

VINYOFLEX

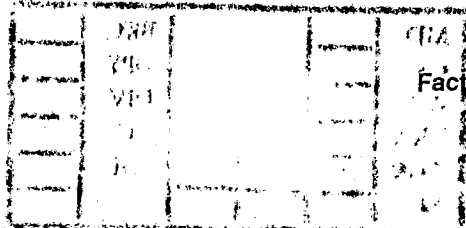
MD	✓		BKC	✓
CS	✓		DPY	NA
RO	✓		DIV	NA
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		



VINYOFLEX LIMITED

5TH ANNUAL REPORT

1997-98

5th ANNUAL REPORTS**1997-98****VINYOFLEX LIMITED**: **Regd. Office** : 307, Silver Chambers,
Tagore Road,
Rajkot - 360 002.: **Factory** : Survey No. 241, N.H. 8-B,
Near G.E.B. Sub-station,
Shaper (Taluka Katda Sangani)**BOARD OF DIRECTORS**: **Shri Mansukhlal Premji Patel** (*Chairman & M. D.*)
: **Shri Bhupatlal Lalji Tilva**
: **Shri Vinod Khimji Tilva****CONSULTING COMPANY SECRETARY**: **Shri Indravadan R. Patel**
"Chanakya" 3rd Floor,
Near Dinesh Hall,
AHMEDABAD - 380 009.**AUDITORS**: **M/s. Gadhia Karachiwala & Co.**
Chartered Accountants
307, Hira-Panna, 3rd Floor,
Dr. Yagnik Road,
Rajkot - 360 001.**BANKERS**: **Bank of Baroda**
Kalawad Road,
Rajkot - 360 001.
State Bank of Saurashtra
Gymkhana,
Rajkot - 360 001.

VINYOFLEX LIMITED**NOTICE**

NOTICE IS HEREBY GIVEN THAT the 5th Annual General Meeting of the Members of M/s. VINYOFLEX LIMITED, will be held at : 307, Silver Chamber, Tagore Road, Rajkot 360 002 on Saturday, the 29th day of August, 1998 at 10.00 a.m. to transact the following business:-

ORDINARY BUSINESS :

1. To consider, approve and adopt the Balance Sheet as on 31st March, 1998, 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 Shri Vinod K. Tilva, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint the Auditors of the Company, who shall hold the office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

By order of the Board of Directors

Registered Office :
307, Silver Chambers,
Tagore Road,
Rajkot - 360 002.

Sd/-
MANSUKHBHAI P. PATEL
Chairman & Managing Director

Place : Rajkot
Dated : 27th June, 1998.

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxy in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
2. All documents referred to in the accompanying Notice are open for inspection at the Regd. Office of the Company during the office hours on all working days between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
3. Members are requested to intimate the change, if any, in their registered address at the earliest, quoting their folio number.
4. Members are requested to bring alongwith them their copy of Annual Report at the meeting.
5. Members are requested to quote Folio Number(s) in their correspondance.
6. Members are requested to send their queries, if any, atleast ten days before the date of meeting so that the information can be made available at the meeting.
7. The Register of Members and the Share Transfer Books of the Company will remain closed for three days from Thursday, 27th day of August to Saturday, 29th day of August, 1998.
8. Members are requested to send the share transfer forms to the Company's Reg. Off. : 307, Silver Chambers, Tagore Road, Rajkot - 360 002.

By order of the Board of Directors

Place : Rajkot
Dated : 27th June, 1998.

Sd/-
MANSUKHBHAI P. PATEL
Chairman & Managing Director

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the 5th Annual Report with audited statements of the Company for the year ended on 31st March, 1998.

