

Report



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Ashok Hiremath – Chairman & Managing Director

### Our mission

We will add value to our stakeholders namely our shareholders,  
employees and customers – without compromising on ethics.

We will be honest and transparent in our interactions. We will foster

long-term relationships with our customers. We will protect and

secure the environment.



Ashok Hiremath – Chairman & MD



Dr. P.L. Tiwari – Director



Laxmikant R. Kabra – Director

**Board of Directors**

**Ashok Hiremath** – Chairman & Managing Director

**Dr. P.L. Tiwari** – Director

**Laxmikant R. Kabra** – Director

**Bankers**

The Shamrao Vithal Co. Op. Bank Ltd.

**Auditors**

P.M. Kathariya & Co.,  
Chartered Accountants,  
Mumbai.

**Registered Office**

6, Nawab Building,  
327, Dr. D.N.Road,  
Fort, Mumbai – 400 001.

**Corporate Office**

802, Raheja Chambers,  
Free Press Journal Road,  
Nariman Point, Mumbai – 400 021.

**Plant Locations**

B-17, B-18 & B-21, – EOU Unit  
Birwadi Industrial Area,  
Mahad, Dist. Raigad.

B-16, Birwadi Industrial Area, – Local Unit  
Mahad, Dist. Raigad.

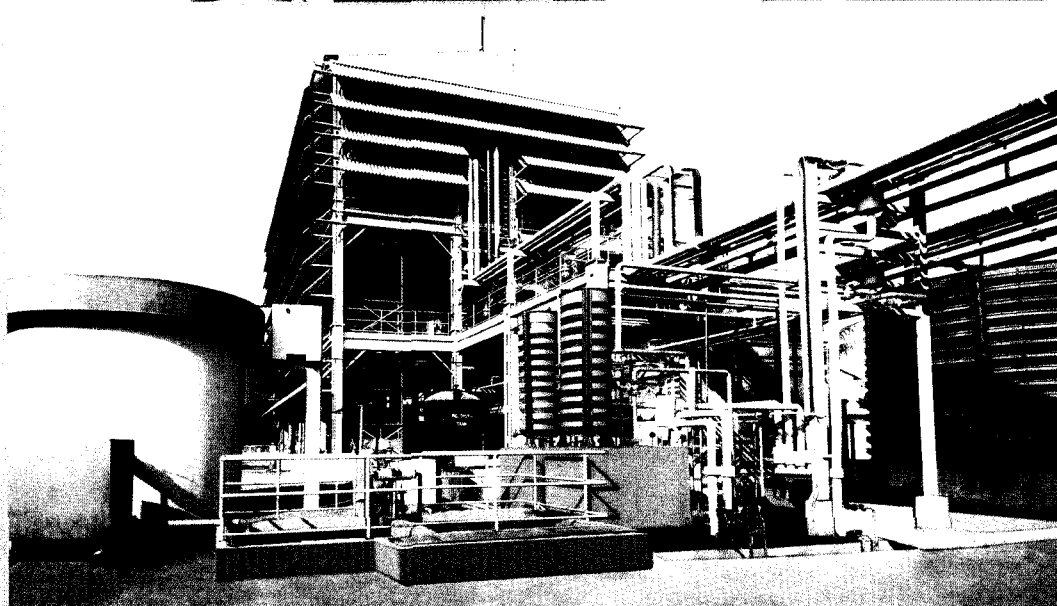
**R&D Center**

F-39, MIDC-Phase II,  
Dombivali – East, Dist. Thane.

**Website**

[www.asteclifesciences.com](http://www.asteclifesciences.com)





## Safety

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The safety of our people is extremely important to us. Our organisational and plant systems, procedures and practices are under constant review for enhancement of standards to improve safety of plant and personnel. Astec has an elaborate Safety Management System which includes: Process safety management policy, Project safety reviews, Process specific training programmes, Hazard identification and safety review procedures, Work Permit Systems, Occupational Health Programs, Process safety testing and Emergency preparedness.

