

# CHEMECH LABORATORIES LIMITED



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## ANNUAL REPORT

1998 - 1999



# CHEMECH LABORATORIES LIMITED

| Contents   | Page |
|--|------|
| Notice   | 2    |
| Director's Report                                  | 4    |
| Auditors' Report                                   | 7    |
| Annexure of Auditors' Report                       | 9    |
| Balance Sheet                                      | 11   |
| Profit & Loss Account                              | 12   |
| Schedules to Balance Sheet & Profit & Loss Account | 13   |
| Notes Forming Part of Accounts                     | 20   |
| Cash Flow  | 23   |
| Quantitative Reconciliation                        | 25   |
| Raw Material Consumption                           | 26   |

***As a measure of economy, copies of the Annual Reports will not be distributed at the Annual General Meeting. Share holders are requested to bring their copies to the meeting.***

***Members are requested to produce the attendance slip before entering the meeting hall***



## CHEMECH LABORATORIES LIMITED

*Regd Office :*

# 756, 65<sup>th</sup> Street, 10<sup>th</sup> Sector, K.K.Nagar West, CHENNAI - 600 078.

**BOARD OF DIRECTORS :** Mr. T. S. JAISHANKAR

*Chairman & Managing Director*

Dr. Mrs. RAJAM JAISHANKAR

*Medical Director*

Mr. K. BALASUBRAMANIAM

*Nominee, BANK OF INDIA.*

**AUDITORS**

**: Messers. R. SUBRAMANIAN & Co.**

*Chartered Accountants*

**BANKERS**

**: BANK OF INDIA**

**STATE BANK OF INDIA**

**REGISTERED OFFICE**

**: # 756, 65<sup>th</sup> Street,**

**10<sup>th</sup> Sector, K. K. Nagar West,**

**CHENNAI - 600 078. INDIA.**

**WORKS**

**: B - 59 [S] S I P C O T Industrial**

**Complex, GUMMIDIPOONDI - 601 201.**

**TAMIL NADU. INDIA.**



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| Contents   | Page |
|--|------|
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*Regd Office :*

# 756, 65<sup>th</sup> Street, 10<sup>th</sup> Sector, K.K.Nagar West, CHENNAI - 600 078.

## NOTICE

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of the members of the company will be held as scheduled below :

*Day* : THURSDAY  
*Date* : 30<sup>th</sup> December 1999  
*Time* : 3. 00 p.m.  
*Place* : # 756, 65<sup>th</sup> Street,  
 10<sup>th</sup> Sector, K. K. Nagar West,  
 CHENNAI - 600 078.

*To transact the following business :*

### AGENDA

#### ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 30<sup>th</sup> June 1999, Profit and Loss Account for the period ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Dr.Rajam Jaishankar who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint the auditors who shall hold office from the conclusion of the Annual General Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

*By order of the Board*  
*Sd./-*

T. S. JAISHANKAR  
*Managing Director*

*Place : CHENNAI*

*Date : 29.11.1999.*



## CHEMECH LABORATORIES LIMITED

### **NOTES:**

1. A member entitled to attend and vote at the meeting of the company shall be entitled to appoint any other person, whether a member or not, as his proxy to attend instead of himself. Such proxy shall not be entitled to vote except on a poll. A form of proxy is enclosed. Proxy forms in order to be effective should be lodged with the company at any time not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the company will remain closed from 16<sup>th</sup> December 1999 to 30<sup>th</sup> December 1999 (both days inclusive).
3. Member / Proxies should bring the attendance slip duly filled in for attending the meeting.
4. Members are requested to notify immediately the change of address, if any, to the company.

**Place : CHENNAI**

**Date : 29.11.1999.**

**By order of the Board**

**Sd./-**

**T. S. JAISHANKAR**

**Managing Director**



# CHEMECH LABORATORIES LIMITED

Regd Office :

# 756, 65<sup>th</sup> Street, 10<sup>th</sup> Sector, K. K. Nagar West, CHENNAI - 600 078.

## DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 15<sup>th</sup> Annual Report and Audited accounts of your Company for the 15 months period ended 30<sup>th</sup> June 1999. The operational details are given below :

| Particulars                           | 1998 - 99<br>( Rs. in Lakhs ) | 1997 - 98<br>( Rs. in Lakhs ) |
|---------------------------------------|-------------------------------|-------------------------------|
| Sales and other Income                | 924.76                        | 609.98                        |
| Profit before Interest, Depreciation  | 72.08                         | 75.33                         |
| Interest & Depreciation               | 30.42                         | 61.50                         |
| Net Profit for the year               | 41.66                         | 13.83                         |
| Add: Balance in Profit and Loss A/c   | ( 259.17 )                    | ( 255.44 )                    |
|                                       | ( 217.51 )                    | ( 244.61 )                    |
| Add: Prior period Adjustment ( Net )  | 56.20                         | (17.56)                       |
| Balance carried over to Balance Sheet | ( 161.31 )                    | ( 259.17 )                    |

## OPERATION

There is an increase in the turnover of 53.66% for 15 months period of operations against last year. However due to increase in the material cost, the profit before interest and depreciation remains at Rs 72.08 lakhs only. Your Directors are happy to inform you that your company has settled all the Term loan dues to M/s SIPCOT, TILC and IDBI during the period. Major part of unsecured loan due to others also has been paid. This has resulted in substantial saving in interest for this year. Your directors are also contemplating to introduce new products, which will be during the third quarter of the financial year of the company.

## DEPOSIT

The Company has not accepted any deposit from the public and hence not required to furnish any information in respect of the outstanding deposits under Non Banking, Non Financial Companies (Reserve Bank Directions 1966) and Companies Acceptance of Deposit Rules 1975.



## CHEMECH LABORATORIES LIMITED

### AUDITORS

Messrs. R. SUBRAMANIAN & Co., Chartered Accountants, Statutory Auditors to the Company, retire at the conclusion of the Annual General Meeting and are eligible for reappointment. They have consented to function as Auditors of the Company, if appointed. Necessary certificate to Section 224(16) of the Companies Act, 1956 has been obtained from the Auditors.

The Auditors have drawn the attention of shareholders to certain points in the report. Notes to the accounts referred by the auditors are themselves self-explanatory.

### PERSONNEL

Your Directors acknowledge and thank employees for their contribution and involvement in enhancing the productivity of the organisation.

Information to be provided under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 forms part of this report. However as per the provisions of Section 219(1)(b)(iv) of the Act, the report is sent excluding the statement containing the information and the same is available at the registered office of the company. Any member interested in obtaining a copy of the said statement may write to the company at the Registered Office address and the same will be sent by post.

### ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for co-operating received from financial institutions viz. SIPCOT LTD., TIIC LTD, IDBI, Bank Of India and State Bank of India for support during the year. Your Directors also acknowledge the support received from Drug Control Department and other Government Departments.

Place : CHENNAI

*On behalf of the Board*  
Sd./-  
T. S. JAISHANKAR  
Managing Director