



## 65th ANNUAL REPORT 2010-2011

**Bilcare**  
*Research*



**DIRECTORS**

MOFATRAJ P. MUNOT

Chairman

R. BALASUBRAMANIAN

Managing Director

SURESH A. GANDHI

RAKESH KHANNA

RAHUL G. DIVAN

DHAVAL K. VUSSONJI

**SECRETARY**

K.R. VISWANATHAN

**BANKERS**

BANK OF MAHARASHTRA

HDFC BANK LTD

STATE BANK OF INDIA

**AUDITORS**

M.P. CHITALE & CO.,

Chartered Accountants

**REGISTERED OFFICE**

BLOCK-D, SHIVSAGAR ESTATE,

DR. ANNIE BESANT ROAD,

WORLI, MUMBAI 400 018.

Tel.: 3047 8664, 3047 8665

Web: [www.caprihansindia.com](http://www.caprihansindia.com)

**FACTORIES**

PLOT NOS. C-13/16, ROAD NO. 16/T, WAGLE INDUSTRIAL ESTATE, THANE 400 604.

PLOT NOS. 76/77 MIDC INDUSTRIAL ESTATE, TRIMBAK ROAD, SATPUR, NASIK 422 007.

## Financial Position at a Glance

(Rupees in lakhs)

	31.12.2001	31.12.2002	31.03.2004 (15 Months)	31.03.2005	31.03.2006	31.03.2007	31.03.2008	31.03.2009	31.03.2010	31.03.2011
<b>WE OWNED</b>										
Fixed Assests	2851.05	2469.34	2156.45	2065.87	2119.61	3466.98	3360.94	3022.04	2659.35	2393.20
Investments	23.40	-	-	-	-	200.00	201.37	-	-	-
Inventories	1952.68	2276.62	2054.61	2114.29	2363.88	2761.93	2838.85	2380.61	2155.76	3071.15
Receivables	2804.65	3377.65	3488.35	3854.84	3624.64	3902.23	4118.37	4571.11	4747.07	5349.16
Liquid Funds	444.30	572.37	1738.07	1425.34	2448.02	1265.70	1023.27	2324.11	2375.67	1178.86
Advances	1048.23	1002.61	608.97	431.90	371.76	632.43	584.29	332.44	541.37	876.40
	<b>9124.31</b>	<b>9698.59</b>	<b>10046.45</b>	<b>9892.24</b>	<b>10927.91</b>	<b>12229.27</b>	<b>12127.09</b>	<b>12630.31</b>	<b>12479.22</b>	<b>12868.77</b>
<b>WE OWED</b>										
Institutional Loans	581.37	655.88	695.65	-	-	-	-	-	-	-
Other Loans	-	-	-	-	-	-	-	-	-	-
Payable & Provisions	2066.86	2190.48	2160.86	1790.51	2271.40	3059.11	2942.80	3276.75	2865.90	2908.42
Dividend & Tax	-	-	-	-	149.76	153.67	153.67	230.49	382.88	228.97
	<b>2648.23</b>	<b>2846.36</b>	<b>2856.51</b>	<b>1790.51</b>	<b>2421.16</b>	<b>3212.78</b>	<b>3096.47</b>	<b>3507.24</b>	<b>3248.78</b>	<b>3137.39</b>
<b>NET WORTH</b>										
Share Capital	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40
Reserves & Surplus	6888.97	6870.97	6690.47	6794.63	7193.35	7703.09	7717.22	7809.67	7917.04	8417.98
Others	(1726.29)	(1332.14)	(813.93)	(6.30)	-	-	-	-	-	-
	<b>6476.08</b>	<b>6852.23</b>	<b>7189.94</b>	<b>8101.73</b>	<b>8506.75</b>	<b>9016.49</b>	<b>9030.62</b>	<b>9123.07</b>	<b>9230.44</b>	<b>9731.38</b>
	<b>9124.31</b>	<b>9698.59</b>	<b>10046.45</b>	<b>9892.24</b>	<b>10927.91</b>	<b>12229.27</b>	<b>12127.09</b>	<b>12630.31</b>	<b>12479.22</b>	<b>12868.77</b>
<b>What We Earned and Spent</b>										
EARNINGS	<b>9926.41</b>	<b>10892.34</b>	<b>15154.79</b>	<b>14191.84</b>	<b>14223.01</b>	<b>14609.73</b>	<b>14642.02</b>	<b>17022.36</b>	<b>18184.97</b>	<b>20842.52</b>
<b>OUTGOINGS:</b>										
Materials	4782.21	5955.05	8333.12	8432.20	8193.98	8466.85	8910.59	10745.76	11116.48	13176.48
Excise	1124.57	1287.64	1828.68	1754.19	1777.74	1746.87	1792.23	1560.20	1141.88	1596.20
Expenses	3441.82	2856.36	3932.09	3131.62	3270.37	3274.96	3231.13	3797.51	4250.63	4583.75
Depreciation	388.60	382.54	475.17	314.69	278.14	301.67	418.27	418.95	383.73	366.18
Trf. From Revaluation Reserve	(18.00)	(18.00)	(20.50)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)
	<b>9719.20</b>	<b>10463.59</b>	<b>14548.56</b>	<b>13620.70</b>	<b>13508.23</b>	<b>13778.35</b>	<b>14340.22</b>	<b>16510.42</b>	<b>16880.72</b>	<b>19710.61</b>
<b>Profit before extraordinary items &amp; tax</b>	<b>207.21</b>	<b>428.75</b>	<b>606.23</b>	<b>571.14</b>	<b>714.78</b>	<b>831.38</b>	<b>301.80</b>	<b>511.94</b>	<b>1304.25</b>	<b>1131.91</b>
Extraordinary income/(expense)	(122.32)	(20.33)	(99.14)	361.55	(6.30)	197.03	-	-	-	-
Tax Provision	-	2.60	2.60	28.10	148.00	353.00	122.00	177.00	802.00	390.00
Net Profit	84.89	405.82	504.49	904.59	560.48	675.41	179.80	334.94	502.25	741.91
Dividend & Tax	-	-	-	-	149.76	153.67	153.67	230.49	382.88	228.97
	<b>84.89</b>	<b>405.82</b>	<b>504.49</b>	<b>904.59</b>	<b>410.72</b>	<b>521.74</b>	<b>26.13</b>	<b>104.45</b>	<b>119.37</b>	<b>512.94</b>

