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**OCEAN AGRO (INDIA) LIMITED**  
**16th ANNUAL REPORT 2005-2006**



## **OCEAN AGRO (INDIA) LIMITED**

### **Board of Directors**

Mr. Kaushik B. Parikh	Managing Director
Mr. Manharbhai D. Patel	Joint Managing Director
Mr. B. J. Parikh	Director
Mrs. U.K. Parikh	Director
Mr. Girishbhai G. Shah	Director
Mrs S.M. Patel	Director

### **Auditors**

M/s. AMBALAL M. SHAH & CO.

### **Bankers**

Bank of Baroda

### **Manufacturing Facilities at**

#### **Plastics Division**

66, Industrial Estate, GIDC  
Nandesari, Dist. Vadodara

#### **Agro Division**

76, Industrial Estate, GIDC  
Nandesari, Dist. Vadodara

#### **Drip Irrigation Division**

67, Industrial Estate, GIDC  
Nandesari, Dist. Vadodara

#### **Registered Office**

22, Dolly Complex  
Stadium Circle, Navrangpura  
Ahmedabad - 380 009

#### **Corporate Office**

5, Alkapuri  
Opp. Express (Alkapuri) Hotel  
Off. R.C. Dutt Road  
Vadodara - 390 007

**NOTICE**

NOTICE is hereby given that the 16th Annual General Meeting of the members of Ocean Agro (India) Limited will be held on Friday, the 29th September 2006, at 3-00 P.M. at the registered office of the Company at 22, Dolly Complex, Stadium Circle, Navrangpura, Ahmedabad - 380 009 to transact the following business :

**Ordinary Business :**

1. To consider and adopt the Audited Balance Sheet as at and Profit & Loss Account for the year ended on the same date together with Directors' and Auditors' Reports thereon.
2. To appoint Directors in place of Mrs. U.K. Parikh, who retires by rotation and are eligible for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**Regd. Office :**

22, Dolly Complex  
Stadium Circle, Navrangpura  
Ahmedabad - 380 009

By Order of the Board

Place : Vadodara

Date : 16 August, 2006

G.G. SHAH  
Director

**NOTES :**

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.
- (2) Proxies, in order to be effective, must be received at the company's Regd. Office not less than 48 hours before the commencement of the meeting.
- (3) The Register of Members and the Share Transfer Books of the Company, will remain closed from 25-09-2006 to 29-09-2006 (both days inclusive).
- (4) Members/Proxies should bring their copy of Annual Report and Attendance Slip (duly completed) when attending the Meeting.
- (5) The accounts, the reports and all other documents required under the law to be annexed there to will be available for inspection during working hours at the Registered Office of the Company on any working day except Saturdays and Sundays upto the date of Annual General Meeting.
- (6) Shareholders desiring any information as regards the Accounts are requested to write to the company at an early date so as to enable the Management to keep the information ready.



## OCEAN AGRO (INDIA) LIMITED

## DIRECTORS' REPORT

To  
The members,

Your Directors have pleasure in presenting the 16th Annual Report of the Company along with Audited Accounts for the year ended 31 March, 2006.

**FINANCIAL PERFORMANCE** (Rs. in lacs)

	2005-06	2004-05
1. Gross Profit(Loss) before Depreciation	161.99	5.59
2. Less: Depreciation	88.28	87.23
3. Provision for Taxation	10.00	0.00
4. Profit for the year	63.72	(81.64)
5. Add: Balance in P & L Account	(224.56)	(128.30)
6. Surplus available for Appropriation	<u>(160.84)</u>	<u>(209.94)</u>
7. Other Provisions	(0.13)	14.61
8. Carried forward to Balance Sheet	(160.71)	(224.56)
	<u>(160.84)</u>	<u>(209.94)</u>

**DIVIDEND**

In view of inadequate profit during the financial year 2005-06, the Directors are unable to declare Dividend.

**OPERATIONS**

This can be seen from the results, the performance of the Company in the year under review has improved compared to last year and is under progress.

