

# ANNUAL REPORT. 1997-98



INDO GULF



ADITYA BIRLA GROUP  
INDO GULF FERTILISERS AND  
CHEMICALS CORPORATION LIMITED



SHRI ADITYA BIRLA

*A year ago, in homage to the legendary Shri Aditya Birla, we consolidated all our Companies under the umbrella of the Aditya Birla Group.*

*Our Corporate logo 'Aditya', the Rising Sun—universal, dynamic, all-pervading, never failing, sought to capture the spirit of our founder. Symbolizing a commitment to quality, to energetic performance, to perfection, to warmth in stakeholder relationships.*

*This common philosophy binds all of our Group Companies. Our new Company logo is an expression of our pride in belonging to the Aditya Birla Group. Importantly, it is a reaffirmation of our commitment to Shri Aditya Birla's vision, his values, his management style. For these have contributed enormously in placing our Group in the pre-eminent position we are in today.*

*A visionary, Shri Aditya Birla was the first to set up Indian multinationals overseas. Long before the word 'globalization' came into our everyday lexicon, he had foreseen the winds of change and staked the future of his business on a competitive, free-market driven economic order. At a time when India's economy was glued with bureaucracy and taped with controls, his was a rather lone voice. It was a voice that not only spoke, but also acted decisively and with conviction.*

*For him, though, globalization meant more than just geographic reach. He believed that a business could be global even whilst being based in India. Therefore, back in his home territory, he drove single-mindedly to put together the building blocks to make our Indian businesses a global force.*

*His work was anchored in a deeply-held set of values. He believed intrinsically in the potential of the individual, giving them space and boosting their confidence. He believed in delegating and in empowering competent people, long before these became*

**"We are not afraid of competition; let competition be afraid of us."**

**INDO GULF FERTILISERS AND CHEMICALS CORPORATION LIMITED**

(Registered Office : P.O. Jagdishpur Industrial Area, Distt. Sultanpur (U.P.), Pin 227 817)

**NOTICE**

Notice is hereby given that the Fourteenth Annual General Meeting of the members of Indo Gulf Fertilisers and Chemicals Corporation Limited will be held at the Registered Office of the Company at Jagdishpur Industrial Area, District Sultanpur 227 817, U.P. at 11.00 a.m. on Wednesday, the 15th day of July, 1998 to transact, with or without modifications, as may be permissible, the following business:-

**ITEM NO. 1**

To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 1998 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.

**ITEM NO. 2**

To declare a dividend on Equity Shares for the financial year ended 31st March, 1998.

**ITEM NO. 3**

To appoint a Director in place of Shri V.N. Nadkarni who retires by rotation and being eligible, offers himself for reappointment.

**ITEM NO. 4**

To appoint a Director in place of Shri M.C. Bagrodia, who retires by rotation and being eligible, offers himself for reappointment.

**ITEM NO. 5**

To appoint a Director in place of Shri D.C. Gami, who retires by rotation and being eligible, offers himself for reappointment.

**ITEM NO. 6**

To consider and, if thought fit, to pass the following Resolution, which will be proposed as a Special Resolution relating to the appointment of the Auditors of the Company:-

**"RESOLVED** that pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s. Lodha & Co., Chartered Accountants, Calcutta, the retiring Auditors of the Company, be and are hereby reappointed as Statutory 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, on such remuneration as may be decided by the Board of Directors of the Company plus travelling and out of pocket expenses as may be incurred for the performance of their duties."

**ITEM NO. 7**

To consider and, if thought fit, to pass the following Resolution, which will be proposed as a Special Resolution:-

**"RESOLVED** that pursuant to Section 94 and all other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 400,00,00,000 (Rupees Four Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs.10/- (Rupees Ten) each and 1,00,00,000 (One Crore) Cumulative/Convertible/Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each to Rs. 500,00,00,000 (Rupees Five Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs.10/- (Rupees Ten) each and 2,00,00,000 (Two Crores) Cumulative/Convertible/Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each by the creation of 1,00,00,000 (One Crore) new Cumulative/Convertible/Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each and the respective capital clauses in the Memorandum and Articles of Association of the Company do stand altered accordingly and as also provided in the succeeding resolutions as proposed at this meeting."

