

NOTICE

OCEAN AGRO (INDIA) LIMITED

NOTICE is hereby given that the 21ST Annual General Meeting of the members of M/s OCEAN AGRO (INDIA) LIMITED will be held on Saturday the 24th September 2011 at the 22, Dolly Complex, Stadium Circle, Navrangpura, Ahmedabad - 380 006 at 12.30 p.m. to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as on 31st March 2011 and Profit and Loss Account for the year ended on 31st March 2011 together with Directors' and Auditors' Report
2. To appoint a Director in place of Manharbhai D. Patel who retires by rotation and is eligible for reappointment.
3. To appoint the Auditor to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

To Consider and, If thought fit, to pass with or without modification(s) the Following resolutions as Special Resolutions:

Item No. 4

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 ,311 and other applicable provisions if any of the Companies Act, 1956 and subject to the approval of members, the Company hereby accords its approval to appoint Shri Kaushik.B.Parikh as the Managing Director of the Company for a period of 3 Years w.e.f 1st June, 2011 on an aggregate remuneration of not exceeding Rs. 18.00 Lacs p. a in addition he shall be entitled such commission as may be decided by the Board from time to time subject to the limit specified in Schedule XIII of the Companies Act, 1956.”

Item No. 5

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 ,311 and other applicable provisions if any of the Companies Act, 1956 and subject to the approval of members, the Company hereby accords its approval to appoint Shri Manharbhai Patel as the Joint Managing Director of the Company for a period of 3 Years w.e.f 1st June, 2011 on an aggregate remuneration of not exceeding Rs. 18.00 Lacs p. a in addition he shall be entitled such commission as may be decided by the Board from time to time subject to the limit specified in Schedule XIII of the Companies Act, 1956.”

Item No. 6:

“RESOLVED THAT pursuant to the Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, [including any statutory modification(s) or re-enactment thereof, for the time being in force], the Articles of Associations of the company be and are hereby altered by inserting the following new clause to existing Article 2 and new Articles 181(a) to 181(b) after the existing Articles 181 and new Articles 183(a)(i) to 183(a)(iii) after the existing Articles 183”.

New Clause in Article 2 after the clause “Document”:

“Electronic mode means video conference facility i.e. audio-visual electronic communication facility employed which enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting”.

Article 181(a)

The notice of the meeting shall inform directors regarding availability of participation through video conference, and provide necessary information to enable director to access the available facility of videoconferencing.

Article 181(b)

The notice of the meeting shall also seek confirmation from the directors as to whether he will attend the meeting physically or through electronic mode and shall also contain the contact number(s) / e-mail addresses of the Secretary / designated officer to whom the director shall confirm in this regard. In the absence of any confirmation from the Directors, it will be presumed that he will physically attend the Board meeting.

Article 183(a) (i)

Director participating in a meeting through use of video conference shall be counted for the purpose of quorum.

Article 183(a) (ii)

The place where the Chairman or Secretary is sitting during the Board meeting shall be taken a place of meeting in terms of section 288 of the Act, and all recordings will be made at this place.

Article 183(a) (iii)

Video recording of the meeting will be preserved by the company for the prescribed time from the conclusion of the meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company (“the Board”, which expression shall also include a Committee thereof) be and they are hereby authorised to do any acts and things as may necessary to give effect to the aforesaid resolution.”

By Order of the Board

Place: Vadodara
Date: 30th May 2011

Registered Office
A – 207, Oxford Avenue,
Opp. C. U. Shah College
Ashram Road
Ahmedabad 380 014

Shri K. B. Parikh
Managing Director

NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself on a poll and that a proxy need not be a member. Proxies, in order to be effective, forms must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting.
2. Additional information pursuant to Clause 49 of the Listing Agreement with stock exchanges, on directors recommended for reappointment at the Annual General Meeting, is given in this notice.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from 19th September 2011 to 23rd September 2011 both days inclusive.
4. Members / proxies should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
5. Members are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. Details of Directors seeking re-appointment and appointment as per Item No. 2, 4 and 5 of the Ordinary Business in ensuing Annual General Meeting to be held on 24th September 2011 are as under:

