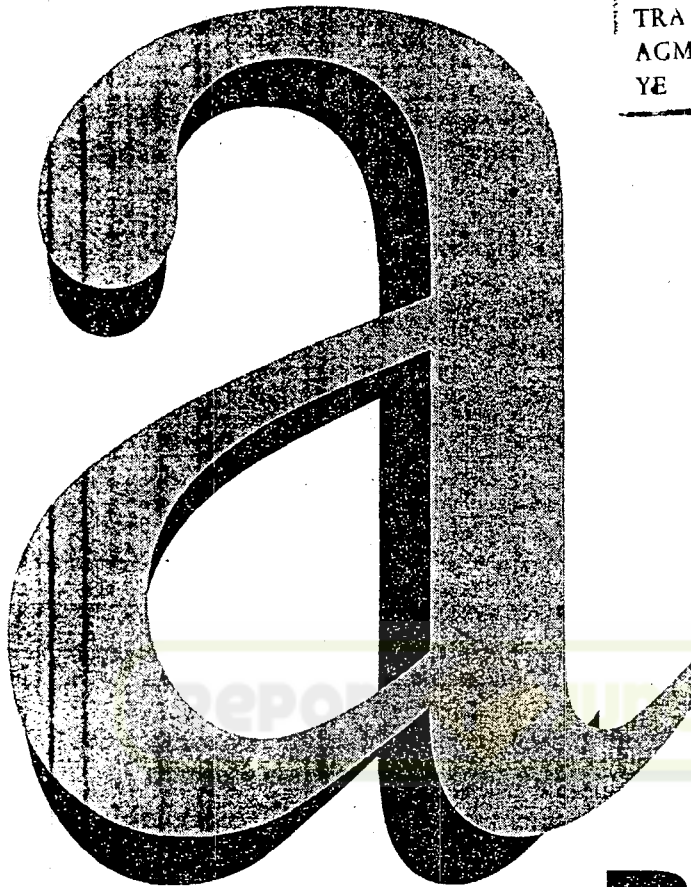


12th

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>



ANNUAL REPORT 1 9 9 7



AMRIT ENTERPRISES LIMITED

Amrit Enterprises Ltd.

BOARD OF DIRECTORS

Mr. N.K. Bajaj, Chairman
 Mr. J. K. Khaitan
 Mr. G. N. Mehra
 Mr. M.L. Sarin
 Mr. Yashovardhan Saboo
 Mr. S. C. Agarwal
 Mr. Pavan Khaitan, Managing Director

COMPANY SECRETARY

Mr. Harish Sharma

AUDITORS

M/s Goel Rajendar & Associates
 SCO 2A, Sector 7,
 Madhya Marg,
 Chandigarh - 160 019

PRINCIPAL BANKERS

Oriental Bank of Commerce
 State Bank of Patiala

REGISTERED OFFICE

SCO 55, Sector 26-D
 Madhya Marg,
 Chandigarh - 160 019

CORPORATE OFFICE

Chandigarh Road,
 Rajpura (Pb.) - 140 401

WORKS

10 Km Stone,
 Abohar Sitto Gunno Road,
 Village Raipura, Tehsil Abohar
 Distt. Ferozpur - 152 116

CONTENTS**Page No.**

NOTICE.....	1
DIRECTOR'S REPORT	4
AUDITOR'S REPORT.....	9
BALANCE SHEET.....	11
PROFIT & LOSS ACCOUNT.....	12
SCHEDULES TO ACCOUNTS.....	13
BALANCE SHEET ABSTRACT.....	22
CASH FLOW STATEMENT.....	23



NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the members of Amrit Enterprises Limited will be held at Bal Bhawan Auditorium, Sector 23-B, Chandigarh on Tuesday, the 23rd day of December, 1997 at 4.00 p.m. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 30th June, 1997 and the Profit & Loss Account for the financial year ended on that date together with the Reports of the Auditors & Directors thereon.
2. To appoint a Director in place of Shri N.K. Bajaj, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri G.N. Mehra who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Goel Rajender & Associates, Chartered Accountants, the retiring auditors of the Company are eligible and offers themselves for reappointment.

