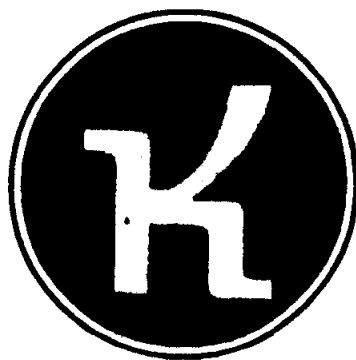


IMPORTANT
Shareholders of
Errowhile Khaitan Soya Ltd.
Please see Page No. 3

ANNUAL REPORT

2001 - 2002



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KHAITAN CHEMICALS & FERTILIZERS LIMITED



KHAITAN CHEMICALS & FERTILIZERS LIMITED

ANNUAL GENERAL MEETING :

Date : 30th September, 2002
Day : Monday
Time : 3.00 P.M.
Place : Registered Office

REGISTERED OFFICE :

A.B. Road, Village Nimrani,
Tehsil Kasrawad,
District - Khargone (M.P.)

INDORE OFFICE :

301-308, Apollo Arcade
1/2, Old Palasia,
Indore (M.P.) - 452 018

DELHI OFFICE :

806-808, Bhandari House
91, Nehru Place,
New Delhi - 110019

KOLKATA OFFICE :

46-C, Rafi Ahmed Kidwai Road,
3rd Floor,
Kolkata - 700 016

WORKS :

Fertilizer Division

A.B. Road, Village - NIMRANI
District - Khargone (M.P.)

Soya Division

Dosigaon, Industrial Area,
Ratlam (M.P.)

BOARD OF DIRECTORS :

Shailesh Khaitan - Chairman &
Managing Director
Anil Agrawal - Director
O.P. Bagla - Director
J.L. Jajoo - Director
Dr. P. Goyal - Director

PRESIDENT & SECRETARY :

R.S. Vijayvargiya

AUDITORS :

S.S. Kothari & Company
9-A, Atma Ram House
1, Tolstoy Marg, New Delhi

SOLICITORS :

Khaitan & Partners
Himalaya House, 23, Kasturba Gandhi
Marg, New Delhi - 110 001

BANKERS :

State Bank of India
State Bank of Indore

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- ▶ Management Discussion & Analysis Report
- ▶ Report on Corporate Governance
- ▶ Auditors' Report
- ▶ Balance Sheet
- ▶ Profit & Loss Account
- ▶ Schedules to Accounts



**FORM FOR EXCHANGE OF SHARES OF KHAITAN SOYA LIMITED
WITH SHARES OF KHAITAN CHEMICALS & FERTILIZERS LTD.**

(To be sent by shareholders of erstwhile Khaitan Soya Ltd., if not sent already due to its amalgamation)

To,
Khaitan Chemicals & Fertilizers Ltd.
301-308, Apollo Arcade,
1/2, Old Palasia,
INDORE - 452 018

Ref.: Regd. Folio No. of Khaitan Soya Ltd.

I/We give my/our particulars as under:-

1. No. of Shares held in KSL

2. Particulars of the Sole/1st Shareholder:

- Name (in full)

- Father's/Husband's Name

- Occupation

- Full Address

PIN Code.

Bank Account Particulars:

- Name of Bank

- Address

- Account No.

- Type of A/c Saving/Current

3. Name of 1st Joint Holder

4. Name of 2nd Joint Holder

5. No. of Certificates enclosed

Signature of the Sole/first Shareholder

	Name(s) of the Holder	Specimen Signature(s)
1.		
2.		
3.		



