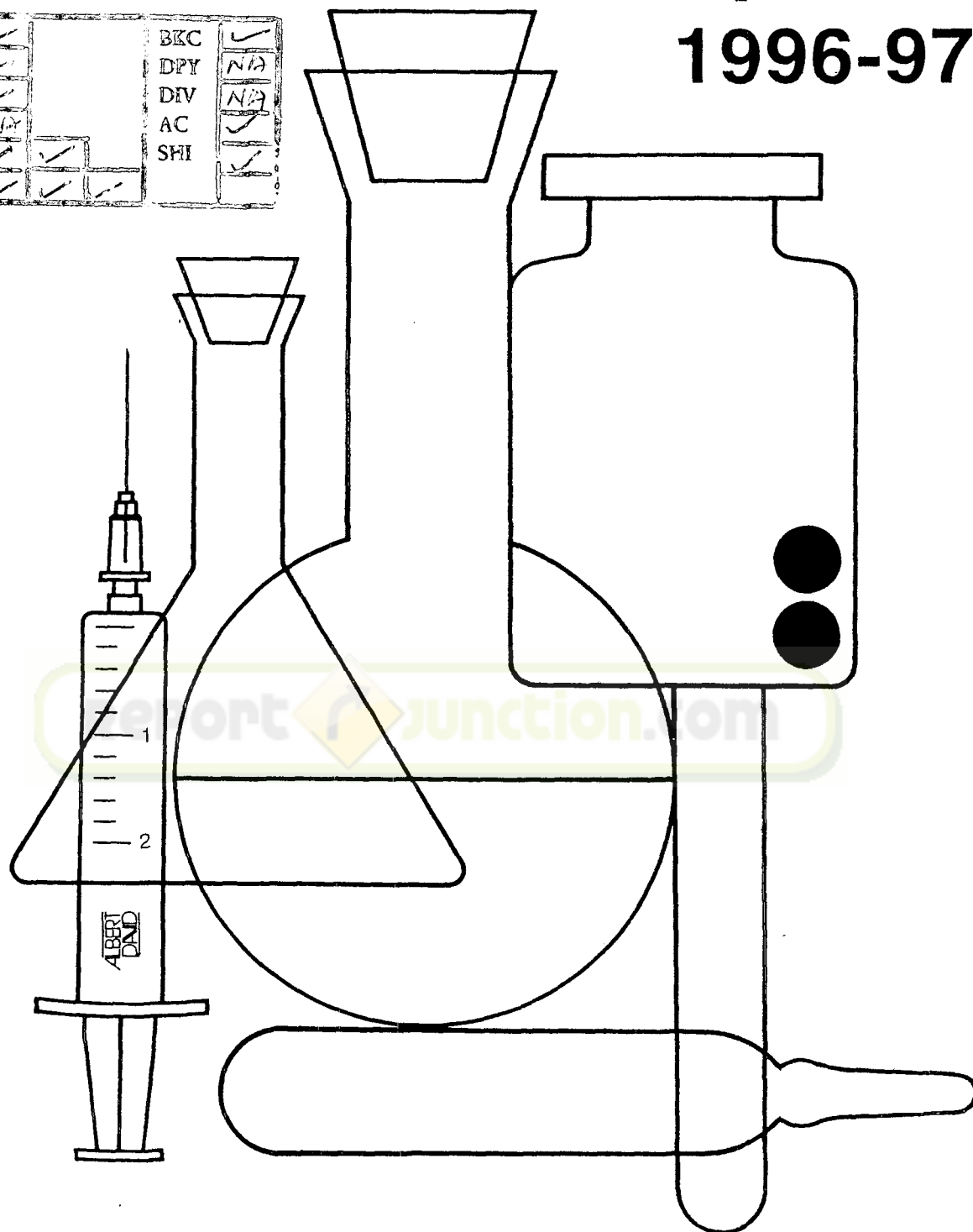


annual report

1996-97

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CS	<input checked="" type="checkbox"/>	DPY	<input checked="" type="checkbox"/>
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TRA	<input checked="" type="checkbox"/>	AC	<input checked="" type="checkbox"/>
ACM	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>		



