

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

**50<sup>th</sup> Annual Report 1996-97**



**Camlin**

**Limited**



# camlin Limited

## BOARD OF DIRECTORS

Mr. S.D. Dandekar - *Executive Chairman*  
 Mr. D.D. Dandekar - *Joint Managing Director*  
 Mr. R.M. Dandekar - *Joint Managing Director*  
 Mr. S.S. Dandekar - *Executive Director*  
 Mr. D.M. Dandekar - *Executive Director*  
 Mr. M.L. Apte  
 Dr. D.S. Bhate  
 Mr.G.G. Desai  
 Mr. S.E. Godbole  
 Mr. M.P. Khedkar  
 Mr. P.A. Narvekar  
 Mr. S.S. Shirgaokar

## REGISTERED OFFICE

Camlin House, J.B. Nagar,  
 Andheri (E), Mumbai 400 059.

## FACTORIES

J.B.Nagar, Andheri (E), Mumbai 400 059.  
 M.I.D.C.Boisar, Tarapur (Dist. Thane) 401 506.  
 M.I.D.C. Taloja, Navi Mumbai - 410 208.

## GEN. MANAGER (CORPORATE) & COMPANY SECRETARY

Mr. J.S. Joshi

## AUDITORS

B.K. Khare & Co.  
 Chartered Accountants  
 Mumbai 400 020.

## BANKERS

Bank of Maharashtra.  
 The United Western Bank Ltd.

## REGISTRARS & TRANSFER AGENTS

M/s. Sharepro Services,  
 912, Raheja Centre,  
 Free-Press Journal Road,  
 Nariman Point,  
 Mumbai 400 021.

# camlin Limited

## NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of the Members of Camlin Limited, will be held on Tuesday, 23rd September, 1997 at 3.00 P.M. at Walchand Hirachand Hall, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 1997, and the Balance Sheet as at that date and the report of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Dr.D.S. BHATE, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. G.G. DESAI, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint a Director in place of Mr. S.E. GODBOLE, who retires by rotation and being eligible offers himself for reappointment.
6. To appoint B. K. KHARE & CO., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

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

"RESOLVED THAT in supersession of the Ordinary Resolution No.1 passed by the Members at an Extra Ordinary General Meeting of the Company held on 23rd March, 1994 and pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and of the Articles of Association of the Company, consent of the Company, be and is hereby accorded to the appointment of Mr. Subhash D. Dandekar, as a Director in wholetime employment, designated as Executive Chairman, and to his receiving with effect

from 1st October, 1997, a revised basic salary of Rs.45,000/- per month plus commission, allowances, benefits and perquisites (collectively called 'remuneration') (including remuneration to be paid in the event of loss or inadequacy of profits, in any financial year of the Company) during the tenure of his appointment for remainder of his tenure of Contract period i.e. upto 31st March, 1999, upon the terms and conditions, set out in the draft Supplemental Agreement submitted to this Meeting and for identification, signed by the Chairman thereof, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors, to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner, as may be agreed to between the Board of Directors and Mr. Subhash D. Dandekar."

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

"RESOLVED THAT in supersession of the Ordinary Resolution No. 2 passed by the Members at an Extra Ordinary General Meeting of the Company held on 23rd March, 1994 and pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and of the Articles of Association of the Company, consent of the Company, be and is hereby accorded to the appointment of Mr. Dilip D. Dandekar, as a Director in wholetime employment, designated as Joint Managing Director, and to his receiving with effect from 1st October, 1997, a revised basic salary of Rs.36,000/- per month plus commission, allowances, benefits and perquisites (collectively called 'remuneration') (including remuneration to be paid in the event of loss or inadequacy of profits, in any financial year of the Company) during the tenure of his appointment for remainder of his tenure of Contract period i.e. upto 31st March, 1999, upon the terms and conditions, set out in the draft Supplemental Agreement submitted to this Meeting and for identification, signed by the Chairman thereof, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors, to alter and vary the terms and conditions of the said appointment and/or Agreement in such

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manner, as may be agreed to between the Board of Directors and Mr. Dilip D. Dandekar."