## Notice of Annual General Meeting

NOTICE is hereby given that the Sixty-fifth Annual General Meeting of the Shareholders of **CAPRIHANS INDIA LIMITED** will be held on **TUESDAY, the 27TH SEPTEMBER, 2011** at **4.00 p.m.** at the **RAVINDRA NATYA MANDIR, MINI THEATRE**, 3rd FLOOR, Near Siddhivinayak Temple, Sayani Road, Prabhadevi Mumbai - 400 025, to transact the following business:

1. To consider and adopt the Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Mofatraj P Munot who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. Messrs. M. P. Chitale & Company, Chartered Accountants, (Reg. No: 101851 W) the retiring Auditors are eligible for re-appointment.

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

**"RESOLVED** that Mr. Rakesh Khanna be and is hereby appointed as a Director of the Company liable to retire by rotation".

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

**"RESOLVED** that Mr. Rahul G Divan be and is hereby appointed as a Director of the Company liable to retire by rotation".

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

**"RESOLVED** that Mr. Dhaval K Vussonji be and is hereby appointed as a Director of the Company liable to retire by rotation".

By Order of the Board of Directors

K.R. VISWANATHAN  
SECRETARY

Registered Office:  
Block D, Shivsagar Estate  
Dr. Annie Besant Road  
Worli, Mumbai 400 018.

Dated: 26th May, 2011.

NOTES:

