

20th Annual Report 1998-99

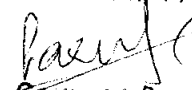
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For BOMBAY DRUGS & PHARMAS LTD.


Asst. Company Secretary

**BOMBAY DRUGS &
PHARMAS LIMITED**

BOMBAY DRUGS & PHARMAS LIMITED

BOARD OF DIRECTORS	:	Dr. G. G. Nair	<i>Chairman-Cum-Managing Director</i>
		Dr. B.L. Gupta	<i>Director</i>
		Mrs. J. G. Nair	<i>Director</i>
		Dr. (Mrs.) T.B. Gupta	<i>Director</i>
		Mr. S. C. Kachhara	<i>Director</i>
		Dr. V.D. Patil	<i>Director</i>
		Dr. R. Soman	<i>Director</i>
ASST. COMPANY SECRETARY	:	Mrs. Parul B. Shah	
AUDITORS	:	G.L.Kachhara Chartered Accountant Mumbai	
REGISTERED OFFICE AND SHARE DEPARTMENT	:	Nair-Baug, Akurli Road Kandivli (East) Mumbai 400 101	
BANKERS	:	1. Corporation Bank 2. State Bank of India	
PLANTS	:	1) Plot No. K-37, M.I.D.C. Tarapur-Boisor Dist. Thane Maharashtra 2) Plot No.26 G.I.D.C.-Panoli Dist. Bharuch Gujarat	

TWENTIETH ANNUAL GENERAL MEETING
at Club Aquaria Enterprises, Devidas Road,
Behind St. Lawrence School, LIC Colony,
Borivli (W), Mumbai - 400 092. on
Wednesday, the 29th September, 1999 at
3.00 p.m.

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BOMBAY DRUGS & PHARMAS LIMITED

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of BOMBAY DRUGS & PHARMAS LIMITED will be held on Wednesday the 29th September, 1999 at Club Aquaria Enterprises, Devidas Road, Behind St. Lawrence School, LIC Colony, Borivli (West), Mumbai 400 092 at 3.00 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Dr. (Mrs.) Torulata B. Gupta, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Dr. Brijlal C. Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to Section 314 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the re-appointment of Mr. G.L. Kachhara, Chartered Accountant, a relative (within the meaning of Section 6 of the said Act) of Mr. S.C. Kachhara, director of the Company, for holding an office or a place of profit, as Statutory Auditors of the Company, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration as may be fixed by the Board of Directors."

By Order of the Board Of Directors

DR. G. G. NAIR

Chairman-Cum-Managing Director

MUMBAI

27TH JULY, 1999.

REGISTERED OFFICE :

Nair Baug, Akurli Road,
Kandivli (East), Mumbai 400 101.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. Proxy Form should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
2. The Register of Members and Share Transfer Books of the Company will be closed from Friday, the 17th September, 1999 to Wednesday, the 29th September, 1999 both days inclusive.
3. Members are requested to intimate the change in address, if any, at the Registered Office of the Company.
4. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.

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DIRECTORS' REPORT

To,
THE MEMBERS
BOMBAY DRUGS & PHARMAS LIMITED

Your Directors hereby presents their Twentieth Annual Report alongwith the Audited Statement of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS :**(Rs. in Lacs)**

	1998-99	1997-98
Turnover & Other Income	1949.28	1754.18
Profit before Interest and Depreciation	217.17	230.35
LESS : Interest	88.21	86.94
Depreciation	33.79	28.60
Profit before Tax	95.17	114.81
LESS : Provision for Taxation	2.00	5.00
Net Profit After Tax	93.17	109.81
ADD : Surplus Brought Forward from the previous year	199.33	91.52
	292.50	201.33
Appropriation to		
1. General Reserve	2.00	2.00
2. Proposed Dividend	-	-
3. Balance carried forward to Balance Sheet	290.50	199.33

TURNOVER & PROFITS

The Total Turnover has marginally increased to Rs. 1938.68 lacs in the year 1998-99 as against Rs. 1745.73 lacs in the previous year.

The operating profit for the year under review stands at Rs. 217.17 lacs as against Rs. 230.35 lacs in the year 1997-98 due to increased cost of materials and operations.

The net profit has gone down to Rs. 93.17 lacs in the year under review, as against Rs. 109.81 lacs in the previous year due to increase in expenditure.

EXPORTS :

On the Momentum of your company becoming Export House in the year 1997-98, Export Performance of the Company has gone up to the extent of 86.46 % of its total Turnover in the year 1998-99 amounting to Rs. 1676.25 lacs as against 67.72% in the previous year amounting to Rs. 1182.26 lacs, showing a growth of 18.74% over previous year.

