

# **ADVANCE PETROCHEMICALS LIMITED**



**18<sup>th</sup>  
Annual  
Report  
2002-2003**

# ADVANCE PETROCHEMICALS LIMITED

## ADVANCE PETROCHEMICALS LIMITED

### 18TH ANNUAL REPORT

## BOARD OF DIRECTORS

Ashok Goenka	Chairman & Managing Director
Arvind Goenka	Director
J.K. Trivedi	Executive Director
Shailesh Singh Rajput	Director
Omprakash Jalan	Director
Gaurav Mittal	Director

## ANNUAL GENERAL MEETING

On Tuesday, 30th September, 2003  
Advance Synthetic Mills  
Opp. Simla Hotel,  
Narol Char Rasta  
Ahmedabad - 382 405.  
At 11.00 A.M

## AUDITORS

Pipara & Co.  
Chartered Accountants,  
201 N.R. House,  
Near Popular House,  
Ashram Road,  
Ahmedabad - 380 009.

## BANKERS

State Bank of Saurashtra  
IF Branch,  
Ahmedabad.

Shareholders are requested to bring their copy of the Annual Report along with them at the Meeting, as the copies of the Report will not be distributed at the meeting.

## REGISTERED OFFICE

36, Kothari Market,  
Ahmedabad - 380 022.

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## ADVANCE PETROCHEMICALS LIMITED

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### NOTICE

NOTICE is hereby given that 18th Annual General Meeting of the Members of Advance Petrochemicals Limited will be held on Tuesday, the 30th September, 2003 at the Advance Synthetic Mills, Opp. Simla Hotel, Narol Char Rasta, Ahmedabad - 382 405 at 11.00 A.M. to transact the following business :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2003 and Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Director and Auditors thereon.
2. To appoint a Director in place of Shri Omprakash Jalan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditor's and fix their remuneration and in this connection to pass with or without modification, the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT M/s. Pipara & Co., Chartered Accountant, Ahmedabad be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be decided mutually by the Board of Directors of the Company in consultation with the aforesaid firm of Auditors."

#### SPECIAL BUSINESS :

To consider and if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution :

4. To Re-appoint Harish P Jain & Associates practising Company Secretaries for giving Secretarial Compliance Certificate for the financial year 2003-2004.

"RESOLVED THAT in pursuant to section 383A of the Companies Act, 1956 read with Companies (Secretarial Compliance Certificate) Rule, 2000, M/s. Harish P Jain & Associates, Company Secretaries, Ahmedabad be and is hereby re-appointed as such to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting."

Registered Office  
36, Kothari Market,  
Ahmedabad - 380 022.  
Date : 26.08.2003

By order of the Board  
For ADVANCE PETROCHEMICALS LTD.

(Ashok Goenka)  
Managing Director

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**ADVANCE PETROCHEMICALS LIMITED**

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**NOTES :**

1. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the business under item Nos.4 set out above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY IN ORDER TO BE VALID NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM DULY FILLED IN AND SIGNED SHOULD BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE START OF THE MEETING.**
3. The Register of Members and the Share Transfer Book of the Company will remain closed from Tuesday, the 16th day of September, 2003 to Tuesday, the 30th day of September, 2003. (Both days inclusive).
4. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.
5. Members/proxies should bring their attendance slips duly filled in for attending the meeting.
6. Members who have not encashed their dividend warrants pertaining to earlier years may approach the share department of the Company for revalidating the warrants and for obtaining the duplicate warrants.
7. In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Omprakash Jalan retire by rotation at this Annual General Meeting. Shri Omprakash Jalan is serving since his appointment as Additional Director on the Board of your Company and has expressed his desire to be re-appointment. His experience in the industries will be of immense benefit to the Company.
8. Members are requested to intimate the change in their address, if any, to the Registered Office of the Company writing their folio no.
9. Members holding shares in more than one folio in identical order of names are requested to write to the Registered office of the Company enclosing their share certificates to enable us to consolidate their holdings in one folio, to facilitate better service.
10. Members who have not forwarded earlier the details of their bank account number and the name and address of the bank are requested again to send the same.
11. Shareholders seeking any information on the account or operations are requested to write to the Company at an early date so as to enable the management to keep the information ready.

## ADVANCE PETROCHEMICALS LIMITED

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### EXPLANATORY STATEMENT IN TERMS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

#### ITEM NO.4

Vide its notification dated 11.06.2002, Ministry of Department of Company Affairs, has made it compulsory for all Companies having their paid up capital exceeding 10 Lacs and up to 2 Crores to obtain a Secretarial Compliance Certificate from a Company Secretary in whole time practice and attach a Copy thereof with the Report of the Board of Directors, accordingly, re-appointment is required to be made.

Registered Office  
36, Kothari Market,  
Ahmedabad - 380 022.  
Date : 26.08.2003

By order of the Board  
For **ADVANCE PETROCHEMICALS LTD.**

**Ashok Goenka**  
(Managing Director)

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## ADVANCE PETROCHEMICALS LIMITED

### DIRECTOR'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the 18th Annual Report and Audited Account of the Company for the period ended 31st March, 2003.