- (a) An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to Item Nos 5, 6 and 7 is annexed herewith (Annexure I). Pursuant to Clause 49 of the Listing Agreement, the relevant details in respect of Item Nos 3, 5, 6 and 7 is annexed herewith (Annexure II).
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- (c) Proxies in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (d) The Register of Members and Share Transfer Books of the Company will be closed from WEDNESDAY, 14TH SEPTEMBER, 2011 to TUESDAY, 27TH SEPTEMBER, 2011 ( both days inclusive).
- (e) Dividend on shares, if declared at the meeting will be paid to those members whose names appear on the Company's Register of Members as on 27th September, 2011.
- (f) Pursuant to Section 205A and 205C of the Companies Act, 1956, dividend which remains unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, is required to be transferred to the Investor Education and Protection Fund established by the Central Government. According to the relevant provisions of the Act, no claim shall lie against the said Fund or the Company for the amount of dividend so transferred to the said Fund. Members who have not encashed the dividend warrant(s) upto the year ended 31st March, 2010 are requested to send their claims directly to the Company or to Link Intime India Pvt Ltd, the Company's Registrars and Transfer Agents (the R & T Agents).
- (g) The equity shares of the Company are available for trading in dematerialised form (scrip less trading in electronic form) through Depository Participants. The ISIN code is INE 479A01018.
- (h) Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the R & T Agents in respect of their holdings in physical form.
- (i) Members holding shares in demat form may please note that the Company will be mandatorily printing on the dividend warrants, the Members' bank account details as furnished by their respective DPs. The Company will not entertain any direct request from such Members for deletion of / change in their bank account details. Further, instructions given by Members for shares held in physical mode would not be automatically applicable to dividend paid on shares held in demat form.
- (j) In respect of Members who have given mandate for payment of dividend through Electronic Clearing services (ECS), the dividend will be paid through ECS.
- (k) Shareholders are requested to bring their copy of the Annual Report to the meeting as the practice of handing out copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing.

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circular stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with their concerned Depository Participants. Members who hold shares in physical form are requested to send a duly signed letter to the R & T Agents quoting their folio no., and e-mail id.

## **ANNEXURE (I) TO THE NOTICE DATED 26TH MAY, 2011**

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.**

### **Item No. 5**

Mr. Rakesh Khanna was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 11th November, 2010 under Article 152 of the Articles of Association of the Company.

Pursuant to Section 260 of the Companies Act, 1956 Mr. Rakesh Khanna will hold office upto the date of the forthcoming Annual General Meeting of the Company. The Company has received a Notice in writing from a Member under Section 257 of the Companies Act, 1956 together with the required deposit signifying the intention to propose the appointment of Mr. Rakesh Khanna as a Director of the Company liable to retire by rotation.

Mr. Rakesh Khanna filed his consent with the Company to act as a Director of the Company, if appointed as required by Section 264(1) of the Companies Act, 1956. His qualifications, experience and other particulars are hereby mentioned in the Annexure II to this notice.

Mr. Rakesh Khanna is interested in the Resolution relating to his appointment. None of the other Directors of the Company is concerned or interested in this Resolution.

The Board commends this Resolution for your approval.

### **Item No. 6**

Mr. Rahul G Divan was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 11th November, 2010 under Article 152 of the Articles of Association of the Company.

Pursuant to Section 260 of the Companies Act, 1956 Mr. Rahul G Divan will hold office upto the date of the forthcoming Annual General Meeting of the Company. The Company has received a Notice in writing from a Member under Section 257 of the Companies Act, 1956 together with the required deposit signifying the intention to propose the appointment of Mr. Rahul G Divan as a Director of the Company liable to retire by rotation.

Mr. Rahul G Divan filed his consent with the Company to act as a Director of the Company, if appointed as required by Section 264(1) of the Companies Act, 1956. His qualifications, experience and other particulars are hereby mentioned in the Annexure II to this notice.

Mr. Rahul G Divan is interested in the Resolution relating to his appointment. None of the other Directors of the Company is concerned or interested in this Resolution.

The Board commends this Resolution for your approval.

### **Item No. 7**

Mr. Dhaval K Vussonji was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 11th November, 2010 under Article 152 of the Articles of Association of the Company.

Pursuant to Section 260 of the Companies Act, 1956 Mr. Dhaval K Vussonji will hold office upto the date of the forthcoming Annual General Meeting of the Company. The Company has received a Notice in writing from a Member under Section 257 of the Companies Act, 1956 together with the required deposit signifying the intention to propose the appointment of Mr. Dhaval K Vussonji as a Director of the Company liable to retire by rotation.

Mr. Dhaval K Vussonji filed his consent with the Company to act as a Director of the Company, if appointed as required by Section 264(1) of the Companies Act, 1956. His qualifications, experience and other particulars are hereby mentioned in the Annexure II to this notice.