**PROSPECTS**

The Company emboldened by the tremendous response, it got for its products, has made extensive marketing network by appointing personnel at all levels, and at all potential areas. It is hoped that this networking, your company shall be able to carve out nice for itself and barring unforeseen circumstances it may cross 50 crore mark in next two to three years' time. The outlook for your company's products appears very bright and with sustained efforts, on all the fronts more particularly on R&D, the Board is confident of achieving higher results in the days to come. It had been the constant effort of the management to look for green field projects, in the related fields, to synchronise with existing activities and improve the profitability of the Company.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association, Mrs. U.K. Parikh retire by rotation and are eligible for reappointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement it is hereby confirmed.

(1) that in the preparation of the accounts for financial year ended 31 March, 2006, the applicable accounting standards have been followed along with proper explanation relating to material departures.

**DIRECTORS' REPORT (Contd....)**

- (2) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31 March, 2006 and of the loss of the company for the year ending on that date.
- (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 31 March 2006 on a going concern basis.

**AUDITORS**

M/s. AMBALAL M. SHAH & CO., Chartered Accountants, Auditors of the Company will hold office until the conclusion of ensuing Annual General Meeting. Auditors in their report have suggested for improving the frequency of physical verification of fixed assets and strengthening of internal control procedures in certain areas of stores which will be implemented during the current financial year.

**INDUSTRIAL RELATION**

During the year under review, the industrial relations remained harmonious and cordial. Human resources constituted the most productive asset and conscious efforts continue to be taken to ensure high degree of motivation and productivity. The Directors wish to place on record and acknowledge their sincere appreciation for the dedicated services and excellent co-operation extended by the employees at all levels whose concentrated efforts have contributed to the continuous growth and improved performance of the Company. With their support we can look forward to a bright future for the Company.

**INSURANCE**

The assets of the Company have been adequately insured.

**PUBLIC DEPOSIT**

During the year under review the company has not accepted any deposit from Public.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EARNING AND OUT GO**

In terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules 1988 are not applicable.

**PARTICULARS OF EMPLOYEES**

The Company does not have any employee drawing salary as stipulated under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

**CORPORATE GOVERNANCE**

Company has been following Corporate Governance over the years.

**ACKNOWLEDGEMENT**

The Directors extend their sincere thanks to the Customers, Bankers, Financial Institutions, Central Government and State Government authorities and all other associated with the Company for the co-operation, continued support, assistance, trust and confidence reposed by them in the company.

For and on behalf of the Board

Place : Vadodara  
Date : 16 August, 2006

K.B. PARIKH  
Managing Director

M.D. PATEL  
Joint Managing Director



## OCEAN AGRO (INDIA) LIMITED

## AUDITORS' REPORT

To  
The Members of  
OCEAN AGRO (INDIA) LIMITED

- 1 We have audited the attached Balance Sheet of OCEAN AGRO (INDIA) LIMITED as at 31 March 2006 and also the Profit & loss a/c of the company for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the companies (Auditor's Report) order 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure hereto a statement on the matter specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that: -
- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii) In our opinion, the company has kept proper books of account as required by law, so far as it appears from our examination of the books of the company;
  - iii) The Balance sheet and Profit and Loss Account dealt with by the report are in agreement with the books of accounts of the company;
  - iv) In our opinion, the Balance Sheet and Profit and loss Account comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956
5. On the basis of the written representations received from the directors, and taken on record by the Board of Directors we report that none of the directors is disqualified as on 31st March, 2006 from being appointed as a director in terms of clause (g) of Sub Section (1) of Section 274 of the Companies Act, 1956.
- 6 Subject to Note No. 10 & 22 as shown in Schedule-Q Notes Forming Part of Accounts, regarding non-provision of possible bad debts of old outstanding debtors of Rs. 1100.83 lacs after writing-off Rs. 102.93 lacs during the year and Note No. 26 for deferred revenue expenditure of Rs. 145.60 lacs still not written-off and thereby over statement of profits and under statement of accumulated losses to that extent, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India.
- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2006, and
  - ii) In the case of Profit & Loss A/c of the profit of the company for the year ended on 31 March 2006.

For Ambalal M. Shah & Co.  
Chartered Accountants

Place : Vadodra  
Date : 16 August, 2006

CA. Ashok A. Jain  
Partner