

NINTH ANNUAL REPORT

1997-98

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CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
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BIBCOL

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BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD.
Regd. Office: 395 Civil Lines, BULANDSHAHR (U.P.)

BOARD OF DIRECTORS

Dr. S. N. Saxena

Mr. Rahul Sareen

Dr. V. P. Kamboj

Dr. (Mrs.) Ira Ray

Dr. P. Das Gupta

Mr. G. Vankatraman

(Nominee IDBI)

Mr. Indrajit Deb

Chairman

Director

Director

Director

Director

Director

Managing Director

Registered Office:

395, Civil Lines

Bulandshahr (U.P.)

Auditors:

M/s Pramod & Co.

Chartered Accountants

Teacher's Colony

Bulandshahr (U.P.)

Bankers:

Canara Bank

Registrar & Transfer Agent:

Beetal Financial &

Computer Services (P) Ltd.

321-S, Chirag Delhi

(Near Sahid Bhagat Singh College)

New Delhi-110017

Notice

Notice is hereby given that 9th Annual General Meeting of the members of Bharat Immunologicals & Biologicals Corporation Limited (BIBCOL) will be held at 10 a.m. on 31.12.98 at 395, Civil Lines, Bulandshahr, to transact the following business:—

ORDINARY BUSINESS:—

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 1998 and Profit & Loss Account for the year ended on the date and report of Board of Directors and Auditors thereon.

SPECIAL BUSINESS:—

2. To consider and if thought fit to pass with or without modification the following resolution as a special resolution.

SPECIAL RESOLUTION:—

"Resolved as a special resolution pursuant to the provisions of Sec. 146 and other applicable provisions, if any of the Companies Act, 1956 that the Regd. Office of the company be shifted from 395, Civil Lines, Bulandshahr to village Chola, Dist. Bulandshahr w.e.f. today."

3. To consider and if thought fit to pass with or without modification the following resolution as a ordinary resolution.

ORDINARY RESOLUTION

"RESOLVED THAT the consent of the company be and is hereby accorded in terms of sec. 293(1) (a) and other applicable provisions, if any, of the companies Act, 1956 to mortgaging and/or charging by the Board of Directors of the company of all the immovable and/or movable properties of the company, wheresoever, situate both present and future and/or whole or substantially the whole of the undertaking(s) of the company and/or conferring power to enter upon and to take possession of the assets of the company in certain events, to or in favour of Canara Bank, to secure loan of Rs. 12 Crores obtained/ to be obtained from Canara Bank together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages and other moneys, if any payable by the company to Canara Bank under the agreement entered/to be entered into with the said bank/Financial Institution (s).

FURTHER RESOLVED THAT the Board of Directors of the company be and is hereby authorised to finalise with Canara Bank the documents for creating aforesaid mortgage and/or the charge and to all such acts and things as may be necessary for giving effect to the above resolution.

4. To consider and if thought fit to pass with or without modification the following resolution as a ordinary resolution.

ORDINARY RESOLUTION:—

"RESOLVED THAT in supersession of the ordinary resolution passed in the extra ordinary General Meeting of the company held on 25th Jan. 1991 and pursuant to Sec. 293(1) (d) and all other applicable provisions, if any of the Companies Act, 1956 the consent of the members of the company be and is hereby accorded to the Board of Directors of the company for borrowing from time to time, any sum or sums of monies which together with monies already borrowed by the company (apart from temporary loans obtained or to be obtained from the company's bankers) may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say, reserve not set apart for any specific purpose, provided that the maximum monies so borrowed by the Board of Directors shall not exceed the limit of Rs. 60 Crores."

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 such proxy need not be member of the company.
2. The Register of members and share transfer book of the company will remain closed from 29.12.98 to 31.12.98 (both days inclusive) for the purpose of conducting Annual General Meeting.
3. Explanatory statement pursuant to sec. 173 (2) of the companies Act, 1956 is annexed hereto.

4. Members are requested to notify change in their addresses to the Company or M/s Beetal Financial & Computer Services (P) Ltd., 321-S, Chirag Delhi (Near Sahid Bhagat Singh College) New Delhi-17

Explanatory Statement Pursuant to sec. 173 (2) of the Companies Act. 1956.

ITEM NO. 2

The Registered Office of the company at present is situated at 395, Civil Lines, Bulandshahr. In order to cut down administrative expenses and to manage the activities from one place, it has been decided to shift the Registered office of the company to village Chola, Distt. Bulandshahr, U.P.. The directors have approved the resolution for your adoption.