ALBERT DAVID LIMITED

15, CHITTARANJAN AVENUE CALCUTTA 700 072



DIRECTORS : Sri A. K. Kothari *Chairman*
Sri T. C. Saboo
Sri D. D. Binani
Sri P. L. Agarwal
Sri J. S. Singhi
Sri H. Kampani
Sri K. P. Mundhra *Executive Director*
Sri S. K. Mandal *IFCI Nominee*

COMPANY SECRETARY : Sri Indrajit Dhar

AUDITORS : G. Basu & Co.
Chartered Accountants

BANKERS : State Bank of India

REGISTERED OFFICE : 15, Chittaranjan Avenue,
Calcutta - 700 072

WORKS : 5/11, D. Gupta Lane,
Calcutta - 700 050

B-12/13, Industrial Area
Meerut Road,
Ghaziabad - 201 003

Plot No. 207
New Industrial Area No. 2
Mandideep - 462 046
Dist. Raisen (M.P.)

ALBERT
DAVID

notice

TO THE MEMBERS

NOTICE is hereby given that the FIFTYEIGHTH Annual General Meeting of the Shareholders of the Company will be held at **Gyan Manch Education Society**, 11, Pretoria Street, Calcutta 700 071 on Saturday the 23rd August, 1997 at 11.30 A.M. to transact the following business :

1. To consider and adopt the Profit & Loss Account for the year ended 31st March, 1997 and Balance Sheet as at that date together with Auditors' and Directors' Report thereon.
2. To appoint Directors in place of Sri A. K. Kothari and Sri P. L. Agarwal who retire by rotation and being eligible offer themselves for re-appointment.
3. To appoint Auditors and fix their remuneration.

Registered Office :
15, Chittaranjan Avenue
Calcutta-700 072
Dated : the 27th June, 1997.

By Order of the Board
For ALBERT DAVID LIMITED

INDRAJIT DHAR
Company Secretary

2. The Register of Members and the Share Transfer Books of the Company in respect of Equity Shares shall remain closed from 14th August, 1997 to 23rd August, 1997, both days inclusive.
3. Shareholders who have not so far encashed their Dividend Warrants for the Accounting Years ended 31st March, 1994, 31st March, 1995 and 31st March, 1996 may immediately approach the Company for revalidation of unclaimed Dividend Warrants. The unclaimed Dividend for the year ended 31st March, 1994 would fall due for deposit to the credit of General Revenue Account of Central Government within 29th September, 1997.
4. Pursuant to Section 205A of the Companies Act, 1956 all Unclaimed Dividends upto the year ended 31.03.1993 have been transferred to General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants upto the said period are requested to claim the amounts from the Registrar of Companies, West Bengal, 234/4, Acharya Jagadish Ch. Bose Road, Calcutta 700 020.
5. Shareholders are requested to intimate to the Company :
 - i) Changes, if any, in their registered address at an early date quoting their Folio Numbers.
 - ii) If any Shareholder is having more than one Folio, he/she is requested to intimate the Company for consolidation of Folios.

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

directors' report

TO THE SHAREHOLDERS

Ladies & Gentlemen,

Your Directors take pleasure in presenting for your consideration the report on the working of the Company and the Audited Profit & Loss Account and the Balance Sheet for the year ended 31st March, 1997.

FINANCIAL RESULTS :

	Rs.
Gross Profit for the year	2,58,97,852
Less : Depreciation	4,75,00,371
	(-) 2,16,02,519
Add : Balance brought forward from last year's account	1,75,39,187
Add : Investment Allowance Reserve written back	51,24,500
Balance Carried Forward	10,61,168

WORKING RESULTS :

During the period under review the Company registered a total Sales Turnover of Rs. 5976.08 Lacs as against Rs. 5656.15 Lacs in the previous year. Normally the increase in turnover should have been reflected in the increased profitability of the Company but there had been a decline in the gross profit of the Company from Rs. 329.22 Lacs to Rs. 258.98 Lacs mainly on account of increased interest cost, lower realisation in I.V. Fluids due to oversupply against restrictive growth and increase in cost of inputs. The Company's export improved to Rs. 81.63 Lacs from Rs. 41.27 Lacs in the previous year. Barring unforeseen circumstances your Directors view the performance of the Company during the current year with optimism. To reduce the dependency on Infusion Solution business your Directors have taken several steps which include addition of new products like Nimesulide (NS-AID), Cetrizine (Anti-allergic), Alprazolam (Anxiolytic) and some controlled release

formulations in the current year. Some new equipments are being added to our Disposable Syringes & Needles manufacturing unit at Mandideep which will improve its performance.

