

Beryl

DRUGS LIMITED



For Beryl Drugs Ltd.,


Managing Director/Director

EIGHTH ANNUAL REPORT - 2000-2001

BOARD OF DIRECTORS	: Shri Sanjay Sethi Chairman Cum Managing Director Shri Sudhir Sethi, Whole-Time Director Shri Sunil Jain , Director Shri Rajendra Dammani, Director
AUDITORS	: SUBHASH CHAND JAIN ANURAG & ASSOCIATES Chartered Accountants 4, Archana Apartment 8-B, Ratlam Kothi INDORE - 452 001
REGISTERED OFFICE	: 133, Kanchan Bag, Indore - 452 001.
PLANT	: 1) OWN UNIT Plot No. 123 Industrial Area No. 1 Pithampur, Distt. DHAR (M.P.) 2) PROPRIETARY UNIT FLORA & FAUNA REMEDIES Plot No. 124 Industrial Area NO.1 Pithampur, Distt. DHAR (M.P.)
BANKERS	: 1. Punjab National Bank, Indore
LISTED STOCK EXCHANGES	: M.P. STOCK EXCHANGE Rajani Bhawan, Opp. High Court M.G. Road, INDORE (M.P.) THE STOCK EXCHANGE, MUMBAI Phoenix Jeejeebhoy Tower Dalal Street, Fort, MUMBAI - 400 001 THE STOCK EXCHANGE, AHMEDABAD Kamadhenu Complex Opp. Sahajanand College, Panjarapole Ambawadi, AHMEDABAD - 380 015
SHARE TRANSFER AGENT	: LEO CORPORATE CONSULTANTS (INDORE) PVT. LTD. 7, ARCHANA APARTMENT 8-B, RATLAM KOTHI INDORE - 452 001 PHONE : 519439, 518937, 527682, 521194 FAX NO. 0731 519116 E-mail : leogroup@satyam.net.in

BERYL DRUGS LIMITED**NOTICE**

Notice is hereby given that the Eighth Annual General Meeting of the members of BERYL DRUGS LIMITED will be held at the Indore Nursery Hukma Khedi, A.B. Road, Indore - 452 001 on Saturday the 29th September, 2001 at 10.30 A.M. to transact the following businesses :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2001 and Profit and Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sunil Jain who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s SUBHASH CHAND JAIN ANURAG & ASSOCIATES, CHARTERED ACCOUNTANTS, INDORE as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Shri Rajendra Dammani who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956, and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the Articles of Association of the Company".

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT subject to provisions of the Companies Act, 1956 (including the statutory modification(s) or re-enactments thereof for the time being in force), Securities Contracts (Regulation) Act, 1956, and rules framed thereunder, Listing Agreements, and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board to delist the Equity Shares of the Company from Ahmedabad Stock Exchange, Ahmedabad.

Dated : 26th June, 2001

By Order of the Board of Directors,
SD/-

Registered Office :
133, Kanchan Bag, Indore - 452 001.

(SANJAY SETHI)
CHAIRMAN CUM MANAGING DIRECTOR

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. Proxy Forms duly stamped and executed must be received by the Company not less than 48 hours before the time fixed for the meeting at its Registered Office.
2. The register of members and share transfer books of the Company will remain closed from 22nd September 2001 to 29th September, 2001 (both days inclusive).
3. Members are requested to communicate the change in address, if any immediately to the Company.
4. Shareholders desiring any information on the accounts at the Annual General Meeting are requested to

- intimate the Company at least seven days in advance so, as to enable the Company to keep the information ready.
5. Shareholders are requested to bring their copy of Annual Report to the meeting along with the attendance slip.
 6. The members holding Shares in the same name under different folios are requested to apply for consolidation of such folios and send the relevant share certificate to the Share Transfer Agents of the Company.

**EXPLANATORY STATEMENT PURSUANT TO
SECTION 173(2) OF THE COMPANIES ACT, 1956**

ITEM NO. 4

Mr. Rajendra Dammani was appointed as an Additional Director of the Company during the year. Pursuant to Section 260 of the Companies Act, 1956, Mr. Rajendra Dammani, will hold office as Additional Director upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mr. Rajendra Dammani for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Rajendra Dammani is appointed as a Director of the Company.

Your Directors, therefore, recommend the resolution for your approval.

Save and except Mr. Rajendra Dammani none of the Directors are, in any way, concerned or interested in this resolution.

ITEM NO. 5

Explanatory statement

Presently, The Company's Securities are listed at the following Stock Exchanges.