**ITEM NO. 8**

To consider and, if thought fit, to pass the following Resolution, which will be proposed as a Special Resolution:-

**"RESOLVED** that on the above Resolution No.7 being duly passed and becoming effective, the first paragraph of the existing Clause V of Memorandum of Association of the Company be and is hereby deleted and substituted by the following:

The Authorised Share Capital of the Company is Rs. 500,00,00,000 (Rupees Five Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs.10/- (Rupees Ten) each and 2,00,00,000 (Two Crores) Cumulative/Convertible/Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each."

**ITEM NO. 9**

To consider and, if thought fit, to pass the following Resolution, which will be proposed as a Special Resolution:-

**"RESOLVED** that on the above Resolution No.7 being duly passed and becoming effective, the existing Article 4 of the Articles of Association of the Company be and is hereby deleted and substituted by the following:

- 4 (a) The Authorised Share Capital of the Company is Rs. 500,00,00,000 (Rupees Five Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs.10/- (Rupees Ten) each and 2,00,00,000 (Two Crores) Cumulative/Convertible/Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each with power to increase and reduce the capital from time to time in accordance with the provisions for the time being in force in this behalf and with power to divide the shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.



(b) The said Redeemable Preference Shares (hereinafter called "the Preference Shares") shall have the following rights, privileges and conditions attached thereto, that is to say:

- (i) The Preference Shares which may be issued in one or more Series, unless they are converted into Equity Shares, shall confer upon the holders thereof the right out of the Profits of the Company as determined under the Articles of Association to a fixed cumulative preferential dividend at such rate per annum (subject to tax, if any) on the capital for the time being paid up thereon as may be decided by the Board at the time of each issue thereof and on winding up, to payment of such capital and all arrears of such fixed dividend accrued upto the commencement of the winding up (whether earned or declared or not) in priority to the Equity Shares, but shall not confer the right to any further participation in profits or assets.
- (ii) Any or all of the Preference Shares shall if the Board so decides be convertible into Equity Shares by converting the entire face value of Rs.100/- (Rupees One Hundred) of each of the Preference Shares into such number of Equity Shares of Rs.10/- (Rupees Ten) each at par or at a premium after the expiry of such period as may be decided by the Board at the time of each issue thereof, from the respective dates of allotment of Preference Shares and on the conversion of Preference Shares into Equity Shares, the same will automatically stand redeemed. The Equity Shares allotted on conversion of the Preference Shares as above, shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the then existing Equity Shares of the Company, but shall from the date of conversion rank for dividend pro-rata for the financial year during which the conversion takes place and when dividend, if any, is declared.
- (iii) On conversion as aforesaid of the Preference Shares into Equity Shares, the right to receive arrears of preference dividend, if any, on the Preference Shares upto the date of conversion, shall devolve on the holders of the Equity Shares on such conversion, and thereupon the holders of such Equity Shares from time to time shall be entitled to receive the arrears of preference dividend, if any, as and when the Company makes profits and is able to declare such dividend.
- (iv) On conversion of the Preference Shares into Equity Shares, the holder of such Preference Shares shall be bound to surrender to the Company, the certificate or certificates relating to the Preference Shares so converted, for exchange into the Equity Shares, to which he/she is entitled on such conversion.
- (v) Subject to the provisions of the Act, and of any statutory modifications thereof for the time being in force, the Preference Shares which have not been converted into Equity Shares shall be redeemable in the manner following:
  - (i) The Company may, at any time not later than the expiry of twenty years from the date of allotment of the preference shares apply its profits or out of any proceeds of a fresh issue of shares made for the purpose of redemption or monies of the Company which may be lawfully applied for the purpose, for the redemption of the whole or any part of the Preference Shares for the time being issued and outstanding at par, together with a sum equal to the arrears of the fixed dividend thereon (whether earned or declared or not) upto the date of redemption.
  - (ii) The Company shall give to the holders of the shares due for redemption notice in writing of the Company's intention to redeem the same and fixing a time (not less than three months ahead) and place for redemption and surrender of the shares to be redeemed.
  - (iii) At the time and place so fixed, each such holder shall be bound to surrender to the Company the certificate or certificates for the shares to be redeemed, and the Company shall pay to him the amount payable in respect of such redemption.
  - (iv) The Company shall be at liberty from time to time to create and issue further Preference Shares in all respects pari-passu with the said Redeemable/Cumulative/Convertible Preference Shares.