SPECIAL BUSINESS

5. To consider and, if thought fit to pass with or without modifications, the following resolution as a Special Resolution :

"RESOLVED THAT subject to the approval of the shareholders of the Company and confirmation of the Company Law Board, the Registered Office of the Company be shifted from the Union Territory of Chandigarh to the State of Punjab and Clause II of the Memorandum of Association of the Company be altered by substituting the words 'Union Territory of Chandigarh' by the words 'State of Punjab.

6. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :

"RESOLVED that subject to the approval of the shareholders of the Company and confirmation by the Company Law Board under section 17 of the Companies Act, 1956, the objects of the Company be altered by including the following new objects as "Other Objects" in sub-clause C of Clause III of the Memorandum of Association of the Company immediately after existing number (59) of sub-clause C of Clause No. III:-

60. To manufacture, deal, buy, sell, trade, take on lease or otherwise deals in all kinds of Vegetable Ghee, Vegetable oils, Refined oils and allied products, Oxygen, hydrogen or any other gas, all kinds of oils, oil-cakes, Chemicals, soaps, cattle feed and to carry on any other business (manufacturing or otherwise) or which may seem to the Company capable of being conveniently carried on or otherwise directly or indirectly calculated to enhance the value of any of the Company's property or rights for the time being or to increase the profit of the company.

61. To manufacture, buy, sell, trade, take on lease or otherwise acquire, import, export or deal in all kinds of seed crushers and dealers in oil and of cultivating, growing, purchasing and otherwise acquiring and selling and otherwise trading in oils, oil seeds and other oleaginous substances and products and of crushing and extracting oil from oil-seeds, Ginning and other substances or products



aforesaid and of selling and otherwise trading in the oils and oil cakes to be so manufactured or produced or purchased or acquired.

By order of the Board
For AMRIT ENTERPRISES LTD.

HARISH SHARMA
Company Secretary

Place : Chandigarh

Dated : 24th November, 1997

5. Members are requested to bring copies of the Annual Report and Attendance Slips duly filled in for attending the meeting as the same will not be supplied again at the meeting as a measure of economy.
6. Queries on Accounts and operations of the Company, if any, may please be sent to the company at least seven days in advance of the Meeting so that answers may be made readily available at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 FORMING PART OF THE NOTICE

NOTES :

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the items No. 5 and 6 is annexed herewith and forms part of the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
3. The Register of Members and Share Transfer Books of the company will remain closed from Thursday, 18th December, 1997 to Tuesday, 23rd December, 1997 (both days inclusive).
4. Members are requested to intimate to the Company, changes, if any, in their Registered Addresses alongwith Pin Code number immediately.

Item No. 5

The Registered Office of the Company at present is situated at Chandigarh and the Corporate Office of the Company is situated at Rajpura in the State of Punjab. The whole of the activities other than production i.e. purchase of raw materials, sale of goods, arrangement of finance etc. is being handled at Corporate Office. The Bankers i.e. Oriental Bank of Commerce and State Bank of Patiala have sanctioned working capital facilities from Rajpura and the same are being operated there itself. Since our major operations are based in Punjab, it would be proper to locate the Registered Office in the State of Punjab. In order to increase efficiency in resources and management. It is proposed to shift the Registered Office from Chandigarh to the State of Punjab.

The Board recommends the passing of the Resolution covered under Item No. 5 of the Notice.

None of the Directors of the Company is interested or concerned in this resolution.

**Item No. 6**

The present objects of the company are not wide so as to include oil milling, oil extraction ginning, cattle feed, dealing with gases like Oxygen and Hydrogen, Oil cakes, Soaps, Oil crushing, trading in all kind of oils etc. It is proposed to widen the business activities so as to include new areas like oil milling, oil extraction dealing with gases etc. in the Objects of the Company.

The Board recommends the passing of the Resolution covered under Item No. 6 of the Notice.

None of the Directors of the Company is interested or concerned in the resolution.

By order of the Board
For AMRIT ENTERPRISES LTD.

HARISH SHARMA
Company Secretary

Place : Chandigarh

Dated : 24th November, 1997



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 12th Annual Report together with Audited Accounts of the Company for the year ended 30th June, 1997.

FINANCIAL RESULTS

		(Rs. in lacs)
	1996-97	1995-96
Sales and other income	4119.10	2338.29
Profit before Interest, Depreciation & Tax	205.90	154.48
Interest	63.28	64.77
Depreciation	84.74	43.48
Profit before Tax	57.88	46.23
Tax	9.00	2.50
Net Profit	48.88	43.73
Prior period adjustments	73.58	0.08
Balance of Profit from previous year	50.96	7.31
Balance carried forward	26.26	50.96

Your Directors do not recommend any dividend for the year with a view to conserve resources for expansion and future growth.

