

# *Basant Agro - Tech (India) Ltd.*

**10th Annual Report 1999 - 2000**



**Krishi Sanjivani**  
AKOLA  
Hybrid Seeds  
Cotton, Jawar,  
Vegetable



**Krishi Sanjivani**  
AKOLA  
Mixer Granulated  
Fertiliser  
18:18:10  
20:10:10  
20:20:0



**Krishi Sanjivani**  
AKOLA  
Single Super  
Phosphate  
(Powder &  
Granules)

*We feed the land which feeds the people*



## NOTICE

NOTICE is hereby given that Tenth Annual General Meeting of Members of BASANT AGRO TECH (INDIA) LIMITED, will be held at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444001, Maharashtra on Saturday, 30th September 2000, at 4:00 P.M. to transact the following business :-

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2000 and the Profit and Loss Account of the Company for the year ended as on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Chhanulal Jhunjhunwala who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. B. G. Bathkal who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS :

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

"RESOLVED THAT, pursuant to Section 31 and other applicable provisions of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company be and are hereby amended, altered and / or substituted in the manner and to the extent as is set out herein below:

In Article 1 the following new Articles be added:

"Beneficial Owner" means beneficial owner as defined in Clause (a) of Sub-section (1) of Section 2 of the Depository Act, 1996.

'Bye-laws' mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;

'Depositories Act, 1996' shall include any statutory modification or re-enactment thereof.

'Depository' shall mean a Depository as defined under clause (e) of Sub-section (1) of Section 2 of the Depositories Act, 1996.

'Record' includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by the SEBI

'Member' means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of Sub-section (1) of Section 2 of the Depositories Act, 1996.

"SEBI" means the Securities and Exchange Board of India.

After Article 5 the following new Article be added as Article 5A as under:

#### 5A: Shares with non-voting rights

The Directors may issue shares with non-voting rights attached to them upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by the law.

After Article 8 the following new Article be added as Article 8(A) as under:

#### 8(A) : Shares to be numbered progressively

The Shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner hereinafter mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

After Article 12 the following new Articles be added as Article 12(A), Article 12(B) and Article 12(C) :

#### 12(A) : Application premia received on securities

(1) Where the Company issues securities at a premia whether for cash or otherwise, a sum equal to the aggregate amount or value of the premia on those securities shall be transferred to an account, to be called, 'The Securities Premium Account' and the provisions of the Act relating to the reduction of Share Capital of the Company shall except as provided in this Article, apply as if the Securities Premium Account were paid up Share Capital of the Company.

(2) The Securities Premium Account may notwithstanding anything in sub-clause (1) hereof, be applied by the Company:

- (a) In paying the unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
- (b) In writing off the preliminary expenses of the Company;
- (c) In writing off the expenses of, or the commission paid or discount allowed on any issue of Shares or Debentures of the Company;
- (d) In providing for the premium payable on the redemption of any Redeemable Preference Shares or of any Debentures of the Company.

#### 12(B) : Sweat Equity Shares

The Company shall have the power, subject to and in accordance with the provisions of Section 79A of the Act and other relevant regulations including regulations laid down by SEBI in this regard from time to time, to issue Sweat Equity Shares to employees and/or directors on such terms and conditions and in such manner as may be prescribed by law time to time.

#### 12(C) : Acceptance of Shares

An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein shall be acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of members or who is entered as beneficial owner of the Shares in the records of the depository shall for the purposes of these Articles be a Member.

The existing Article 16(1) be deleted and in place thereof, the following Article 16(1) be substituted:

#### 16(1) : Certificate of Shares

- (1) Certificates of title to shares shall be issued under the Common Seal of the Company, and shall be issued, sealed and signed in conformity with the provisions of the Companies (Issue of Share Certificates Rules, 1960) or any other statutory modification or re-enactment thereof for the time being in force provided, however no share certificate(s) shall be issued for shares held in a Depository.

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After Article 16 the following new Article be added as Article 16(A) as under:

**16(A) : Shares in fungible form**

- (1) In the case of transfer or transmission of shares or marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.
- (2) Nothing contained in Section 108 of the Act or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

After Article 43 the following new Article be added as Article 43(A) as under:

**43(A) : Register of transfers**

The Company shall keep a book called "The Register of Transfers" and shall fairly and distinctly enter therein the particulars of every transfer or transmission of any shares held in material form.

After Article 46 the following new Article be added as Article 46(A) as under:

**46(A) : Nomination of shares and/or debentures/fixed deposits**

- (a) Every holder of shares in or debentures or fixed deposits of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or debentures or fixed deposits of the Company shall vest on the event of his death.
- (b) Where the shares or debentures or fixed deposits of the Company are held by more than one person jointly, the joint holders may together nominate, in the manner prescribed under the Act, a person to whom all rights in the shares or debentures or fixed deposits of the Company shall vest in the event of death of all joint holders.
- (c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares or debentures or fixed deposits where a nomination is made in the manner prescribed under the Act, purports to confer on any person the right to vest the shares or debentures or fixed deposits of the Company, the nominee shall on the death of the Shareholder or the Debentureholder or Fixed Deposit holder concerned, or on the death of the joint holders become entitled to all the rights in the shares or debentures or fixed deposits of the Company of such shareholder or holder of debentures or fixed deposits as the case may be, of all the joint holders, in relation to such shares in, or debentures or fixed deposits of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Act.
- (d) Where the nominee is a minor, the holder of the Shares or debentures or fixed deposits concerned, can make the nomination to appoint in the prescribed manner under the Act, any person to become entitled to the shares or debentures concerned in the event of his death during the minority.