None of the Directors is in any way concerned or interested in the resolution.

ITEM NO. 3

It has been decided to increase C. C. limit to Rs. 400 Lacs and L. C. limit to Rs. 800 lacs. The proposed enhanced limit will take care of additional requirement of funds for imports and indigenous purchase of goods. Since the company is negotiating with Canara Bank to avail the said benefit, the company will have to create mortgages/charges in respect of the assets of the company's undertaking as securities for the above purpose. As the creation of mortgages and/or charges in favour of the bank maybe considered to be disposal of the company's properties within the meaning of sec. 293 (1) (a) of the Companies Act. 1956, this requires member's approval.

None of the directors is in any way concerned or interested in the resolution.

ITEM NO. 4

At the Extra ordinary general meeting held on 25th Jan. 1991, the shareholders had given permission to borrow money not exceeding in the aggregate of Rs. 30 crores. In view of considerable increase in the business activities of the company, the company will be in need of substantial funds. As a result the total borrowing may increase beyond Rs. 30 crores in the coming years. The consent of the shareholders is required under Sec. 293 (1) (d) of the Companies Act, 1956 for increasing the limit from Rs. 30 crores to Rs. 60 Crores to meet the capital expenditure of the company's expansion/diversification programme.

None of the directors is in any way concerned or interested in the resolution.

By order of the Board of Directors

Regd. Office:

395, Civil Lines

Bulandshahr (U.P.)

Dt. 19th Nov. 1998

(Vinay Tripathi)

Company Secretary

DIRECTORS REPORT

The Directors of the Company take pleasure in presenting 9th Annual Report of your Company for the year ended 31st March, 1998.

1. PERFORMANCE

The comparative financial results of the company are given below:

Particulars	(Rs. in lacs) Current year 1997-98	(Rs. in lacs) Previous year 1996-97
Sales	581.29	304.35
Profit before tax	(-) 1553.26	(-) 1604.97
Net Profit	(-) 1553.26	(-) 1604.97

The performance of the company during the year under review has shown substantial improvement on all front. Total production increased by approx. 181%, total sales increased by approx. 91% and thus capacity utilization also went up. During the year under review, your company has supplied oral polio vaccine worth of Rs. 5.80 cores to Min. of Health & Family welfare, Govt. of India, for use in National Immunization Programme. By this time, the company has fulfilled all the commitment against the supply order received from the Ministry of Health and Family welfare. Rate contract for the F.Y. 98-99 has been finalized with the Min. of Health & F.W. for future supply of OPV and the company has got a firm order for supply of 100 million doses of oral polio vaccine.

2. DIVIDEND

In want of surplus, directors of the company do not recommend any dividend for the year 1997-98.

3. FUTURE OUTLOOK

Due to the increasing awareness among the people about the National Immunization Programme of the Govt. and purchase preference by the Govt. to PSUs, your company is expecting a good supply order from the Ministry of Health & Family F.W. in future also. Further R&D continues to be a key focus area for your company. Besides continuously working on better demand of present product, the R&D is in process of developing some new products. The introduction of these products would certainly have a significant positive impact on the sales & profitability of your company. This arrangement would be a step towards achieving better utilization of available facility as compared to the year 1996-97.

4. DIRECTORS

No change has taken place during the year under review in the composition of Board of Directors of the company. However, Sh. Indrajit Deb has assumed the office of Managing directorship w.e.f. 15th June, 98 in place of Sh. C. A. Shivarman who has relinquished the charge of Managing Director (Inch).

5. AUDITORS

M/s Pramod & Co. Chartered Accountants, were appointed statutory auditors of the company for the year 1997-98. The Directors place on record their appreciation of the services rendered by them.

6. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNING AND OUTGO.

In compliance with provisions of clause (e) of sub-section (1) of section 217 of the Companies Act and with the companies (disclosure of particular in respect of Board of Directors) Rule 1995, the statement giving required information is annexed.

7. PARTICULARS OF EMPLOYEES

Sec. 217 (2A) of the companies Act. 1956 is not applicable to the company as no employee is drawing a salary in excess of limit specified in the relevant section.

8. LISTING OF SECURITIES

As per clause 32 of the regional stock exchange of the company, information is given below.

The securities of the company are listed as follows.

