

10th ANNUAL REPORT 10'

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RISHI PACKERS LIMITED

Board of Directors

Mr. H.B. Patel
- *Chairman & Managing Director*
Mr. K.B. Patel
Mr. A. V. Paranjape
Mr. P. J. Patel
Mr. A. N. Nopany

Auditors

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

Bankers

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

Registered Office

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

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Factory

1. Survey No. 381, Causeway Road,
Village Kachigam, Taluka Daman,
Union Territory of Daman & diu.
2. Plot No. 277/3/3 Dadra Demni Road,
U.T. of Dadra & Nagar Haveli.

NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of Rishi Packers Limited will be held at Bombay Commodity Exchange, Janabhai Building, Yusuf Meherali Road, Mumbai 400003 on Monday 30th Day of September 2002 at 11.00 A.M. to transact the following business :

As Ordinary Business

1. To Receive, consider and adopt the Audited Balance Sheet as on 31st March, 2002 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. Kiran B. Patel who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

As Special Business

4. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution Resolved that Mr. Pranav Patel be and is hereby appointed a Director of the Company.
5. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution Resolved that Mr. Abhay Paranjpe be and is hereby appointed a Director of the Company.
6. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution Resolved that Mr. Arvind Nopany be and is hereby appointed a Director of the Company.
7. To consider and if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution. Resolved that pursuant to the Provisions of sections 198,269,309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Mr. Harshad B Patel as Managing Director of the Company, for a period of Three Years from 1st of October 2002, on remuneration and perquisites and other terms and conditions set out in the Draft of the Agreement to be entered into between the Company and Mr. Harshad B Patel, placed before this Meeting and initialled by the Chairman for identification, and which the Board of Directors of the Company be and are hereby authorised to enter into on behalf of the Company, and the Board of Directors be and is hereby authorised, with the acceptance of Mr. Harshad Patel and with the consent of Central Govt., or any other authorities, where necessary, to vary or increase or enhance the Scope of the Remuneration or Perquisites if required or permitted by any amendment or Modification of the Companies Act or the rules or regulations thereunder. Resolved Further that the Secretary be and is hereby authorised to do all such Acts, Deeds, Matters and things as may be considered necessary, proper and expedient to give effect to this resolution. Resolved Further that in the event of loss or inadequacy of profits Mr. Harshad Patel be paid remuneration detailed above as Minimum Remuneration.

By Order of the Board

V. D. Goray
Company Secretary

Registered Office :

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

Place : Mumbai

Date : 30th July, 2002.

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 25th September, 2002 to 30th September, 2002. (both days inclusive)
- C Relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act 1956, in respect of business under item nos. 4 to 7 of the Notice is annexed hereto.
- D Reappointment of Director:
Mr. Kiran Patel retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Mr. Kiran Patel is an Engineer and is presently working for a power plant in United States. He has over 20 years of work experience.

Explanatory Statement Under Section 173 (2) of the Companies Act 1956**Item no. 4**

Mr. Pranav Patel, 33 years of age, was appointed as an Additional Director on 15th September 2001 pursuant to the provisions of Articles 107 of the Companies Articles of Association and holds office up to the date of forthcoming Annual General Meeting. Your Company has received notice in writing along with requisite deposit from a member under Section 257 of the companies act 1956, signifying his intention to propose the appointment of Mr. Pranav Patel.

Mr. Pranav Patel is a Commerce Graduate and has over 12 years experience in business. He is the Managing Director of M.P.Dye Chem Industries Private Ltd.

Item no 5

Mr. Abhay Paranjpe was appointed as Additional Director of the on 15th July 2002 Pursuant to the provisions of Articles 107 of the Companies Articles of Association and holds office upto the date of forthcoming Annual General Meeting. Your Company has received notice in writing along with requisite deposit from a member under Section 257 of the companies act 1956, signifying his intention to propose the appointment of Mr. Abhay Paranjpe.

Mr. Abhay Paranjpe is a qualified Chartered Accountant and has over 16 years experience in Administration and Finance.

Item No 6

Mr. Arvind Nopany was appointed as Additional Director of the on 15th July 2002 Pursuant to the provisions of Articles 107 of the Companies Articles of Association and holds office upto the date of forthcoming Annual General Meeting. Your Company has received notice in writing along with requisite deposit from a member under Section 257 of the companies act 1956, signifying his intention to propose the appointment of Mr. Abhay Paranjpe.

Mr Arvind Nopany is B Com , MBA and has over 13 years experience in Business. He is presently the Managing Director of Garrison Polysacks Pvt Ltd which is engaged in the Manufacture of Poly Propylene Bags for packing Cement.

Item no 7

Mr. Harshad Patel has been acting as the Managing Director of the Company since 21st February 1986. His present term expires on 30th September 2002. The Board of Directors in their Meeting held on 30th July 2002, decided to reappoint him as Managing Director from 1st October 2002, for a period of Three Years on the terms and conditions set out in the draft Agreement to be entered into between the Company and Mr. Harshad Patel. The draft Agreement contains interalia, the following terms and conditions.