DIVIDEND :

In view of above financial results, your Directors express their inability in recommending any dividend for the year under review.

FIXED DEPOSIT :

During the year the Company accepted deposits and the balance of the deposit after refunds on maturity as on 31st March, 1997 was Rs. 163.55 Lacs. There has not been any unclaimed deposit as on 31st March, 1997.

AUDITORS' OBSERVATION :

With regard to Auditors' observation in their report, the relevant notes on accounts are self explanatory.

EMPLOYEES' REMUNERATION :

The particulars of the employees in terms of sub-section (2A) of Section 217 of the Companies Act, 1956 are set out in the enclosed Annexure I forming part of this Report.

INFORMATION PURSUANT TO SECTION 217(1) (e) :

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are set out in Annexure II forming part of the Report.

STATEMENT REQUIRED UNDER CLAUSE 43 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES :

Particulars	(Rs. in Lacs.)	
	Projected	Actuals
Sales	9386.60	5976.08
Other Income	152.00	202.21
Profit/Loss before Tax	660.17	(-) 216.02
Profit/Loss after Tax	403.17	(-) 216.02

ALBERT
DAVID

DIRECTORS' REPORT (Contd.)

As reported in previous year's Report, the variation between projected and actual results continues to remain on account of lower realisation in I.V. Fluids due to oversupply against restrictive growth and increase in cost of inputs affecting both sales and profitability.

In the Letter of Offer dated 8th February, 1996 certain Plant & Machinery at Ghaziabad and Mandideep units of the Company were considered as continuous process plant and accordingly depreciation was calculated as per the rates specified under Schedule XIV of the Companies Act, 1956. Subsequently on re-examination it was decided to change depreciation on the above plant and machinery as per existing basis of calculation of depreciation.

DIRECTORS :

Shri A. K. Kothari and Shri P. L. Agarwal retire from the Board by rotation and being eligible offer themselves for re-appointment.

Shri S. K. Mandal, a nominee of The Industrial Finance Corporation of India Limited has joined the Board of the Company with effect from 2.9.1996.

AUDITORS :

M/s. G. Basu & Co., Chartered Accountants retire as Auditors of the Company and being eligible offer themselves for reappointment. The Certificate as required under sub-section 1B of Section 224 of the Companies Act, 1956 has been obtained.

ACKNOWLEDGEMENTS :

The Board gratefully acknowledges the support given by medical profession, trade, shareholders, financial institutions and the company's bankers and stockists. The Board further expresses its appreciation for the services rendered by the executives, officers, staffs and workers of the Company at all levels.

Registered Office :

15, Chittaranjan Avenue
Calcutta-700 072

Dated : the 27th June, 1997

For and on behalf of the
Board of Directors

A. K. KOTHARI
Chairman

DIRECTORS' REPORT (Contd.)

ANNEXURE - I TO THE DIRECTORS' REPORT

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received Rs.	Qualification	Experi- ence in Years	Date of Commence- ment of Employment	Age (Years)	Last Employment held
1.	Agarwal V. K.	Vice President (Personnel & Legal Affairs)	3,01,500	M.A., B.Com., LL.B.(P)	38	27.11.84	58	Secretary, Renusagar Power Co. Ltd.
2.	Chatterjee S. N.	Vice President (Marketing)	4,15,500	B.A. (Hons.)	34	08.01.79	55	Zonal Manager, Ethnor Limited
3.	Ghosh Dr. D. P.	Sr. Vice President (Tech.) Ghaziabad	3,68,378	M.Sc., Ph.D., F.I.C.	30	14.03.75	54	Works Manager, Gluconate Ltd.
4.	Kabra H.P.	President (Commercial)	3,98,650	B.Sc., M.B.A.	25	27.04.74	49	Sales Officer, Bagalkot Udyog Ltd.
5.	Kothari N. M.	Sr. Vice President (Works) Calcutta	3,04,950	B.Sc.	38	28.07.88	62	General Manager, Sri Krishna Kesava Lab. Ltd.
6.	Mundhra K. P.	Executive Director	3,58,550	M.Sc. (Hons.)	29	21.08.70	53	General Assistant, India Linoleums Ltd.