KHAITAN CHEMICALS & FERTILIZERS LIMITED

NOTICE

NOTICE is hereby given that the **TWENTIETH ANNUAL GENERAL MEETING OF KHAITAN CHEMICALS & FERTILIZERS LTD.** will be held at the Registered Office of the Company at A. B. Road, Village NIMRANI, Tehsil Kasrawad, Dist. Khargone, Madhya Pradesh on Monday, the 30th day of September, 2002 at 3.00 P.M. to transact there at the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2002 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anil Agrawal, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri J. L. Jajoo, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

5. **Re-appointment of Shri Shailesh Khaitan as Chairman & Managing Director.**

To Consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of sections 198, 269, 309 & part I and II of Schedule XIII and other applicable provisions of Companies Act, 1956 and subject to approval of Financial Institutions/Banks, as may be required, the Company hereby approves terms of appointment and remuneration of Shri Shailesh Khaitan, which has been approved by the Board of Directors of the Company as Chairman & Managing Director for a further term of 5 years w.e.f. 26th April, 2002 in accordance with the provisions specified in part I & II of Schedule XIII to the Companies Act, 1956 on the terms & conditions including remuneration as are set out in agreement entered by the Company with him and submitted to the meeting and signed by the Director for the purpose of identification."

6. **To Consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:**

"RESOLVED THAT in modification of the terms contained in the Letter of Offer dated 5th March, 1998 in connection with the issue and offer on right basis to the members of 1507750 equity shares of the Company as Rs. 10/- each at a premium of Rs. 20/- per share for cash aggregating to Rs. 45232500/- along with two optional detachable warrants (Warrant No. 1 and 2), ex-post-facto approval be and is hereby accorded to the decision of Board of Directors taken at their meeting held on 29th January, 2002 to convert the warrant No. 2 into equity share of Rs. 10/- each at par instead of at a premium as originally consented to by the members."

Registered Office:

A. B. Road,
Village-Nimrani,
Dist. Khargone (M.P.)
Date: 26th August, 2002

By Order of the Board
S/d

(R. S. Vijayvargiya)
President & Secretary

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself and such proxy need not be a member of the Company. Proxy Form must reach the Company's Registered Office at least 48 hours prior to the time of holding the meeting.
2. Member(s)/Proxies should bring the attendance slip annexed herewith duly filled in for attending the meeting.
3. The Register of Members and Transfer Book of the Company will remain closed from 23rd September, 2002 to 30th September, 2002 (both days inclusive).
4. Members are requested to notify to the Company immediately, quoting Registered Folio No., Change in their Address, if any, with the pin code number.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the President & Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.

KHAI TAN CHEMICALS & FERTILIZERS LIMITED

6. EXCHANGE OF SHARES OF KHAITAN SOYA LIMITED (KSL) WITH SHARES OF KHAITAN CHEMICALS & FERTILIZERS LTD. (KCFL) DUE TO AMALGAMATION OF KSL WITH THE COMPANY. MEMBERS WHO HAVE NOT YET EXCHANGED THEIR SHARE CERTIFICATES OF KSL, ARE REQUIRED TO SEND THE SHARE CERTIFICATE OF KSL AT OUR INDORE OFFICE AT 301-308, APOLLO ARCADE, 1/2, OLD PALASIA, INDORE (M.P.) 452018.
7. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 is annexed.

Explanatory Statement: Pursuant to Sec 173 (2) of the Companies Act 1956.**ITEM NO. 5**

Shri Shailesh Khaitan was appointed as Managing Director in 15th Annual General Meeting of the Company w.e.f. 26.04.1997 for a period of 5 years. Tenure of Shri Shailesh Khaitan expired on 25th April 2002.

Shri Shailesh Khaitan is a promoter director of the Company and associated as Managing Director since 1st September, 1984. In his able leadership the performance of the Company has been satisfactory.

The Board of Directors of the Company at its meeting held on 30th July, 2002 has therefore re-appointed Shri Shailesh Khaitan as Chairman & Managing Director of the Company subject to the approval of members and shareholders of the Company in General Meeting for a further term of five years w.e.f. 26th April 2002, at the remuneration, in accordance with the norms laid down in Schedule XIII and other applicable provisions of the Companies Act, 1956, as reproduced herein below:

1. Salary Rs. 1,25,000/- per month, with an annual increment of Rs. 15000/- per month.
2. Commission: 1% on the net profit of the Company, computed in manner laid down under Companies Act, 1956 subject to the maximum 100% of the Salary.
3. Perquisites: Perquisites in part - A shall be restricted to an amount equal to the Annual Salary.

