



ELEVENTH
ANNUAL
REPORT
1999 - 2000

ANNUAL REPORT 1999-2000

BOARD OF DIRECTORS

Mrs. PARU M. JAYKRISHNA

CHAIRPERSON & MANAGING DIRECTOR

Mrs. ALPANA S. CHINAI

Mr. RAMU P. IYER

Mr. PRAFULCHANDRA V. PATEL

Mr. GOKUL M. JAYKRISHNA

EXECUTIVE DIRECTOR

Mr. MUNJAL M. JAYKRISHNA

AUDITORSM/s. TRUSHIT CHOKSHI & ASSOCIATES
*CHARTERED ACCOUNTANTS***BANKERS**

STATE BANK OF INDIA

REGISTERED OFFICE & WORKS166/169, INDRAD VILLAGE
KADI KALOL ROAD,
DIST. MEHSANA
GUJARAT — 382 727 (INDIA)

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NOTICE

Notice is hereby given that the 11th Annual General Meeting of the members of AUDICHEM (INDIA) LIMITED will be held on 20th May, 2000 at the Registered Office situated at 166/169, Indrad Village, Kadi Kalol Road, Dist: Mehsana, Gujarat at 11.00 A.M. to transact the following business .

ORDINARY BUSINESS

- 01 To receive, consider, approve and adopt the Audited Profit & Loss Account for the year ended 31st March, 2000 and the Audited Balance Sheet as at that date and the Director's and Auditor's report thereon.
- 02 To declare a dividend on ordinary Shares.
- 03 To appoint a Director in place of Mr. Ramu P. Iyer who retires by rotation and being eligible to offer himself for re-appointment.
- 04 To appoint a Director in place of Mr. Prafulchandra V. Patel who retires by rotation and being eligible to offer himself for re-appointment.
- 05 To appoint auditors of the Company and fix their remuneration.

Registered Office:
166/169, Indrad Village
Kadi- Kalol Road
Chhatral, Dist. Mehsana,
Gujarat
Place : Ahmedabad
Date : 15th April, 2000

By Order of the Board of Directors

GOKUL M. JAYKRISHNA
Executive Director

NOTES FOR MEMBERS ATTENTION

- 01 **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY AT-LEAST 48 HOURS PRIOR TO THE COMMENCEMENT OF THE MEETING.**
- 02 The relative explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of items of Special Business is annexed herewith.
- 03 The Register of Members and share Transfer Books of the Company will remain closed from 13th May, 2000 to 20th May, 2000 (both days inclusive).
- 04 Dividend, if sanctioned in the meeting will be paid on or after 20.05.2000 to those members whose names shall appear on Company's Register of Members as on 20.05.2000.
- 05 Members are requested to intimate/notify immediately the changes, if any, in their Registered Address to the Company's Registered Office.
- 06 In case mailing address mentioned in this Annual Report is without the PINCODE, then Members are requested to kindly inform their PINCODE immediately.

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- 07 Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
- 08 Members who are holding in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificate for consolidating their shares in one folio. The share certificates will be returned to the members after making requisite change thereon.
- 09 Equity Shares of the Company are listed on the following Stock Exchanges;
- The Bombay Stock Exchange
Phiroz Jeejeebhoy Towers
25th Floor, Dalal Street,
Mumbai - 400 001.
- The Ahmedabad Stock Exchange
Kamdhenu Complex
Nr. Polytechnic, Ambawadi,
Ahmedabad - 380 015.
- Listing fee upto the year ended 31st March, 2000 have been paid.
- 10 As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the Meeting.
- 11 Members are requested to produce the enclosed Attendance Slip duly signed at the entrance to the Hall.
- 12 To avoid the incidence of fraudulent encashment of the warrants members are requested to intimate the Company under the signature of the sole/first joint holder the following information so that the Bank account No. & name and address of the Bank can be printed on the dividend warrant.
- 1) Name of Sole/First joint holder & Folio No.
 - 2) Particulars of Bank Account viz.
 - (i) Name of the Bank
 - (ii) Name of the Branch
 - (iii) Complete address of the Branch with Pincode No.
 - (iv) Account type, whether Saving A/c. (SA) or Current Account (CA)
 - (v) Nine digit code number of Bank and Branch appearing on the MICR cheque issued by your Bank for verifying the accuracy of the Code No.

By Order of the Board of Directors

Place : Ahmedabad
Date : 15th April, 2000

GOKUL M. JAYKRISHNA
Executive Director

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in present **ELEVENTH** Annual Report and Audited Accounts for the financial year ended 31st March 2000.

FINANCIAL RESULTS

Your Company's performance during the Financial year 1999-2000 is summarised below :

	(Rs. in Millions)	
	For the year ended on 31st March 2000	For the year ended on 31st March 1999
Gross Income	262.041	177.943
Exports	222.512	141.186
Gross Profit	15.703	15.441
Depreciation	5.583	5.296
Provision for Taxation	--	--
Net Profit	10.120	10.145
Dividend (including tax on distributed profits)	1.889	1.372
Transfer to General Reserves	2.000	2.000
Profit & Loss Account Balance Carried forward	28.234	21.850

DIVIDEND :

Your Directors are pleased to recommend to maintain dividend @ 5% i.e. Rs. 0.50 per Equity Shares of Rs. 10 each for the year ended on 31st March 2000. This will absorb Rs. 1.701 million towards dividend and Rs. 0.187 million towards tax on Dividend. The dividend will be paid after approval at the ensuing Annual General Meeting.

OPERATIONS :

During the period under review your Company has registered 47% rise in Gross Income from Rs. 177.943 million to Rs. 262.041 million. The net profit after tax is Rs. 10.120 Millions against Rs. 10.145 Millions of the previous year.

