

*Seventh Annual Report*  
1996 - 97

MD			BKC	<input checked="" type="checkbox"/>
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"/>
AGM	<input checked="" type="checkbox"/>		S.H	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>			



**CAPLIN POINT LABORATORIES LIMITED**



 **CAPLIN POINT**  
LABORATORIES LIMITED

**SEVENTH ANNUAL REPORT**

**BOARD OF DIRECTORS**

MR. P.C. PARTHEEBAN  
*Managing Director*

MR. S. KARUNAKARAN  
*Wholetime Director*

MR. T. PALANISAMY  
*Wholetime Director*

MR. S. JAYARAMAN  
*Wholetime Director*

MR. P.T. BABY THOMAS

MR. R. BALAKRISHNAN

MR. V. THIRUMALAI

MR. P. MOHAMED KASIM

MR. PADAM C BANSAL

MR. SWAMINATHAN

**COMPANY SECRETARY**

MR. S. RAMESH

**AUDITORS**

M/s. HARI AND ESWARAN  
Chartered Accountants  
17, Stonedged Towers, I Floor  
I Avenue, Ashok Nagar  
Chennai - 600 083.

**BANKERS**

BANK OF INDIA  
Industrial Finance Branch  
Chennai - 600 002.

KARNATAKA BANK LIMITED  
171, Thambu Chetty Street  
Chennai - 600 001.

**REGISTERED AND CORPORATE OFFICE**

86, Bazullah Road  
T. Nagar, Chennai - 600 017.

**FACTORY**

85/3, Suthukeny Village  
Mannadipet Commune Panchayat  
Pondicherry.

## Caplin Point Laboratories Limited

### NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the Company will be held at the South Indian Artistes' Association (Swamy Sankardas Kalai Arangam), 153, Habibullah Road, T.Nagar, Chennai - 600 017 on Monday the 30th March, 1998 at 3.30 P.M. to transact the following business :

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the period ended 30th September, 1997 and the Balance Sheet as on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in the place of Mr.P.T.Baby Thomas who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Mr.P.Mohamed Kasim who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. M/s.Hari & Eswaran, Chartered Accountants, retire at the conclusion of this Annual General Meeting and are eligible for reappointment.

By order of the Board  
for **CAPLIN POINT LABORATORIES LIMITED**

**P.C.PARTHEEBAN**  
Managing Director

Place : Chennai  
Date : 02.03.1998

#### NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member of the Company. The proxy forms in order to be valid, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
2. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day prior to the date of the Annual General Meeting.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from 24.03.98 to 30.03.98 (both days inclusive).
4. Members are requested to intimate to the Company change of addresses, if any.

*Seventh Annual Report***DIRECTORS' REPORT****To the shareholders**

The Directors have pleasure in presenting their Seventh Annual Report together with the Audited Accounts for the 18 months period ended 30th September, 1997.

**Financial Performance**

	(Rupees in lacs)	
	1996-97 18 months	1995-96 12 months
Sales and Other Income	1,244.17	985.72
Profit before Tax	23.03	39.54
Provision for Tax	—	—
Profit after Tax	23.03	39.54
Dividend	—	—
Retained Earnings	23.03	39.54

**OPERATIONS**

During this period, the sales achieved were less than the previous year on an annualised basis, owing to stiff competition from local market and due to delay in obtaining registration for the Company's products in Uganda, Brazil, Dominican Republic and Myanmar. However, with the reduction in input and other costs, the Company could better its performance.

**DIVIDEND**

Keeping in view the need to conserve resources, your Directors after careful consideration, have decided not to recommend any dividend for the 18 months period ending 30th September, 1997.

**OUTLOOK**

With the competition from multinationals, the Company has restricted its operations by focussing predominantly on the export market especially East/West Africa and South American countries. Subsequent to the close of the year, the Company has obtained registration for its products in Brazil and is likely to obtain approvals shortly in other South American countries such as Guatemala, Peru, El Salvador, Ecuador, Guyana, Honduras and Haiti. This registration would enable the Company to increase its exports to these countries as your Company will be one among the few Indian companies who have obtained registration for similar products in these countries. Your Company is also one among the few Indian companies who have been exporting to West Africa.

Your Company in order to meet the market requirements both in India and abroad have introduced several new products which has resulted in bright order prospects in the years to come. Your Company has also been planning to take up new products such as IV Fluids and other disposables to these markets. The Company has also been discussing with one of the key customer, viz. M/s. Lockett Medical Corporation for a strategic alliance with your Company so as to have long term mutual relationship. The Company has now restructured its ethical marketing and is now focussing on regions in the south and east.

**FINANCE/ACCOUNTS**

In view of the thrust on exports, the Company had approached its bankers, viz. Bank of India to sanction Foreign Currency Loans so as to liquidate high cost rupee loans. The Company had availed US\$800,000 as FCNR loan and availed of the benefit of the lower interest, the full effect of which will accrue during the current year.

## *Caplin Point Laboratories Limited*

### AUDITORS

The Auditors, M/s. Hari & Easwaran, Chartered Accountants, Chennai, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### INDUSTRIAL RELATIONS

Industrial relations with the employees of the Company continued to be stable, cordial and satisfactory during the year.

### PARTICULARS UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956

The information required in terms of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 is not applicable to this Company, since none of the employees were in receipt of remuneration higher than the limits fixed in the said Section.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is furnished along with this report.

### ACKNOWLEDGEMENT

Your Directors wish to place on record their grateful appreciation of the valuable assistance and support extended by its buyers, suppliers, bankers, corporates and other statutory authorities. Your Directors also wish to place on record their appreciation for the services rendered by the employees at all levels, which gives confidence to plan for greater achievements in the current financial year.

For and on behalf of the Board of Directors

Place : Chennai  
Date : 02.03.1998

**P.C.PARTHEEBAN**  
Managing Director

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## ANNEXURE TO DIRECTORS' REPORT

Information as required under Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

**A. CONSERVATION OF ENERGY**

- a. Energy Conservation measures taken : NIL
- b. Additional investments and proposals, if any, being implemented for reduction of steam and energy : NIL
- 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 : Not Applicable
- d. Total energy consumption and energy per unit of production are given below.

B. Details on efforts made in technology absorption are given in the Annexure.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Rupees in lacs)

	Current year	Previous year
Foreign Exchange Earnings	341.91	212.20
Foreign Exchange Outflow	140.88	64.51

**D. POWER AND FUEL CONSUMPTION**

	Current year		Previous year	
1) Electricity	Madras	Pondicherry	Madras	Pondicherry
a) Purchased Units	10,901	5,14,768	66,732	3,94,887
b) Total Amount (Rs.)	38,809	12,19,347	2,32,897	8,80,599
c) Rate Per Unit (Rs.)	3.56	2.37	3.49	2.23

	30th September, 1997 Per unit consumption of Electricity		31st March, 1996 Per unit consumption of Electricity	
2) Production per unit of electricity consumed				
a) Tablets	13,041	Nos.	13,041	Nos.
b) Capsules	9,447	Nos.	9,447	Nos.
c) Ointments	825	Tubes	825	Tubes
d) Liquids	132	Bottles	132	Bottles
e) Injections	76	Vials / Ampoules	76	Vials / Ampoules