We have invested in a new fire hydrant system and a new solvent tank farm that meet the highest standards.

Training of personnel has been given the highest priority.

## Environment

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As a conscientious corporate citizen, Astec considers the environment an inherited legacy, its protection a sacred responsibility and is a signatory to Responsible Care.

We invested this year in further upgradation of our effluent treatment facilities after interaction with the various statutory bodies. Our facilities are fully compliant with all requirements of the pollution control bodies.

As signatories to the Responsible Care program, we have made considerable progress in our efforts to minimise waste.

## Research and development

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Our initiatives have resulted in various successes. We have developed novel synthetic routes for the manufacture of some products which give us a significant competitive edge over our competitors. The introduction of these products will contribute very significantly to the growth of the company going forward.

We have also successfully reduced the cost of manufacture of our existing products. Significant quality improvements have also been achieved.

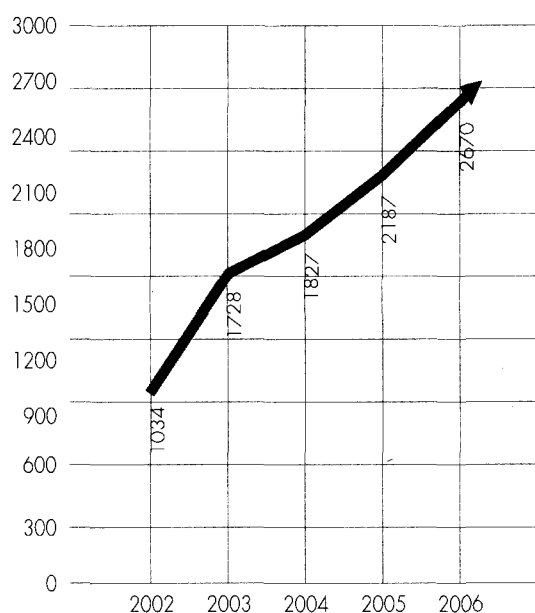
We have developed some niche products for the fragrance business which will drive our foray into this area.



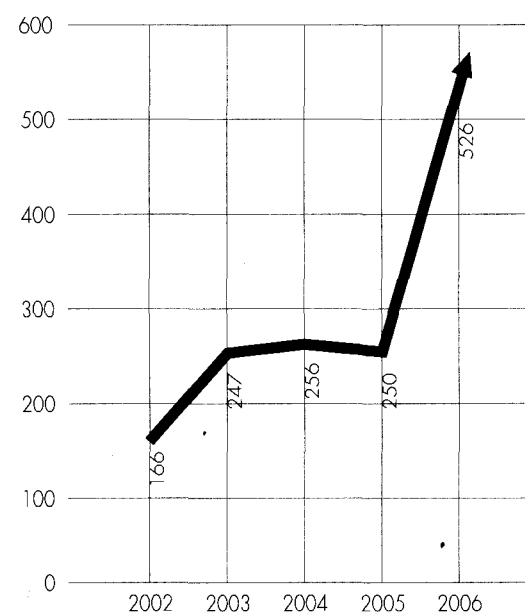


## Financial Performance – Last Five Years

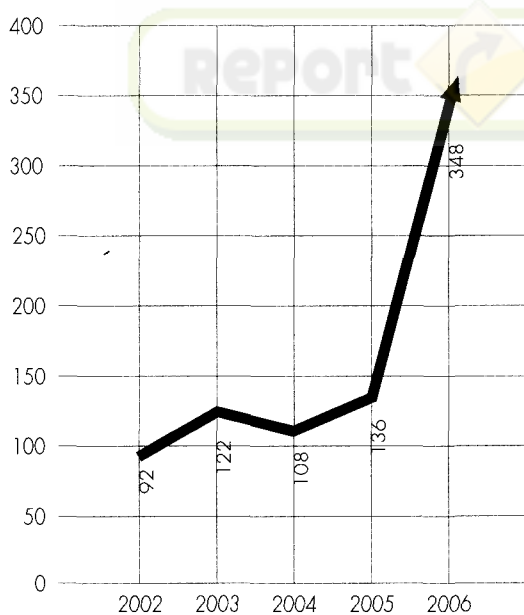
Turnover (Rs. in lacs)



