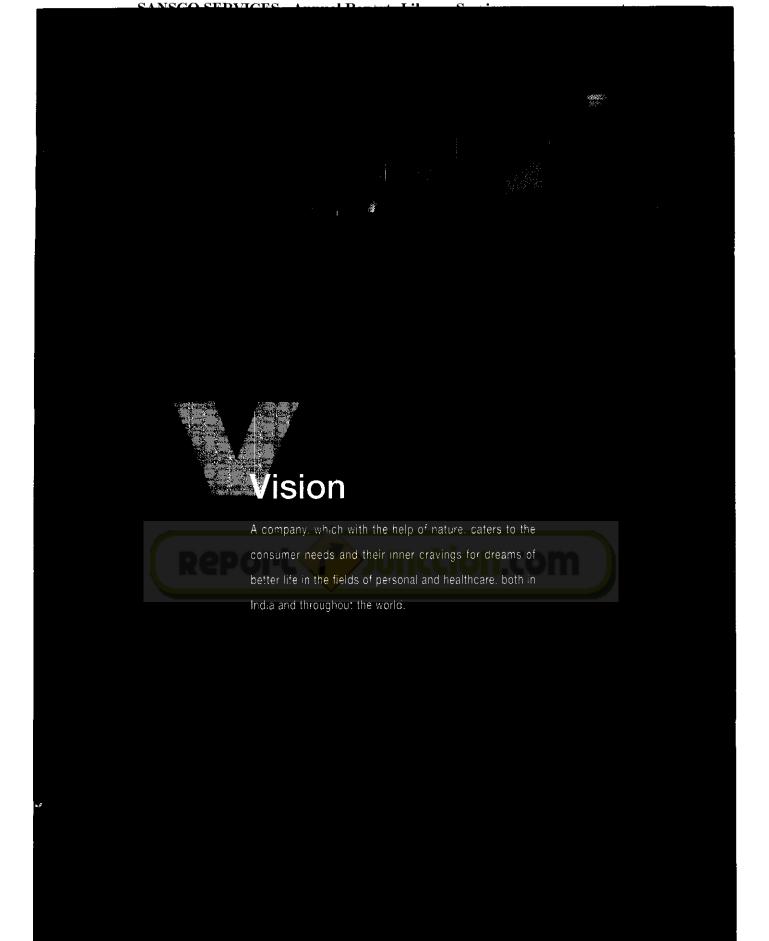




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of Subsidiary Company 44



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Mission

- To sharpen consumer insights, to understand and meet their needs with value-added differentiated products which are safe, effective and fast.
- To integrate our dealers, distributors, retailers and suppliers into the Emami family thereby strengthening their ties with the company.
- To recruit, develop and motivate the best talents in the country and provide them with an environment which is demanding and challenging.
- To strengthen and foster in the employees, a strong emotive feeling of oneness with the company.
- To uphold the principles of corporate governance and move towards decentralization to generate long term maximum returns for all stakeowners.
- To contribute wholeheartedly towards the environment and society and to emerge as a model corporate citizen.
- To bring down the political boundaries, bridge the seas and emerge as a significant player in the markets, worldwide. To globalise in real terms.

Board of Directors

Chairman

Shri R. S. Agarwal

Managing Director

Shri Sushil Kr. Goenka

Directors

Shri R. S. Goenka

Shri R. K. Goenka

Shri Suresh Kr. Goenka

Shri M.L. Jain

Shri S. N. Bihani

Dr. S.C. Sarkar

Secretary

Shri A. K. Joshi

Auditors

M/s. Saxena & Co. Chartered Accountants

Bankers

ICICI Bank Ltd. Canara Bank

Works

Calcutta

Pondicherry

Registered Office

"Stephen House" 6A. R. N. Mukherjee Road Calcutta 700 001



Shri R. S. Agarwal, Chairman with Shri R. S. Goenka, Director





For Emami, 1999-2000 was yet another year of exceptional accomplishments and growth in terms of increasing sales, profits and the launch of new products. Despite a slump in the economy and political instability prevalent in the country, Emami has recorded an impressive turnover of Rs. 147 crores this year, as against Rs. 108 crores last year. Net Profits have also increased to Rs. 17 crores as against Rs. 10 crores last year. It is a tribute to the collective teamwork, commitment and courageous spirit, of all our people. Performance, such as this, in the face of adversity, inspires my faith, that Emami is fully equipped to face the challenges of the new millennium.

PERFORMANCE

All our major products in the Health care and Personal care segments have shown a phenomenal growth. Our products are gaining consumers' acceptance and their market shares are increasing rapidly. During the year some exceptionally good products have been launched. Emami Glycerine Soap was launched with three variants. Saffron & Turmeric, Green Almond and Aloe vera. Himani Royal Bee Honey, for the first time a honey with special Agmark grade, was introduced. Himani Sona Chandi Chyawanprash, again a unique formulation with pure silver and gold, was introduced. Himani Fast Relief, an ayurvedic pain relief ointment which acts as the fastest pain extinguisher, is getting marvellous market response. Emami Spirit of Man, shaving cream and totion, with herbs and Himani Nirog Dant Powder Lal with neem and babool as the key ingredients, were relaunched with upgradation in the products. Substantial investments have been made in the advertising of our brands. A strong foundation has been built to increase both the market size and market shares of these products. The initial response to these products is very encouraging.

STRENGTHS

The global economic scenario is showing revolutionary and rapid changes. Emami Limited will endeavour in this increasingly competitive and fast-paced global economy, to adapt, learn, and respond quickly to changing conditions with its following strengths.