PART-A

- (i) Expenditure incurred by the company on hiring accommodation for the Managing Director will be subject to 60% of the salary.
- (ii) If the company does not provide accommodation to the Managing Director, House Rent Allowance will be paid by the company to the Managing Director subject to the ceiling mentioned hereinabove.
- (iii) If accommodation in the company's owned house is provided, the Managing Director shall pay to the company by way of rent i.e. 10% of the salary.
- (iv) The expenditure incurred by the company on gas, electricity, water and furnishings will be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary
- (v) Medical Reimbursement: Reimbursement of medical expenses actually incurred for self and family, subject to ceiling of one month's salary in a year with a right to carry forward.
- (vi) Leave Travel Concession: Leave Travel Concession for self and the family, once in a year, as per rules of the company.
- (vii) Club Fees: Fee of two clubs. This will not include admission and life membership fee.
- (viii) Personal Accident Insurance: The Annual Premium will not exceed Rs. 4000/-

The salary and perquisites are restricted to 5% of the Net Profit of the Company as prescribed under Part-II of Schedule XII to the Companies Act, 1956 as amended till date.

PART-B

- (i) Company's contribution towards Provident Fund subject to a ceiling of 10% of the salary.
- (ii) Company's contribution towards Provident fund, Pension/ Superannuation fund/ Public Provident fund as per rules of the Company to the extent that these are not taxable under the Income Tax Act.

PART - C

- (i) Free use of Company's car on Company's business
- (ii) Personal long distance call on telephone and use of car for private purpose shall be billed by the company to the Managing Director.
- (iii) Earned Privilege Leaves on full pay and allowance as per the Rules of the Company subject to the condition that leave accumulated but not availed of shall not be allowed to be encashed.

A copy of agreement entered into by the Company with Shri Shailesh Khaitan is available for inspection for the members of the Company at the Registered Office of the Company between the hours of 10.30 A.M. & 12.30 P.M. on any working day.

None of the Directors (except Shri Shailesh Khaitan) is concerned or interested in the said resolution.

The Board recommends the proposed resolution for your approval.

This explanation, together with the accompanied notice is and should be treated as an abstract under section 302 of the Companies act, 1956 in respect of the appointment of Shri Shailesh Khaitan as Chairman & Managing Director.



KHAITAN CHEMICALS & FERTILIZERS LIMITED

Item No. 6

Members may recall that at the Annual General Meeting of the Company held on 26th September, 1997, the consent has been given for the issue of 1507750 equity shares of the Company of Rs. 10/- each at a premium of Rs. 20/- per share along with two detachable warrant (warrant No. 1 & 2) convertible on different dates into equity shares of the Company. Letter of Offer dated 5th March, 1998 refers. In terms of such Letter, warrant No. 2 were convertible into equity shares at such premium as the Board of Directors may decide at the relevant time. At their meeting held on 29th January, 2002, the Board of Directors resolved to convert warrant No. 2 into equity shares of Rs. 10/- each at par instead of at a premium as per the Terms of Offer. 1501885 No. of equity shares were allotted accordingly on surrender of warrants.

The aforesaid shares are to be listed for trading on M. P. Stock Exchange and other stock exchanges where securities are listed. The necessary application was made to M. P. Stock Exchange being Regional Stock Exchange, the latter observed that there was an infirmity in the Board decision to convert the Warrant No. 2 at par instead of at a premium as per the Letter of Offer.

The Board was of opinion that the Letter of Offer specify the cap on premium for the benefit of the shareholders and it does not mean that the shares can not be issued at par. However, on the advice of the M.P. Stock Exchange, to clarify, ex-post-facto approval of the members is sought to the decision of the Board, to facilitate the listing of such shares for trading at respective Stock Exchanges.

The resolution placed before the meeting at the item No. 6 of the notice for the Annual General Meeting is commended for approval.

None of the Directors is concerned or interested in the said resolution.