Mr. Dhaval K Vussonji is interested in the Resolution relating to his appointment. None of the other Directors of the Company is concerned or interested in this Resolution.

The Board commends this Resolution for your approval.

## ANNEXURE (II) TO THE NOTICE DATED 26TH MAY, 2011

Details of Directors seeking appointment/re-appointment at the forth coming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Mofatraj P Munot	Mr. Rakesh Khanna	Mr. Rahul G Divan	Mr. Dhaval K Vussonji
Date of Birth	4th October, 1944	14th January, 1952	25th December, 1968	4th November, 1978
Date of first appointment	28th May, 1986	11th November, 2010	11th November, 2010	11th November, 2010
Qualifications	Higher Secondary	B.Com (Hons), FCA	Fellow ICAE & W, Fellow ICAI, Foundation (Oxford Polytechnic, U K) , B A (Eco & Comm)	B.Com, ACA, LLB
Expertise in specific functional areas and experience	Mr. Mofatraj P Munot, Chairman of the Company became a Director in 1986 and was Managing Director from 1992 to 1997. An eminent industrialist with 43 years of business experience, he is the guiding force behind the Kalpataru Group of companies engaged in real estate and construction activities, Power Transmission Towers and Pharmaceuticals.	Mr. Rakesh Khanna is a Chartered Accountant having experience of over 35 years. He has served the Industry and Profession in various capacities across various organisations of repute.	Mr. Rahul G Divan is a Chartered Accountant. He is a partner in Rahul Gautam Divan & Associates and Chandabhoy & Jassoobhoy, Ahmedabad. Mr. Divan had worked in Europe with Pricewaterhouse Coopers in Latvia and Lithuania for 3 years. Primarily worked for commercial clients both in manufacturing and service sectors. Mr. Divan possess expertise and specialisation in Auditing & Accounting, Taxation, Business and Management advisory services.	Mr. Dhaval K Vussonji is a Chartered Accountant and Advocate by profession. He is a partner of M/S. Kanga & Co, Advocate & Solicitors. Mr. Vussonji possess expertise in Public Issue, Mergers & Amalgamations, Takeover, Open offers and advisory in Real Estate projects, shipping contracts and International Arbitrations.
Directorships held in other Companies (Excluding Private Companies )	Kalpataru Ltd Rajratan Global Wire Ltd Kalpataru Power Transmission Ltd	Foundation for promotion of sports & Games Geecee Ventures Ltd GCIL Ventures Ltd Mangal Keshav Capital Ltd Mangal Keshav Distributors Ltd Mangal Keshav Holdings Ltd Mangal Keshav Insurance Brokers Ltd Mangal Keshav Securities Ltd M K Commodity Brokers Ltd Amforge Industries Ltd	Integra India Group Company Ltd	NIL
Committee positions held in other companies	<b>Audit Committee</b> Kalpataru Power Transmission Ltd - Member  <b>Shareholders/Investor Grievance Committee</b> Kalpataru Limited - Member	<b>Audit Committee</b> GCIL Ventures Ltd - Chairman Mangal Keshav Capital Ltd - Chairman Mangal Keshav Distributors Ltd - Member Mangal Keshav Holdings Ltd - Chairman Mangal Keshav Insurance Brokers Ltd - Member Mangal Keshav Securities Ltd - Chairman Amforge Industries Ltd - Member  <b>Shareholders/Investor Grievance Committee</b> GCIL Ventures Ltd - Member	NIL  <b>Shareholders/Investor Grievance Committee</b> Integra India Group Company Ltd - Member	NIL  NIL

By Order of the Board of Directors

K.R.VISWANATHAN  
Secretary

Registered Office:

Block D, Shivsagar Estate  
Dr. Annie Besant Raod,  
Worli, Mumbai - 400 018

Dated: 26th May, 2011



## Directors' Report

To THE MEMBERS

Your Directors presents their Sixty-fifth Annual Report on the business and operations of the Company together with the audited accounts for the year ended 31st March, 2011.