#### ITEM NO. 10

To consider and, if thought fit, to pass the following Resolution, which will be proposed as a Special Resolution:-

**"RESOLVED THAT** on the Resolution mentioned in item7 being duly passed and becoming effective and in accordance with the provisions of Section 80, 81, 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, and the enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and the prevailing statutory guidelines in that behalf and subject to all necessary consents, permissions and approvals and/or sanctions from all appropriate authorities, including the Securities and Exchange Board of India, Government of India, Reserve Bank of India, the Stock Exchanges and all other bodies and institutions as may be relevant (hereinafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereinafter referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of Directors, for the time being, duly constituted by the Board to exercise the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to issue, offer and allot from time to time in one or more offerings, whether through public issue, rights issue, private placement, preferential allotment or otherwise, to the Financial Institutions, Mutual Funds, Banks, Insurance Companies, Bodies Corporate, Foreign Institutional Investors (FIIs), Non Resident Indians (including Overseas Corporate Bodies (OCBs) substantially owned by NRIs), Indian Residents, and/or to any other entities (whether or not those entities include members of the Company) or any combination thereof, as the Board may in its sole discretion decide, Equity/Preference Shares, whether Cumulative/Redeemable/Convertible, Global Depository Receipts (GDRs), Debentures and/or such other financial instruments, with or without warrants whether convertible into Equity Shares at the option of the Company and/or the holders of the instrument and/or instruments linked to Equity Shares or not, as approved by the Appropriate Authorities (such Equity Shares, Preference Shares, GDRs, Debentures or such other financial instruments, are hereinafter referred to as "Securities") in Indian Rupees and/or Foreign Currency in one or more offerings/tranches, from time to time, as may be determined by the Board, at such price or prices either at par or at a premium and on such terms as to dividend, rate of interest, terms and period of redemption, conversion and otherwise, terms for cumulation of


dividend and all such other terms as are provided in the offerings of a like nature, as may be permitted in accordance with the prevailing rules/guidelines in this behalf and as determined by the Board in conformity with the relevant provisions of the Law and the Articles of Association of the Company, wherever applicable, and as the Board may deem advisable in the prevailing market situation, and of the aggregate value not exceeding Rs. 200 Crores (Rupees Two Hundred Crores) provided that the increase in the Equity/Preference Capital as aforesaid, together with the existing paid-up Equity/Preference Capital, outstanding for the time being shall at any point be within the limits of Authorised Equity/Preference Capital of the Company.

**RESOLVED FURTHER THAT** the Company and/or an agency or body authorised by the Board may issue Depository Receipts representing the underlying Equity Shares in the capital of the Company or such other Securities in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and providing for tradeability or free transferability thereof as per international practices and regulations and under the forms and practices prevalent in international markets.

**RESOLVED FURTHER THAT** such of these Securities to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in the best interest of the Company.

**RESOLVED FURTHER THAT** for the purpose aforesaid, the Board be and is hereby specifically authorised to take all such steps and actions and to give such directions, as it may in its absolute discretion deem necessary or desirable for such purposes and also to settle any question or difficulty that may arise with regard to the proposed issue/offer and allotment of Securities as aforesaid, including but without limitation the following, viz. : (a) creation of such mortgages/charges under Section 293(1) (a) of the said Act in respect of the aforesaid Securities either on pari passu basis or otherwise (b) to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the Offering, all such shares ranking pari passu with the existing Equity Shares of the Company in all respects, excepting the right to dividend as may be decided by the Board and/or in accordance with the terms of the issue, the Articles of Association of the Company and/or the offering document, and to decide and determine and/or modify the detailed terms and conditions of the issue/re-issue, offer, utilisation of the issue proceeds, increase or decrease in the aggregate value of the Issue, the manner and mode of redemption/conversion/listing of the securities on such recognised Indian/International Stock Exchanges as they may deem fit, preparing and finalising the Offer Document(s) and/or other documents as may be required in accordance with the applicable rules/guidelines in this behalf and to do all further acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution including without limitation, the entering of underwriting, marketing, depository and custodian/trustees/agents and similar agreements/arrangements and to remunerate the Managers, Underwriters and all other agencies by way of commission, brokerage, fees or the like, as may be involved or concerned in such offerings of Securities without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board