The period marked the depressed industrial situation. Mid term elections, transport strike and a devastating cyclone in Orissa further slow down a generally sluggish economy. Despite adverse conditions concentrated efforts by the company for better capacity utilisation, strict control on expenses, better working capital management and a focus on export market contributed significantly towards, the

aforesaid performance.

The industry growth started picking up during the year and the election of stable Government is expected to gather further impetus in the reform process.

EXPORTS

Your Company continued to excel on export front and exports were of Rs. 222.512 millions compared to Rs. 141.186 millions of the previous year resulting into an increase of 58%. The acceleration in exports was largely led by increased volumes and aggressive growth in Merchant Exports.

PROSPECTS:

The prospects for the current financial year appear to be positive considering the sign of recovery in the Indian Economy. Considering the thrust of the Company in continuance cost reduction, better capacity utilisation, barring unforeseen circumstances, the performance of your Company for the current year is expected to be better than the year under review.

FIXED DEPOSITS:

The Company has not accepted any fixed deposit from the public during the period. No deposits are outstanding as on 31st March, 2000.

PERSONNEL :

Information as per Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, is given in Annexure '2' forming part of this report.

YEAR 2000 :

Appropriate measures were taken in up-gradation of computer software and hardware to ensure smooth transition to year 2000 and the Company did not confront with any problems. Your Company has incurred an expenditure of approximately of Rs. 0.5 million towards this activity during the year 1999.

DIRECTORS :

Mr. Ramu P. Iyer and Mr. Prafulchandra P. Patel retire by rotation and being eligible to offer themselves for re-appointment.

AUDITORS :

M/s. Trushit Chokshi & Associates, Chartered Accountants retire and offer themselves for reappointment.

ANNUAL REPORT 1999-2000**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The statement pursuant to section 217 (1) (e) of the Companies Act, 1956 read with the companies (disclosure particulars in the report of the Board of Directors) Rules 1988 is given in the Annexure – 1 forming part of this report.

ACKNOWLEDGEMENT

Your Directors express their sincere thanks to the Central & State Governments, Financial Institutions and Commercial Banks for their continued support and confidence in the Company.

The Directors hereby place on record their appreciation for the dedicated efforts put by the employees at all levels.

For and on behalf of the Board of the Directors

Place : Ahmedabad **MRS. PARU M. JAYKRISHNA**
Date : 15.04.2000 *Chairperson & Managing Director*

ANNEXURE 1 TO THE DIRECTORS' REPORT
INFORMATION IN PURSUANCE TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) RULES: 1988

A: Conservation of Energy

The Company continues its efforts to improve method of energy conservation and utilisation.

FORM 'A'

	(Rs. in Millions)	
	Current Year	Previous Year
A) POWER & FUEL CONSUMPTION		
1) Electricity		
a) Purchased units (in millions)	1.653	1.449
Total amount (Rs. in millions)	6.385	5.430
Rate/Unit(Rs)	3.86	3.75
b) Own Generation	N.A.	N.A.
Units Generated	N.A.	N.A.
Unit per Ltr. of Diesel	N.A.	N.A.
Cost/Unit	N.A.	N.A.

2) Diesel/Furnace Oil (in thousand Ltrs)	805.60	724.397
Cost (Rs. in millions)	8.712	7.297
Rs. per Ltr	10.81	10.07

B) CONSUMPTION PER UNIT OF PRODUCTION (DYE INTERMEDIATE)

Electricity (Units/Tone)	813	895
Diesel/Furnace Oil (Ltrs./Tone)	396	447

B: TECHNOLOGY ABSORPTION "B"**1) Research & Development**

Company is carrying out R & D activities for improvement in the quality and productivity of the product.

2) Benefits derived as a result of R & D

Improvement in quality and productivity.

3) Future plan of actions

It is proposed to accelerate R&D activities to develop product variants and productivity.

4) Expenditure on R & D

	(Rs. in Millions)	
	Current Year	Previous Year
Capital	0.071	NIL
Revenue/Recurring	0.119	0.114
Total	0.190	0.114
Total Expenditure as % of turnover	0.07%	0.06%

5) Technology Absorption and Innovation

Company's present technology is fully absorbed. Company's efforts have resulted in better product quality, better process control, increased production at lower cost and better environmental protection.

C : FOREIGN EXCHANGE EARNINGS AND OUT GO

	(Rs. in Millions)	
	Current Year	Previous Year
Out go	2.637	2.330
Earnings	222.648	141.186

For and on behalf of the Board of the Directors

Place : Ahmedabad **MRS. PARU M. JAYKRISHNA**
Date : 15.04.2000 *Chairperson & Managing Director*

ANNEXURE 2 TO THE DIRECTORS' REPORT

INFORMATION UNDER 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 PERIOD ENDED 31st DAY OF MARCH, 2000.

Name	Designation/ Nature of Duties	Remuneration received (Rs.)	Net Take home pay after tax & P.F. Deduction	Qualification	Experience in years	Date of commence ment of employment	Age in years	Last employment before joining the Company
1	2	3	4	5	6	7	8	9
Mrs. Paru M. Jaykrishna	Chairperson & Managing Director	778,846/-	434,686/-	M.A. LL.B.	30	Since Inception	58	-
Mr. Gokul Jaykrishna	M. Executive Director	671,958/-	528,438/-	B.Sc.(Eco.) (USA)	7	01.01.94	31	

NOTES:

- 01 Gross remuneration comprises salary, allowances, monetary value of perquisites and the Company's contribution to Provident and Superannuation Funds.
- 02 The nature of employment is contractual.
- 03 The employment is subject to rules and regulations of the Company in force from time to time.

For and on behalf of the Board of the Directors

Place : Ahmedabad
Date : 15.04.2000

MRS. PARU M. JAYKRISHNA
Chairperson & Managing Director

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