

CERTIFIED TRUE COPY
for SHREE RAJESHWARANAND PAPER MILLS LTD

Jagdish A. Fokeer

Jt. Managing Director



SHREE RAJESHWARANAND PAPER MILLS LIMITED

11TH ANNUAL REPORT & ACCOUNTS

2001-2002

Shree Rajeshwaranand Paper Mills Limited**BOARD OF DIRECTORS****Shri Shantilal B. Dave***Chairman***Shri Yashwant C. Oza***Managing Director***Shri Yogesh R. Trivedi***Jt. Managing Director***Shri Satish M. Dave***Technical Director***Shri Mohanlal J. Trivedi****Shri Ratilal S. Trivedi****Shri Dharamdutt V. Trivedi****Shri Narendra J. Shah****Shri G. A. Gogale***(ICICI Nominee Director)***11TH ANNUAL GENERAL MEETING****Day and Date : Monday, 16th September, 2002****Venue :****THE SILK MERCHANT ASSOCIATION HALL,
480, Kalbadevi Road, Dhanukar Building,
1st Floor, Mumbai - 400 002.****Time : 2:30 pm****AUDIT COMMITTEE****Mr. Yashwant C. Oza**
Mr. Mohanlal J. Trivedi
Mr. Narendra J. Shah**Chairman**
Member
Member**CONTENTS**

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REGISTERED OFFICEShop No. 82, 4th Lane,
Ghadial Gali, Mangaldas Market,
Mumbai - 400 002.**FACTORY LOCATION**Bharuch-Jhagadia Road,
Village-Goval, Taluka-Jhagadia,
Dist - Bharuch
Gujarat (INDIA)**BANKERS**Bank of Baroda
GIDC Indl. Estate,
Ankleshwar - 393 002.**AUDITORS**Sunderji Gosar & Co.
Chartered Accountants

Shree Rajeshwaranand Paper Mills Limited**NOTICE**

Notice is hereby given that the Eleventh Annual General Meeting of SHREE RAJESHWARANAND PAPER MILLS LIMITED., will be held at The SILK MERCHANT ASSOCIATION HALL, Dahanukar Building, 480, Kalbadevi Road, 1st Floor, Mumbai – 400 002 on 16th September, 2002 at 2:30 pm to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider approve and adopt the Audited Balance sheet as at 31st March 2002 and the Profit and Loss Account for the Year ended as on that date and the Reports of the Director's and Auditor's thereon.
2. To Appoint a Director in place of Shri Ratilal S. Trivedi who retire as Director & being eligible offers himself for reappointment.
3. To Appoint a Director in place of Shri Dharumdatt V. Trivedi who retire as Director & being eligible offers himself for reappointment.
4. To appoint Auditors and to authorize the Board to fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
The proxy form should be lodged with the company at its Registered Office at least 48 hours before the time of the meeting.
2. The Register of members & Share Transfer Books of the Company will remain closed from September 12th, 2002 to September 16th, 2002 (both days inclusive).
3. Members are requested to promptly notify any changes in their address to the company at its Registered Office.
4. All documents referred to in the notice are open for inspection at the registered office of the company during office hours of all days except Saturday, Sunday and Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
5. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as "proxy".
6. Members who are holding shares in identical order of names in more then one folio are requested to write to the Company to consolidate their holdings in one Folio.
7. THE MEMBERS DESIROUS OF GETTING ANY INFORMATION ABOUT THE ACCOUNTS AND OPERATION OF THE COMPANY ARE REQUESTED TO ADDRESS THEIR QUERIES TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE ATLEAST 10 DAYS BEFORE THE MEETING, SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBER'S SATISFACTION.

For and on behalf of the Board

Registered Office :

S. Deepak Kumar & Co.,
Shop No. 82, 4th Lane, Ghadial Gali,
Mangaldas Market, Mumbai - 400 002.

PLACE: GOVALI
DATE : 15/06/2002

sd/-

(SHANTILAL B. DAVE)
CHAIRMAN

11TH ANNUAL REPORT**DIRECTOR'S REPORT**

Dear Members,

Your Directors have pleasure in presenting the 11th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2002.

SUMMARISED FINANCIAL RESULTS :

	Year ended 31-3-2002 Rs. in Lacs	Year ended 31-3-2001 Rs. in Lacs
Profit before Interest & Depreciation	498.58	505.95
Less : Interest	229.92	316.03
Profit before Depreciation	268.66	189.92
Less : Depreciation	119.33	113.05
Profit before Tax	149.33	76.87
Less: Provision for Tax	12.25	7.00
Net Profit after Tax	137.08	69.87

DIVIDEND:

In order to conserve the valuable cash resources for modernization of the companies plant & in view of recessionary trends through which your company is presently passing through the Board of Director's do not recommend any dividend for the year ended 31st March, 2002.

REVIEW OF OPERATION:

The year under review was a difficult year for industry as whole. The terrorist attack in U.S.A., the devastating riots in Gujarat have contributed greatly for the sluggishness in the market. The prices of raw materials, power etc are on the rise, whereas the sales realisation has dropped considerably thereby eroding the margins.