Registered Office:

A. B. Road,
Village-Nimrani,
Dist. Khargone (M.P.)
Date: 26th August, 2002

By Order of the Board
S/d

(R. S. Vijayvargiya)
President & Secretary

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)

Name of Director	Shri Anil Agrawal	Shri J. L. Jajoo
Age	45 years	59 years
Qualification	B.Com. (H)	C.A.
Date of Appointment	27 th March, 1990	1 st January, 1991
Expertise	An industrialist having extensive experience in Corporate Sector.	Rich and vast experience in the field of Management and finance.
Other Directorships as on 31 st March, 2002	Polar Industries Ltd. Polar Pharma India Ltd. Polar Marmo Agglomerates Ltd. Polar Software Ltd. Polar Forging & Tools Ltd. Heynen India Ltd. Sheffield Appliances Ltd. Tatva Biosis Ltd. Rubber Reclaim Company of India Ltd.	Nil
Chairman/Member of the Committees as on 31 st March, 2002	Audit Committee: Polar Pharma India Ltd. Polar Marmo Agglomerates Ltd. Shareholders Grievance Cum Share Transfer Committee : Polar Pharma India Ltd. Polar Marmo Agglomerates Ltd.	Audit Committee: Khaitan Chemicals & Fertilizers Ltd.

KHAITAN CHEMICALS & FERTILIZERS LIMITED**DIRECTORS' REPORT**

To the members,

Your Directors have pleasure in presenting the Twentieth Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2002.

		(Rs. in lacs)
FINANCIAL RESULTS	2001-2002	2000-2001
Surplus before interest and depreciation	686.29	822.35
Less: Interest	666.34	777.83
Cash Profit before tax	19.95	44.52
Less: Depreciation	377.21	373.53
Misc. Expenses Written off	3.66	3.66
Surplus before tax	(360.92)	(332.67)
Add: Deferred Tax credit for the year	138.54	-
Prior Period adjustments	9.44	4.06
Net Profit /Loss for the year	(231.82)	(336.73)
Add: Profit B/F from last year's A/c	449.60	1423.27
Surplus Carried Forward	217.78	1086.54

DIVIDEND

Due to inadequacy of Profits, the Directors are unable to recommend any dividend.

AMALGAMATION

During the year, the Company has filed an application with the Hon'ble High Court of Madhya Pradesh Bench at Indore seeking to amalgamate Shrinivas Fertilizers Ltd. with the Company w.e.f. 1st day of April, 2001 (the transfer date). As directed by the Hon'ble High Court, an Extra Ordinary General Meeting of the Shareholders of the Company and a meeting of Creditors (Secured/Unsecured) of the Company were separately held, wherein the Company's shareholders and Creditors (except IFCI Ltd.) have approved the proposed amalgamation. However, the secured creditor viz. Industrial Development Bank of India, have sought time to convey their views.

Presently, the Petition for confirmation of Scheme of Amalgamation filed, is pending before the Hon'ble High Court of Madhya Pradesh.

The Directors are of the firm belief that both the Companies shall benefit from the proposed amalgamation.

PROJECT & FINANCE

During the year the company has received Corporate Loan of Rs. 600.00 lacs from State Bank of India to augment the long-term working capital requirement.

The Company has sold the land at Itarsi, acquired for putting up of Fertilizer plant, in current year. The project was shelved during 1998, subsequent to substantial expansion at Nimrani.

PERFORMANCE & FUTURE PLAN

The Company had to face very poor off take of fertilizer due to worst ever monsoon of last 40 years, faced by the State of Madhya Pradesh and consequently faced severe pressure on profitability.

The performance of Solvent Extraction Plant of the Company had been hit by continuous disparity in crushing in peak season.

In spite of poor Financial Performance during the period under review, mainly due to exceptional circumstances beyond Company's control, your directors are of the opinion, considering the basic strength of the company, the performance of the company shall be better in coming years.

During the current year Company has acquired land at Nimbahera (Rajasthan) to put up fertilizer plant considering strategical location.

DIRECTORS

Shri Anil Agrawal & Shri J. L. Jajoo retire by rotation and being eligible offer themselves for reappointment.

