

# **BETA NAPHTHOL LIMITED**

**18TH**

**ANNUAL REPORT**

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**1999-2000**

## NOTICE

NOTICE, is hereby given of the Eighteenth Annual General Meeting of the members of BETA NAPHTHOL LIMITED will be held on Saturday 30th day of September 2000 at 10 A.M. at the Registered office of the company at 403-405, Vikram Tower Sapna-Sangeeta road, Indore 452 001 (M.P.) to transact the following businesses :-

### (A) AS ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2000 and Profit & Loss Account for the period ended on that date and the Report of the Auditor's and Director's there on.
2. To appoint a director in place of Shri S.D. Deshpande who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Shri Vikas Songare who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditor's to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board  
FOR BETA NAPHTHOL LIMITED

MANAGING DIRECTOR

REGISTERED OFFICE:  
403-405, 'VIKRAM TOWER'  
3rd Floor,  
SAPNA SANGEETA MAIN ROAD,  
INDORE - 452 001 (M.P.)

DATED 16th August 2000

**NOTES FOR MEMBER'S ATTENTION**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) Proxies in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered office of the Company, not less then 48 hours before the Meeting.
- 3) All relevant documents referred to in the accompanying Notice is open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.
- 4) Members are requested to immediately inform / forward the Company or its Registrar and Transfer Agents :-
  - a) Any change in their address as registered with the Company, mentioning the Pin Code Number for future communication.
  - b) To quote their Folio Number in all their correspondence.
  - c) Members holding more than one Share Certificate in the same name, under different folios, are requested to apply for consolidation of such Folio and send relevant Share Certificates to the Company / Registrar to make necessary endorsement.
- 5) Member desirous of obtaining any information concerning the accounts and operation of the Company, are requested to send their queries to the Company, at least seven days before the date of the meeting, so that the information required by the members may be made available at the meeting.
- 6) Members attending the meeting are requested to bring with them the Attendance slip and hand over the same at the entrance of the hall, duly signed.
- 7) The Company does not distribute copies of the Annual Report at the meeting. members may, therefore, bring their copy with them.
- 8) Members are advised to address all correspondence to Company relating to Shares held by them, directly to the Company's Registrars and Transfer Agents, at Indore .



## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting the Eighteenth Annual Report on the business and operations of the company along with the audited statements of accounts for the period ended 31st March 2000.

1. FINANCIAL RESULTS (figures in lacs) :

	1998-99 (9 Months)	1999-00 (12 Months)
Profit (loss before interest, depreciation)	(2336.55)	(838.51)
Less : Interest & Financial Charges	1111.15	1342.20
Less: Depreciation	556.42	319.49
Provision for Income Tax	NIL	NIL
Net Profit (Loss After Tax)	(4004.12)	(2500.20)
Less : Income tax For earlier Year	19.34	—
Add : Balance brought forward from the previous year	(2981.33)	(7004.79)
Less : transfer from Share Premium A/c.	--	3.98
Deficit Carried to Balance Sheet	(7004.79)	(9501.01)

2. DIVIDEND :-

In view of the sluggish market condition prevalent in the chemical, dye intermediate and engineering industry and due to the loss your directors do not recommended any dividend for the current period.

3. OPERATION :-

It is highly regretted that the operations during the current year were badly affected by the adverse market conditions and the severe liquidity crunch faced by the company. The turnover for the current year was Rs. 138.47 Lacs and net loss was of Rs. 2500.20 Lacs.

4. BIFR STATUS

A mandatory reference was made to Board for Industrial and Financial Reconstruction (BIFR) which was registered vide Registration no. 45/2000 dated 27.01.2000). The same was rejected by BIFR on 23.05.2000. Subsequently the company had filed an appeal to the Appellate Authority for Industrial & Financial Reconstruction (AAIFR) which is pending. So The process of declaring company as a sick industrial company under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 is still going on.

**5. DIRECTORS**

Shri S.D. Deshpande Director of the company retired by rotation and being offer himself for re-appointment. Shri Vikas Songare was appointed as Director during the year in the Extra Ordinary General Meeting of the members of the company. He retired by rotation and being eligible offer himself for re-appointment.

**6. AUDITORS**

M/s. Narendra Mangwani & Co.- Chartered Accountants, resigned during the year and M/s. V.N.R. VARMA ASSOCIATES, Chartered Accountants, MUMBAI were appointed as Statutory Auditors in the Extra Ordinary General Meeting of the members of the company and their term expires on the ensuing A.G.M. Members are requested to appoint auditors for the current year and fix their remuneration. M/s. V.N.R. VARMA ASSOCIATES, Chartered Accountants, MUMBAI the retiring auditors being eligible have offered themselves for re-appointment. Auditors observations/notes to the accounts are self explanatory and therefore do not call for any further comments.

**7. PARTICULARS OF EMPLOYEES :**

Disclosure required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable since your company has no such employees.

**8. FIXED DEPOSIT :**

The company has not accepted any fixed deposit from the public with in the purview of section 58-A of the Companies Act 1956 during the year under review.

**9. LISTING :**

The shares of the company are listed on Madhya Pradesh, Mumbai and Jaipur Stock Exchanges.

**10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS /OUTGO :**

The information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the report of the Board of Directors) Rules, 1988 with respect of these matters is appended hereto as ANNEXURE-A and forms part of this report.

**11. INDUSTRIAL RELATIONS :**

The Company continued to maintained good industrial relations with the work force in all its Divisions.

