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# **GUJARAT INJECT (KERALA) LIMITED**

**PAMPAMPALLAM (PO), PALAKKAD-25**



Report  junction.com

**16<sup>TH</sup>  
ANNUAL REPORT  
2006 - 2007**

## BOARD OF DIRECTORS

Ms. Dwipa Y. Mankodi - Director  
Smt. Ila Y. Mankodi - Director  
Ms. Ami Y. Mankodi - Director

## FACTORY & REGISTERED OFFICE

Pampampallam, Pudusery East

Palakkad-678 625

Kerala State

## AUDITORS

M/s. Krishnamoorthy & Krishnamoorthy  
Chartered Accountants  
XXX VII/ 170, T.D. Road  
Cochin 682 011

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16<sup>th</sup> Annual Report

## Gujarat Inject (Kerala) Limited

**NOTICE :**

Notice is hereby given that the 16th Annual General Meeting of the members of Gujarat Inject (Kerala) Limited will be held on Thursday 27<sup>th</sup> September 2007 at 11.00 a.m., at the Registered Office of the company at Pampampallam, Pudukkottai, Dist. Palakkad - 678 625 to transact the following business.

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2007 and the Profit and Loss Account of the Company for the year ended on that date along with the Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Ms. Dwipa Y. Mankodi who retired by rotation and being eligible offers herself for reappointment
3. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

The proxy in order to be effective, must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Annual General Meeting

2. The register of members and the Share Transfer Books of the company will remain closed from 25<sup>th</sup> September 2007 to 27<sup>th</sup> September 2007 (both days inclusive) in terms of section 154 of the Companies Act, 1956.
3. The members are requested to :
  - a) Intimate to the Company, changes if any, in their registered address at the earliest.
  - b) Intimate about consolidation/clubbing of different folios into one, if share holdings are under multiple folios. The members must submit all share certificate for this purpose. The folios will be clubbed and then the Share Certificate shall be returned after suitable endorsement.
  - c) To bring copies of Annual Reports and the Attendance slip duly filled in with them at the Annual General Meeting.

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**16<sup>th</sup> Annual Report****Gujarat Inject (Kerala) Limited**

4. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least seven days before the 16<sup>th</sup> Annual General Meeting, so as to enable the management to keep the information ready.
5. Relevancy of question and order of speaking at the meeting will be decided by the Chairman.
6. Members are requested to avail demat facility.

By order of the Board of Directors of  
**GUJARAT INJECT (KERALA) LIMITED**

Palakkad  
16<sup>th</sup> Aug 2007

Sd/-  
Dwipa Y Mankod( Director)

**DIRECTORS REPORT :**

To

**The Members**

Your Directors have pleasure in presenting the 16<sup>th</sup> Annual Report of the company and Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2007.

| <b>FINANCIAL RESULTS :</b>                                       | <b>Current year</b>                               | <b>Previous year</b>                            |
|--|---|---|
|  | from April.2006<br>to March 2007<br>(Rs. in lacs) | from July.2005<br>to June 2006<br>(Rs. in lacs) |
| Profit/Loss before Depreciation & Tax                            | 19.27   | 18.15   |
| Less : Depreciation  | 48.04   | 36.74   |
| Less : Provision for Income tax for earlier year                 | 0.20  | 0.41  |
| (Profit /Loss) : for the year )                                  | (-)28.97  | (-)19.00  |
| Add (Less) : Profit/Loss brought forward<br>from previous year } | (-)2335.19  | (-)2316.19*                                     |
| Balance carried to Balance Sheet                                 | (-)2364.16  | (-)2335.19                                      |

**DIVIDEND :**

Since the company has not made profits during the year, your Directors do not recommend any Dividend for the financial year ended 31<sup>st</sup> March, 2007.

**REVIEW OF WORKINGS & OPERATIONS :**

The year under review with respect to the plant capacity utilization achieved at 83% of the installed capacity. The Company had added one more Bottle pack Machine supplied by M/s. Fresenius Kabi (India) Pvt. Ltd., Pune for production of I.V. Fluids in 100 ml bottles last year and achieved a capacity utilisation of 64% during this financial year.

The total production of (500ml & 100 ml) is 80 lac bottles which has enabled company to earn total income of Rs. 2,45,02,819 for a period ended 31st March 07 (Previous year Rs. 1, 97, 29, 314 for a period of 9 months) and generated operational profit of Rs. 19.27 lacs.

However, the Company has not been able to generate net profit for the period ended 31.03.2007 after providing the depreciation.

The company had submitted a restructuring scheme to IFCl in the month of May 2006. IFCl did not find it comfortable to consider a rehabilitation proposal based on long term servicing and instead suggested for reduced time frame, preferably settlement.

The company had started negotiation with M/s Fresenius-Kabi India Pvt Ltd for a revised settlement proposal as required by IFCl. In the meantime, the winding up petition pending before the Hon'ble High Court of Kerala was listed for final hearing.