FIXED DEPOSITS

During the year under review Company has not accepted any deposits from the public, pursuant to the provisions of



KHAITAN CHEMICALS & FERTILIZERS LIMITED

Section 58A of the Companies Act, 1956 and the Deposit Rules.

AUDITORS & AUDIT REPORT

M/s.- S. S. Kothari & Co., Chartered Accountants, New Delhi, Auditors of the Company hold office till the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The notes on accounts referred to and the Auditors' Report are self explanatory and therefore do not call for any explanatory note.

M/s. Mihir Turakhia & Associates, Cost Accountants were appointed as Cost Auditors to conduct cost audit of the accounts maintained by the Company in respect of its Fertilizer and Sulphuric Acid products for the financial year 2002-2003.

GENERATION OF ENERGY AND TECHNOLOGY ABSORPTION

Information as specified U/S 217 (1) (e) of the Companies Act, 1956 is given in Annexure A in **Form-A**.

Your Directors are of the opinion that the Company has already opted for latest technology for producing Single Super Phosphate, Sulphuric Acid, Seed Processing & Oil Refinery. Hence, information specified to be given in **Form-B** is not applicable.

FOREIGN EXCHANGE EARNING AND OUTGO

The Company has earned Rs. 651.25 lacs on export of goods (Previous year Rs. 8.12 lacs) and Incurred Rs. 217.44 lacs (Previous year Rs. 808.05 lacs) on import of Raw Material, Capital Goods for edible Oil refinery project, Fees & Subscription, Interest on Foreign Currency Loan and Foreign Traveling Expenses.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies (Amendment) Act, 2000, your Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the statement of affairs of the Company at the end of the Financial year ended 31.03.2002 and of the Profit or Loss of the Company for that period;
3. 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. the Directors have prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the listing agreement, the management discussion and analysis report is given in **Annexure - B**.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investors' confidence, improve investors' protection and maximizing long term shareholder's value. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Compliance Report on Corporate Governance and Auditors' Certificate regarding compliance of conditions of Corporate Governance is given in **Annexure - C**.

PARTICULARS OF EMPLOYMENT

Information as per the requirement of Section 217(2A) of the Companies Act, 1956 is given in **Annexure-A**.

ACKNOWLEDGEMENT

Your Directors would like to thank the IFCI, IDBI, the State Bank of India, State Bank of Indore, various Departments/ Agencies of Central/State Govt., Shareholders, Employees and Business Associates of the Company for their continued cooperation received during the year.

FOR AND ON BEHALF OF THE BOARD

Place : New Delhi

Date : 26.08.2002

(SHAILESH KHAITAN)
CHAIRMAN & MANAGING DIRECTOR

KHAITAN CHEMICALS & FERTILIZERS LIMITED**Annexure 'A'**

Form 'A' for disclosure of particulars with respect to conservation of energy and forming part of Directors' Report :

A) POWER & FUEL CONSUMPTION :

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
1. Electricity :		
a) Purchased Units	3644630	3394806
Total amount (Rs. in Lacs)	181.78	153.35
Rate/Unit (Rs.)	4.99	4.52
b) Own generation:		
i. Through diesel generator Units	585251	554724
Total amount (Rs. in Lacs)	27.12	25.76
Rate/Unit (Rs.)	4.63	4.64
ii. Through steam turbine Units *	8596595	8710806
Total amount	-	-
(* Net of Self Consumption in TG)		
2. Coal:		
Quantity (In MT)	5994	5062
Total Cost (Rs. in Lacs)	120.52	93.69
Rate/Unit (MT) (Rs.)	2011	1851
3. Furnace oil:		
Quantity (K. Lts.)	279.86	235.52
Total Amount (Rs. in lacs)	30.09	27.25
Average Rate /Lt.	10.75	11.57

B. Consumption per unit of Production :

<u>Item</u>	<u>Product</u>	<u>Current Year</u>	<u>Previous Year</u>
Electricity (KWH/MT)	S.S.P./G.S.S.P	29	27
	S.A./Oleum/Liquid So3	66	66
	Soya Oil/Doc	49	50
Coal (KG/MT)	Soya Oil/Doc	82	78
Furnace Oil (Ltr.)	G.S.S.P.	12	13