1. M.P. Stock Exchange, Indore.
2. The Stock Exchange, Mumbai.
3. The Stock Exchange, Ahmedabad.

The bulk of the trading in the Company's equity shares in any case takes place on the MPSE and BSE, and the depth and the liquidity of trading in the Company's securities in Ahmedabad Stock Exchanges is lower.

It is also observed that the listing fees paid to the Ahmedabad Stock Exchange is disproportionately higher, and as stated herein, the trading volumes and liquidity are lower in comparison to the MPSE and BSE.

As a part of its cost reduction measure, the Company has proposed this resolution which will enable it to delist its equity share from The Stock Exchange Ahmedabad at an appropriate time in the future.

In line with the SEBI regulations and approvals, if any, required members approval is being sought by a special resolution for enabling voluntary delisting of its security from the Ahmedabad Stock Exchange.

The proposed delisting of the securities of the Company from the Ahmedabad Stock Exchange as and when takes place will not adversely affect the investors. The Company's securities will continue to be listed on MPSE and BSE. The delisting will take effect after all approvals, permissions and sanctions are received. The exact date on which delisting will take place will be suitably notified at that time.

Your Directors recommend the Special Resolution for approval of the members.

None of the Directors of the Company are, in any way, concerned or interested in the resolution.

By order of the Board of Directors

Place : Indore
Date : 26th June, 2001.

SANJAY SETHI
CHAIRMAN CUM MANAGING DIRECTOR

DIRECTORS' REPORT

To,

The Share Holders,

The Directors hereby present their eighth Annual Report on the state of affairs and the audited accounts for the financial year ended on 31st March, 2001.

1. **FINANCIAL RESULTS**

	(Rupees in Lacs)	
	Year ended 31.3.2001	Year ended 31.3.2000
Sales	411.40	364.66
Profit (before Interest, Depreciation & Tax)	38.66	43.08
Less : Interest & Financial Charges	6.83	9.67
Profit (before Depreciation & Tax)	31.83	33.41
Less : Depreciation	28.81	32.37
Profit (before tax)	3.02	1.04
Less : (Provision for Tax)	0.19	0.09
Profit(+)/Loss(-) after tax	2.83	0.95
Less : Prior Period Adjustments (Income tax)	0.20	0.63
Net Profit (+)/Loss (-) for the period	2.63	0.32
Less : Loss of earlier years brought forward	42.36	42.68
Net Loss carried to the Balance Sheet	39.73	42.36

2. **OPERATIONS**

The fiscal year 2000 again witnessed a slow down in the Indian Economy hampered by irregular monsoons and a sharp increase in the prices of petroleum products. This has adversely affected the growth of all the industries. At the opening of year, the policies of Government were centralised to the infrastructure development; quiet favourable to the company, but earth quake in Gujarat diverted the attention of Government towards the revival of Gujarat. We extend our deepest sympathies to the people of Gujarat affected by this enormous calamity.

Beside these all opposite circumstances, company has reserved a turnover of Rs.411.40 lacs against Rs.364.66 lacs for the previous year representing the growth of 12.82% over the previous year. But the effect of such increase was damped due to impact on yield and higher input cost particularly in respect of power and fuel.

During the year under review, company noticed that company's product are getting good response in the market inspite of numerous competitive products available in the market. Company's products are very well accepted by the customers. The top class quality of products and customer services helped the company in developing strong brand image among the customers as well as Doctors. Company has been addressing now growth opportunities arising from the ongoing liberalization and deregulation of the Indian Economy. This may have positive impact in overall activities and earning capacity of the company.

3. **DIVIDEND**

To conserve the financial resources of the company, the directors consider it prudent not to recommend any dividend for the year ended on 31st March 2001.

4. **PROPRIETARY DIVISION (FLORA & FAUNA REMEDIES)**

During the year under review no manufacturing activities were carried out by the Proprietary Division due to continues requirement of major repairs of plant and your directors is interested to close down the division in current financial after disposing the plant machineries on one to one basis.

5. **FUTURE OUTLOOK**

The Indian Economy has been witnessing signs of growth in past few months. The upswing mood could also be witnessed in the primary as well as secondary market. Some of the initial public offering have received subscription

in excess of 100% and the prices of the almost all the scrips witnessed substantial improvement during the year under review. The country's export grew in double digits, as a result of recovery in world economy.

The overall environment is not likely to change in the financial year 2001-2002 as industrial growth is likely to be stronger. GDP growth is expected to be around 6.00 per cent in financial year 2001. Your directors expect strong growth for the Company in short to medium term.

