

7th Annual Report 1996-97

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CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DPV	<input checked="" type="checkbox"/>
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AMERICAN DRY FRUITS LIMITED

BOARD OF DIRECTORS	Shri Hariram J. Thakkar	Chairman
	Shri Ramesh H. Thakkar	Managing Director
	Shri Kishore H. Thakkar	Joint Managing Director
	Shri Ashok H. Thakkar	Executive Director
	Shri V.R. Momaya	
	Shri S.A. Naik	
SENIOR MANAGEMENT	Shri Bimal R. Thakkar	President
	Shri Nimish K. Thakkar	Vice President
	Shri Bhavesh R. Thakkar	Vice President
	Shri Nagin C. Patel	General Manager (Works)
COMPANY SECRETARY	Shri Ajay Nadkarni	Company Secretary
AUDITORS	D.P. Ghevaria & Co.	
	Chartered Accountants	
	K.D. Godbole	
	Chartered Accountants	
SOLICITORS	Thakker & Thakker	
BANKERS	State Bank of Hyderabad	
	Bank of Baroda	
	State Bank of India	
REGISTERED OFFICE	83/86 G.I.D.C. Industrial Estate Nadiad-387 001. Gujarat.	
REGISTRARS AND SHARE TRANSFER AGENTS	K.R. Financial & Management Services Pvt. Ltd. 103 Omex Apartments, 64 Sahar Road, Koldongri, Andheri (East), Mumbai-400 069.	

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NOTICE

NOTICE is hereby given that Seventh Annual General Meeting of the Members of the Company will be held at Sheth Khushaldas Gokaldas Patel Municipal Town Hall, Station Road, Nadiad-387 001 on Wednesday the 24th September, 1997 at 11.00 a.m. to transact the following business.

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri V.R. Momaya who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S.A. Naik who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The proxy form duly completed and stamped must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
- (b) The Register of members and Transfer Books of the Company will be closed from 17th September, 1997 and will remain closed till 24th September, 1997 (both days inclusive).
- (c) Shareholders desiring any information as regards the Accounts are requested to write to the Company atleast 8 days in advance so as to enable the Management to keep the information ready.
- (d) The unclaimed dividend amount pertaining to 1st dividend for the year 1992-93 declared on 29th September, 1993, has been transferred to the General Revenue Account of the Central Government in terms of Section 205-A of the Companies Act, 1956 on 19.12.1996.

The Unclaimed dividend amount pertaining to 2nd dividend for the year 1993-94 which was declared on 30th November, 1994 is required to be transferred to the General Revenue Account of the Central Government within 14 days from 16th January, 1998. Shareholders who have not encashed their dividend warrants pertaining to the 2nd dividend are requested to write to the Company's Share Department immediately.



AMERICAN DRY FRUITS LIMITED

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- (e) Members holding shares in identical order of names in more than one folio are requested to write to the Company's Share Department enclosing their share certificates to enable the Company to consolidate their holdings in one folio.
- (f) Members are requested to notify the Company immediately of any change in their Registered Addresses along with the pin code.

By Order of the Board of Directors
AMERICAN DRY FRUITS LIMITED

AJAY NADKARNI
Company Secretary.

Mumbai - August 19, 1997.

Registered Office:
83/86 G.I.D.C. Industrial Estate
Nadiad - 387 001, Gujarat.

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DIRECTORS' REPORT

To :
The Members
AMERICAN DRY FRUITS LIMITED

Your Directors submit herewith their report and the statement of Accounts for the year ended 31st March, 1997.

Financial Results:

Your Company's income is Rs.6160.52 lacs during the year under review as compared to Rs.5744.09 lacs in the previous year resulting in an increase of over 7%. However, the Company has ended the year with a loss of Rs.240.98 lacs as compared to a profit of Rs.106.29 lacs after providing for depreciation. In view of the losses incurred during the year your Directors are not recommending any Dividend for the current year.