#### Financial Results

	(Rs. in Lacs)	
	2002-2003	2001-2002
Gross Income	566.97	400.00
Profit before interest, depreciation and tax	25.12	30.90
Profit before depreciation and tax	12.39	10.42
Depreciation	7.88	6.87
Profit before tax	4.51	3.55
Provision for tax	1.50	-
Profit after tax	2.43	0.40
Add : Surplus as per last account	121.15	120.75
Surplus available for appropriation	69.41	121.15
Appropriations:		
Proposed Dividend	Nil	Nil
Transferred to General Reserve	Nil	0.40
Surplus Carried to next year	69.41	121.15

#### DIVIDEND

Due to inadequacy of profit available for appropriation during the year under review, your Directors express their inability to recommend any dividend for the year ended 31st March, 2003.

#### REVIEW OF OPERATION

During the year under review your Company have registered a sales turn over of Rs. 567 lacks in comparison to the figure of Rs. 402 lacks of the previous year thus declining by about 28%. Net profit after tax has increased from Rs. 0.40 lacks to Rs. 2.43 lacks thus increased by almost 5 times in comparison to the corresponding performance of the previous year. Increased performance is due to lesser interest cost.

#### PROSPECTS

The Company has renewed its ISO 9001-2000 certification status during the year to sell the Brake-Fluid and Coolant to the Automotive Companies. Directors hope that the Company will be able to get orders from O.E.M. in the coming months.

The Company has developed a high Flash Point Deicing Inhibitor for Defence and a type of approval has been also obtained so bulk production will be started in coming year. The Company has also developed a perfuming product named Phenyle. Ethyl Alcohol and hope to start marketing in coming months.

#### PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year review and therefore the provisions of the Companies Act, 1956, read with Company's (acceptance of deposit) rules, 1975 are applicable to the Company.

## ADVANCE PETROCHEMICALS LIMITED

### INSURANCE

All the properties of your Company have been adequately insured against fire, floods riots, earthquake, malicious damage and explosion risks.

### AUDITOR'S REPORT

All the items on which comments have been made by the auditors in their Report to the Shareholders are self explanatory as explained by way of Notes to the Accounts under schedule 12 to the Balance Sheet and Profit & Loss Accounts.

### AUDITORS

M/s.Pipara & Company, Chartered Accountants, Ahmedabad retire at the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office, if re-appointed. Company has obtained a certificate under the Section 224(1B) of the Companies Act, 1956 from them certifying their eligibility.

### SECRETARIAL COMPLIANCE CERTIFICATE

Company has obtained the aforesaid certificate from M/s.Harish P. Jain & Associates, Company Secretaries, Ahmedabad. A copy whereof is attached herewith in Pursuant to Section 383A the year 2002-2003.

### DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

Pursuant to section 217(2AA) of the Companies Act, 1956, your Directors, based on the representations received from the operating Management, and after due enquiry, confirm that:

- i) In the preparation of the annual account, the applicable accounting standards have been followed, which are mandatory in nature.
- ii) They have, in the selection of the accounting policies, consulted the Statutory Auditors and, read with paragraph (i) above, these have been applied consistently and reasonable and prudent judgements and estimates have been made also as give a true and fair view of the state of affairs of the Company as at 31st March, 2003 and of the Profit of the Company for the year ended on that date.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

### ISO 9001-2000

Your Directors have pleasure informing you that your Company has renewed ISO 9001 certification during the year under review from the world renowned institution for its Chemical Division. Now your Company continues to enjoy coveted and prestigious ISO 9001 status. Company has successfully met all the stringent and rigorous evaluation and surveillance measures of UKAS Quality Management.

### EMPLOYEES

There are no employees drawing salary of Rs.2,00,000/- p.m and/or Rs.24,00,000/- p.a. and therefore particulars u/s.217 (2A) of the Companies Act, 1956 read with Companies (particulars of employees) amendment rules 1988 is not required.

## ADVANCE PETROCHEMICALS LIMITED

### DIRECTOR

As per the provisions of Section 256 of the Companies Act, 1956 read with Article 144 of the Articles of Association of the Company, Shri Omprakash Jalan retire by rotation at the forth coming Annual General Meeting and being eligible offers himself for re-appointment.

The immense and varied experience of Shri Jalan, continued to be of immense beneficial in the future all Business Operation of the Company.

### LISTING OF SHARES

The Equity Shares of the Company are listed on the following Stock Exchange.

Name	Address
1. The Stock Exchange, Ahmedabad	Kamdhenu Complex Opp. Sahajanand College, Panjarapole, Ahmedabad - 380 015.
2. The Stock Exchange, Mumbai	Phiroze JeeJee Bhoy Towers Dalal Street, Mumbai - 400 001.

