

AGRIMAS CHEMICALS LIMITED.



ANNUAL REPORT

1998-99

Factory Address / Regd. Office :-
H-2, MIDC Indl. Area, Behind Hindustan Lever, Talaja, Dist:- Raigad,
Maharashtra. Pin :- 410 208.
Tel. : 741 2365, Telefax :- 741 1145



AGRIMAS FOR AGRIFUTURE

AGRIMAS CHEMICALS LTD.

DIRECTORS REPORT

The Shareholders,

Your Directors have pleasure in presenting their Report together with the audited accounts for the year ended 31st March, 1999.

Financial Results

(Rs. In Lacs)

	<u>1998-99</u>	<u>1997-98</u>
Profit / (Loss) Before Tax	4.69	1.02
Provision For Tax	1.64	0.09
Profit / (Loss) After Tax	3.05	0.93
Profit available for Appropriations	3.05	0.93
Surplus Transferred to B/S	<u>3.05</u>	<u>0.93</u>

DIVIDEND :

Your Directors have not recommended any dividend.

Year Under Retrospect :

For the year ended 31st March, 1999 the company has achieved a turnover of Rs. 236.03 lacs as against Rs.248.06 lacs last year.

Auditors

Mr. P.P.Desai, Auditor, shall retire at the forthcoming Annual General Meeting. He is eligible for reappointment. Members are requested to appoint auditor and fix his remuneration.

Particulars of Employees

The particulars of employees pursuant to section 217 (2A) of the Companies Act read with relevant rules is amended to this report.

Industrial Relations

During the period under review, the relations between the company and its employees continued to be cordial.

Appreciation

Your Directors gratefully acknowledge the co-operation and assistance received from the Central and State Governments and the Bankers. Your directors also wish to place on record their sincere appreciation of the devoted services rendered by the company's employees at all levels.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

It is not possible to allocate the energy consumed for each unit of production. Hence, details required pursuant to Section 212(1) (e) of the Act are not furnished. There was no foreign exchange earning or outgo during the period.

BY ORDER OF THE BOARD



ANAND FREDRICK
DIRECTOR



G. PAUL LAMECH
DIRECTOR

Place : Mumbai

Dated : 28/09/1999

VIN SHAH

Chartered Accountant

251/263 Dr. D. N. Road
4th Floor Fort,
Mumbai-400 001
☎ 261 0775
Fax 2642335

AUDITOR'S REPORT TO THE SHAREHOLDERS OF AGRIMAS CHEMICALS LIMITED.

I have audited the attached Balance Sheet of AGRIMAS CHEMICALS LIMITED as on 31st March, 1999 and also the Profit and Loss Account of the company for the period ended on that date annexed thereto and report that:

1. As required by the Manufacturing and other companies (Auditor's report) Order 1988 issued by the Companies Act 1956. I enclose in the annexure a statement on the matters specified in the paragraph 4 to 5 of the said order.

2. Further to my comments in the annexure referred to in paragraph 1 above:

(a) I have obtained all the informations and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;

(b) In my opinion, proper books of account as required by the law have been kept by the company, so far as it appears from my examination of the books of the account of the company;

(c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account of the company;

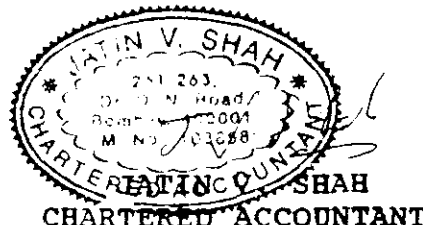
(d) In my opinion and to the best of my information and according to the explanation given to me, the accounts read together with the notes thereon; give the information required by the Companies Act, 1956 in the manner so required and subject to the notes thereon give true and fair view;

(1) In the case of the Balance Sheet of the state of affairs of the company as at 31st Mar., 1999 and

(2) In the case of the Profit and Loss Account of the profit for the period ended on that date.