6. DIRECTORS

Mr. Sunil Jain retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment as the Director of Company. A motion for re-appointment of Mr. Sunil Jian as the Director of the Company is proposed to be placed before the members of Board in the ensuing Annual General Meeting.

Mr. Rajendra Dammani joined the Board on 15th June, 2001 as Additional Director and he would held the office till the date of next Annual General Meeting of the Company. Mr. Dammani offer himself for re-appointment.

7. AUDITORS

M/s Subhash Chand Jain Anurag & Associates, Chartered Accountants, the Statutory Auditors of the Company retires at the conclusion of the forthcoming Annual General Meeting and being eligible have expressed their willingness to continue as auditors of the Company.

The notes on accounts referred to in the Auditors' Report are self-explanatory and do not require further explanation.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

Information in accordance with the provision of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particular in the report of Board of Directors) Rule 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the annexure forming part of this report.

9. PARTICULARS OF EMPLOYEES

Particulars of employees in accordance with provision of Section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employee) Rule 1975 as amended are not given, as none of the employee qualify for such disclosure.

10. LISTING

The Equity Shares of the Company are listed on the Mumbai, Ahmedabad and Indore Stock Exchange. The Company has paid the Annual Listing Fee to all above Stock Exchanges for the year 2001-2002.

Keeping in veiw of continuous reduction in frequency of trading took place with Ahmedabad Stock Exchange and as a cost reduction measure, your Directors have decided to delist the securities of Company from Ahmedabad Stock Exchange. The proposal will be placed before members at Annual General Meeting for seeking their approval.

11. INSURANCE

The company's properties including Buildings, Plant & Machinery, Stocks etc. continue to be adequately insured against various risks.

12. DEMATERIALIZATION OF SHARES

Your Directors had decided not to go in dematerialization of shares after considering the volume of trade of Equity Shares of your company. Moreover your Company has opted the option of trade of equity shares on trade to trade basis.

13. FIXED DEPOSIT

The Company has not accepted any deposits from the public, during the year under review, in accordance with the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

14. SUBSIDIARY COMPANY

The Company does not have any subsidiary Company. However, audited statement of Accounts alongwith the report of Auditors thereon of the Proprietary Unit Flora & Fauna Remedies, for the period ended 31st March, 2001, is annexed herewith.

15. CORPORATE GOVERNANCE

The compliance to the corporate governance code mandated by SEBI under clause 49 of the listing agreement with the Stock Exchanges is required to be achieved by the end of the Financial Year 2001-2002. The Board has initiated steps towards compliance thereof, which in brief are as follows:-

1. Post AGM, the Board strength will be four, with one Executive Director and Two Independent Directors.
2. The Company has already set up an Audit Committee which has reviewed the financial statements.
3. The Board held 5 meetings during the financial year with the gap between two meeting not exceeding 4 months.
4. The Board is taking necessary steps to achieve full compliance as regards corporate governance by the end of March, 2002.

16. AUDIT COMMITTEE

The Board of Directors of the Company constituted the audit committee within the provisions of the Section 292A of the Companies Act, 1956 to exercise the powers and discharge the functions as stipulate in the Section. The constitution and functions of the Committee are detailed in the annexure forming part of the report.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 217 (2AA) of the Companies Act, 1956 with respect to Director's responsibility statement, the Board of Directors hereby confirms:-

1. In the preparation of the annual accounts, for the year ended March 31, 2001 the applicable accounting standards has been followed, and there is no material departure.
2. The Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The annual accounts are prepared on a going concern basis.

18. PERSONNEL

During the year under review, industrial relation at the unit of the Company were by and large satisfactory.

19. ACKNOWLEDGMENT

The Board of Directors wishes to express their sincere appreciation for the continued co-operation, encouragement, support and assistance provided by the Company's Bankers during the year. The Directors express their appreciation for the support and contribution made by the employees at all levels.

On behalf of the Board of Directors,

Sd/-

Place : Indore

Sanjay Sethi

Dated : 26th June, 2001

Chairman

ANNEXURE TO DIRECTORS' REPORT**Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988****A. CONSERVATION OF ENERGY**

The Company continues to take measures for conservation of energy required to produce products including regular checks and preventive maintenance of all electrical equipment and installation are being conducted to avoid leakage of energy due to faulty operations.

FORM A

Form for disclosure of particulars with respect to the conservation of energy.