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

"RESOLVED THAT in supersession of the Ordinary Resolution No. 3 passed by the Members at an Extra Ordinary General Meeting of the Company held on 23rd March, 1994 and pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and of the Articles of Association of the Company, consent of the Company, be and is hereby accorded to the appointment of Mr. Rajiv M. Dandekar, as a Director in wholetime employment, designated as Joint Managing Director, and to his receiving with effect from 1st October, 1997, a revised basic salary of Rs.32,000/- per month plus commission, allowances, benefits and perquisites (collectively called 'remuneration') (including remuneration to be paid in the event of loss or inadequacy of profits, in any financial year of the Company) during the tenure of his appointment for remainder of his tenure of Contract period i.e. upto 31st March, 1999, upon the terms and conditions, set out in the draft Supplemental Agreement submitted to this Meeting and for identification, signed by the Chairman thereof, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors, to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner, as may be agreed to between the Board of Directors and Mr. Rajiv M. Dandekar."

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

"RESOLVED THAT in supersession of the Ordinary Resolution No. 4 passed by the Members at an Extra Ordinary General Meeting of the Company held on 23rd March, 1994 and pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and of the Articles of Association of the Company, consent of the Company, be and is hereby accorded to the

appointment of Mr. Shriram S. Dandekar, as a Director in wholetime employment, designated as Executive Director, and to his receiving with effect from 1st October, 1997, a revised basic salary of Rs.32,000/- per month plus commission, allowances, benefits and perquisites (collectively called 'remuneration') (including remuneration to be paid in the event of loss or inadequacy of profits, in any financial year of the Company) during the tenure of his appointment for remainder of his tenure of Contract period i.e. upto 31st March, 1999 upon the terms and conditions, set out in the draft Supplemental Agreement submitted to this Meeting and for identification, signed by the Chairman thereof, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors, to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner, as may be agreed to between the Board of Directors and Mr. Shriram S. Dandekar."

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

"RESOLVED THAT in supersession of the Ordinary Resolution No. 6 passed by the Members at the Annual General Meeting of the Company held on 27th September, 1996 and pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and of the Articles of Association of the Company, consent of the Company, be and is hereby accorded to the appointment of Mr. Deepak M. Dandekar, as a Director in wholetime employment, designated as Executive Director, and to his receiving with effect from 1st October, 1997, a revised basic salary of Rs.32,000/- per month plus commission, allowances, benefits and perquisites (collectively called 'remuneration') (including remuneration to be paid in the event of loss or inadequacy of profits, in any financial year of the Company) during the tenure of his appointment for remainder of his tenure of Contract period i.e. upto 31st May, 2001, upon the terms and conditions, set out in the draft Supplemental Agreement submitted to this Meeting and for identification, signed by the Chairman thereof, which Agreement is hereby specifically

sanctioned with liberty to the Board of Directors, to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner, as may be agreed to between the Board of Directors and Mr. Deepak M. Dandekar."

12. To consider and if thought fit, to pass with or without modifications, the following Resolution, as a Special Resolution:

"RESOLVED THAT in supersession of the resolution passed by the members at an Extra Ordinary General Meeting of the Company held on 23rd March, 1994, subject to approval of the Central Government, consent of the Company be and is hereby accorded under Section 314(1-B) and other applicable provisions, if any, of the Companies Act, 1956, to Mrs. Rajani S. Dandekar (Wife of Mr. Subhash D. Dandekar, Executive Chairman of the Company) for holding and continue to hold office or place of profit in the Company as Vice-President (Marketing) in A.M. Division, with effect from 1st October, 1997, on Rs.28,000/- per month as Basic Salary, together with allowances, benefits, perquisites (collectively called 'remuneration') as set out in the Explanatory Statement.

FURTHER RESOLVED THAT subject to the approval of the Central Government, the Company also accords its consent under the said Section 314 (1-B) and other applicable provisions, if any, of the Companies Act, 1956, to the payment of increased remuneration in the form of additional increments, and/or allowances/perquisites which may be payable to other employees from time to time, on account of pay revision.

RESOLVED LASTLY THAT the Directors of the Company be and are hereby authorised to accept any modifications/directions given by the Central Government, while approving appointment of Mrs. Rajani S. Dandekar, if the Directors deem it fit to do so and the same are acceptable to Mrs. Rajani S. Dandekar and to take all such appropriate steps as may be necessary for obtaining approval from the Central Government."