(DEVENDRA BHANDARI)  
COMPANY SECRETARY

Place : Jagdishpur Indl. Area,  
Date : 23rd May, 1998

#### NOTES

- (a) **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.**
- (b) The instrument appointing a proxy should however be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
- (c) An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item Nos. 6 to 10 of the Notice set out above, is annexed hereto.
- (d) The Register of Members and the Share Transfer Books will remain closed from Wednesday, the 1st July, 1998 to Wednesday, the 15th July, 1998 (both days inclusive).
- (e) The dividend on Equity Shares, upon its declaration at this meeting will be paid to those shareholders whose names appear on the Register of Members as on 15th July, 1998. In case of shares held in dematerialised form, the dividend thereon, upon its declaration shall be paid to their beneficial owners.
- (f) Members are requested to notify immediately change in their address and pin code number, if any, to the Company at its Registered Office by quoting their folio numbers.
- (g) Members are requested to claim from the Company their unclaimed dividends, if any, for the financial years 1994-95, 1995-96 and 1996-97 at the earliest, as the unclaimed dividends will have to be transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. Those members who have not encashed their dividend warrants for the aforesaid financial years may approach the Secretarial Department at the Registered Office of the Company for revalidating the dividend warrants or for obtaining duplicate dividend warrants.
- (h) In terms of the provisions of Section 205A of the Companies Act, 1956, the unclaimed Equity Dividend for the financial year ended 31st March, 1994 amounting to Rs.12,35,315/- has been transferred to the General Revenue Account of the Central Government. Those Shareholders who have so far not claimed or collected their dividend for the said financial year, may claim the above Dividend from the Registrar of Companies, U.P., Kanpur by submitting an application in the prescribed form.
- (i) Members are requested to intimate their Bank Account details, if not already sent, so that the same can be printed on the dividend warrant, to avoid the incidence of fraudulent encashment of the dividend warrant.

**ANNEXURE TO NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.****ITEM NO. 6**

Though not strictly necessary, this Explanatory Statement is being given in respect of the Resolution mentioned in this item of the accompanying Notice, since the resolution for the reappointment of the retiring Auditors will be proposed as a Special Resolution in view of the provisions contained in Section 224A of the Companies Act, 1956. The Financial Institutions, Banks and Insurance Companies at present hold and are likely to continue to hold at the date of the ensuing Annual General Meeting, more than 25% of the subscribed share capital of the Company which necessitates the passing of a Special Resolution. As required by the above section, the Auditors have forwarded a Certificate to the Company, stating that the reappointment, if made, will be within the limit specified in sub-section (1B) of Section 224 of the Companies Act, 1956.

The resolution as mentioned in this item of the notice is accordingly commended for your acceptance.

**ITEM NOS. 7 to 9**

As the issue of the securities under contemplation as per Item No.10 of this Notice, along with the existing Subscribed Share Capital of the Company may exceed the existing Authorised Share Capital of the Company of Rs. 400 Crores presently divided in the manner set out in the resolution, it is thought desirable to increase the Authorised Share Capital to Rs. 500,00,00,000 (Rupees Five Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs.10/- (Rupees Ten) each and 2,00,00,000 (Two Crores) Cumulative/Convertible/Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each by the creation of 1,00,00,000 (One Crore) new Cumulative/Convertible/Redeemable Preference Shares of Rs.100/- each as mentioned in Item No.7 of the accompanying notice. Accordingly, the same is commended for the approval of the members. The resolution altering the respective capital clauses in the Memorandum and Articles of Association as per Item Nos. 8 and 9 are consequential and self explanatory and are also commended for acceptance. Opportunity is also being taken to amend the relevant Articles of Association of the Company to expand and set out in detail the rights inter alia as to conversion attached to the Preference Shares.

None of the Directors of the Company is interested in the above Resolutions.

A copy of the existing Memorandum and Articles of Association of the Company is available for inspection by any Member at the Registered Office of the Company between the hours of 10.00 a.m. to 12.30 p.m. on any working day except Saturday upto the date of the ensuing Annual General Meeting.