(A) Power and fuel consumption	2000-2001	1999-2000
1) Electricity		
a) Purchased Quantity (Unit)	222670.00	116124.00
Total Amount (Rs.in lacs)	12.05	6.55
Average Rate (Rs.)	5.41	5.63
b) Own Generation		
1. Through Diesel Generator (Unit)	Nil	Nil
Unit per Ltr. of Diesel	Nil	Nil
Fuel Cost/Unit	Nil	Nil
2. Through Steam Turbine Generator	Nil	Nil
2) Coal	Nil	Nil
3) Furnace Oil		
Quantity (Ltrs)	110000	96000 Ltrs
Total Amount (Rs. in Lac)	13.79	10.58
Average Rate of Furnace Oil	12.53	11.02
4) Others/Internal Generation	Nil	Nil

(b) Consumption Per Unit Of Production

The Company manufactures several injections. It is therefore difficult to apportion the consumption and cost of utilities to specific products item.

FORM B Forms for disclosure of particulars with respect to technology absorption 2001-2002.

B. TECHNOLOGY ABSORPTION

1. Research and Development work concerning process improvements of small volume injections and large volume injections are carried out at Companys' works at Pithampur.
2. Your Company is having research and development cell headed by a senior and experienced chemist. Continuous watch on the quality of the product at various levels is being kept by the section. This section also keep a regular track on latest advancement on the injection technology in order to keep changing with the demand.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO

Foreign Exchange Earning : Nil
Foreign Exchange Outgo : Nil

D. AUDIT COMMITTEE

The Board of Directors of the Company has constituted an audit committee comprising the three Directors namely

1. Shri Sanjay Sethi, Chairman cum Managing Director.
2. Shri Sunil Jain, Director.
3. Shri Rajendra Dammani, Director.

The constitution of the Audit Committee also meets the requirement of the Section 292A of the Companies Act, 1956. The term of reference stipulated by the Board to Audit Committee are as follows.

- a) Oversight of the company's financial reporting process and disclosure of its financial information.
- b) Reviewing with management the annual financial statement before submission to the Board, focusing primarily on :
 - (i) changes in accounting policies and practice
 - (ii) qualification in draft audit report
 - (iii) significant adjustments arising out of audit
 - (iv) the going concern concept
 - (v) compliance of accounting standards
 - (vi) compliance of Stock Exchange and legal requirement concerning financial statements.
- c) Reviewing the management, external and internal auditors, the adequacy of internal control systems.
- d) Reviewing the adequacy of internal control functions.
- e) Reviewing the findings of internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- f) Discussion with external auditors before the audit commences nature and scope of the audit as well as have post-audit discussion to ascertain any area of concern.
- g) Reviewing the Company's financial and risk management policies.
- h) To look into results for substantial defaults in the payment to the depositors (if any), shareholders (in case of non-payment of declared dividends) and creditors.

BY ORDER OF THE BOARD OF DIRECTORS

SANJAY SETHI
CHAIRMAN CUM MANAGING DIRECTOR

Place: Indore

Date : 26th June, 2001.

AUDITORS REPORT

**TO
THE MEMBERS
BERYL DRUGS LIMITED,
INDORE.**

We have audited the attached Balance Sheet of Beryl Drugs Limited as at 31st March, 2001 and Profit & Loss account for the year ended on that date annexed hereto and report that:-

1. As required by the Manufacturing and Other Companies (Auditors Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph, 1, above we state that:-
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by the Companies Act, 1956 have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) On the basis of written representation received from the Directors as on 31st March, 2001 and taken on records by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2001 from being appointed as a Director in terms of clause (g) of Sub Section (1) of Section 274 of the Companies Act, 1956.
 - e) Attention is invited to Note No.6, 7 & 8 of Schedule No. 19 regarding
 1. Non provision for diminution in the value of investment.
 2. Non inclusion of excise duty in valuation of closing stock for the reason mentioned in the note subject to the forgoing and other notes of Schedule No. 19.
 - I In our opinion, the Profit and Loss account and Balance Sheet complied with mandatory accounting standard referred in Sec.211(3c) of the Companies Act 1956.
 - II In our opinion and to the best of our information and according to the explanations given to us, the accounts together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give true and fair view :-
 - i. In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2001 and
 - ii. In the case of Profit & Loss account, of the profit of the Company for the year ended on that date.

For SUBHASH CHAND JAIN ANURAG & ASSOCIATES
Chartered Accountants,

Place : Indore (M.P.)
Date : 26th June, 2001

**(S.C. JAIN)
PARTNER
MNO. 72062**