Review of Performance:

Your Company's sales have increased from Rs.5663.85 lacs to Rs. 6065.87 lacs. This marginal increase is mainly due to the increase in export sales of the Company during the year under consideration. The Company has increased its turnover from the manufacturing business as compared to the trading business, which is inline with the decision taken by your Company in the last year of curtailing the trading business on account of poor profit margins. However, the Company has ended the year with the loss of Rs.240.98 lacs mainly on account of raw materials spoilage at the factory to the tune of around Rs. 80 lacs. The domestic division sales have also dropped during the year under consideration mainly due to stiff competition and the change in the sales policy. Though the commercial production at the Nasik plant has commenced since July '96, due to the initial teething problems the production at plant started in full swing only from January '97. Hence there has been a delay in launching of ground spices and masalas. The financial cost and administrative cost have also been the major reasons for the Company's losses in the current year. However, several cost reduction measures have been implemented in all areas by the Company.

Warrants to Promoters:

The Promoters have yet to exercise their option to convert the warrants into Equity Shares, though the period of 18 months has elapsed.

Future Outlook:

The Company has launched its ground spices in selected markets since April/May '97 and despite stiff competition, the Company has received an encouraging response from both the domestic and export markets. Your Company is also planning to launch masalas during the later part of the current year and the turnover of both, the spices and masalas is expected to improve the sales figure of the Company. The teething problems of the change in the sales policy of the domestic division have been overcome and it is hoped that performance will improve. From the current year your Company's products are covered under excise duty. However, due to stiff competition the Company has not increased its selling prices till now and hopes to increase the prices during the second half of the current year. Your Company is continuing to concentrate its efforts for improving its shares in the export market.



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Employee Relations:

The relations between the employees and the management continued to be cordial. Your Directors place on record their sincere appreciation to all the employees of the Company for their hard work and dedication.

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time forms part of this Report as Annexure II.

Energy, Technology Absorption and Foreign Exchange:

Information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is appended hereto and forms part of this Report as Annexure I.

Directors:

Shri. V.R. Momaya and Shri S.A. Naik, Directors retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Auditors:

M/s. D.P. Ghevaria & Company, Chartered Accountants and M/s. K.D. Godbole, Chartered Accountants retire and are eligible for re-appointment as Auditors.

Appreciation:

Your Directors thank all the employees of the Company, the Bankers, viz. State Bank of Hyderabad, Bank of Baroda and State Bank of India, Export Import Bank of India, the distributors, business associates and shareholders for their support during the year under review and look forward to their continued support in the future.

By Order of the Board of Directors
AMERICAN DRY FRUITS LIMITED

Ramesh H. Thakkar
Managing Director

Kishore H. Thakkar
Joint Managing Director

Mumbai, August 19, 1997

Registered Office :
83/86 G.I.D.C. Industrial Estate
Nadiad - 387 001, Gujarat

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ANNEXURE I

Annexure 1 to the Directors Report under Section 217(1)(e) of the Companies Act, 1956

A. Conservation of Energy

The Company has been continuously attempting to create a conscious awareness against waste of energy at all levels. The Company is taking all possible steps to conserve energy. Maximum efforts to conserve energy will continue.

FORM A

Form for disclosure of particulars with respect to Conservation of Energy

(A) Power and Fuel Consumption

	1996-97	1995-96
1. Electricity		
(a) Purchased Units (KWH)	5,10,902	6,73,296
Total Amount (Rs.)	26,50,691	23,13,564
Average Rate/Unit (Rs.)	5.19	3.44
(b) Own Generation		
(i) Through Diesel Generator	N.A.	N.A.
Units (KWH)		
Units/Lt. of Diesel		
Cost/Unit (Rs.)		
(ii) Through Steam Turbine/Generator	N.A.	N.A.
2. Coal	N.A.	N.A.
3. Fuel Furnace Oil +Light Diesel		
Quantity (K.L)	2,14,817	1,84,886
Total Amount (Rs.)	17,62,488	13,73,210
Average Rate/KL (Rs.)	8.20	7.43
4. Others/Internal Generation	N.A.	N.A.