1. Period Three Years from 1st October 2002

2. Remuneration

Salary 55000 -5000-70000

Perquisites :

Perquisites will be restricted to an amount equal to Annual salary

Housing

- The expenditure by the Company on hiring furnished accommodation for the Managing Director will be subject to a ceiling of 60% of the Salary or
- In case the Accommodation is Owned by the Company, 10% of the Salary shall be deducted by the company.
- In case no accommodation is provided by the Company, Mr. Harshad Patel Shall be entitled to house rent allowance subject to the ceiling laid down in clause 1

Explanation :

The expenditure incurred by the Company on Gas, electricity, water and furnishings shall be valued as per the Income Tax rules, 1962 subject to a ceiling of 10% of Salary

Medical Reimbursement :

Reimbursement of expenses incurred for self and family subject to a ceiling of three month's salary over a period of three years.

Leave travel concession :

Plane fair for self and family once in a year to any place within the country

Explanation : Family means the Spouse, the dependent children and dependent parents of the Managerial person

Club Fees :

Fees of clubs subject to the maximum of two clubs. No admission and Life Membership fees will be paid

Personal Accident Insurance :

Personal Accident Insurance for an amount, the annual premium of which does not exceed Rs.10000/-

Provident Fund :

- a) Company's contribution towards provident Fund – not exceeding 12% of salary
- b) Company's contribution towards Superannuation Fund as per the rules of the Company but shall not together with company's contribution to provident fund, exceed 25% of salary

Gratuity :

Not exceeding one months salary for each completed year of service

Contribution to provident fund and superannuation fund and gratuity will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act

Earned Leave :

One month's leave for every eleven months of service. Leave accumulated shall be encashable at the end of each year or at the end of the tenure. Encashment of leave will not be included in the computation of the ceiling Of perquisites.

Car :

Free use of company maintained car with chauffeur for Company's business

Telephone :

Free mobile phone and basic telephone facility at resident.

Use of car for Company's business and telephone at residence shall not be considered as perquisites.

3. The Special Resolution contained in item no.7 seeks to approve the appointment of Mr. Harshad Patel on remuneration and terms set out in the draft of the proposed Agreement between the Company and Mr. Harshad Patel, a copy of which will be available for inspection at the registered office of the Company on any working day up to the date of Annual General Meeting between 11 a.m and 1 p.m.excluding Saturdays, Sundays and Holidays.
4. The above shall be treated as abstract of the draft Agreement between the Company and the Managing Director pursuant to Section 302 of the Companies Act, 1956.
5. In case of absence or inadequacy of profits in any financial year, the remuneration stated above will be paid as Minimum Remuneration to Mr. Harshad Patel.

By Order of the Board

V. D. Goray
Company Secretary

Registered Office :

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

Place : Mumbai

Date : 30th July, 2002.

DIRECTORS' REPORT

We present herewith Annual Report and Accounts for the year ended 31st March, 2002.

FINANCIAL RESULTS

	Rs. in Lacs	
	2002	2001
Profit before Interest, Depreciation & Tax	124.15	248.41
Less : Interest	148.28	172.76
Depreciation	154.19	137.43
Profit Before Tax	(-) 178.32	(-) 61.78
Less : Provision for Tax	Nil	Nil
Provision for deferred taxes (Net)	53.97	Nil
Loss for the Year	124.35	61.78

PERFORMANCE

During the year your company achieved a turnover of Rs.2681.00 lacs which was Rs.298.00 lacs lower than the previous year. The lower turnover coupled with lower margins resulted in the Company incurring a higher loss at Rs. 178.00 lacs.

Management has taken various steps, detailed below, to arrest the losses and bring the company to profitability.

1. Costs relating to personnel, transport, stores have been brought down.
2. Business discontinued with Customers where rates below factory cost.
3. Development of new product, Laminated PP Bag, for cement packing. This has been made by Rishi Packers Ltd., for the first time in India, in 2001. It is hoped that this product will be sold at profitable prices.

CURRENT YEAR

The turnover for the period upto June 2002 is Rs. 662.00 lacs for the current year as against Rs. 706.00 lacs for the same period of previous year. However the losses have been reduced inspite of the lower turnover.

DIVIDEND

On account of Loss suffered by the Company, the Board has not recommended any Dividend for the year under Report.

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 from public amounting to Rs. 29.90 lacs. The total deposits outstanding at the end of the year amounts to Rs.69.12 lacs.

DIRECTORS

Mr. Kiran Patel retires by rotation and being eligible, offer himself for re-appointment. The Board of Directors appointed Mr. Pranav Patel, Mr. Abhay Paranjpe and Mr. Arvind Nopany as additional Directors under Section 260 of the Companies Act and article 107 of the Articles of Association. They hold office upto the date of the forthcoming Annual General Meeting, but are eligible for reappointment. During the year Mr. B.P. Patel, Dr. B.V. Bhoota and Mr. K.K. Kapadia resigned from the Board. The Board would like to place on record their gratitude for the valuable services rendered by the Directors and also thank them for the valuable advice and guidance received from them from time to time.