disclosed is set out in Annexure.

AUDITORS

M/s. Alladi Krishnan & Kumar, Chartered Accountants, Statutory Auditors of the Company retire and offer themselves for re-appointment.

The Company has obtained the requisite certificate required under Section 224 of the Companies Act, 1956 to the effect that their re-appointment, if made, will be in conformity with limits specified in the said section.

APPRECIATIONS

The Directors place on record their appreciation of the efficient and loyal services rendered by the staff and workmen as also help and guidance received by the Company from the financial institutions and Banks.

For and on behalf of the Board

H.B. PATEL
Chairman

Place : Mumbai

Date : 20th June, 2000.

ANNEXURE

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.)

A. CONSERVATION OF ENERGY

The cost of consumption of energy by the Company is very small compared to total expenditure. The Company is therefore not required to make any additional investment to reduce energy consumption. The Form 'A' prescribed under the rules is not applicable to the Company since the Company does not fall in the industries, specified in Schedule to the Rules.

B. TECHNOLOGY ABSORPTION**FORM B**

- Specific areas in which R & D carried out by the Company :
The Company has been constantly modifying and improving the Woven Sacks to suit the requirement of various Industries.
- Benefits derived as a result of the above R & D :
The Company has improved its products considerably and they have been well received by the Market.
- Future Plan of Action :
The Company will continue its efforts to improve the quality of bags.
- Expenditure on R & D :
No amount has been earmarked specifically for R & D. However, improving the quality and modification of bags to suit the requirements of various industries will be a continuous process.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

The Company has not imported any Technology.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The earning in foreign exchange on export of bags amount to Rs.268.64 Lacs. The outgo of foreign exchange on import of raw materia. amounted to Rs. 0.32 Lacs, on components and spares Rs.0.60 Lacs and on foreign travel Rs. 0.90 Lacs.