- Expertise of Ayurveda, Herbal and Natural Science
- Innovative products based on herbal science and modern technology
- Aggressive and innovative marketing.
- · Excellent Research & Development
- Low cost competitive advantage
- · Strong financial ratios and sound liquidity
- · Young, committed, qualified and skilled workforce

RESTRUCTURING

Restructuring and consolidation of industry is a way of life in the global economy. Increasing competitive pressures on business have brought about a new sense of urgency to this process. In keeping with these global trends we have demerged our investment undertaking to Pan Emami Cosmed Limited. This demerger will facilitate us to concentrate on the core business of the company. We have also taken over J. B. Marketing & Finance Limited, a marketing company with 51% stake, thereby bringing the marketing and sales network within the fold and control of your company. Besides, we are in the process of reorganizing and restructuring our operations and activities. Additionally, we have recruited some of the best professionals in the industry to head senior positions. This will further help to strengthen our intellectual dapital base.

FUTURE

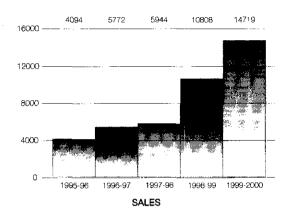
The future may unfold many challenges. We have taken appropriate steps to overcome the challenges and embark upon our aggressive growth plan. We commit to revolutionise FMCG markets, with innovative, and world class products enriched with natural herbs strategically aimed towards the growing Indian consumer market and to keep on enhancing shareholders' worth year after year.

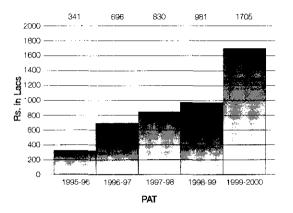
R.S. Agarwal Chairman

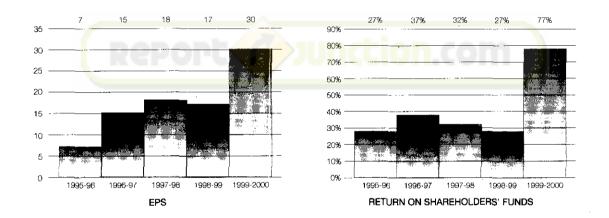


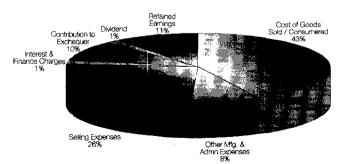
						Rs. in lacs
	PARTICULARS 19	99-2000	1998-99	1997-98	1996-97	1995-96
١.	OPERATING RESULTS:					
	Sales	14719	10808	5944	5772	4094
	Other Income	122	176	137	134	136
	TOTAL INCOME	14841	10984	6081	5906	4229
	GOST OF SALES	12733	9734	5035	4917	3560
	PBDIT	2108	1250	1046	989	669
	Interest	217	10 9	75	163	200
	Depreciation	106	150	132	130	124
	PBT	1785	991	840	696	345
	Taxation	80	10	10	_	4
	PAT	1705	981	830	696	341
	Dividend					
	- Equity	126	98	78	62	47
	- Preference	36	36	9	_	
	Retained Earnings	1543	852	743	634	294
	FINANCIAL POSITION:					
	TRANSIAL POSITION.					
	Fixed Assets (Net Block)#	1666	1291	1128	1031	1063
	Current Assets	5996	3913	2149	1847	1634
	Current Liabilities	682	643	280	352	449
	Net Current Assets	5314	3271	1869	1495	1185
	Others	214	1623	1534	249	208
	TOTAL ASSETS	7194	6184	4531	2775	2455
	0: 0 ::					
	Share Capital	500				
	- Equity	562	562	473	473	473
	- Preference	250	250	250	-	
	Reserves & Surplus*	1653	3134	2162	1419	784
	EQUITY SHAREHOLDERS' FUNDS	2215	3695	2635	1892	1257
	LOAN FUNDS	4729	2239	1646	884	1198
	CAPITAL EMPLOYED	7194	6184	4531	2775	2455
	Return on Turnover	12%	9%	14%	12%	8%
	Return on Shareholders Funds	77%	27%	32%	37%	27%
	Return on Capital Employed	24%	16%	18%	25%	14%
	EQUITY SHARE DATA :					
	Earnings per Share (Rs)	30	17	18	15	7
	Dividend per Share (Rs.)	2	2	2	1	1
	No. Of Shares (In Lacs)	56	56	47	47	47
	Book Value per Share (Rs.)	39	66	56	40	27
	# Tangible Fixed Assets					
	* Excluding Revaluation Reserve					_ 3











HOW THE MONEY WAS SPENT / RETAINED

Eminent Personalities behind Emami's Research & Development

Nature has been the guiding light of Emami. And Ayurveda its trusted platform, Every product developed, traces its origin to nature. The stalwarts of Ayurveda are the visionaries of Emami who have contributed in formulating revolutionary natural products.



Dr. G. L. Sharma Ex-Director. Indian Systems of Medicincs & Homeopathy, Dept. of Health & Family Welfare, Govt of M.P., Bhopal.



Dr. Harishankar Sharma Ex-Dean of Gujarat Ayurved University, Jamnagar



Dr Hiroe Inamura Director of Ayurvedic Research Society, Osaka, Japan.



Dr. Pawan Sharma M.D. (Ayu), Gold Medalist



Vaidya Ramprakash Swamy Ex-Director, National Institute of Ayurveda, Jaipur



Vaidya Suresh Chaturvedi Winner of "Padmashree" award from President of India; Ex-principal, Kamladevi Mittal Ayurvedic College; Chief Visiting physician, Bombay Hospital.



Dr. S. K. Mishra
Ex-Commissioner, Indian
System of Medicines &
Homeopathy, Dept. of
Health & Family Welfare,
Govt. of India, Delhi