- Notes : 1) None of the above employees are related to any Directors of the Company.
 2) Remuneration includes Salary, Company's contribution to Provident Fund, Leave Travel Assistance, Medical Expenses and other benefits.
 3) All the above employees are non-contractual except the employee at Sl. No. 6

For and on behalf of the
Board of Directors

Calcutta
The 27th June, 1997.

A. K. KOTHARI
Chairman



ANNEXURE - II TO THE DIRECTORS' REPORT

Information pursuant to the Companies (Disclosure of Particulars in the Report of Directors) Rules 1988.

A. Conservation of Energy :

a) Energy conservation measures taken :

Your Company continues to accord higher priority for conservation of energy. Some of the areas where steps have been taken are :-

- i) The coalfired boiler has been replaced by oilfired boiler.
- ii) Installation of sophisticated machinery/equipments.
- iii) Rearrangement of existing heating and lighting points.

Further efforts to conserve and optimise use of energy through improved operational methods and other means are continued.

b) Additional investment & proposals, if any, being implemented for reduction of consumption of energy :

- i) By replacing existing old machine by new machines of higher capacity.
- ii) Your Company has brought about awareness at all levels about the need to conserve electricity and lubricants.

c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :

The above measures have resulted in saving in energy with its consequential effect on the cost of production subject however to the need of the product-mix.

Despite the above steps taken by the Company, the cost of production of energy has increased due to all round inflation and increase in the tariffs.

FORM - A

POWER & FUEL CONSUMPTION :

		Current Year	Previous Year
1. Electricity :			
(i) Purchased :			
Units	'000 kwh	3266	3518
Total Amount	Rs. Lacs	115.46	102.13
Rate/Unit	Rs.	3.54	2.97
(ii) Own generation :			
Through Diesel Generator :			
Units	'000 kwh	1920	1006
Unit per litre of Diesel Oil		2.33	2.80
Cost/Unit	Rs.	3.73	3.23
2. Coal :			
Quantity	M.T.	2103	2142
Total Cost	Rs. Lacs	32.09	27.60
Average Rate	Rs.	1525.86	1288.52
3. Furnace Oil :			
Quantity	KL	910	523
Total Cost	Rs. Lacs	64.72	27.24
Average Rate	Rs.	7110.62	5208.41

ANNEXURE - II TO THE DIRECTORS' REPORT (Contd.)

B. Technology Absorption :**a) Research & Development (R & D) :**

For the improvement in the quality of the products, R & D is carried out on a regular basis in different divisions.

b) Benefits derived as a result of above R & D :

- i) Improvement in the quality of existing products.
- ii) Manufacturing process improvements.
- iii) Help in developing the new products to Commercial Scale of Industries.

(c) Future plan of action :

Research and Development has been considered as a continuous process and steps are being taken by the Company to equip the R & D Department adequately.

(d) Expenditure on R & D :

As per the established Accounting Policy expenditure incurred on R & D remains merged with the various heads.

C. Technology Absorption, Adaption & Innovation :

- i) By keeping track of the latest development in the manufactory field efforts are continuously made to procure the latest technologies.
- ii) Adoption of latest technology have contributed to the control of costs and improvement in the quality of the products.

D. Foreign Exchange Earnings & Outgo :

The Company is exploring the possibilities for increasing the exports in newly developed export markets.

Total Foreign Exchange earned and used :

	Year ended 31.03.1997 Rs. in Lacs.	Year ended 31.03.1996 Rs. in Lacs.
(i) Earnings :		
FOB value of exports	81.63	41.27
Other Income (Freight, Insurance etc.)	9.11	10.12
Claim Received	19.30	3.01
(ii) Expenditures :		
(a) CIF value of imports :		
Capital Goods	7.88	754.34
Raw Materials	429.16	241.81
Spare Parts & Components	6.46	33.01
(b) Expenses in Foreign Currency :		
Travelling	3.68	4.35
Subscription	0.05	—
Technical Fees	—	1.04
Others	9.94	0.63

For and on behalf of the
Board of Directors

Calcutta
The 27th June, 1997.

A. K. KOTHARI
Chairman