

**12th
ANNUAL REPORT
2001-2002**



BENZO PETROCHEMICALS LIMITED



Benzo Petrochemicals Limited

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12TH ANNUAL REPORT
2001 - 2002

BOARD OF DIRECTORS

D. C. GAMI
 Chairman

Atul G. Shroff
Naushad P. Panjwani

12th
Annual General Meeting on
24TH September 2002 at 11.00 A.M.
at 105, Welcome Shopping Centre,
Opp. : Punit Nagar, Old Padra Road,
Baroda - 390 007.

Bankers
Bank of Baroda, Raopura, Baroda

Auditors
M/S. J. Harkisondas & Co.,
Chartered Accountants, Baroda

Registered Office & Factory

Plot No.130 / 131
GIDC Estate
Nandesari 391 340
Dist. Baroda (Gujarat)

Address for Share Transfer and
Correspondance.
105, Welcome shopping
Centre, Opp. Punit Nagar,
Old Padra Road,
Baroda - 390 007.

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In order to save expenditure,
we will not distribute copies
of Annual Report at AGM. You
are requested to bring your copy
of the Annual Report to the Meeting.



Benzo Petrochemicals Limited

BENZO PETROCHEMICALS LIMITED

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that 12th Annual General meeting of the Company will be held on 24th September 2002 at the Baroda office of the Company at 5, Welcome Shopping Centre, Opp. Punit Nagar, Old Padra Road, Baroda 390 007 at 11.00 A. M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the profit & loss Account for year ended on the 31st March 2002 and the Balance Sheet as at that date and the report of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri D. C. Gami, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s. J. Harikisondas & Co., Chartered Accountants as auditors of the Company to hold office from the conclusion of this 12th meeting until the conclusion of the next Annual General meeting and to Authorise the Board of Directors to fix their remuneration.

By Order of the Board
for Benzo Petrochemicals Limited

Place : Baroda
Date : 28-6-2002

D. C. GAMI
Chairman



**Benzo Petrochemicals Limited****NOTICE**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member.
2. Members desirous of getting any information about the accounts and operations of the company are requested to send their query at the Regd. Office at least seven days before the date of meeting to enable the management to keep the information required readily available at the Meeting.
3. Members holding Shares in identical order of names in more than one folio are requested to write to the Company to consolidate their holding in one folio.
4. Members are requested to notify change in address, if any, immediately to the Company at its Registered Office quoting their Folio Numbers.
5. Member's Register and Share Transfer Books will remain closed from 15th September 2002 to 24th September 2002 (both days inclusive).

By Order of the Board
for Benzo Petrochemicals Limited

Place : Baroda
Date : 28-6-2002

D. C. GAMI
Chairman

EXPLANATORY STATEMENT

As required by section 173 of the Companies Act, 1956 the following explanatory statement sets out all material facts regarding the business mentioned under Item No.2 of the accompanying notice dated 28-6-2002

ITEM 2

Shri D. C. Gami is a Chemical Engineer with more than 50 years of experience in Nuclear, Fertilizer and Petrochemicals plants. He is chairman and director in a number of Companies. No other member is interested in his appointment as Director.



Benzo Petrochemicals Limited

REPORT OF THE BOARD OF DIRECTORS

Your Directors submit herewith the 12th Annual General Report of your Company for the Financial year ended 31st March, 2002.

1. SUMMARY OF FINANCIAL RESULTS.

		(Rs. In Lacs) 2001-2002	(Rs. In Lacs) 2000-2001
a.	Gross Profit before depreciation Interest and Tax	(0.09)	(3.76)
b.	Depreciation	Nil	00.00
c.	Interest	Nil	303.53
d.	Profit / (Loss) before tax	(0.09)	(307.36)
e.	Provision for Taxation	Nil	Nil
f.	Profit / (Loss) After Tax	(0.09)	(307.36)

2. DIVIDEND

Board of Directors have not recommended payment of any dividend in view of loss in the Current Year.

3. OPERATIONS

As stated in earlier year report, company was forced to close down operations for reason stated therein. As bank has also frozen the account, the bank and ICICI are paying the insurance premium for stock and fixed assets. ICICI have also started paying for security of the plant and the entrance to the factory is controlled by ICICI and Bank. Management therefore was not able to take inventory of raw materials, packing materials, stocks, L.D.O., physical verification of assets etc., For the same reason company has not been able to determine the unserviceable, damages stocks, raw materials, works in process and finished goods.

As there is no man power and there are absolutely no activity, company has not appointed any internal auditors for internal auditing which was there till previous year.

4. AUDITORS REPORT : Para 1, 3, 4, 7, 8, 10 and 13 of Annexure to Auditor Report.

Management perception on the qualifications in Annexure to the Auditor's Report as follows :

Company is closed and premises are under possession of ICICI. There are no activities either physical or financial, so internal control, Internal Audit and physical verification is not considered necessary or possible. Physical stocktaking and to follow procedure for determination of un-serviceable part is also not possible as possession is with ICICI.



Benzo Petrochemicals Limited

The major amount of outstanding advances / Loans relate to Government Departments and long lease agreement for plant and machinery, which are used by the Company and lying with the Company and the Balance Amount is negligible.

In view of non-qualification of estimated realizable value of assets and liabilities, the book value has been represented in the Financial Statements. No further addition on account of interest and other liability on account of borrowings made during the year on account of uncertainty of 'going concern'.

