

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		DIV	NA
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

10th

Annual Report

1996-97

Report  junction.com



Acrysil (India) Ltd

Joint Venture with
Schock & Co. GmbH, Germany

ACRYSIL (INDIA) LIMITED

DIRECTORS

Shri A.M. Parekh

Managing Director

Shri M.F. Tamboli

Shri V.C. Mehta

Shri T. Kumar

Shri J.A. Sanghrajka

Shri B.T. Doshi

Shri R.J. Shah

Shri M. Nageswara Rao

Mr. Karl Schock

Shri M.C. Bhatt

(Nominee Director of Gujarat Industrial Investment Corporation Limited and Gujarat State Financial Corporation)

Shri Kekoo Gandhi

(Alternate Director to Mr. Karl Schock)

Shri B.F. Tamboli

AUDITORS

Sanghavi & Company
Chartered Accountants

SOLICITORS

Desai & Diwanji

REGISTRAR & TRANSFER AGENT

R & D Consultants Ltd.,
610 Dalamal Tower,
211 Nariman Point,
Mumbai 400 021.

BANKERS

State Bank of Saurashtra
Bhavnagar

WORKS

Navagam, Survey No. 312,
Bhavnagar-Rajkot Highway. (13th Km.),
Post: Vartej, Bhavnagar 364 061, Gujarat (India)

REGISTERED OFFICE

Old Kamani Chambers, 2nd floor,
32, Ramjibhai Kamani Marg,
Ballard Estate,
Mumbai 400 001 (India)

ACRYSIL (INDIA) LIMITED

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of **ACRYSIL (INDIA) LIMITED** will be held at M.C. Ghia Hall, 18/20 K. Dubash Marg, Mumbai 400 001 on Wednesday, 24th September, 1997 at 4.00 P.M. to transact the following business:

1. To consider the audited Balance Sheet and Profit and Loss Account for the year ended 31st March 1997 and the Reports of the Board of Directors and Auditors of the Company.
2. To appoint a Director in place of Shri T. Kumar, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri J.A. Sanghrajka, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri R.J. Shah, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Meeting till the close of the next Annual General Meeting of the Company and to fix their remuneration.

NOTES

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THE POLL ONLY INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- B. The Register of Members and the Share Transfer Books of the Company will remain closed from 16.09.97 to 24.09.97 (both days inclusive).
- C. Members are requested to notify any change of address.
- D. Members are requested to bring with them their copy of the Annual Report to the General Meeting.

By order of the Board of Directors
For **ACRYSIL (INDIA) LIMITED**

A.M. PAREKH
Mg. Director

Mumbai, 19th August, 1997

Registered Office:
Old Kamani Chambers, 2nd floor,
32, Ramjibhai Kamani Marg,
Ballard Estate,
Mumbai 400 001 (India)

ACRYSIL (INDIA) LIMITED

DIRECTORS' REPORT

TO

THE MEMBERS OF THE COMPANY

Your Directors have pleasure in presenting the Tenth Annual Report of the Company for the period 1st April 1996 to 31st March 1997.

FINANCIAL RESULTS:

The operations of the Company are as under

	Year Ended	
	31.03.97	31.03.96
	(Rupees in lakhs)	
Gross Sales and other income	748.77	607.64
Gross Profit	80.53	69.71
Less: Depreciation and Amortisation of Expenses	45.20	42.63
Net profit for the year	35.33	27.08
Provision for MAT	5.00	-

DIVIDEND

In view of the carried forward losses your Directors have thought it fit not to recommend dividend.

OPERATIONS OF THE COMPANY**Kitchen Centre**

Your Directors are pleased to inform you that the total sales of Kitchen Centres have gone up from Rs. 350 lakhs to Rs. 477 lakhs, registering an increase of nearly 36%.

Thermoplastic Co-extruded Profiles

Sales of this product are steadily increasing every year. Sales recorded for the year are Rs. 271 lakhs as against Rs. 247 lakhs during the previous year.

Your Directors expect to do better in the next year.

DIRECTORS

Messrs T. Kumar, J.A. Sanghrajka and R.J. Shah retire by rotation and being eligible offer themselves for re-appointment.

AUDITORS

M/s. Sanghvi & Co., Chartered Accountants, Bhavnagar, auditors of the Company retire at the ensuing Annual General Meeting.

AUDITORS' REPORT

Observations made by the Auditors in their report have been explained in the Notes on the accounts which are self-explanatory.

For the purpose of valuing finished and semi-finished goods, interest being a major carrying cost of inventories, the Company has included this in valuing inventories, as was done in the previous year.

UNCLAIMED DEPOSITS

In compliance with the Reserve Bank of India (Companies Acceptance of Deposits) Rules, 1975, your Directors report that all the fixed deposits due for repayment/renewal on or before 31st March 1997 were either paid or renewed.

ACRYSIL (INDIA) LIMITED**PERSONNEL**

Relationship with the employees was cordial. Since no employee is drawing remuneration of Rs. 25,000/- or more per month, information as per Section 217(2A) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988 is not furnished.

INFORMATION IN ACCORDANCE WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:**1. Conservation of Energy**

Operations of the Company are not energy intensive. However, conservation measures have already been taken up wherever possible. Disclosure of particulars with respect to Conservation of Energy in Form 'A' is not applicable.