Statement Under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rule 1975 & Forming part of Directors' Report:

<u>S. No.</u>	<u>Name of Employees/ his qualification/ Designation.</u>	<u>Age/No. of yrs. experience</u>	<u>Date of commencement of Employment</u>	<u>Remuneration (Rs. in Lacs)</u>	<u>Last Employment</u>
A.	Employed through out the year.				
1.	Shri Shailesh Khaitan B.Com (Hons.)/ Chairman & Managing Director	46/22	01-09-84	18.00	Managing Director, M/s. Majestic Packaging (P) LTD. Calcutta.

- Remuneration includes salary, Commission, leave travel assistance and expenditure incurred by the Company on other perquisites valued in accordance with the Income Tax Rules, 1962
- Shri Shailesh Khaitan is having 272687 Nos. of Shares. No other employee is having any shares in the Company.



KHAITAN CHEMICALS & FERTILIZERS LIMITED

Annexure 'B'

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Khaitan Chemicals & Fertilizers Limited is pleased to present its analysis report covering segment-wise performance and outlook. The report contains expectations of the Company's businesses based on the current environment. Many unforeseen and uncontrollable external factors could alter these expectations.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Fertilizer Division:

Fertilizer Policy & WTO

India is the third largest producer and consumer of fertilizer in the world, as it is predominantly an agricultural country.

The Govt. of India has already decontrolled the phosphatic & potashic fertilizers (including SSP) except allowing some adhoc subsidy. The detailed fertilizer policy particularly related to subsidy on fertilizers (i.e. Urea) is still awaited.

The Govt. is well aware that the higher subsidy to Urea has led to imbalanced use of fertilizers, which need to be corrected. Thus the further reduction in subsidy to fertilizer industry which should inter-alia aims to encourage balanced use of fertilizers shall increase the consumption of phosphatic fertilizers including SSP.

SSP fertilizer is the cheapest source of phosphatic fertilizer with other inputs i.e. Sulphur, Calcium etc. and is poor man's fertilizer. The management feels that due to its lower economical value with high distribution cost, there should be no impact of "WTO" as well as "No Subsidy Era".

The gradual reduction of subsidy shall not affect the demand of SSP provided, there is simultaneous reduction of subsidy in other segment of fertilizer. The total subsidy outgo on SSP is less than Rs. 175 crores.

Soya division :

The edible oil industry is one of the important industries in our country as there has been huge imports of edible oil because of its shortage.

2. OPPORTUNITIES AND THREATS

Fertilizer Division :

SSP belongs to already partial decontrolled segment and low cost fertilizer with other additional nutrients (i.e. Sulphur and Calcium) and present imbalanced use of fertilizers in favour of highly subsidized urea should lead to growth in SSP in current year.

The mushroom growth of manufacturing capacity in this sector with a shortsighted approach had damaged the goodwill of SSP amongst farmers as well as with the authorities. However, now the Central Government has taken lot of actions to curb such unscrupulous activities, which will ultimately benefit the quality manufacturers.

Soya division :

The Soya Industry is largely dependent on the monsoon and last three years were not normal so far the monsoon conditions in the state are concerned, but still, your Company has been able to show satisfactory performance as compared to the other units in the same segment. Being a product of mass consumption and import substitute we see bright future of the edible oil Industry.

3. SEGMENT-WISE BUSINESS REVIEW

The Company has two business segments viz. Fertilizer and Soya. Segment-wise details of the business are given in the foregoing paragraphs:

Fertilizer division :

The Company has largest SSP manufacturing facilities at one location in India with installed capacity of 400000 MT and having manufacturing facility of Sulphuric Acid, Oleum and Liquid So₃.

The summarized performance of Fertilizer Division is as under:

	<u>2001-02</u>	(Rs. In Lacs) <u>2000-01</u>
Sales	5589.68	5563.31
PBIDT	443.08	526.49