5. **POLLUTION ABATEMENT**

The entire plant is closed down. The Company does not produce and consequently does not discharge any effluent outside factory premises.

6. **BIFR PROCEEDINGS :**

BIFR had called meeting of the Company, financial institutions and Bank to review progress on 20th June, 2001. Company had given a letter stating that New Products can be manufactured with the firm that has shown interest in the company and this can make the Company profitable. The company requested BIFR to give extension of 3 months to give detailed proposal. However on the statement made by ICICI that the firm, who had shown interest in the company, is no longer interested, the BIFR decided to give 3 months notice inviting objection as to why the company should not be wound-up.

In response to this and as indicated in last year's report of the Directors, the company submitted a detailed proposal with revised package for production of new products with possibility of new promoter, which indicated that it will be possible to repay the loans and interest after taking into consideration of reliefs, which are granted.

BIFR, in the meeting held on 10-10-2001, insisted on bringing in substantial funds by the promoters of the Company. As this was not possible, BIFR ordered to wind up the Company.

The company appealed against BIFR order to AAIFR with further revised package with production of new products. AAIFR registered our appeal on 14-11-2001. AIFR in their meeting held on 28-12-2002 confirmed the order of BIFR for winding up of the company, since the promoters are unable to bring in additional funds.-

7. **DIRECTORS**

Shri D. C. Gani, Director / chairman, of the company retire by rotation as per section 256 of the Companies Act, 1956 and being eligible, have offered himself for reappointment. Shri D. C. Gani is a technocrat having vast experience of more than 5 decades to his credit.



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8. **FIXED DEPOSITS**
The Company has not accepted Fixed Deposits from Public as envisaged under Section 58 A of the companies Act, 1956, read with the Companies (Acceptance of Deposit) Rules, 1975.
9. **AUDITORS**
The present Auditors M/s. J. Harkisondas & Co., Chartered Accountants, Baroda, retire at the conclusion of 12th Annual General Meeting. They have submitted certificate of eligibility for re-appointment under Section 224 (1) (B) of the companies Act, 1956. You are requested to appoint them as Auditors to hold office till the next Annual General Meeting and Authorise to hold office till the next Annual General Meeting and Authorise Board of directors to fix their remuneration.
10. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.**
As the Company Operations are shut down since August 1999 and there are no employees, these activities are not carried out.
11. **PARTICULARS OF EMPLOYEES**
Information under section 217 (a) of the Companies Act, 1956 read with the Companies (Particulars of Employees) rules, 1975 has not been given as there are no employees who have drawn salary more than Rs.50,000/- per month, during the year.
12. **CORPORATE GOVERNANCE :**
As the plant of the company are shut down since August, 1999 and there are no manufacturing and financial activities as also the board is reduced to -3- members and in view of BIFR's decision to wind up the company it has not set up any Audit committee or Investors' grievance committee.
13. **ACKNOWLEDGEMENT**
The Board of directors are pleased to place on record their sense of gratitude for the continued support by financial Institutions and banks.

For and on behalf of the Board

Place : Baroda
Date : 28-6-2002

D. C. GAMI
Chairman



Benzo Petrochemicals Limited

ANNEXURE "A"

Particulars required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

FORM : A

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

1. CONSERVATION OF ENERGY

A. Power and fuel consumption in respect of total energy consumption.

	CURRENT YEAR 2001 - 2002	PREVIOUS YEAR 2000 - 2001
1. Unit (K W H)	NIL	NIL
Total Amount (Rs. in Lacs)	NIL	NIL
Rate per Unit	NIL	NIL
2. Oil / LSHS / LDO / HSQ		
Quality (Kilo Litres)	NIL	NIL
Total Amount (rs. in Lacs)	NIL	NIL
Average Rate (Rs. / Lit.)	NIL	NIL

FORM : B

TECHNOLOGY ABSORPTION

Technology has been fully absorbed. It is our pleasure to report that the R & D of your Company has developed indigenous process of manufacturing new products adhering to clientele specifications.

FORM : C

Total Foreign Exchange used and earned :

A. Foreign Exchange used :		NIL
a. Capital goods	NIL	
(CIF (Rs. in Lacs)		
b. Travelling and Membership fees (Rs. in Lacs)	NIL	NIL
c. Import of Raw Material CIF Basis.	NIL	NIL
3. Foreign Exchange earned :		
a. Export on FOB Basis	NIL	NIL
(Rs. in Lacs)		

Place : Baroda

Date : 28-06-2002

By the order of the Board
for Benzo Petrochemicals limited.

D. C. GAMI
CHAIRMAN



Benzo Petrochemicals Limited

To,
The Members of
BENZO PETRO CHEMICALS LTD.

AUDITOR'S REPORT OF BENZO PETRO CHEMICALS LIMITED

We have audited the attached Balance Sheet of **BENZO PETRO CHEMICALS LTD.** as on **31st March 2002**, and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the manufacturing and other companies (Auditor's Report) order, 1988, issued by the company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and in terms of information and explanations given to us and on the basis of such checks as we considered appropriate, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report 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 account as required by Law have been kept by the company so far as appears from our examination of such books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the Books of account.
 - d) In our opinion, the Profit and Loss Account and Balance sheet dealt with by this report comply with the accounting standards