13. To consider and if thought fit, to pass with or without

modifications, the following Resolution, as a Special Resolution:

"RESOLVED THAT in supersession of the resolution passed by the members at an Extra Ordinary General Meeting of the Company held on 23rd March, 1994, subject to approval of the Central Government, consent of the Company be and is hereby accorded under Section 314(1-B) and other applicable provisions, if any, of the Companies Act, 1956, to Mr. Ashish S. Dandekar (Son of Mr. Subhash D. Dandekar, Executive Chairman of the Company), as President of Pharmaceutical Division and Fine Chemical Division, for holding and continue to hold office or place of profit in the Company with effect from 1st October, 1997, on Rs. 32,000/- per month as Basic Salary, together with allowances, benefits, perquisites (collectively called 'remuneration') as set out in the Explanatory Statement.

FURTHER RESOLVED THAT subject to the approval of the Central Government, the Company also accords its consent under the said Section 314 (1-B) and other applicable provisions, if any, of the Companies Act, 1956, to the payment of increased remuneration in the form of additional increments, and/or allowances/perquisites which may be payable to other employees from time to time, on account of pay revision.

RESOLVED LASTLY THAT the Directors of the Company be and are hereby authorised to accept any modifications/directions given by the Central Government, while approving appointment of Mr. Ashish S. Dandekar, if the Directors deem it fit to do so and the same are acceptable to Mr. Ashish S. Dandekar and to take all such appropriate steps as may be necessary for obtaining approval from the Central Government."

Regd. Office:  
'Camlin House'  
J. B. Nagar, Andheri (E),  
Mumbai -400 059.  
Dated: 18th July, 1997.

By Order of the Board  
  
**J. S. JOSHI**  
Gen. Manager (Corp.) &  
Company Secretary

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and Share Transfer Books will remain closed from 10th September, 1997 to 23rd September, 1997 (both days inclusive).
3. The Dividend free of tax at the hands of shareholders when sanctioned will be paid on or before 30th October, 1997 to those eligible shareholders whose names stand on the Register of Members on 23rd September, 1997. Members are requested to notify immediately their change of address, if any.
4. Pursuant to provisions of Section 205 A(5) of the Companies Act, 1956, all dividends which remained unpaid or unclaimed upto the financial year ended 31st March, 1993, have been transferred to General Revenue Account of the Central Government. Concerned members are requested to claim the amount from the Office of the Registrar of Companies, Maharashtra, Hakoba Mill Compound, Kalachowki, Lalbaug, Mumbai 400 033.
5. The Explanatory Statement as required under section 173(2) of the Companies Act, 1956 in respect of the business referred to under Item Nos. 7 to 13 (both numbers inclusive) are annexed hereto.





## ANNEXURE FORMING PART OF NOTICE EXPLANATORY STATEMENT

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

### SPECIAL BUSINESS :

#### ITEM NOS. 7 to 11

At an Extra Ordinary General Meeting of the Company held on 23rd March, 1994, the Shareholders have appointed Mr. Subhash D. Dandekar, Executive Chairman, Mr. Dilip D. Dandekar, Jt. Managing Director, Mr. Rajiv M. Dandekar, Jt. Managing Director, and Mr. Shriram S. Dandekar, Executive Director for a period of 5 years w.e.f. 1st April, 1994 and at the Annual General Meeting of the Company held on 27th September, 1996, shareholders have appointed Mr. Deepak M. Dandekar, Executive Director, for a period of 5 years w.e.f. 1st June, 1996, and have approved remuneration payable to each Director and main terms of the appointment are as under:

#### a) Basic Monthly Salary as follows:

<u>NAME OF THE DIRECTORS</u>	<u>BASIC SALARY P. M.</u> (Rs.)
Mr. Subhash D. Dandekar, Executive Chairman	30,000/-
Mr. Dilip D. Dandekar, Jt. Managing Director	25,000/-
Mr. Rajiv M. Dandekar, Jt. Managing Director	22,000/-
Mr. Shriram S. Dandekar, Executive Director	22,000/-
Mr. Deepak M. Dandekar, Executive Director	22,000/-

- b) Company's contribution towards Provident Fund and Family Pension Scheme @ 10% of salary or at any other rate as may be notified by the concerned statutory authorities from time to time.
- c) Company's contribution towards Pension/ Superannuation Scheme @ 15% of salary or at any other rate as may be notified by the concerned statutory authorities from time to time.
- d) Gratuity payable in accordance with an approved fund and which does not exceed one half month's salary for each completed year of service.