Name of Directors	Kaushik B. Parikh
Date of Birth	10.11.1949
Date of Appointment	01.06.2011
Education	B.Sc.
Expertise in specific functional areas	Mr. K.B. Parikh, who is Managing Director of the Company, has been very successful entrepreneur with high vision and has to his credit several path breaking achievements. He holds a Bachelor of Science degree from Gujarat University. Prior to starting our Company, since 1973, he was managing manufacturing and commercial activities of Pesticides, Industrial Plastics and Innovative System. He has more than 37 years experience in the agrochemicals industry and more than 28 years of experience in the polymer processing industry. He is Chairman and Managing Director. He currently oversees the corporate affairs and Finance of our Company and is responsible for all the major policy decisions.
List of outside Directorship Held	8
Chairman / Member of the Committee of the Board of Directors of the Company	YES
Chairman / Member of the Committee of the Board of Directors of the other Public Limited Company	NIL
Share Holding	29,83,826 Shares (44.24%)
Relationship with other directors	NIL

Name of Directors	Manharhai D. Patel
Date of Birth	27.04.1947
Date of Appointment	01.06.2011
Education	M.Sc.
Expertise in specific functional areas	Mr. M.D. Patel, is an eminent scientist and is an expert in the Agrochemicals field. He has also introduced, by his personal innovation, several new products which have proved highly successful in actual trials. He is the Joint Managing Director of our Company since incorporation of our Company in 1990. He holds a Masters of Science degree from Sardar Patel University, Gujarat. Since 1971, he is managing manufacturing and commercial activities of Agrochemicals. He has more than 37 years of experience in the agro chemicals industry and more than 30 years experience in the organic agro products. He currently oversees the technical development and manufacturing functions of the company, as well as marketing of the agro products.
List of outside Directorship Held	5
Chairman / Member of the Committee of the Board of Directors of the Company	
Chairman / Member of the Committee of the Board of Directors of the other Public Limited Company	Nil
Share Holding	86578 Shares (1.28%)
Relationship with other directors	Nil

By Order of the Board

Place: Vadodara
Date: **30th May 2011**

Registered Office
A – 207, Oxford Avenue,
Opp. C. U. Shah College
Ashram Road
Ahmedabad 380 014

Shri K. B. Parikh
Managing Director

Explanatory Statement under section 173(2) of the Companies Act, 1956

Item No. 4

Shri K. B. Parikh has contributed a lot in the progress of the Company in all areas of business during his term of office. He is deeply involved in the day-to-day management of the company and takes keen interest in various on going activities of the Company. It is in the interest of the Company to appoint him for further period of 3 years. In the meeting of Board of Directors held on 30th May 2011 he is appointed as Managing Director for 3 years from 01/06/2011 to 31/05/2014 subject to the approval of members.

The Board commends the resolution at item No. 4 for approval of members. No Directors other than Shri Kaushik Parikh is in any manner concerned or interested in the said resolution.

Item No. 5

Shri M. D. Patel has contributed a lot in the progress of the Company in all areas of business during his term of office. He is deeply involved in the day-to-day management of the company at operation level and takes keen interest in various on going activities of the Company. It is in the interest of the Company to appoint him for further period of 3 years. In the meeting of Board of Directors held on 30th May 2011 he is appointed as Joint Managing Director for 3 years from 01/06/2011 to 31/05/2014 subject to the approval of members.

The Board commends the resolution at item No. 5 for approval of members. No Directors other than Shri M. D. Patel is in any manner concerned or interested in the said resolution.

Item No. 6

The Ministry of Corporate Affairs (MCA) has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the Companies Act and the Information Technology Act, 2000 for legal validity of compliances under Companies Act, 1956 through electronic mode.

In the light of the above provisions and circumstances, the MCA clarified by its General Circular No. 28/2011 dated May 22, 2011 that directors of a company may participate in a in the meeting of Board / Committee of directors meeting under the provision of Companies Act, 1956 through electronic mode. For this purpose, the company shall also comply with certain requirements and procedures, in addition to the normal procedures required under the Companies Act, 1956 for holding meetings of Board / Committee of directors. Hence, it is felt necessary to amend the Articles of Association so as to incorporate these new provisions into the Articles of Association of the Company.

With issuance of said General Circular of MCA, certain provisions of Companies Act pertaining to the meetings of directors have implications with a view to facilitating the operation of the said provisions in the meeting of Board / Committee of directors. In view of this, consequent changes are required to be incorporated in the Articles of Association of the company.

The Board of Directors recommends the resolution for your approval.

A copy of the Memorandum and Articles of Association of the company together the proposed alterations would be available for inspection by the directors at the Registered Office of the company during the business hours on any working day.

None of the Directors of the company is, in any way concerned or interested in the Resolution.