2. Research and Development

The Company has in-house facility for research and development on continuous basis. This has helped in improving the quality and cost reduction.

3. Technology Absorption, Adoption and Innovation

Due to the continuous Research and Developmental efforts, the Company has succeeded in indigenising some of the raw materials.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	Year Ended 31.03.97
1. Foreign Exchange Earnings (FOB)	3,34,09,399
2. Foreign Exchange outgo	
a) For import of raw material	1,27,20,522
b) For import of capital goods	3,77,948
c) For expenses	21,51,510
	<u>1,52,49,980</u>
3. Net Saving in Foreign Exchange	<u>1,81,59,419</u>

ACKNOWLEDGEMENT

Your Directors would like to express their grateful thanks for the assistance and co-operation received from the Financial Institutions and Bank during the year under review.

Your Directors also wish to place on record their appreciation for the devoted services rendered by the employees of the Company.

For & on behalf of the Board of Directors

A.M. PAREKH
Mg. Director

Mumbai, 19th August, 1997

Registered Office:

Old Kamani Chambers, 2nd floor,
32, Ramjibhai Kamani Marg,
Ballard Estate,
Mumbai 400 001 (India)

ACRYSIL (INDIA) LIMITED

AUDITORS' REPORT

To

The Members of
ACRYSIL (INDIA) LIMITED

We have audited the attached Balance Sheet of **ACRYSIL (INDIA) LIMITED** as at 31st March, 1997 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto and report that:

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the annexure referred in paragraph (1) above,
 - (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 accounts as required by the law have been kept by the Company so far as appears from our examination of books;
 - (iii) the Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of accounts;
 - (iv) the Company has included interest costs as part of overheads for the purpose of valuation of finished and semi-finished goods, as done in the previous year which is not in accordance with the practice recommended by the Institute of Chartered Accountants of India. As a result, inventories are higher by Rs. 32,49,779/- (Previous Year Rs. 41,86,095/-) and profit for the year is understated by Rs. 9,36,316/- (Previous Year overstated by Rs. 7,91,951/-).

Subject to the above, in our opinion and to the best of our information and according to the explanations given to us, the accounts subject to and read 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:

- a) in the case of BALANCE SHEET of the state of affairs of the Company as on 31st March, 1997, and
- b) in the case of PROFIT & LOSS ACCOUNT of PROFIT of the Company for the year ended on that date.

For SANGHAVI & COMPANY
Chartered Accountants

Bhavnagar
Dated: 20th August, 1997

MANOJ GANATRA
Partner

ACRYSIL (INDIA) LIMITED

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 1 of the Report of even date of the Auditors to the members of ACRYSIL (INDIA) LIMITED on the accounts for the year ended 31st March, 1997.

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, fixed assets were physically verified by the management at reasonable intervals during the year in accordance with a programme of physical verification. According to information and explanations given to us, no discrepancies were noticed on physical verification.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished and semi-finished goods, stores and spares and raw materials have been verified by the management during the year. In our opinion, the frequency of verification is reasonable.
4. The procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
5. As informed to us, the discrepancies noticed on verification between the physical stock and book records were not material and the same have been properly dealt with in the books of accounts.
6. In our opinion, the valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles except for inclusion of interest cost for the purpose of valuation which is not in accordance with the practice recommended by the Institute of Chartered Accountants of India and is on the same basis as in the preceding year.
7. The Company has taken unsecured loans from companies, firms or other parties as listed in the registers maintained under Section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company. As informed to us, there are no companies under the same management as defined under Sub-Section (1-B) of Section 370 of the Companies Act, 1956.
8. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
9. The parties to whom loans or advances in the nature of loans have been given by the Company are repaying the principal amount as stipulated and are also regular in the payment of interest, wherever applicable.
10. In our opinion and according to the information and explanations 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 and machinery, equipment and other assets and with regard to the sale of goods.
11. In our opinion and according to the information and explanations given to us, transactions of purchase of goods and sale of goods, materials and services made in pursuance to contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the period to Rs. 50,000 or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices for such goods, materials or services.
12. As explained to us, the Company has a regular procedure for the determination of unserviceable or damaged stores and raw materials and the same has been properly dealt with in the accounts.

ACRYSIL (INDIA) LIMITED

13. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58-A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
14. As explained to us, the Company's manufacturing process does not generate any significant by-products or scrap.
15. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
16. As informed to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
17. The Company has been regular in depositing Provident Fund dues during the year with the appropriate authorities except for delay in a few cases. As informed to us, the provisions of the Employees' State Insurance Act are not applicable to the Company.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Customs Duty and Excise Duty were outstanding as on 31st March, 1997 for a period of more than six months from the date they became payable except for Central Sales Tax of Rs. 4,43,349 and Gujarat Sales Tax of Rs. 73,772.
19. According to the information and explanations given to us, no personal expenses of employees or Directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.
20. The Company is not a Sick Industrial Company within the meaning of clause (o) of Sub-Section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
21. In respect of Company's trading activity, we are informed that there are no damaged stocks noticed during the year.

For SANGHAVI & COMPANY
Chartered Accountants

Bhavnagar
Dated: 20th August, 1997

MANOJ GANATRA
Partner