

## **22nd ANNUAL REPORT 1999-2000**



**GUJARAT ORGANICS LTD**

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<p style="text-align: center;">22nd  <b>ANNUAL GENERAL MEETING</b>  <b>Date : 15th July 2000</b>  <b>Time : 11.30 a.m.</b>  <b>Venue : 127/1, GIDC Industrial Estate</b>  <b>Ankleshwar - 393 002</b></p>
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**GUJARAT ORGANICS LIMITED****BOARD OF DIRECTORS**

Ashwin Dani (Chairman)  
Jalaj Dani  
Mahendra Sheth  
Kamlesh Mody  
Manish Choksi  
Padmanaban Nair  
(Nominee of Gujarat Industrial & Investment  
Corporation Limited)  
Hasit Dani (with effect from 27th May 2000)

**AUDITORS**

Deepak Shah & Co.  
Chartered Accountants

**BANKERS**

State Bank of India

**TERM LENDERS**

Gujarat Industrial and Investment  
Corporation Limited  
Gujarat State Financial Corporation

**REGISTERED OFFICE & FACTORY**

Plot No.127/1  
G.I.D.C. Industrial Estate  
Ankleshwar 393 002.  
Gujarat.

**CORPORATE OFFICE**

3 A, Barodawala Mansion  
81, Dr. Annie Besant Road  
Worli, Mumbai 400 018.

**GUJARAT ORGANICS LIMITED**  
**FIVE YEAR REVIEW**

Rs in '000 except for per share data, number of employees and ratios

RESULTS FOR THE ACCOUNTING YEAR	1999-2000	1998-99	1997-98	1996-97	1995-96
<b><u>Revenue Account</u></b>					
1 Gross Sales	70,908	48,751	55,010	43,089	35,421
2 Net Sales	62,108	41,372	46,589	38,729	31,284
3 Growth Rate %	45.45%	-11.38%	27.67%	21.65%	48.12%
4 Other Income, Trading and Processing Sales	22,301	19,964	14,473	13,808	22,094
5 Material Consumed	31,209	21,718	27,518	20,979	18,419
6 % to Net Sales (5/2*100)	50.25%	52.49%	59.07%	54.17%	58.88%
7 Overheads	36,771	38,039	25,237	24,438	13,795
8 Profit / Loss Before Int, Depreciation & Tax (PBITD)	16,427	1,579	8,307	7,120	14,418
9 Interest and Financing Charges	9,475	8,236	9,665	1,820	2,044
10 Depreciation	5,555	5,632	5,876	4,196	2,542
11 Profit/(Loss) Before Taxes	1,397	(12,289)	(7,234)	1,104	9,832
<b><u>Capital Account</u></b>					
1 Equity Share Capital	2,014	2,014	2,014	2,014	2,014
2 Preference Share Capital	20,000	20,000	20,000	14,400	14,400
3 Reserves and Surplus	1,918	2,266	11,231	18,775	18,033
4 Loan Fund	118,309	66,533	56,999	56,739	27,043
5 Fixed Assets	72,585	75,251	78,833	82,602	54,417
6 Investments	8,200	6,968	6,968	6,968	8,013
7 Net Current Assets	61,342	6,719	4,280	2,169	(1,155)
8 Profit & Loss Account (Debit Balance)	-	1,736	-	-	-
<b><u>Per Share Data</u></b>					
1 Book Value (Rs.)	20	13	66	103	100
<b><u>Other Information</u></b>					
1 Number of Employee	86	96	87	87	87

**GUJARAT ORGANICS LIMITED****NOTICE**

Notice is hereby given that the Twenty-Second ANNUAL GENERAL MEETING of the members of GUJARAT ORGANICS LIMITED will be held on Saturday, the 15th day of July 2000 at 11.30 a.m. at the Registered Office of the Company at 127/1, G.I.D.C. Industrial Estate, Ankleshwar 393 002 on to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the accounts for the year ended 31st March, 2000 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Jalaj Dani, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Kamlesh Mody, who retires by rotation and being eligible offers himself 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.

**SPECIAL BUSINESS**

5. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution** :

“RESOLVED THAT Shri Hasit Dani be and is hereby appointed as a Director, liable to retire by rotation.”

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 10th July 2000 to 15th July 2000 (both days inclusive).
3. The Company's equity shares are listed on “The Stock Exchange, Mumbai” and the listing fees for the year 1999-2000 has been paid in full.

By Order of the Board  
**For GUJARAT ORGANICS LIMITED**

**Registered Office**

Plot 127/1, Industrial Estate,  
G.I.D.C., Ankleshwar-393002.

**Ashwin Dani**  
**Chairman**

Date : 27th May, 2000

## **GUJARAT ORGANICS LIMITED**

### **EXPLANATORY STATEMENT**

(Pursuant to Section 173 (2) of the Companies Act 1956)

Item No 5 :

Shri Hasit Dani was appointed as an Additional Director of the Company, with effect from 27th May 2000. Pursuant to Article 107 of the Articles of Association of the Company, he holds office upto the date of the ensuing Annual General Meeting. A shareholder of the Company has given a notice along with a deposit of Rs 500/- under Section 257 of the Companies Act, 1956 proposing the candidature of Shri Hasit Dani as a Director at the ensuing Annual General Meeting.

Shri Hasit Dani holds a Bachelors Degree in Business Administration from University of Massachusetts and Masters Degree from University of Pittsburgh, USA and he has working experience in general administration, having worked with Asian Paints (India) Limited. Your Directors commend his appointment.