**ITEM NO. 10**

As the shareholders are aware, as part of its diversification programme, your Company is setting up a Custom Copper Smelter project at Dahej in Gujarat. The project, involving a capital outlay of about Rs.1,850 Crores, has a capacity of 100,000 TPA of Copper Cathodes, with a built-in provision for expansion upto 150,000 TPA.

The Continuous Cast Copper Rod (CCR) Plant, Refinery and Anode Casting Plant have already been commissioned. Considerable progress has also been achieved in the commissioning of the Smelter which has started trial production during May '98. Work on the Jetty, which can handle upto 30,000 DWT, is at an advanced stage and is expected to be operational in the last quarter of 1998.

With a view to part finance the above project, your Company proposes to raise funds, by way of Equity/Preference Shares, GDRs, Fully/Partly Convertible Debentures and/or such other securities with or without warrant(s) by way of an offering(s) denominated in Indian and/or Foreign Currency (ies) including to Foreign Investors outside India and on such terms and conditions commensurate with and as are conducive to the economic conditions prevalent at the time of such issue and in such manner as the Board may in its absolute discretion and in the best interest of the Company deem fit, subject always to the compliance of the applicable rules and regulations for the time being in force and the guidelines issued by SEBI, the RBI and other appropriate authorities.

Section 81 of the Companies Act, 1956, provides, inter alia, that when it is proposed to increase the Subscribed Capital of a Company by allotment of further shares, such further shares should be offered to the existing shareholders of the Company in the manner laid down in Section 81, unless the shareholders in General Meeting decide otherwise.

The Listing Agreements with the Stock Exchanges also provide inter alia, that the Company, in the first instance, should offer all shares and debentures to be issued by the Company for subscription, pro rata, to the Equity Shareholders unless the shareholders decide otherwise in a General Meeting.

As the proposed issue may be made to investors, whether or not holders of Equity Shares of the Company as explained in the Resolution, consent of the shareholders is being sought pursuant to the provisions of Sections 81, 81(1-A) and all other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the listing agreements executed by the Company with the various Stock Exchanges in India where the Company's securities are listed.

Your Directors, accordingly recommend the resolution mentioned in Item 10 of the notice for the approval of the shareholders.

As any other shareholder of the Company, the Directors who hold the shares of the Company may be deemed to be interested in the said resolution to the extent of their respective shareholding in the Company and to the extent that these shares/securities may be issued to them.

By Order of the Board



(DEVENDRA BHANDARI)  
COMPANY SECRETARY

Place : Jagdishpur Indl. Area,  
Date : 23rd May, 1998



MD	✓		BKC	NA
CS	✓		DPY	NA
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	NA	✓	SHI	✓
YE	✓	✓		