- e) House Rent Allowance limited to 20% of monthly salary.

OR

Rent free unfurnished accommodation, the monetary value of which shall not exceed 60% of the salary of the Director, over and above 10% to be borne by him.

- f) The expenditure incurred by the Company on Gas, Electricity, Water and furnishings will be evaluated as per the Income Tax Rules, 1962. This will however, be subject to a ceiling of 10% of the Salary.
- g) Reimbursement of full hospital and medical expenses for self and family, subject to a ceiling of one month's salary in a year or three months salary in a block of three years.
- h) Leave Travel Concession for self and family by air or First Class air-conditioned by rail, once a year, to and from any place in India, as per rules of the Company, subject to the condition that only actual fares and no hotel expenses will be allowed.
- i) Benefit of any Personal Accident Insurance Scheme, but premium of which does not exceed Rs.4,000/- per annum.
- j) Fees of clubs, subject to maximum of two clubs, provided that no lifetime membership and admission fees are payable.
- k) Free use of not more than one telephone allowed, at Directors' residence, i.e. all charges whereof including rental, call charges, etc. shall be paid by the Company in full. However, all long distance personal calls shall be borne and paid by him.
- l) Free use of a motor car with driver shall be provided by the Company for the purpose of Company's business and the Company shall meet all expenses of running, maintenance and other expenses of every kind whatsoever incurred in respect thereof. Use of car for personal purpose shall be billed by the Company to the Director.
- m) Rules of the Company in force from time to time as to leave and holidays shall also be applicable to the Director.



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- n) Director shall be paid remuneration by way of commission in addition to salary and perquisites calculated with reference to the Net Profits of the Company for particular financial year, subject to the overall ceilings laid down under provisions of Section 198 and 309 of the Companies Act, 1956. The commission so payable to each Director shall not exceed 1% of the Net Profit of the Company, subject to ceiling of 50% of the annual salary payable to him.

In today's world of severe competition, the duties and responsibilities of Working Directors have increased significantly. In view of the same, the Board of Directors of the Company at their Meeting held on 18th July, 1997, has, subject to Members' approval, increased the salary of the Directors and increased the limit of Personal Accident Insurance with effect from 1st October, 1997 as follows :-

<u>NAME OF THE DIRECTORS</u>	<u>PROPOSED BASIC SALARY P. M.</u> (Rs.)
Mr. Subhash D. Dandekar, Executive Chairman	45,000/-
Mr. Dilip D. Dandekar, Jt. Managing Director	36,000/-
Mr. Rajiv M. Dandekar, Jt. Managing Director	32,000/-
Mr. Shriram S. Dandekar, Executive Director	32,000/-
Mr. Deepak M. Dandekar, Executive Director	32,000/-

AND

Benefit of any Personal Accident Insurance Scheme, but premium of which does not exceed Rs. 10,000/- per annum.

All other terms and conditions of the appointment of Mr. Subhash D. Dandekar, Mr. Dilip D. Dandekar, Mr. Rajiv M. Dandekar, and Mr. Shriram S. Dandekar, as approved by the Shareholders at Extra Ordinary General Meeting held on 23rd March, 1994 and at the Annual General Meeting held on 27th September, 1996 in respect of Mr. Deepak M. Dandekar remain unchanged.

Your Directors consider the aforesaid remuneration commensurate with experience, duties and

responsibilities of Executive Chairman, Joint Managing Directors and Executive Directors and recommend resolutions for your approval.

The terms and conditions contained in the draft Supplemental Agreement(s) to be entered into between the Company and Mr. Subhash D. Dandekar, Mr. Dilip D. Dandekar, Mr. Rajiv M. Dandekar, Mr. Shriram S. Dandekar and Mr. Deepak M. Dandekar, duly initialled by the Chairman for the purpose of identification agreeing to the revision of terms and conditions, are available for inspection of the members of the Company at its Registered Office, between 11.00 A.M. and 1.00 P.M. on any working day of the Company upto the date of Annual General Meeting of the Company.

No other Directors, except Mr. Subhash D. Dandekar, Mr. Dilip D. Dandekar, Mr. Rajiv M. Dandekar, Mr. Shriram S. Dandekar and Mr. Deepak M. Dandekar are concerned or interested in the Resolution(s) under Item Nos. 7 to 11.

