

GUJCHEM DISTILLERS INDIA LIMITED



64th ANNUAL REPORT 2002-2003

Directors SMT. DEVIKA NAVNITLAL, Chairperson
SHRI MANISH NAVNITLAL, Managing Director
SMT. BELA SANDIP JHAVERI

Auditors SHARP & TANNAN
Chartered Accountants

Bankers DENA BANK
BANK OF BARODA

Registered Office 'CHAITANYA', F-1, Sheth C. G. Road,
Ellisbridge,
Ahmedabad - 380 006

Works Bilimora, Dist. Navsari (Gujarat)
Ankleshwar, Dist. Bharuch (Gujarat)



NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of the Company will be held on Saturday, the 29th November, 2003 at 10.15 A.M. at The Registered Office of the Company at "Chaitanya" F/1, Sheth C.G.Road, Ellisbridge, Ahmedabad-380006 to transact the following business:

ORDINARY BUSINESS

- (1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003 and Profit and Loss Account for the year ended on that date together with the Directors' Report and the Audited Reports thereon.
- (2) To appoint a Director in place of Smt. Bela Sandip Jhaveri, who retires by rotation and being eligible offers herself for reappointment.
- (3) To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

NOTES

- (1) Registrar of Companies, Gujarat, has vide its letter no. ROC/STA/2480-Exm./2003/1797 dated 10th September, 2003 granted extension of time to hold Annual General Meeting on or before 30/11/2003.
- (2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND PROXY NEED NOT BE A MEMBER.
- (3) Proxies in order to be valid must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- (4) Members are requested to notify the change, if any in their registered address.
- (5) Members are requested to bring their copy of Annual Report to the meeting.
- (6) Members desiring to seek information on Annual Accounts to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.

Regd. Office :

"Chaitanya" F/1. Sheth C. G. Road,
Ellisbridge, Ahmedabad 380 006
Date: 22nd October 2003

By order of the Board,

MANISH NAVNITLAL
Managing Director

DETAILS OF DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR 29TH NOVEMBER 2003

Name of Director	Smt. Bela Sandip Jhaveri
Date of Birth	11-05-1956
Date of Appointment	17-05-2002
Qualification	M.A.
Expertise in specific Functional area	Over all Management & Administration



DIRECTORS' REPORT

To,
The Members,
GUJCHEM DISTILLERS INDIA LIMITED

Your Directors present the Annual Report together with the audited statement of accounts for the year ended 31st March, 2003 which they trust will meet your approval.

FINANCIAL RESULTS:

The working results of the Company for the year ended 31st March 2003 are briefly indicated below:

	(Rs. in Lacs)	
	2002-2003 Rs.	2001-2002 Rs.
Profit (Loss) before interest depreciation and others:	(46.41)	(16.39)
Less : Interest	5.80	5.45
Results in a Profit (Loss) after interest	(52.21)	(21.84)
Less : Extra Ordinary item	53.09	-
	<u>0.88</u>	<u>(21.84)</u>
Income Tax of earlier years	(12.85)	-
	<u>(11.97)</u>	<u>(21.84)</u>
Loss brought forward	(519.65)	(497.81)
	<u>(531.62)</u>	<u>(519.65)</u>
Yours Directors have appropriated (to)/from		
Less: Amount transferred from General Reserve	Nil	Nil
Balance of (Loss) carried to Balance Sheets	(531.62)	(519.65)

OPERATIONS AND FUTURE PROSPECTS

The Hon'ble BIFR has sanctioned the rehabilitation scheme vide order dated 16/09/2003. Your Directors is in process of implementing the scheme.

DIVIDEND

In view of the losses of the current year, yours Directors regret their inability to recommend dividend for the year under review.

DEPOSITS

In view of heavy losses since 1993-94, the Company could not make repayment of outstanding deposits, which had already matured during the year 1993-94 to 1997-98.

AUDITORS OBSERVATIONS

The observations of the auditors in their report are explained in the note to the accounts written which was self-explanatory.

DIRECTORS:

Smt. Bela Sandip Jhaveri retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Your Directors recommended her reappointment.



EMPLOYEES

There are no employees in receipt of remuneration as mentioned in section 217(2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed:

1. That the preparation of the annual accounts for the financial year ended 31st March, 2003, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the profit or loss of the company for the year ended under review;
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 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the accounts for the financial year ended 31st March 2003 on a going concern basis.

CORPORATE GOVERNANCE

As per the rehabilitation scheme sanctioned by Hon'ble BIFR, company would restructuring its operations and in view of that company would implement corporate Governance thereafter.