The existing Article 47(1) be deleted and in place thereof, the following Article 47(1) be substituted:

**47(1) : Transmission Clause**

Any person becoming entitled to shares in consequence

of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of probate or letter of Administration or succession certificate or such other evidence that he sustains the character in respect of which he proposes to act under this clause or of his title as the Directors may think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give) be registered as a member in respect of such share. This clause is herein referred to as the "Transmission Clause".

The existing Article 48(a) be deleted and in place thereof, the following Article 48(a) be substituted:

**48(a) : Transmission in case of nomination**

- (1) Notwithstanding anything contained in these Articles, any person who has become a nominee under the provisions of Section 109A, and to whom the shares in or debentures of the company have vested on the death of the shareholder or holder of the debentures of the Company, or as the case may be, on the death of the joint holders, upon the production of such evidence as may be required by the Board, and subject as hereinafter provided, elect either -
  - (a) to be registered himself as holder of the share or debenture as the case may be; or
  - (b) to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debentureholder, as the case may be, could have made.
- (2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the share or debenture himself as the case may be, he shall deliver or send to the Company a notice in writing duly signed by him that nominee concerned so elects and such notice shall be accompanied with the death certificate of the deceased shareholder / debentureholder as the case may be.
- (3) All the limitations, restrictions and provisions of this Act relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were signed by that shareholder or debentureholder, as the case may be.
- (4) A person being a nominee, becoming entitled to share or debenture by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share or debenture except that he shall not, before being registered as member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time give notice requiring any such person to elect to be registered himself or to transfer the share or debenture, and if, the notice is not complied with within ninety days, the Board may thereafter withhold all payments of all dividends, bonus or other moneys payable in respect of the share or debenture, until the requirements of the notice have been complied with.

The existing Article 53(1) be deleted and in place thereof, the following Article 53(1) be substituted:

**53(1) : Buyback of Shares**

The Company shall have power, subject to and in accordance with the provisions of Sections 77A, 77AA and 77B of the



Act and other relevant regulations including regulations laid down by SEBI in this regard from time to time, to purchase any of its own shares, or such other specified securities as may be notified by the Central Government from time to time, on such terms and conditions and in such manner as may be prescribed by law from time to time.

After Article 53 the following new Article be added as Article 53(A) as under:

**53(A) : Company entitled to dematerialise/rematerialise its shares**

- (1) Notwithstanding anything contained in this Articles of Association, the Company shall be entitled to dematerialise its existing shares or rematerialised its shares held in the Depositories and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.
- (2) Where a person opt to hold a security with a Depository, the Company shall intimate the Depository the details of allotment of the security, and on receipt of the information the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the security.
- (3) All securities held by a Depository shall be dematerialised and shall be in fungible form.

After Article 64 the following new Articles be added as Article 64(A) and Article 64(B) as under:

**64(A) : The Register and Index of Beneficial Owners**

The Register and Index of Beneficial Owners maintained by a Depository under Depositories Act, shall be deemed to be the Register and Index of Members and Securities Holders for the purpose of these Articles.

**64(B) : Service of Documents by Depository on Company**

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

After Article 80 the following new Article be added as Article 80(A) as under:

**80(A) : Voting rights of Depositories and beneficial owner**

Notwithstanding anything contained in these Articles of Association, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of shares on behalf of a beneficial owner. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting right or other right in respect of shares held by it, and the beneficial owner shall be entitled to all rights and benefits and subject to all liabilities in respect of its shares held by a Depository.

By Order of the Board of Directors

**Upendra Somani**  
Company Secretary

Place : Mumbai

Dated : 30th May, 2000

Registered Office :-

Plot No. 13/2, Kaulkhed,

Near S.T.Workshop,

Akola - 444 001, Maharashtra.

**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.
- 2) The Explanatory Statement pursuant to Section 173 (2) of the Companies Act 1956, in respect of Special Business of the above Notice is annexed.
- 3) The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday 26th September, 2000 to Saturday 30th September, 2000 (both days inclusive).
- 4) The Dividend if declared, will be payable to those Shareholders whose names stand on the Register of Members as on 30th September, 2000.

**ANNEXURE TO THE NOTICE**

As required by Section 173 of the Companies Act, 1956 the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No.6 of the accompanying Notice.

**Item No. 6**

Consequent to the passing of the Depositories Act, 1996 and introduction of the Depository System, a facility has been provided to the investors to hold securities in the form of electronic entries instead of paper scrips, which enables the investors to hold the Equity Shares of your Company in electronic form and trade in them under the Depository system.