Company has paid Annual Listing Fees for the year 2003-2004 at both the Stock Exchange.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

	2002-2003
Electricity Purchase Unit	320240
Total Amount (Rupees)	1655524.00
Rate Unit (Rs.)	5.17

### PERSONAL

Your Company has been maintaining a very cordial and satisfactory relationship with its employees and your Directors wise to place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of the Company.

### APPRECIATION

The Board wishes to express its sincere appreciation to all the staff member for the contribution to the performance of the Company and to our valued clients, bankers, financial institutions and shareholders for the continued support and the same is expected in years to come.

Registered Office  
36, Kothari Market:  
Ahmedabad - 380 022.  
Date : 26.08.2003

By order of the Board  
For, ADVANCE PETROCHEMICALS LTD.

**Ashok Goenka**  
(Managing Director)



## ADVANCE PETROCHEMICALS LIMITED

### COMPLIANCE CERTIFICATE

Registration No. of the Company : 04-8013 of 1985-86

Nominal Capital : Rs.2,00,00,000/-

To,  
The Members,  
Advance Petrochemicals Limited  
36, Kothari Market,  
Ahmedabad - 380 022.

I/we have examined the registers, records, books and papers of Advance Petrochemicals Limited (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rule made thereunder and also the provision contained in the Memorandum and Articles of Association (M & A of A) of the Company for the financial year ended on 31st March, 2003. In my/our opinion and to the best of my/our information and according to the examinations carried out by me/us and explanation furnished to me/us by the Company, its officers and agent, I/we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all Registers as stated in ANNEXURE "A" to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the Forms and Returns as stated in ANNEXURE "B" to this Certificate, with the Registrar of Companies (ROC), Gujarat at Ahmedabad.
3. The Company is a Public Limited Company, hence no comments are required under this para.
4. The Board of Directors (BOD) duly met Six times respectively on 30th April, 2002, 30th July 2002, 30th August 2002, 30th September 2002, 30th October, 2002 and 30th March, 2003 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No resolution was passed through circulation.
5. The Company has closed its Register of Members from 16.09.2003 (Tuesday) to 30.09.2003 (Tuesday) (Both days inclusive) during the financial year under review after following the necessary procedure therefor.
6. The Annual General Meeting (AGM) for the financial year ended on 31st March, 2002 was held on 30th Sept. 2002. As per the information/Certificate provided to us due notice to the members of the Company were given and the Resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting (EGM) was held during the financial year ended 31st March, 2003.
8. The Company has not advanced into any Loan to its Directors under Section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act during the year under review.
10. The Company has duly made entries in the Register maintained under section 301 of the Act.
11. As there was no instance falling with the Purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members of Central Government.

## ADVANCE PETROCHEMICALS LIMITED

12. The Company has not issued any Duplicate Shares Certificates during the financial year under review.
13. The Company has :
  - (i) not made any allotment of equity shares during the financial year under review. The Company has delivered all the certificates on lodgement thereof for transfer/transmission in accordance with the provisions of the Act barring few exception of delayed transfer.
  - (ii) the Company has not Deposited any amount in a separate Bank Account as no dividend was declared during the financial year;
  - (iii) the Company was not required to post Warrants to any Members of the Company as no Dividend was declared during the year.
  - (iv) No Transfer of the amounts on account of application money due for Refund, Matured deposit, matured debenture and the interest accrued thereon which have remained unclaimed or un-paid for a period of seven years to investor education and protection fund was involved. However, the Company has not transferred the unclaimed dividend to the Account of Central Government.
  - (v) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly Constituted. There was no appointment of Alternate Director/Director to fill Casual vacancy during the year. Company has appointed Shri Omprakash Jalan and Shri Gaurav Mittal as Additional Director of the Company in due compliance of the provisions of Section 260 of the Act read with Articles of Association of the Company at the meeting of the Board of Directors of the Company held on 30th July 2002. The position of the above referred Director were regularised at the Seventeenth Annual General Meeting of the members held on 30th September, 2002.
15. The Company has re-appointed Shri Ashok Goenka as Managing Director (MD) of the Company in Compliance of the provisions of Section 269 of the Act read with Schedule (xiii) at the meeting of the Board of Directors of the Company held on 30th July 2002. The same was approved by the Shareholders at the 17th Annual General Meeting held on 30th September 2002. No appointment of Jt. Managing Director/Whole time Director was made during the year under review.
16. The Company as not appointed any Sole Selling Agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government (CG), Company Law Board (CLB), Regional Director, Registrar of such other Authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The Directors has disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of Act and the rules made thereunder.
19. The Company has not issued Shares during the financial year. No issue of debentures or other Securities was made during the year
20. The Company has not Bought-Back any Shares during the financial year.
21. The Company has not Redeem any preference Share/Debentures during the year.
22. There are no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted public deposits including un-secured loan falling within the purview of Section 58A of the Act during the financial year under review.
24. The Company has purchased Honda Car on Hypothecation basis. However total borrowing was within the ceiling prescribed under section 293(1)(d) of the Act.