(B) Consumption Per unit of production

Products (with details)

Unit	Since the Company Manufactures Several items Viz. pickles,
Electricity	chutneys, pastes and other food stuffs, having regard to the
Furnace Oil	records and other books maintained by the Company, it is
Coal (Specify Quality)	impracticable to apportion the utilities

B. Technology Absorption, Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company
 - Development of new products
 - Development of new recipes.
 - Improvement in quality
 - Better packaging.
 - Standardisation in packaging



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2. Benefits derived as a result of the above R&D.

Benefits comprise of improved customer satisfaction, introduction of new products, introduction of new brands, meeting world class quality norms, enhancement of exports, reduced cost on packaging.

3. The Company will continue its efforts to develop new products, new recipes, reduce costs, improve technology and produce quality products.

4. Expenditure on R&D

	1996-97 Rs.	1995-96 Rs.
(a) Capital	3,36,514	-
(b) Recurring	55,668	1,19,248
(c) Total	3,92,182	1,19,248
(d) Total R&D expenditure as a percentage of total turnover	0.06%	0.02%

Technology Absorption, Adaptation and Innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.

The Company has upgraded its technology at Nadiad to world class standards. At Nashik, the Company has imported state of the art machinery for manufacture of spices and masalas.

2. Benefits derived as a result of the above efforts.

Satisfaction of customer needs, improvement in product quality, new product development.

C. Foreign Exchange Earnings and Outgo

1. The Company has maintained its focus on development of exports both in the ethnic and mainstream markets. The Company's products under the brand name 'Ashoka' & 'Aeroplane' are extremely popular in the U.S.A., U.K., Canada & Australia while 'Camel' is popular in the Middle East. The Company will continue to make exports a thrust area.

2. Total Foreign Exchange used and earned:

	1996-97 Rs.(in lacs)	1995-96 Rs.(in lacs)
Total Foreign Exchange Earned	4,899.78	4,135.10
Total Foreign Exchange Used	75.24	547.17

By Order of the Board of Directors
AMERICAN DRY FRUITS LIMITED

Mumbai, August 19, 1997

RAMESH H. THAKKAR
Managing Director

KISHORE H. THAKKAR
Joint Managing Director

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ANNEXURE II

Statement pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 1997.

Sl. No.	Name of Employee	Age	Qualifications	Designation/ Nature of Duties	Gross Remuneration Rs.	Exp. (Years)	Date of Commencement of Employment	Particulars of Previous Employment. Last post Held, Name of Employer & Tenure of Service (Years)
(a) Employed throughout the Financial year under review and were in receipt of remuneration aggregating not less than Rs. 3,00,000/- per annum.								
1.	Shri Thakkar Ramesh H.	54	Commerce Graduate	Managing Director	688900	29	15-01-1992	-
2.	Shri Thakkar Kishore H.	52	Commerce Graduate	Joint Managing Director	688900	27	15-01-1992	-
3.	Shri Thakkar Ashok H.	44	Commerce Graduate	Executive Director	592900	23	01-10-1993	-
4.	Shri Thakkar Bimal R.	31	Commerce Graduate	President	400900	8	29-09-1993	-
5.	Shri Ghosal Subhabrata	46	B.E., M.Tech.	Vice President (Manufacturing & Project)	491153	25	14-06-1994	Associate Manager (Establishment & Administration) Procter & Gamble (I) Ltd. 4 Years
6.	Shri Kiran K. Hazari	38	B.Sc.	General Manager	306527	17	15-07-1992	Milk Foods Ltd Sales Manager, 3 Years
(b) Employed for part of the financial year under review and were in receipt of remuneration aggregating not less than Rs. 25,000/- per month:								
NIL								

NOTES:

- The nature of employment in the case of the Managing Director, Joint Managing Director and Executive Director is contractual.
- Gross remuneration includes Salary, House Rent Allowance, Other Allowances, Value of perquisites and Company's contribution to Provident and Family Pension Funds.
- Shri Ramesh H. Thakkar, Shri Kishore H. Thakkar, Shri Ashok H. Thakkar & Shri Bimal R. Thakkar are related to each other.

By order of the Board of Directors
AMERICAN DRY FRUITS LTD.

RAMESH H. THAKKAR
Managing Director

KISHORE H. THAKKAR
Joint Managing Director

Mumbai, August 19, 1997