AUDITORS:

The Company's auditors M/s. Sharp & Tannan, Chartered Accountants will retire at the ensuing Annual General Meeting but being eligible offer them selves for re-appointment. The members are requested to appoint M/s. Sharp & Tannan as Auditors for the current year and fix their remuneration.

The specific notes contained in Annexure 'O' forming part of accounts referred in Auditor's Report are self-explanatory and give complete information.

SECRETARIAL COMPLIANCE CERTIFICATE

As per the provisions of section 383A of the Companies Act, 1956, the Secretarial Compliance Certificate from M/s. Umesh Parikh & Associates, Practicing Company Secretary is attached herewith.

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

Since there were no manufacturing activities during the year under review, details required under this clause are not applicable.

There is no foreign exchange earnings and outgo during the year under review.

ACKNOWLEDGEMENT

We are thankful to Hon'ble BIFR, Financial Institutions, Banks and Government Agencies for their continued support to the company.

Your Directors acknowledge with thanks the overall support extended by shareholders, fixed deposit holders, employers, suppliers and customers.

FOR AND ON BEHALF OF THE BOARD

Place : Ahmedabad
Date : 22nd October, 2003

DEVIKA NAVNITLAL
Chairperson

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,
GUJCHEM DISTILLERS INDIA LIMITED.
"CHAITANYA", F-1 Sheth C. G. Road.
Ellisbridge, Ahmedabad -380 006.

We have examined the registers, records, books and papers of **GUJCHEM DISTILLERS INDIA LIMITED.**, (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2003**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in **Annexure "A"** to this certificate, as per the provisions of the Act, and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure "B"** to this certificate, with the Registrar of Companies, Gujarat.
3. The Company being a Public Limited Company has the minimum prescribed paid up share capital and comments on the maximum number of members during the year under review are not required.
4. The Board of Directors duly met **Four** times on **(1) 17th May 2002, (2) 26th August 2002, (3) 30th December 2002 and (4) 1st March 2003**, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 26th September 2002 to 30th September 2002 and necessary compliance of section 154 of the Act has not been made during the year under review.
6. The Annual General Meeting for the financial year ended on **31-03-2002** was held on **30-09-2002** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the year under review.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act, during the year under review.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act, during the year under review., in respect of transactions falling within purview of Section 297 of the Companies Act, 1956.
11. As there were no instances falling within the purview of section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, members or Central Government, during the year under review.
12. The Board of Directors has approved the issue of duplicate share certificate during the year under review.
13. During the year under review:
 - (i) The Company has delivered the share certificates on lodgement thereof for transfer and transmission and there was no allotment of securities.
 - (ii) The Company was not required to deposit any amount in separate Bank account as no dividend was declared.
 - (iii) The Company was not required to post warrants to any of its members as no dividend was declared.
 - (iv) The Company has not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of 7 years to Investor Education and Protection Fund as there were no such amounts outstanding.
 - (v) The Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and Smt. Bela Sandip Jhaveri was appointed as an additional Director during the year under review and there was no appointment of Alternate Directors and Directors, to fill casual vacancies during the year under review.

15. Since the paid-up Capital of the Company is less than prescribed share capital of Rs. 5 Crores, provision of section 269 of the Act is not applicable. However Company has already appointed Managing Director in the year 1999-2000. Company has not appointed any Whole-time Director / Manager during the year under review.
16. The Company has not appointed any sole-selling agents during the year under review.
17. a) The Company has obtained orders dated 23-09-2002 & dated 28-07-2003 from Department of Company Affairs, New Delhi, granting exemption for Cost Audit u/s. 233B of the Act, for the product - Industrial Alcohol for the financial year ending 31-03-1999, 31-03-2000 & 31-03-2001 and 31-03-2002 respectively.
The Company has also obtained order dated 10-09-2002 from Department of Company Affairs, New Delhi, granting exemption for Cost Audit under section 233B of the Companies Act, 1956 for the product chemicals for the year from 1998-99 to 2001-2002.
- b) In view of non-production, the Company has made necessary applications to the Department of Company Affairs, Cost Audit Branch, New Delhi, vide letter dated 02-07-2003 for exemption from appointing of Cost Auditor and submission of Cost Audit Report u/s 233B of the Act, in respect of products namely chemicals and Industrial Alcohol for the year 2002-2003. Applications are pending with concerned Department.
18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the year under review.
20. The Company has not bought back any shares during the year under review.
21. There was no redemption of preference shares or debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares during the year under review.
23. The Company has not invited /accepted any deposits including any unsecured loans falling within the purview of Section 58 A of the Companies Act, 1956, during the year under review.
24. The amount borrowed by the Company from directors, members, public, financial institutions, bank and others during the year under review is within the borrowing limits of the Company and that necessary resolutions as per section 293(1)(d) of the Act, have been passed in duly convened Annual General Meeting held on 20-09-1991.
25. During the year under review, the Company has not made any loans, investments or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under review.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under review.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year under review.
31. During the year under review, Company has received following show cause notices :
The Company has received show cause notice dated 01-01-2003 from The Registrar of Companies, Gujarat for non filing of Returns of Deposits.
The Company has already filed Returns of Deposit as on 31-03-2001 & 31-03-2002 on 16-01-2003 and submitted reply vide letter dated 16-01-2003 to the Registrar of Companies, Gujarat. There was no prosecution initiated against the Company and no fines or penalties or any other punishment was imposed on the Company, During the year under review.
32. The Company has not received any money as security from its employees during the year under review.
33. The company has not constituted any separate Provident Fund of employees or any class of employees as envisaged under section 418 of the Act.