1. U.P. Stock exchange Association Ltd., Padam Tower 14/113 Civil lines Kanpur.
2. Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.
3. Delhi stock Exchange Association Ltd., west Plaza, Indira Gandhi Stadium, Indraprastha Estate, New Delhi.

Listing Fees calculated by the Company has been paid to the aforesaid stock exchanges for the year under review.

9. STATEMENT UNDER THE LISTING AGREEMENT

Statement of projected profitability as per prospectus dated 29.6.94 and actual profitability for the year 1997-98 is given below:-

Particulars	Projected for 1997-98	(Rs. in Lacs) Actual for 1997-98
Sales	1793.00	581.29
Net profit	281.00	(-) 1553.26
Earning per share (Rs.)	1.50	Negative

Place: Bulandshahr
Date: 19th Nov. 1998

For & on behalf of Boards of Directors
(Dr. S. N. Saxena)
Chairman

ANNEXURE

(A) CONSERVATION OF ENERGY:

- (i) Energy conservation measures taken None
- (ii) Additional Investment and proposals implemented, if any, being of consumption of energy for reduction None
- (iii) Impact of (i) and (ii) above and consequent impact on cost of production of goods. N.A.

FORM OF DISCLOSURE**POWER & FUEL CONSUMPTION**

1. Electricity

Particulars	Current Year 1997-98	Previous Year 1996-97
(a) Purchased		
— Unit	970561	8,41,597
— Total amount (Rs. in lacs)	80.30	106.06
— Rate/Unit (in Rs.)	8.27	12.60
(b) Own Generation through Diesel Generator		
— Unit	1,21,200	70,687
— HSD used (Rs. in lacs)	5.90	1.40
— Unit per ltr. of Diesel	2.16	4.10
— oil/cost/unit (in Rs.)	4.86	2.00

2. LIGHT DIESEL OIL (USED FOR STEAM PRODUCTION)

— Quantity (K. ltrs.)	17.90	14.50
(used in boiler)		
— Total amount (Rs. in lacs)	1.47	1.20
— Average rate (Rs./Kl. ltr.)	8223	8,000

3. CONSUMPTION (PER ONE LAKH DOSES OF ORAL POLIO VACCINE)

Source of Energy	Standard (if any)	Current year 1997-98	Previous year 1996-97
Electricity	4655 units	3521 units	6515
Light Diesel oil	520 ltrs	58 ltrs.	103.5
Coal (specify quality)	None	N.A.	N.A.
Others	None	N.A.	N.A.

(B) TECHNOLOGY ABSORPTION:-

NILL

(C) FOREIGN EXCHANGE EARNINGS

— NILL

FOREIGN EXCHANGE OUTGOING (CIF)

— Rs. 23448976

AUDITORS REPORT

To
The Members of

BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LTD.

We have audited the attached Balance Sheet of M/s Bharat Immunologicals & Biologicals Corporation Limited (BIBCOL) as at 31st March, 1998 and the Profit and Loss Account for the year ended on that date annexed thereto, and report that:

1. As required by manufacturing and other companies (Auditors Report) order, 1998 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956. We enclose in the Annexure, statement on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable to the company.
2. Further to our comments in annexure referred to paragraph 1 above, we report that:—
 - (i) 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.
 - (ii) 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.
 - (iii) The Company's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - (iv) In our opinion and to the best of our information and according to the explanation given to us the said accounts read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required, give a true and fair view:-
 - (A) In the case of Balance Sheet, of the state of affairs of the company as at 31st March 1998.
 - AND
 - (B) In the case of Profit & Loss Account, of the Loss of the company for the Year ended on that date.

For PRAMOD & COMPANY

Place : Bulandshahr
Date : 19th November, 1998

(Pramod Kumar)
Partner

ANNEXURE TO AUDITORS REPORT

(Referred to in para 1 of our report of even date)

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets. Fixed Assets have been physically verified by the management during the year and no serious discrepancy was noted.
2. None of the Fixed Assets have been revalued during the year.
3. As explained to us, stock of raw material, finished goods and stores and spares have not been physically verified by the management at reasonable intervals.
4. In our opinion and according to the information and explanation given to us the procedure of physical verification of raw material, finished goods and stores and spares followed by the management are not adequate.
5. Discrepancies noticed during audit in physical verification of finished goods and general stores have not been dealt with.
6. The valuation of stocks is fair and proper and is in accordance with the normally accepted accounting principals and is on the same basis as in the preceeding years.