FINANCIAL RESULTS :

The financial results of the Company for the year under review are summarised below:

	Current Year 1997-98	(Rs. in lacs) Previous Year 1996-97
i. Sales	521.93	329.37
ii. Interest & other income	3.94	8.10
iii. Expenses	473.51	302.41
iv. Interest	47.39	53.64
v. Gross Profit / Loss	4.98	(18.58)
vi. Depreciation	17.58	16.84
vii. Net Profit / Loss	(12.60)	(35.42)

OPERATIONS :

During the year under consideration the company had achieved turnover of Rs. 521.93 lacs of the PVC films manufactured by the Company. Due to initial teething technical problem for the production, the Company could not produce more PVC films. However due to proper planning, cost control and quality product, the product were well received in the market. Your Directors are pleased to inform you that the Company had not made cash loss during the year under consideration.

The Company is exploring more market and the management are confident that due to their rich experience in this line the Company will achieve good market by quality production.

The Company had started its printing division from June, 1998 onwards. Due to this more variety of PVC films will be produced and this will cater the market of the Company and definitely increase the cash flow of the Company. The Company is also planning to commence its lamination division within 3 to 4 months. Thus when all the three division will be in full swing operation the turnover of the Company will definitely increase leading to good profit. This being a initial time of the project the management takes care and pain of each and every Department for cost control as well as for the quality production to have the better market and to built up a goodwill of the company in the market. The Company is also exploring the export market of the products of the Company.

DIVIDEND :

The Company has not made profit during the year under review, your Directors could not recommend any dividend to the Equity Shareholders of the Company for the year under consideration.

DIRECTORS :

Pursuant to Articles of Association of the Company read with Section 256 of the Companies Act, 1956, Shri Vinod K. Tilva, the Director of the Company is due to retire at the ensuing Annual General Meeting and being eligible offers himself for the reappointment.

FIXED DEPOSITS :

The Company has accepted deposits from the public during the year under report, after complying with the provisions of Section 58 of the Companies Act, 1956.

Fixed deposit from the shareholders at the end of the Financial year stood at Rs. 29,25,000/-. This deposit was raised during the Financial year 1997-98 to meet the Working Capital requirements. At the end of the Financial year there is no deposit matured hence the question of unclaimed deposit need not arise.

VINYOFLEX LIMITED**INSURANCE :**

All the properties of the Company including building, plant and machineries and stocks have been adequately insured against fire, earthquake, strike and riot damages/risks etc.

PERFORMANCE AND PROJECTIONS :

Performance and projections as per prospectus dated 9-2-1995 for the financial year 1997-98 (As required by clause 43 of the listing Agreement)

	(Rs. in Lacs)	
	Performance	Projections
Sales	521.93	2616.00
Profit before Interest depreciation & Tax	52.37	409.47
Net Profit for the year	(12.60)	246.28

The projected performance as mentioned in the prospectus could not be achieved as considerable time has gone for the erection of 1st line of production of imported machineries. The delay was due to make the plant erected to suit the Indian requirement. It was tough task to prepare/get the spares to make slight variations, which was badly needed to suit our requirement, which leads to delay in implementation of the project. By studious efforts and team work of the management the Company could start the first line of production. Thereafter the Company had concentrated on marketing of the PVC films. Due to their previous contact and zeal to improve the production, quality, the company could develop good market and its product is well received in the market. In the current year, June '98 onwards the Company has successfully started the printing division. After three months the Company proposes to start lamination plant. Barring unforeseen circumstances with all the three divisions working full fledged, the Company is confident to achieve the best working results.

AUDITORS :

M/s. Gadhia Karachiwala & Co., Chartered Accountants, Rajkot retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment as the Auditors of the Company, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES :

Since there is no employee drawing salary as specified in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the particulars required to be given under the said Rules are not applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO :

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure forming part of this report.

ACKNOWLEDGMENT :

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Bankers particularly Bank of Baroda and State Bank of Saurashtra and various Govt. organisations of Central as well as State levels during the year under review. Your Directors would also like to place on record the appreciation of the valued customers of the Company's product for continuous support and also giving valuable suggestions for product setting. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives and employees of the Company for implementation of the Company's challenging project with diligence and co-operation.

For and behalf of the Board of Directors,
FOR VINYOFLEX LIMITED

Sd/-

MANSUKHBHAI P. PATEL
Chairman & Managing Director

Place : Rajkot

Dated : 27th June, 1998.