The Statement as per Clause (iv) of B of the Part II of Schedule XIII of Companies Act, 1956

(A)

I GENERAL INFORMATION:

1. Nature of Industry: The Company is operating in the Bio fertilizers Industry.
2. Date of Commencement of commercial production: 12-04-1994
3. Financial Performance:
 - (i) Turnover – Rs. 147,607,826.70
 - (ii) Profit (Before Tax) – Rs. 2,180,165.58
 - (iii) EPS – 0.03
4. Export Performance and net foreign exchange collaborations: N.A.
5. Foreign Investments or collaborations: N.A.

II INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

i	Name	:	Kaushik B. Parikh
ii	Date of Birth	:	10th November, 1949
iii	Qualification	:	B.Sc.
iv	Occupation	:	Business

2. Past Remuneration:

Rs. 10,02,959 Per Annum

3. Recognition, Job Profile and his Suitability :

Mr. K.B. Parikh, who is Managing Director of the Company, has been very successful entrepreneur with high vision and has to his credit several path breaking achievements. He holds a Bachelor of Science degree from Gujarat University. Prior to starting our Company, since 1973, he was managing manufacturing and commercial activities of Pesticides, Industrial Plastics and Innovative System. He has more than 37 years experience in the agrochemicals industry and more than 28 years of experience in the polymer processing industry. He is Chairman and Managing Director. He currently oversees the corporate affairs and Finance of our Company and is responsible for all the major policy decisions.

4. Remuneration proposed:

Not exceeding Rs. 18.00 Lacs Per Annum

5. Comparative Remuneration Profile: The Company is engaged in manufacturing of bio fertilizers in the organized sector. Other manufactures in the unorganized sector. To this therefore not possible to give comparison of peer group.
6. Pecuniary Relationship with company or managerial personnel: No

III OTHER INFORMATION:

1. Reason of loss or Inadequate Profits:
The steep increase in cost of inputs, transport charges for raw material and finished goods has reduced the profit. The inflationary pressure has compelled to increase the wage payments. Moreover, due to cheap imports of inferior products from china and unhealthy competitions are important factors for reduced profit.
2. Steps taken or proposed to be taken for improvement:
Company is implementing SAP ERP. Product mix is being changes to make liquid product more volume which will generate more revenue and bigger market. Company is trying to approach end users(Farmers) through call centre.
3. Expected increase in productivity and profits in measurable terms:
Company is excepting 10 percent rise in sales by direct approach method. Company is putting two more new products which will enhance profitability.

IV DISCLOSURE:

The remuneration of Rs. 18,00,000 paid to Managing Director includes Salary, Dearness Allowance, Perquisites and other allowances. It does not include contribution to provident fund, superannuation fund or annuity fund, gratuity or leave encashment.

(B)

I GENERAL INFORMATION:

1. Nature of Industry: The Company is operating in the Bio fertilizers Industry.
2. Date of Commencement of commercial production: 12-04-1994
3. Financial Performance:
 - i. Turnover – Rs. 147,607,826.70
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 - iii. EPS – 0.03
4. Export Performance and net foreign exchange collaborations: N.A.
5. Foreign Investments or collaborations: N.A.

II INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

i	Name	:	Manharbhai D. Patel
ii	Date of Birth	:	27th April, 1947
iii	Qualification	:	M.Sc.
iv	Occupation	:	Business

2. Past Remuneration:

Rs. 10,02,959 Per Annum

3. Recognition, Job Profile and his Suitability :

Mr. M.D. Patel, is an eminent scientist and is an expert in the Agrochemicals field. He has also introduced, by his personal innovation, several new products which have proved highly successful in actual trials. He is the Joint Managing Director of our Company since incorporation of our Company in 1990. He holds a Masters of Science degree from Sardar Patel University, Gujarat. Since 1971, he is managing manufacturing and commercial activities of Agrochemicals. He has more than 37 years of experience in the agro chemicals industry and more than 30 years experience in the organic agro products. He currently oversees the technical development and manufacturing functions of the company, as well as marketing of the agro products, Job Profile and his Suitability:

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III OTHER INFORMATION:

1. Reason of loss or Inadequate Profits: N.A.

The steep increase in cost of inputs, transport charges for raw material and finished goods has reduced the profit. The inflationary pressure has compelled to increase the wage payments. Moreover, due to cheap imports of inferior products from china and unhealthy competitions are important factors for reduced profit.