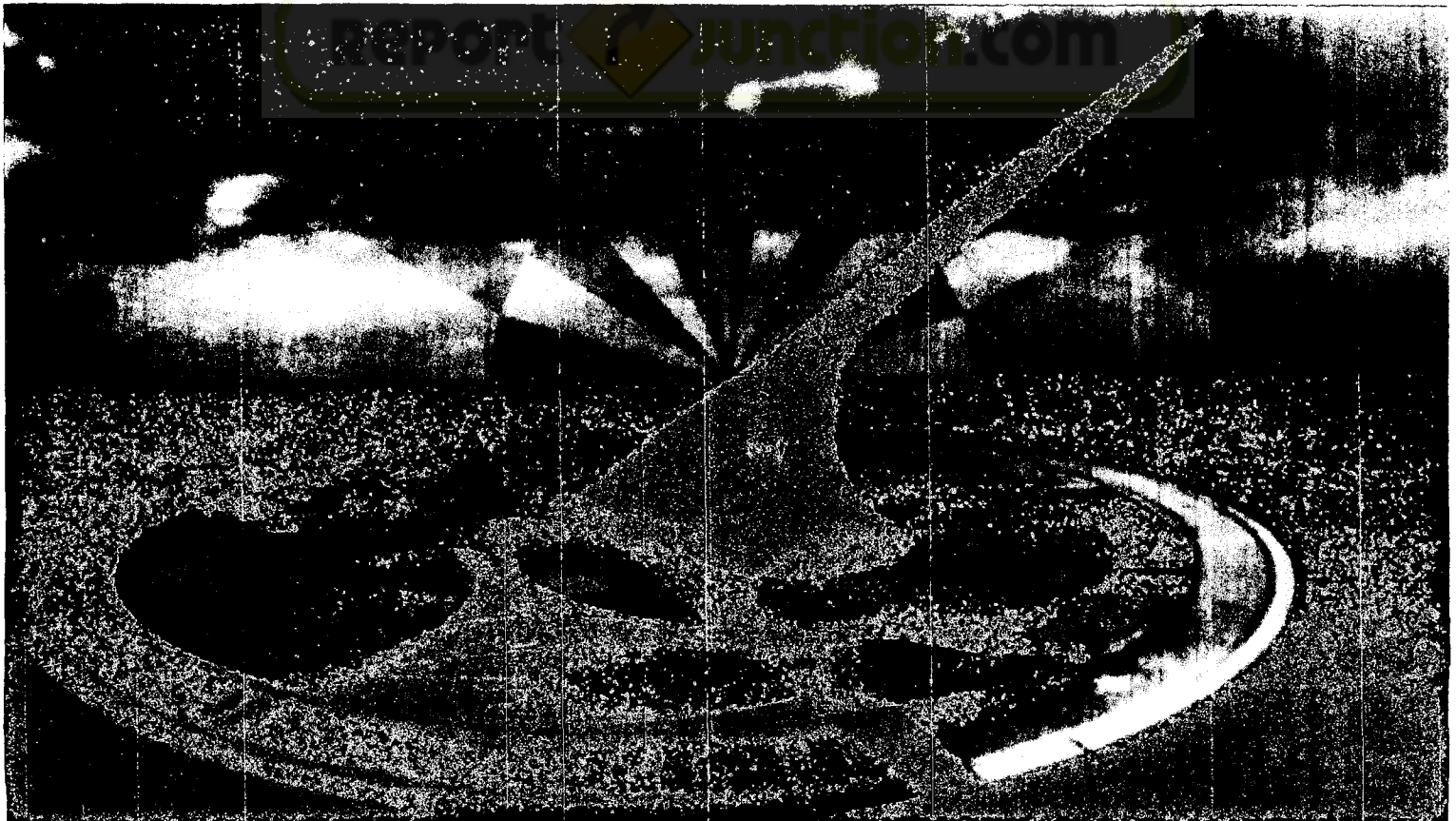
*management buzz words.*

*A tremendous lateral thinker, he could put things in the right context, distil and retain only that which could add value.*

*Shri Aditya Birla was a man with tremendous foresight. A man who could take a visionary view of the future, understand how a company would need to adapt itself to the changing scenario. A man with the courage to act upon his convictions. A man with a mind that was years ahead of others.*

*These are the qualities that all of us at the Aditya Birla Group have imbibed from him. They form the basis of our business. By thinking forward and being proactive, the Aditya Birla Group stays 'mind years ahead' of the competition.*

**"Let us be partners in the prosperity that India offers, in the globalisation of Indian industry."**



*The coming new millennium will bring with it, new challenges and expectations. At the Aditya Birla Group, we already have our sights firmly focussed on the future. We aim to capitalise on our strengths to remain at the core of the core sector in India and expand our global presence.*

*With a commitment to enhance long-term shareholder value:*

- *We will retain and build on our leadership in our existing core businesses.*
- *With our customers at the top of our minds, we anticipate their needs in order to create new markets.*
- *We continuously upgrade the quality of our products and services, by using the latest technological advances, to create growth through partnership with our customers.*
- *We constantly hone our skills in continuous improvement, cost reduction and knowledge integration.*
- *We build linkages forward and backward to gain control over critical inputs and to enhance our focus on value-added products.*
- *We use our strengths to seize emerging opportunities in key core sectors.*
- *We aim to develop a clear sustainable advantage to be a dominant player in our new business ventures.*
- *Our benchmark is the world's best.*

*The key to our success in these endeavours lies in the strength of our human resources. We have in place the right people in the right positions. We have set in motion, new people development processes to help our people reach optimum levels of performance. Because, we believe, as our people grow, the Aditya Birla Group grows.*

**"A** leader leads by personal example, creating a team, delegating responsibility and choosing the right man for the right job."