**FOR UMESH PARIKH & ASSOCIATES
COMPANY SECRETARIES**

**DATE : 16-10-2003
PLACE : AHMEDABAD**

**UMESH PARIKH
Proprietor
C. P. No. : 2413**



Gujchem Distillers India Limited

Annexure "A"

Name of the Company : GUJCHEM DISTILLERS INDIA LIMITED.

Registration No. : 04 - 2480

Authorised Share Capital : Rs. 10,00,00,000

Registers as maintained by the Company :

Sr. No.	Name of Registers	Relevant Section under the Companies Act, 1956
1.	Register of Deposit.	58A
2.	Register of Transfers.	108
3.	Register of Charges.	143
4.	Register of Members.	150
5.	Copies of Annual Returns.	159
6.	Register of Contracts.	301
7.	Register of Investments.	372
8.	Register of Directors.	303
9.	Register of Directors' Shareholding.	307
10.	Minutes of the General Meetings and Meetings of Board of Directors.	193
11.	Attendance Register of Board Meetings and General Meetings.	

Annexure "B"Name of the Company : **GUJCHEM DISTILLERS INDIA LIMITED.**Registration No. : **04 - 2480**Authorised Share Capital : **Rs. 10,00,00,000**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during / for the year ended on 31st March, 2003.

Sr. No.	FORM NO./ RETURN	FILED UNDER SECTION	DESCRIPTION	DATE OF FILING	WHETHER FILED WITH IN PRESCRIBED TIME YES / NO	IF DELAY IN FILING WHETHER REQUISITE ADDITIONAL FEE PAID YES / NO
1.	21	58A	Order of Hon'ble CLB Dated 18-04-2002 in the matter of Fixed Deposit.	13-05-2002	YES	NO
2.	32	303	Smt. Bela S. Jhaveri appointed as an additional Director of the Company with effect from 17-05-2002	14-06-2002	YES	NO
3.	29	264/266	Consent to act as a Director by Smt. Bela S. Jhaveri.	14-06-2002	YES	NO
4.	21	58A	Order of Hon'ble CLB Dated 12-09-2002 in the matter of Fixed Deposit.	03-10-2002	YES	NO
5.	Sch. VI.	220	Annual Report for the year ended on 31st March 2002.	18-10-2002	YES	NO
6.	32	303	Smt. Sarla Chandwani Nominee Director IFCI ceased to be Director on 20-09-2002 and Smt. Bela S. Jhaveri appointed as a Director of the Company at AGM.	18-10-2002	YES	NO
7.	Sch.V Part-II	159	Annual Return made upto 30/09/2002.	29-11-2002	YES	NO
8.	CC	383A	Secretarial Compliance Certificate for the year ended 2001-2002	18-08-2003	NO	YES
9.	Return of Deposit	58A	Return of Deposit as on 31-03-2001 & 31-03-2002.	16-01-2003	NO	YES
10.	Return of Deposit	58A	Return of Deposit as on 31-03-2003.	03-07-2003	NO	YES

Note :- In view of non-production, the Company has made necessary applications to the Department of Company Affairs, Cost Audit Branch, New Delhi, vide letter dated 02-07-2003 for exemption from appointing of Cost Auditor and submission of Cost Audit Report u/s 233B of the Act, in respect of products namely chemicals and Industrial Alcohol for the year 2002-2003. Applications are pending with concerned Department.