Place: BOMBAY

DATE : 28 SEP 1999



ATIN SHAH

Chartered Accountant

251 / 253 Dr D N Road
4th Floor Fort.
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**ANNEXTURE TO THE AUDITOR'S REPORT TO THE SHAREHOLDERS
OF AGRIMAS CHEMICALS LIMITED, AS REQUIRED BY THE
MANUFACTURING AND OTHER COMPANIES (AUDITOR'S REPORT)
ORDER 1988: (REFER PARA 1 OF THE REPORT)**

1. The company has maintained proper records to show full particulars including quantitative details and location of Fixed Assets. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which is in my opinion is reasonable having regards to the size of the company and the nature of the assests. No serious discrepancies have been noticed on verification.
2. The land, buildings, plant & machinery, equipments and electrical installations of the company have been revalued by M/S. SIB & Associates-Chartered Engineers, Surveyors, Valuers (Engg. Fire, Marine Misc. & Electronic Equipments) of 17-B/4, Takshila Mahakali Road, Andheri(E), Bombay-93 vide the valuation report dated 5-5-93 wherein methodology of valuation of the revalued assets is indicated. The resultant increase in the net book value of the assets, Rs.1,02,75,205/- has been transferred to Revaluation Reserve.
3. Physical verification was conducted by the management at reasonable periods during the Year ending 31st Mar., 1999 in respect of finished goods, stores, spare parts and raw - materials.
4. The procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the company and the nature of the business.
5. The descerepancies noted on such verification as compared to the books record have been properly dealt with in the books of account.
6. The basis of valuation of stock is same as in the preceeding year.
7. The company has not taken any loans secured or unsecured from Companies, Firms or other parties listed in the register maintained U/s.301 and 370 (1B) of the companies Act 1956 (1 of 1956).
8. The company has not granted loans,secured or unsecured to Companies,Firms or other parties listed in the register maintained U/s.301 & 370(1B)of the companies Act 1956.

ATIN SHAH

Chartered Accountant

281/267 Dr. D. N. Road,
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9. In respect of the advances in the nature of loan given to the employees. The employees are paying the principal amounts as stipulated. There is no stipulation regarding the interest.

10. In my opinion and in accordance with the information and explanation which have been given to me, there is an adequate Internal Control Procedure commensurate with the size of the Company and the nature of its business for the purchase of stores, raw-material components, plant & machinery, equipments and other assets and for the sales of goods.

11. According to the information and explanation given to me the company has purchased and sold goods and materials exceeding Rs. 50,000/- in value from and to the subsidiaries, firms or other parties in which the directors are interested. In my opinion the purchases and sales have been made at reasonable prices.

12. As explained to me the company has regular procedure for the determination of the unserviceable or damaged stores, raw materials and finished goods. There were no such unserviceable or damaged stores, raw materials and finished goods during the period.

13. The Company has not accepted any deposits from the public.

14. As explained to me the company maintains reasonable records of the scrap sold. I am informed that no realisable by products are generated by the company's operation.

15. The company does not have an Internal Audit System as per clause 15 of the paragraph 4A of the order.

16. I am informed that the Central Government has not prescribed the maintenance of cost records U/s. 209(D) of the Companies Act of 1956 for any of the products of the company.

17. According to the records of the Company provident Fund dues have not been regularly deposited with the appropriate authorities. I am informed that the Employees' State Insurance Scheme is not applicable to the company.

18. As per the information & explanation given to me there were no undisputed amount payable in respect of Income-tax, Wealth-tax, Sales tax, Custom duty and Excise duty were outstanding as at the last day of the period ending 31st Mar., 1997 concerned, for a period of more than six months from the date they become payable.

19. No personal expenses have been charged to Revenue A/c.

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20. The Company is not Sick Industrial Company within the meaning of clause (O) of the sub-section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, of 1985.

21. The company has a reasonable system of recording receipts, issues and consumption of materials and stores and allocating materials consumed to the relative jobs, commensurate with its size and nature of business.

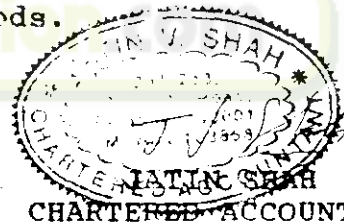
22. The company has a reasonable system of allocating man hours utilize to the relative jobs, commensurate with its size and nature of business.

23. There is a reasonable system of authorisation at proper levels & an adequate system of internal control commensurate with the size of the company and the nature of its business, on issue of stores and allocation of stores and labour to jobs.

24. The company had no damaged goods.

PLACE : BOMBAY

DATE : 28 SEP 1999



CHARTERED ACCOUNTANT