Inspite of all the adverse factors, your company was able to achieve a production of 19227 MT paper in the year under consideration as against 21033MT of the previous year. The company has sold 19894MT in current year as compared to 20177 of the previous year. Though the production and sales have reduced the company has made a reasonable Net Profit after tax of Rs.137.08 lacs in the current year as compared to 69.87 lacs previous year. The management efforts in reducing the costs coupled with the dedicated efforts of the employees have played a pier role in achieving these results.

OUT LOOK:

The management is hopeful that the market conditions would improve from the second quarter of the current year which would have a direct impact on the company's working. The continuous efforts of the management in bringing about the cost reduction would be an added contribution. The management has decided to concentrate effectively in increasing the quality of the product and exploring new markets.

FIXED DEPOSITS:

At the end of the financial year there were no over due deposits.

INSURANCE:

The Assets of the Company are fully and adequately insured for all risks.

Shree Rajeshwaranand Paper Mills Limited

DIRECTORS:

In accordance with the provision of the Companies Act 1956 & the company's Articles of Association Shri Ratilal S. Trivedi & Shri Dharamdutt V. Trivedi Directors retire by rotation at the Eleventh Annual General Meeting of the company and being eligible offer themselves for re-election. The Board is also thankful to Shri Devshankar. A. Dave and Shri Kirit. N. Modi who have resigned from our Board with effect from 01.01.02 for their valuable contribution to the company during the tenure of their directorship.

COST AUDIT:

The Company has received the approval of the Central Government for appointment of Ketki D. Visaria, as Cost Auditor to conduct the cost audit for the Financial Year 2001 – 2002.

AUDITORS:

M/s. Sunderji Gosar & Co. Chartered Accountants, Statutory Auditors of the company retire at the ensuing Annual General Meeting and are eligible for reappointment.

PARTICULARS OF EMPLOYEES:

The information required under section – 217 (2A) of the Companies Act., 1956 and the rules framed thereunder is not furnished as none of the employees are in receipt of the remuneration as per the limits prescribed in these rules.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Particulars of conservation of energy, Technology Absorption and foreign Exchange earnings and out go pursuant to section 217(1) (e) of the Companies Act. 1956, read with the rules thereunder is given in the Annexure – A to this report.

DIRECTORS RESPONSIBILITY STATEMENTS (Pursuant to Section 217 (2AA) of Company's Act, 1956):

1. In the preparation of the Annual Accounts for the year under consideration, the applicable Accounting Standards have been followed.
2. The Accounting Policy selected has been applied consistently. In the year under consideration, prudent and reasonable judgement and estimates have been made so far as to give a true and fair view of the state of affairs of the company for the year ended 31st March, 2002 and of loss for the period ended on that date.
3. To the best of our knowledge proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 1956 and for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
4. The attached Annual Accounts has been made on going concern basis.

ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation for the co-operation and assistance received by the company from concerned ministries of Government of India and various department of Government of Gujarat, Financial Institutions, Bankers, Suppliers, Customers. The Director also wish to thank all the employees of the Company at all levels for their active participation and co-operation.

The Directors wish to record their special thanks to the esteemed shareholders for reposing their confidence in the company.

For and on behalf of the Board

sd/-
(SHANTILAL B. DAVE)
CHAIRMAN

PLACE: GOVALI

DATE : 15/06/2002

11TH ANNUAL REPORT**ANNEXURE — "A"**

PARTICULARS PRESCRIBED U/S-217(1)(e) OF THE COMPANIES ACT., 1956.

	CURRENT YEAR 31-3-2002	PREVIOUS YEAR 31-3-2001
(A)		
(a) POWER AND FUEL CONSUMPTION:		
1. ELECTRICITY PURCHASED:		
Units	10390020	11184000
Total Amount (Rs.)	56143730	53738226
Rate per units (Rs.)	5.40	4.80
Own Generation	NIL	NIL
2. FURNACE OIL		
Consumption (Qty. in K.L.)	15.470	787.760
Total amount (Rs.)	189118	9059354
Average Rate Per K.L. (Rs.)	12224.82	11500.14
Own Generation	NIL	NIL
3. Coal / Lignite		
Consumption (Qty in KG)	14827935	8530665
Total Amount (Rs.)	17206497	11210670
Average Rate per KG (Rs.)	1.16	1.314
Own Generation	NIL	NIL
(b) CONSUMPTION PER UNIT OF PRODUCTION:		
Newsprint / Writing & Printing Paper		
Production (M.T.)	19227	21033
Consumption Per M.T. of Production:		
Electricity (UNIT)	540.39	531.74
Fuel (K.L.)	-	0.040
Coal / Lignite (Qty. in KG)	771.20	405.580
(a) TECHNOLOGY ABSORPTION:		
1. No research & development is carried out by the Company.		
2. No new technology is adopted or innovated.		
(b) FOREIGN EXCHANGE EARNINGS & OUTGO:		
1. Total Foreign Exchange used (CIF value of Imports)	70488575	103449318
2. Foreign Exchange Earnings	NIL	NIL