The new automated system of holding and trading in the securities of the Company side by side with the paper based system require certain alterations in the Articles of Association of the Company. It may be clarified that while additional facility as above has been provided within the new legal framework, shareholders have been given an option to join this system. The existing provisions in respect of the shares held in the form of paper scrips will continue without any change.

Further, as per the recent amendment to the Companies Act, 1956, a facility has been provided to the holder of Shares/Debentures/Fixed Deposits to nominate any person who will be entitled to his Shares/Debentures/Fixed Deposits in the event of his death.

It is therefore proposed to suitably amend the articles as set out in the Resolution in order to bring the provisions of the Articles of Association in consonance with the provisions of the Companies Act, 1956.

The Board commends the Special Resolution for members' favourable consideration.

None of the Directors is concerned or interested in the said Resolution.

By Order of the Board of Directors

**Upendra Somani**  
Company Secretary

Place : Mumbai

Dated : 30th May, 2000



**ANNUAL REPORT 1999-2000****DIRECTORS' REPORT TO MEMBERS**

The Directors of your Company have pleasure in presenting the Tenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2000.

**1. FINANCIAL RESULTS :**

• (Rs. in Lacs)

	1999-2000	1998-99
Turnover	4066.19	3357.99
Profit before Interest, Depreciation and Tax	380.80	341.27
Less : Interest	186.36	225.99
Profit before Depreciation	194.44	115.28
Less : Depreciation	58.14	62.57
Profit before Tax	136.30	52.71
Provision for Tax	10.75	5.55
Profit after Tax	125.55	47.16
Provision for Taxation for earlier years	—	(0.68)
Surplus Brought forward from Previous Year	144.77	143.71
Amount Available for Appropriations	270.32	190.19
Appropriations :-		
(a) Transferred to General Reserve	35.00	3.00
(b) Proposed Dividend	47.78	38.22
(c) Corporate Dividend Tax	10.51	4.20
Surplus carried to Balance Sheet	177.03	144.77

**2. DIVIDEND :**

Keeping in line with the management's policy of rewarding the Shareholders, the Directors of your Company are pleased to recommend dividend @ 15% (Previous year 12%) for the year ended 31st March, 2000 which shall absorb Rs. 47.78 Lacs (Previous year Rs. 38.22 lacs).

**3. OPERATIONS :**

During the year under review, your Company has achieved the Record Turnover of Rs. 40.66 Crores which is higher by 21% over previous year. The company has also registered record production of 85,040 M.T. Fertilizers as compared to 73,818 M.T. in the previous year. The measures adopted by the Company to improve the productivity had given positive results whereby the profit after tax has jumped by 166% to Rs, 126 Lacs.

During the current financial year also your Company is doing well. Your Company is continuing its efforts to control its cost of production by upgrading its process as well as procuring its Raw Materials at competitive prices. The Brand Name "KRISHI SNAJIVANI" has become very popular amongst the Farmers and is recognised as the Quality Fertilizers. The special attention has been always given for production of Quality Fertilizers at the most competitive prices.

Your Company has made representation to Appropriate Government Authorities to consider the increase in the Maximum Retail Price as well as Subsidy on SSP Fertilizers.

The performance of the Seed Division is satisfactory and is progressing under the competent leadership of Dr. B. G. Bathkal.

**4. FINANCE :**

Your Company retired before maturity the Term Loans availed from Financial Institutions and has become virtually Zero Debt Company in respect of Long Term Loans.

**5. DIRECTORS :**

Shri C.L. Jhunjhnuwala, Vice Chairman retires by rotation at this Annual General Meeting and he being eligible, has offered himself for reappointment.

Dr. B. G. Bathkal, Director retires by rotation at this Annual General Meeting and he being eligible, has offered himself for reappointment.

**6. AUDITORS :**

M/s. P. C. Baradiya & Co., Chartered Accountants, Mumbai Statutory Auditors of the Company hold Office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished certificate to the effect that their appointment as Statutory Auditors if made, would be within prescribed limits u/s. 224(1B) of the Companies Act, 1956.

**7. AUDITORS' REPORT :**

The observations of the Auditors in their report, read with notes annexed to the Accounts are self explanatory and therefore do not call for any further clarification.

**8. PUBLIC DEPOSIT :**

As on 31st March, 2000 the Company has not accepted any Public Fixed Deposits.

**9. INDUSTRIAL RELATIONS :**

The relations between the Employees and the Management continued to be cordial.

**10. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 :**

There were no employees whose remuneration was in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

**11. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

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

**12. ACKNOWLEDGEMENTS :**

Your Directors would like to express their appreciation for the assistance and co-operation received during the year under review from the Shareholders, Financial Institutions and Bankers. Your Directors wish to place on record their sincere thanks for the devoted services of the staff and workers of the Company.

For and on behalf of the Board

**CHIMANLAL R. BHARTIA**  
Chairman

Place : Mumbai  
Dated : 30th May, 2000