Excepting Shri Ashwin Dani, Shri Jalaj Dani & Shri Hasit Dani no other Director is interested in the Resolution.

By Order of the Board  
For GUJARAT ORGANICS LIMITED

Registered Office  
Plot 127/1, Industrial Estate,  
G.I.D.C., Ankleshwar-393002.

Ashwin Dani  
Chairman  
Date : 27th May, 2000

**GUJARAT ORGANICS LIMITED****DIRECTORS' REPORT**

The Directors hereby present their Twenty-second Annual Report on the business and operations of the Company and the Financial Accounts for the year ended 31st March 2000.

**FINANCIAL RESULTS :**

Given below are the financial result for the year ended 31st March 2000

	[Rs in Lacs]			
	1999-2000		1998-1999	
Sales ( Net of Excise)	621.06		413.72	
Conversion Charges (Net of Excise)	19.87		18.76	
Sales (Trading)	78.45		89.06	
		719.38		521.54
Profit before Depreciation, Interest & Tax		164.27		15.79
Less : Depreciation	55.55		56.32	
Interest	94.75		82.36	
Income Tax	Nil		Nil	
		150.30		138.68
Profit/(Loss) after Taxes		13.97		(122.89)
Balance brought forward from previous year	(17.36)		19.80	
Prior Period adjustments (Net)	(0.09)		(2.78)	
Adjusted with General Reserve	0.00		88.51	
		(17.45 )		105.53
Balance Carried to Balance Sheet		(3.48)		(17.36)

**OPERATIONS :**

Your Company was able to achieve a turnaround during the year. Sales, other than trading sales, for the year 1999-2000 at Rs. 640.93 Lacs was higher by 48.19 % as compared to Rs. 432.48 Lacs for the corresponding previous year. The reasons attributed to growth were mainly because of gaining market share for pharmaceutical intermediate products.

Profit during the year after interest and depreciation was Rs 13.97 Lacs.

**OUTLOOK :**

Your Company has achieved a turnover of Rs. 47.80 Lacs in the month of April 2000 as compared to Rs. 42.84 Lacs in corresponding month in the previous year. Barring unforeseen circumstances your Company expects to achieve similar growth by introducing more value added derivatives.

**FINANCE :**

Total Fixed Deposit repaid during the year 1999-2000 was Rs. 11.26 Lacs. No Fixed Deposit which was claimed, remained unpaid.

## **GUJARAT ORGANICS LIMITED**

### **RESEARCH & DEVELOPMENT AND ENERGY CONSERVATION :**

Your Company continued according the priority to safety and environment controls at all the levels of the factory. Your Company complied with the norms and specifications by sending samples of treated effluents regularly to the concerned authorities.

Details of energy conservation and research and development activities undertaken by the Company alongwith the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, are given in Annexure forming part of this Report.

### **PERSONNEL :**

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended regarding employees is given in Annexure forming part of this Report.

### **FOREIGN EXCHANGE EARNING AND OUTGO :**

The details of foreign exchange earnings and outgo have been given in the notes on accounts in Schedule N to the Profit and Loss Account and the Balance Sheet.

### **DIRECTORS :**

Shri. Jalaj Dani and Shri. Kamlesh Mody retire by rotation and being eligible, offer themselves for reappointment.

Shri Hasit Dani was appointed by the Board as an Additional Director on 27th May, 2000. He holds office upto the date of this Annual General Meeting. As required by section 257 of the Companies Act 1956, the Company has received a notice from a member proposing the candidature of Shri Hasit Dani for the office of Director of the Company.

### **AUDITORS :**

The auditors, M/s. Deepak Shah & Co. retire and offer themselves for re-appointment.

### **ACKNOWLEDGMENTS:**

Your Directors wish to record their appreciation of the continued co-operation and assistance received by the Company from Financial Institutions, Bankers and Staff.

By Order of the Board  
For **GUJARAT ORGANICS LIMITED**

**Ashwin Dani**  
Chairman

**Mumbai : 27th May, 2000**



**GUJARAT ORGANICS LIMITED****ANNEXURE TO DIRECTORS' REPORT**

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Report of the Board of Directors for the year ended 31st March 2000.

**FORM A****A. POWER AND FUEL CONSUMPTION**

	1999-2000	1998-99
<b>1. Electricity</b>		
Purchased Unit	1497900	1294248
Total amount (Rs. in Lacs)	61.99	51.88
Rate/Unit (Rs.)	4.13	4.01
<b>2. L.D.Oil</b>		
Quantity (K.Litres)	25	62
Total amount (Rs in Lacs)	2.17	5.33
Rate /Unit (Rs.)	8.68	8.59
<b>3. Diesel</b>		
Quantity (K.Litres)	26	28
Total amount (Rs in Lacs)	3.38	3.25
Rate /Unit (Rs.)	13.21	11.61
<b>4. Gas</b>		
Quantity (SM3)	400446	274903
Total amount (Rs in Lacs)	29.16	15.95
Rate /Unit (Rs.)	7.28	5.80

**B. CONSUMPTION PER UNIT OF PRODUCTION**

	Electricity		L.D.Oil		Diesel		Gas	
	99-2000 Rs.	1998-99 Rs.	99-2000 Rs.	1998-99 Rs.	99-2000 Rs.	1998-99 Rs.	99-2000 Rs.	1998-99 Rs.
Para/Ortho Hydroxy Benzoic Acid	8.27	9.69	0.25	0.99	0.60	0.61	3.89	2.98
Derivatives of Para/Ortho Hydroxy Benzoic Acid	2.38	2.84	0.07	0.29	0.17	0.18	1.12	0.87