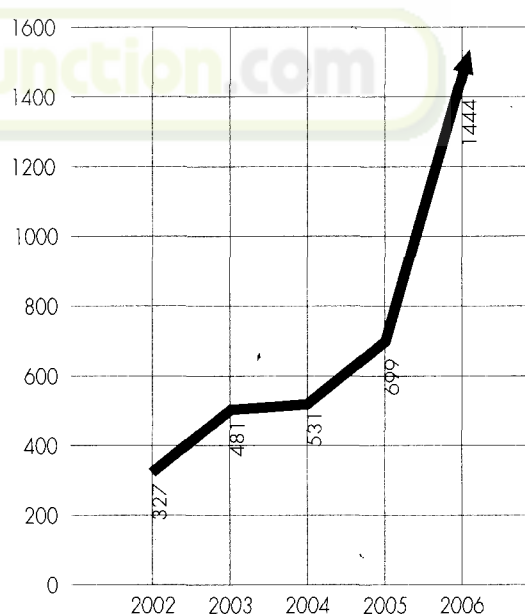
EBDIT (Rs. in lacs)



PAT (Rs. in lacs)



Gross Fixed Assets (Rs. in lacs)



## Financial Highlights

Rs. in lacs

	2001-02	2002-03	2003-04	2004-05
Turnover	1,034	1,728	1,827	2,187
EBDIT	166	247	256	250
PAT	92	122	108	136
Gross Fixed Assets	327	481	531	699

## Directors' Report

To,  
The Members,  
Astec LifeSciences Ltd.  
Mumbai.

The Directors have pleasure in presenting the 12th Annual Report and the audited accounts for the year ended March 31, 2006.

### 1. Financial Highlights

	Rs. in lacs	
	2005-06	2004-05
Sales	2669.92	2187.46
Other Income	16.50	9.10
Total Income	2686.42	2196.56
Profit before Interest & Depreciation	514.66	234.80
Less: Interest & Depreciation	114.08	53.64
Profit before Tax	400.58	181.16
Less: Provision for Income Tax / FBT	33.30	33.25
Less: Provision of Tax for Earlier Years	—	5.85
Less: Provision for Deferred Tax	19.46	6.55
Profit after Tax	347.82	135.51
Amount available for appropriation	347.82	135.51
Appropriation		
Proposed Dividend	17.53	17.53
Tax on Proposed Dividend	2.46	2.29
Transfer to General Reserve	300.00	110.00
Balance of Profit Carried Forward	27.83	5.39

### 2. Operations

During the year under review, your Company's Sales rose by 22.06% and the net profit after tax increased by a resounding 156.67%. This impressive growth can be attributed to our motto "change is part of the plan". Although the markets were unpredictable, your company adapted to the rapidly changing environment to achieve this performance.

Our new grass roots Export oriented unit was commissioned in a short span of five months on the 28th of May, 2005. The plant was well designed and no significant teething problems were faced during commissioning. The full impact of this new capacity will be seen in the year 2006-07 and 2007-08.

The plant has been inspected by representatives of a number of multinational companies and in their opinion the plant meets their stringent standards vis-à-vis design, safety and environmental issues.

Your Company has made investments to provide infrastructure for substantial capacity creation.

Your Company is in negotiations with various customers for long-term supply arrangements and we are confident that this will be finalized in the coming months. These arrangements should enable the Company to have a steady revenue stream.

Your company expects many registrations to come through in Europe and other developed markets which should lead to a substantial increase in sales.