While there is scope for improvement in performance of exports, there are constraints regulatory compliance both inside and outside India which are being addressed and attended to.

DIVIDEND :

Due to inadequate Profits, your Directors are of the opinion that not to recommend any dividend to strengthening Company's Short/Long Term Resources, for the year under review. It will be beneficial to the Shareholders to strengthen the Company's future plans by retaining the profits for internal requirements of R & D expansion and infrastructural support for growth plans.



BOMBAY DRUGS & PHARMAS LIMITED

YEAR 2000 COMPLIANCE (Y2K)

The Company has taken reasonable steps to identify address and minimise the impact of Y2K compliant & appropriate and effective steps has already been taken in June 1999, at a marginal cost.

FUTURE PROSPECTS :

We are on a consolidation phase Compliance to increasing regulatory requirements, upgradation of Quality Control and Quality Assurance, as well as G.M.P., pursuing ISO 9001 Certification etc. which are in progress, will help us to be better equipped to meet international clients' expectations.

FIXED DEPOSIT :

Company has not invited any deposits from the Public within the meaning of Section 58 - A of the Companies Act, 1956 during the year under review.

CONSERVATION OF ENERGY AND TECHNOLOGY UPGRADATION:

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding the Conservation of energy, technology absorption & foreign exchange earnings/outgo is appended hereto as Annexure I of this Report.

PERSONNEL :

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is appended hereto as Annexure II of this report.

RESEARCH AND DEVELOPMENT :

R & D facilities are being strengthened and broadbased at Tarapur and Panoli. With a view to meet increasing international demands additional infrastructure support is being provided. We are also taking additional steps to meet increasing environmental obligations.

DIRECTORS :

Dr. Brijlal Gupta, Director of the Company, who is liable to retire by rotation, and being eligible, offer himself for re-appointment.

Dr. (Mrs.) Torulata B. Gupta, Director of the Company, who is liable to retire by rotation, and being eligible, offer herself for re-appointment.

AUDITORS :

Mr. G. L. Kachhara, Chartered Accountant, Auditors of the Company, a relative (within the meaning of Section 6 of the Companies Act, 1956) of Mr. S. C. Kachhara, Director of the Company, retires at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Your Directors recommend re-appointment of Auditors.

ACKNOWLEDGMENT :

Your Directors acknowledge the co-operation from Company's Bankers and various Government Institutions for their co-operation and continued assistance. We also appreciate our Employees at all level for the devoted services rendered by them and above all, we acknowledge with gratitude the co-operation of the shareholders for supporting the continued growth of the Company.

FOR AND ON BEHALF OF THE BOARD

Mumbai,
Dated : 27th July, 1999

DR. G.G. NAIR
Chairman-Cum-Managing Director

Regd.Office :
Nair Baug, Akurli Road,
Kandivli (East),
Mumbai - 400 101.

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ANNEXURE I TO THE DIRECTORS' REPORT

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

CONSERVATION OF ENERGY :**A. POWER AND FUEL CONSUMPTION :**

Particulars	1998-99	1997-98
1 Electricity		
a. Purchased		
Units (in kwh)	976,022	896,141
Total Amount (in Rs.)	4,202,249	3,501,676
Average Rate/Unit (Rs.)	4.31	3.91
b. Own Generation		
i Through Diesel Generators		
Units (in kwh)	31,680	74,477
Total Amount (in Rs.)	99,728	200,390
Average Rate/Unit (Rs.)	3.15	2.69
ii Through Steam Turbine/Generators	N.A.	N.A.
2 Coal (specify quality and where used)	N.A.	N.A.
3 Furnace Oil	N.A.	N.A.
4 Others		
L.D. Oil		
Quantity (Litres)	184,274	154,262
Total Cost (Rs.)	1,795,992	1,624,089
Average Rate/Unit (Rs. per litre)	9.75	10.53

B. CONSUMPTION PER KG OF PRODUCTION :

In view of varied nature of products, the compilation of accurate consumption per unit of production is not feasible

TECHNOLOGY ABSORPTION :**1 Research & Development :**

A) Specific areas in which R & D carried out by the Company R & D based process development work on Speciality Chemicals for International Companies with a view to commercialise the processes for eventual Custom Synthesis has been priority area for your Company during the year.

B) Benefits derived as a result of the above R & D :

Benefits are expected to be derived in the long term.

C) Future Plan of Action :

Your Company will continue to focus on R & D for development of new processes to offer specific Speciality Chemicals to the International Clients.

D) Expenditure on R & D :

	1998-99	(Rs. in Lacs) 1997-98
a. Capital	13.13	0.21
b. Recurring	31.46	19.40
TOTAL	44.59	19.61
c. Total R & D Expenditure as a percentage of total Turnover	2.28%	1.14%