The company has submitted a 5 years cash flow to the High Court based on the additional revenue generation expected from the capacity enhancement proposed by Fresenius-Kabi as per their Affidavit filed before the Hon'ble High Court a/w company's affidavit. Hon'ble High Court vide its order dated 6th March 07 has remanded the matter back to BIFR with a direction to review the proposal filed by the company.

Accordingly the company will submit a rehabilitation scheme before the BIFR authorities for approval. In the meantime, all legal proceedings shall be suspended till final disposal of the matter by BIFR.

In view of the restructuring proposal submitted to IFCl earlier as well as the cash flow submitted to Hon'ble High Court seeking complete waiver of simple Interest, Compound interest and liquidated damages accumulated upto 31.03.07. The company has decided not to provide the interest on its secured loan for the period under review.

The DRT matter is under adjudication with the appropriate Courts.

**FIXED DEPOSITS :**

In terms of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975, we report that your Company has not accepted or renewed Fixed Deposit during the year under review.

**INSURANCE :**

All the properties and insurable interest of your Company are adequately insured.

**PARTICULARS OF EMPLOYEES :**

As regards the details of remuneration paid to employees as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1988 as amended, no employee in the Company drawing remuneration above the specified limit of salary and hence not provided.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Information pursuant to 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 given in Annexure A to the Report and forms part of the same.

**DIRECTORS:**

During the year under review, Dwipa Mankodi retires by rotation and being eligible offers herself for reappointment.

**DEMATERIALISATION OF SHARES:**

As on 31.03.2007 1585750 equity shares have been dematerialized, out of which 1316648 shares have been dematerialized with NSDL and 269102 with CDSL.

**AUDIT COMMITTEE:**

During the year the audit committee meetings were conducted as per the provisions of listing agreement with stock exchange. The details about Role, power etc. of audit committee enumerated in corporate governance report forming part of this report.



**AUDITORS' REPORT :**

The notes forming part of the accounts are self-explanatory and do not call for any further clarifications under section 217(3) of the Companies Act, 1956.

**NOTE NO. 09** During the year 97-98 promoters had decided to infuse funds by way of equity capital to tied over the financial difficulties. Accordingly the authorized capital has been enhanced by Rs. 2 Crores in the EGM. But, on sudden demise of the main Promoter Sri. Y.R. Mankodi they could not able to proceed the matter further.

**Non – Provision of Interest :-** It is to be mentioned that with respect to the auditor's note on Non provision of interest for the current book balances of secured lenders, the same has been explained in the notes to accounts. To avoid duplication, the same has not been explained here..

**AUDITORS :** M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, retiring auditors hold office upto the ensuing Annual General Meeting and are eligible for reappointment. They have submitted a certificate for their eligibility for reappointment under Section 224 (1B) of the Companies Act, 1956.

**DIRECTORS' RESPONSIBILITY STATEMENT.**

Pursuant to section 217(2AA) of the Companies Act, 1956, the Directors confirm the following in respect of the audited accounts for the period ended 31st March 2007.

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state affairs of the company at the end of the financial year and the profit/loss of the company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the annual accounts on a going concern basis.

**ACKNOWLEDGEMENTS :**

Your Directors gratefully acknowledge the support and service rendered to the Company by KSIDC, Bankers, Financial Institutions, Government Authorities, Shareholders and Associates. Your Directors also gratefully acknowledge the spirit and dedication of the employees, who have in their untiring efforts to improve and strengthen the working of the Company.

By the order of the Board of Directors of

**GUJARAT INJECT (KERALA) LIMITED**

**Registered Office :**  
Pampampallam Village  
Pudussery East  
Dist. Palghat (Kerala)  
Palghat - 678 625.

Sd/-

Palakkad  
16-8-2007

Dwipa Y Mankodi  
( Director)

**ANNEXURE "A" TO THE DIRECTORS REPORT :**

Information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo required to be furnished pursuant to the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules 1988 and forming part of the Directors Report for the year ended 31<sup>st</sup> March, 2007-.

**A. CONSERVATION OF ENERGY**

- a. Energy conservation measures taken :  
Stringent standards for conservation of energy are enforced in the entire plant. Leakage of steam is minimized by making all the pipelines leak proof.
- b. Additional investment and proposals, if any, being implemented for reduction of consumption of energy
- c. Impact of the measures at (a) and (b) above for reduction of energy consumption consequent impact on the cost of Production of goods :  
Measures taken for minimizing leakage of steam have resulted into maintaining the cost of steam at minimum level
- d. Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in the Schedule thereto .  
Details of total energy consumption and energy consumption per unit of production are given in Form-A hereunder :

**B. TECHNOLOGY ABSORPTION :**

Efforts made in technology absorption as Form - B :  
The relevant information is given in Form-B hereunder.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

- 1.Exports - Nil
- 2.Foreign exchange used and earned : Nil