*Kumar Mangalam Birla,  
Chairman, Aditya Birla Group.*





**THE ADITYA BIRLA GROUP**  
**COMMITTED TO DELIVER VALUE FOR ITS**  
**CUSTOMERS, INVESTORS, SHAREHOLDERS AND EMPLOYEES**

*Since 1947, the Aditya Birla Group has been committed to the future of India. Its quality products and commodities reach out to the core sector. In industries such as Aluminium, Cement, Viscose Staple Fibre, Viscose Filament Yarn, Caustic Soda, Pulp, Chemicals, Fertilisers, Sponge Iron, Carbon Black, Petroleum Refining, Power and Telecommunications - all of which are key to the growth of a nation.*

*While establishing its leadership position in the core sector and continuing its never-ending quest for excellence, the Aditya Birla Group has leveraged its competencies to become a truly world-class global corporation.*

*The Group has joint ventures with global majors including AT&T (USA) for telecommunications, Powergen (UK) for power and Capital International (USA) for financial services. In the refining sector it has a joint venture with Hindustan Petroleum Corporation Limited, one of India's largest oil companies.*

*Its 60 state-of-the-art manufacturing units - all ISO 9002 certified and with environmentally compatible technologies - span India, Thailand, Indonesia, Malaysia, Philippines, Egypt and Canada as well. All these units are set up with know-how from globally renowned companies.*

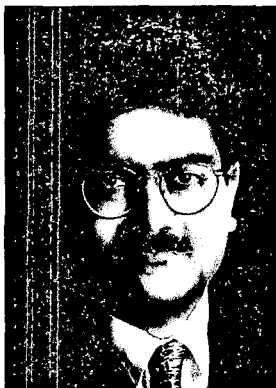
*Alongside, its international trading operations encompass countries like Singapore, Dubai, UK, USA, South Africa, Tanzania, Myanmar and Russia. It was the only Group to have been termed "a truly global multinational corporation" by Euromoney in 1994.*

*The Group recently took over the Atholville Pulp Mill situated in New Brunswick, Canada. The mill will provide 110,000 tons of Dissolving Grade Chemical Wood Pulp to Group Companies - Grasim Industries, India, Thai Rayon Public Company, Thailand and P.T. Indo Bharat Rayon, Indonesia. This is the Group's first major acquisition overseas.*

*India's second largest business house, the Aditya Birla Group enjoys a dominant position in all the sectors in which it operates. The Aditya Birla Group is the world's largest producer of Viscose Staple Fibre and the largest single location Refiner of Palm Oil. It is the world's third largest producer of Insulators and the sixth largest producer of Carbon Black.*

**"When suggestions are given, the first reaction should be: yes, it can be done. A positive bent of mind should guide us."**

\* Quotes excerpted from: 'Aditya Vikram Birla: A Biography'

**MR. KUMAR MANGALAM BIRLA**

*In India, the Group is the single largest producer of Viscose Filament Yarn, Aluminium, Grey Cement (at a single location), White Cement and Rayon Grade Pulp. It is also the only producer of linen in the textiles industry in India.*

*The Aditya Birla Group's total turnover for 1997-98 crossed Rs. 20,000 crores. Its Fixed Assets are in the region of Rs. 18,000 crores. The Group employs more than 140,000 people in over 15 countries.*

*A learning and growing organisation, this Vision-driven Group fosters a culture that promotes excellence and rewards entrepreneurship. It endeavours to make the workplace a source of creativity, innovation and self-fulfilment for all employees. Fostering a corporate culture where there is a high level of commitment. A sense of shared destiny and company mindedness.*

*As a responsible corporate citizen, the Group works with a missionary zeal for the larger good of society. The Aditya Birla Group inherently believes in the trusteeship concept of management. Consequently, part of its profits are ploughed back into meaningful welfare-driven initiatives that make a qualitative difference to the life of a people.*

*The Group's flagship companies - Grasim Industries, Hindalco Industries, Indian Rayon and Industries and Indo Gulf Fertilisers and Chemicals Corporation - rank among India's top 50 most respected and admired corporations.*

*The Aditya Birla Group operates a decentralised, professionally managed, responsive organisation, led by Mr. Kumar Mangalam Birla, supported by an experienced international management team.*

*We, in Indo Gulf, are proud to be a part of this fine Group.*



**INDO GULF FERTILISERS AND CHEMICALS CORPORATION LIMITED**