### 1. FINANCIAL RESULTS:

	Year ended 31st March, 2011 (Rs. in Lakhs)	Year ended 31st March, 2010
Profit before interest, depreciation and tax	1486.50	1676.39
Interest	0.41	0.41
Depreciation	354.18	371.73
Profit before tax	1131.91	1304.25
Provision for tax		
— Current Tax	371.00	475.00
— Deferred Tax	19.00	27.00
— Earlier Years	-	300.00
Profit after tax	741.91	502.25
Balance from last year	1118.57	1054.20
	1860.48	1556.45
Appropriations:		
Proposed Dividend	197.01	328.35
Tax on Dividend	31.96	54.53
Transfer to General Reserve	50.00	55.00
Carried forward to Balance Sheet	1581.51	1118.57
	1860.48	1556.45

### 2. DIVIDEND:

The Directors are pleased to recommend payment of dividend @ 15% on the Equity Share Capital (Rs. 1.50 per share of the value of Rs. 10/- each) for the year ended 31st March, 2011.

### 3. PERFORMANCE:

The Company's turnover for the year amounted to Rs. 203 crores as compared to Rs. 178 crores in the previous year. The Company earned a profit (before tax) of Rs. 1132 lakhs as compared to Rs. 1304 lakhs in the previous year.

### 4. MANAGEMENT CONTROL :

During the year, there was a change in management control of the Company. Pursuant to the "Merger Agreement" approved by the relevant Court in Germany, the Company has become part of "Bilcare Group", effective 1st September, 2010.

### 5. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed.
- appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the Profit of the Company for the year ended 31st March, 2011.

(c) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) the annual accounts have been prepared on a going concern basis.

**6. DIRECTORS:**

**Resignation of Director(s):**

During the year, Mr. Ravindra K. Kulkarni, Mr. Dhananjay N. Mungale and Mr. Nikhilesh Panchal resigned from the Board effective 28/09/2010. Mr. Satish B. Zaveri and Mr. Stephen J. Reynolds, also resigned from the Board effective 08/10/2010 and 08/11/2010 respectively. The Board at its meeting held on 11/11/2010 took note of the same and recorded its appreciation of the valuable service and guidance rendered by the above Directors during their tenure.

**Additional Director(s):**

The Board appointed Mr. Rakesh Khanna, Mr. Rahul G. Divan and Mr. Dhaval K. Vussonji as Additional Directors of the Company on 11/11/2010 and they hold office upto the date of forthcoming Annual General Meeting. Necessary resolutions seeking your approval for their appointment are set out in the Notice convening the forthcoming Annual General Meeting.

**Re-appointment of Director liable to retire by rotation:**

In terms of Section 256 of the Companies Act, 1956, Mr. Mofatraj P. Munot, Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Other information pertaining to Mr. Rakesh Khanna, Mr. Rahul G. Divan, Mr. Dhaval K. Vussonji and Mr. Mofatraj P. Munot is provided in Corporate Governance Report annexed as Annexure – II to this Report.

**7. CONSERVATION OF ENERGY:**

Details relating to the Conservation of Energy and Technology absorption and foreign exchange earnings and outgoings as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure-I forming part of the Directors' Report.

**8. INDUSTRIAL RELATIONS:**

The industrial relations remained cordial during the year.

**9. CORPORATE GOVERNANCE:**

In terms of Clause 49 of the Listing Agreement, a report on the Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance and Management Discussion and Analysis Report are given in Annexure II and III respectively, to this report.

**10. AUDITORS:**

Messrs. M.P. Chitale and Company, Chartered Accountants, retire at the forthcoming Annual General Meeting in accordance with the provisions of the Companies Act, 1956 and being eligible, offer themselves for re-appointment. Observations in the Auditors' report regarding Note Nos. 3(a) and 6 of Schedule 6 to the Accounts are non-qualificatory in nature.

**11. PARTICULARS OF EMPLOYEES:**

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011 are not being furnished as there was no employee drawing remuneration over the limits specified in the amendment rules vide GSR 289(E) dated 31.03.2011 issued by the Ministry of Corporate Affairs, New Delhi, in respect whom, the said particulars are required to be furnished.

**12. ACKNOWLEDGEMENT:**

The Board wishes to place on record its appreciation of the services rendered by the employees of the Company. The Board also wishes to thank the Bankers for the co-operation and assistance extended by them.

On behalf of the Board of Directors

Mumbai,  
Dated: 26th May, 2011

MOFATRAJ P MUNOT  
Chairman