This is and should be treated as an Abstract, pursuant to Section 302 of the Companies Act, 1956, of the draft Supplemental Agreement(s) to be entered into between the Company and Mr. Subhash D. Dandekar, Mr. Dilip D. Dandekar, Mr. Rajiv M. Dandekar, Mr. Shriram S. Dandekar and Mr. Deepak M. Dandekar.

#### ITEM NOS. 12 & 13

Section 314(1-B) of the Companies Act, 1956, inter alia provides that, no relative of the Director, shall hold office or place of profit in the Company, which carries a total monthly remuneration of not less than Rs.20,000/-, except with prior consent of the Company by a Special Resolution and approval of Central Government. Mrs. Rajani S. Dandekar, is currently working as Vice President (Marketing), A.M. Division and is related to Mr. Subhash D. Dandekar, Executive Chairman as his wife and related to Mr. Dilip D. Dandekar as Brother's wife. Mr. Ashish S. Dandekar, son of Mr. Subhash D. Dandekar, is presently working as President, Pharmaceutical Division and Fine Chemical Division of the Company.

Salary presently paid to them have been approved by the Central Government vide Letter No. 3/9/CL.VII/94 and 3/8/CL.VII/94 both dated 10th June, 1994 respectively. It is proposed to pay Rs.28,000/- and Rs. 32,000/- per month as remuneration to Mrs. Rajani S. Dandekar and Mr. Ashish S. Dandekar respectively. The salary and perquisites proposed to be paid to both of them are commensurate with job responsibilities and

**camlin Limited**

taking into account pay scales for similar positions in other companies of comparable size. In addition to remuneration, they shall be entitled to following benefits and perquisites.

- a. Company's contribution towards Provident Fund and Family Pension Scheme @ 10% of Salary or at any other rate as may be notified by the concerned statutory authorities from time to time.
- b. Company's Contribution towards Pension/ Superannuation Scheme @ 15% of Salary or at any other rate as may be notified by the concerned statutory authorities from time to time.
- c. Gratuity payable in accordance with an approved fund and which does not exceed one-half months' salary for each completed year of service.
- d. House Rent Allowance limited to 20% of monthly salary

Or

Rent free unfurnished accommodation, the monetary value of which shall not exceed 60% of the salary of Vice President/President, over and above 10% to be borne by her/him.

- e. The expenditure incurred by the Company on Gas, Electricity, Water and furnishings will be evaluated as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary.
- f. Reimbursement of full hospital and medical expenses for self and family, subject to a ceiling of one month's salary in a year or three months salary in a block of three years.
- g. Leave Travel Concession for self and family, once a year, as per rules of the Company, subject to the condition that only actual fares and no hotel expenses will be allowed.

- h. Benefit of any Personal Accident Insurance Scheme, but premium of which does not exceed Rs.10,000/- per annum.

- i. Fees of clubs, subject to maximum of two clubs, provided that no lifetime membership and admission fees are payable.

- j. Free use of not more than one telephone allowed, at the Vice President's/President's residence, i.e. all charges whereof including rental, call charges, etc. shall be paid by the Company in full. However, all long distance personal calls shall be borne and paid by her/him.

- k. Free use of motor car with driver shall be provided by the Company for the purpose of Company's business and the Company shall meet all expenses of running, maintenance and other expenses of every kind whatsoever incurred in respect thereof. Use of car for personal purpose shall be billed by the Company to Vice President/President.

- l. Rules of the Company in force from time to time as to leave holidays and payment of Ex-gratia shall be applicable to the Vice President/President.

In case of Resolution No. 12 relating to Mrs. Rajani S. Dandekar, no other Director, except Mr.Subhash D. Dandekar, Executive Chairman, and Mr. Dilip D. Dandekar, Joint Managing Director, are concerned or interested.

In case of Resolution No. 13 relating to Mr. Ashish S. Dandekar, no other Director, except Mr.Subhash D. Dandekar, Executive Chairman, is concerned or interested.

Regd. Office:  
'Camlin House'  
J. B. Nagar, Andheri (E),  
Mumbai - 400 059.  
Dated: 18th July, 1997.

By Order of the Board  
  
**J. S. JOSHI**  
Gen. Manager (Corp.) &  
Company Secretary