**12. ACKNOWLEDGMENT:**

Your directors wish to place on record their sincere thanks to the various Government authorities, Financial institutions, bankers, business constituents for the co-operation given & trust reposed by them in the company.

**BETA NAPHTHOL LIMITED**

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Your Directors also express their appreciation for the devoted services by staff and executives at all levels.

For and on behalf of the  
Board of Directors.

Sd/-  
Managing Director.

Place : INDORE  
Date : 16th August 2000

**ANNEXURE - A**

INFORMATION AS PER SECTION 217 (1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31st MARCH, 2000.

**I. CONSERVATION OF ENERGY.**

**(a) Energy conservation measures taken :**

The energy conservation measures are taken at Vapi plant. The cost of energy consumption being optimised by using Oil fired boilers instead of Coal fired boilers. The efficiency of Oil fired boilers is always more than as compare to Coal fired boilers.

**(b) Additional investment and proposals if any, being implemented for reduction of consumption of energy :**

In our Vapi Plant we have started Oil fired boilers having better efficiency. Further measures for reduction of consumption of energy will be monitored with reasonable intervals of times.

**(c) Impact of the measures of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods is evident at Vapi.**

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(d) FORM - A (See Rule-2)  
(A) Power & Fuel Consumption.

1.	Electricity		
a.	Purchase units.	150278	(513592)
	Total Amount (Rs. in Lacs)	(7.84)	(26.45)
	Rate/Unit	(5.22)	( 5.15)
b.	Own Generation		
i.	Through Diesel generator unit	NIL	(64384)
	Diesel Oil Rs.lacs	0.00	(2.91)
	Cost/Unit.	0.00	(4.52)
ii.	Through Steam turbine/Generator	Nil	(Nil)
	Units per Ltr of Fuel Oil/Gas		
	Cost/Unit.		
2.	Coal (B Grade used in Boiler )		
	Quantity (MT)	0.00	( 0.00)
	Total Cost (Rs Lacs)	0.00	(nil)
	Average Rate	0.00	(nil)
3.	Furnace oil/LDO		
	Quantity (KL)	234.00	(302)
	Total Cost Rs.lacs	18.29	(23.60)
	Average rate	Rs.7816.00	(Rs.7814)
	(kl/ltr)		
4.	Other/Internal generation		
	Quantity		
	Total Cost	Nil	( Nil)
	Average rate/unit		
(B)	Consumption per unit of production :		
	Production units	MT	MT
	Electricity	849.02	(780.84)
	Furnace Oil	650.00	(508.00)
	(Figures in bracket indicate previous year)		

II. Technology Absorption.

The Company always been in touch with latest techonology related to its products and use to adopt the same keeping in view the commercial viability of the same.

III. Foreign Exchange Earnings and outgo.

There is no Foreign exchange earnings and outgo.

For and on behalf of the Board

PLACE : INDORE

sd/-

DATED : 16th August 2000

MANAGING DIRECTOR

## BETA NAPHTHOL LIMITED

## AUDITORS REPORT

V.N.R. VARMA ASSOCIATES  
CHARTERED ACCOUNTANTS  
9, SAHANA UTTAM CO-OP.  
HOUSING SOCIETY LTD.,  
ST. ANTHONY ROAD, CHEMBUR,  
MUMBAI-400071  
(MAH)

The Members,  
M/s. Beta Naphthol Limited.,  
INDORE.

We have audited the attached Balance Sheet of M/s. Beta Naphthol Ltd., as on 31st March, 2000 and the Profit and Loss Account for the period ended on that date annexed thereto and report that :

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 we give in the Annexure hereto 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 & the belief were necessary for the purposes 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 referred to this report are in agreement with the books of account.
  - d) If our opinion the Balance-sheet and Profit & Loss Account comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with the other notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
- i) In the case of the Balance Sheet of the state of affairs of the company as at 31st March, 2000, and
- ii) In the case of the Profit and Loss Account of the loss of the Company for the period ended on that date.

For V.N.R. VARMA ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE :INDORE  
DATED :16th August,2000

V.N.R. VARMA  
Proprietor



I. ANNEXURE TO AUDITORS REPORT REFERRED TO IN PARAGRAPH I OF OUR REPORT OF EVEN DATE:

- i) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed Assets. The fixed Assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed on physical verification as compared to the records maintained by the Company.
- ii) None of the Fixed Assets have been revalued during the year.
- iii) The stock of finished goods, stores, spare parts and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- iv) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- v) The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
- vi) On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceeding year.
- vii) The Company has not accepted any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301. The company has not taken loans unsecured from the Companies under the same management as defined under Section 370 (IB) of the Companies Act, 1956.
- viii) In our opinion, the terms and conditions on which loans/advances have been granted to the companies, firms or other parties listed in register maintained under section 301 of the Companies Act, 1956 and to the companies under the same management as defined under section 370 (IB) of the Companies Act, 1956 are not prima facie prejudicial to the interest of the company.
- ix) Company has not given interest free advances in the nature of loans to any party other than employees of the company wherever stipulations are made the principal amounts are being re-paid as scheduled.
- x) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of stores, raw materials including components, plant & machinery, equipment and other assets and with regard to the sale of goods.
- xi) In our opinion and according to the information and explanation given to us the transaction of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or agreements entered in registers maintained under section 301 and aggregating during the year to Rs.50,000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods, material or services.