OPERATIONS

During the year under report, the Company saw its operations established and strengthened. The Company achieved a total annual production of 11260 MT of Vanaspati and Refined Oils compared to 5813 MT in the previous year. The gross sales during the year under review was higher at Rs. 4117.62 lacs as against Rs. 2326.18 lacs in previous year. The gross profit during the period is also substantially higher at Rs. 205.90 lacs compared to Rs. 154.48 lacs in previous year. The significant improvement in the operations is attributable to the prudent business policies adopted by the Company. The Company has changed method of depreciation from Straight Line Method to Written Down Value method as prescribed under the Companies Act, 1956. Accordingly sum of Rs. 73.38 lacs has been charged to prior period adjustments in Profit and Loss Account on account of difference of depreciation of the previous years.

EXPANSION

Looking to the capacity utilisation of over 100 percent during the month of October 1996 onwards and the bright future prospects envisaged by the Company in the Edible Oil Industry, the Company has undertaken an expansion programme to increase its capacity from 40 TPD to 80 TPD.



FINANCE

Term Loan

The repayment schedule of Interest and Principal to the Industrial Credit and Investment Corporation of India Limited (ICICI) and Punjab State Industrial Development Corporation Limited (PSIDC) was met with all payments made in time to the Financial Institutions.

Working Capital Facilities

Oriental Bank of Commerce (Lead Manager) in consortium with State Bank of Patiala has enhanced Cash Credit (hypothecation) limit to Rs. 355 lacs (Rs. 175 lacs) and has sanctioned Foreign/Inland Letter of Credit limit of Rs. 200 lacs.

Fixed Deposits

During the year under report, your Company has started Fixed Deposit Scheme in the month of April, 1997 and has received good response from the depositors. A sum of Rs. 38.44 lacs has been mobilised as on 30th June, 1997. There are no deposit due for repayment as on 30th June, 1997.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Shri N.K. Bajaj and Shri G.N. Mehra, Directors of the Company retire by rotation and being eligible offers themselves for re-appointment. The Board of Directors recommends their appointment to the Members of the Company.

Shri D.K. Khaitan, Director has resigned from the Board of Directors of the Company on 24th November, 1997. The Directors place on record their appreciation for the matured and valuable contribution made by Shri D.K. Khaitan during his association with the Company as Director.

AUDITORS

M/s Goel Rajendar & Associates, Chartered Accountants, Chandigarh the Statutory Auditors will retire at the Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from them to the effect that the re-appointment, if made, will be in accordance with Section 224(1B) of the Companies Act, 1956.

NOTES TO ACCOUNTS

The auditors have referred to certain notes to accounts in their report, and the same are Self-Explanatory and do not require any further explanation.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information required to be disclosed pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 is given in Annexure-A which forms part of this Report.



SAFETY AND POLLUTION CONTROL

Your Company continues to give top priority to Safety and Pollution Control aspects. It has strictly been following the required guidelines as issued by Pollution Control Board from time to time.

INSURANCE

All the assets of the Company have been adequately insured.

PERSONNEL

The relations between the Company and its employees continues to cordial during the year under Report.

PARTICULARS OF EMPLOYEES

The provisions of Companies (Particulars of Employees) Rules 1975 as amended read with Section 217(2A) of the Companies Act, 1956, are not applicable to the Company as there are no employees drawing the minimum salary envisaged in the rules.

ACKNOWLEDGEMENTS

Your Directors express their gratitude to the Central Government, Government of Punjab, Industrial Credit and Investment Corporation of India Limited, Punjab State Industrial Development Corporation Limited, Oriental Bank of Commerce, State Bank of Patiala and the various other agencies for the cooperation extended to the Company during the year under review. The Directors also take this opportunity to thank the Shareholders, Depositors, Dealers and its Business Associates for their continued support and confidence.

Your Directors also wish to place their appreciation of the devoted services rendered by all the Company personnel.

for and on behalf of the Board

Place : Chandigarh
Date : 24th November, 1997

J.K. KHAITAN
Director

PAVAN KHAITAN
Managing Director