2. Steps taken or proposed to be taken for improvement: N.A.

Company is implementing SAP ERP. Product mix is being changes to make liquid product more volume which will generate more revenue and bigger market. Company is trying to approach end users(Farmers) through call centre.

3. Expected increase in productivity and profits in measurable terms:

Company is excepting 10 percent rise in sales by direct approach method. Company is putting two more new products which will enhance profitability.

IV DISCLOSURE:

The remuneration of Rs. 18,00,000 paid to Joint Managing Director includes Salary, Dearness Allowance, Perquisites and other allowances. It does not include contribution to provident fund, superannuation fund or annuity fund, gratuity or leave encashment.

DIRECTOR'S REPORT

To,
The Members,
Your Directors have pleasure in presenting the 21st Annual Report together with the Audited Accounts of the company for the year ended 31st March 2011.

1. FINANCIAL PERFORMANCE :- (Rs. In lacs)

	Year ended 31/03/2011 Rs	Year ended 31/03/2010 Rs
Income for the year was	147607826	128418945
The year's working shows a Gross Profit of	8701024	8924286
Out of which, Provisions have been made for :- Depreciation	6520859	6577064
Provision for Taxation :		
(i) Current Income Tax	2000000	800000
(ii) Deferred Tax	0	0
Provision for doubtful debts	0	0
Previous year expenses	0	0
Profit after Income Tax	180165.58	1547221

2. DIVIDEND :-

In view of inadequate profit during the financial year under review, the Directors are unable to declare dividend.

3. OPERATIONS & FUTURE PROJECTS :-

During the year under report turnover has increased from Rs. 1390.11 lacs to Rs. 1500.21 lacs but the profit after tax has gone down from Rs. 15.47 lacs to Rs. 1.80 lacs. The Directors are endeavoring to improve the performance of the Company in the coming years. For the project of creating data base as discussed last year for above three million farmers across the country is in progress and will start on pilot scale this year. This will enable the Company to have direct communication with the end user to provide customized solution and create huge market for the company's product.

Future Prospects:

Indian farmers are unfortunate sufferers from fertilizer shortage. Major cause is poor logistics and distribution network as well as delay in procurement of imported fertilizers by various agencies. Even with the best government efforts, majority of the farmers are not fortunate to have required type and quantity of fertilizers at right time.

Government of India has started ADHAR Scheme to give unique ID to all citizens of the country. One benefit of the same will be distribution of Fertilizers Subsidy directly to the end users. i.e. farmers. This will lead to commercial rate of fertilizer which will be much higher than prevailing subsidized rate. Our products will be more in demand as it will be cheaper or competitive.

Your Company has identified a unique opportunity in this scenario, where in identification and interaction with progressive farmers for testing BIO FERTILIZERS (organic fertilizer produced by us). Once these products are tested and accepted by the farmers, it will create sustainable

demand. This will lead to their adopting our products and acting as ambassadors to the small and marginal farmers.

Your company is modifying the Bio Fertilizer (DELTA) to make it more competitive. The liquid products mainly Amrutsanjivani has been tried and has performed to the satisfaction of farmers for soil application (giving while irrigation). This has opened up new avenues for new market.

Your Company is looking into the possibility of starting a hi-tech manufacturing plant to produce bio technology based organic fertilizers on economical scale.

The trials for bio technology based bio fertilizers is under progress and it is expected to get ready for field trials next year.

Project of collecting and creating a database of farmers throughout Gujarat has been started in four districts. This database will make direct-communication via call-centers a real possibility for the firm and help the company cater directly to the needs of the final consumers and also help motivate progressive farmers. Your company is planning to develop individually crop specific sustainable organic farming using bio technology based products, with these farmers, on whose success, Your Company will gain opportunity for organic growth.

As mentioned last year the farmer's data has been collected for four districts and several meetings with farmers have been conducted. The contact centre (Call Centre) for providing customized solutions for increasing yield will start on trial basis in October 2011. This will create platform for developing a system and procedure to provide training to selected farmers. Moreover the performance of your company's product on farmers field will be well documented and results will be conveyed to other farmers for adopting company's product in short time.

4. INDUSTRIAL RELATIONS :-

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels. Measures have been taken for Human Resources Development.

5. DIRECTORS :-

Shri Manhar Patel retires from the Board by rotation and being eligible, offer himself for re-appointment.

6. INSURANCE :-

The Assets of the company have been adequately insured.

7. PUBLIC DEPOSIT :-

During the period under review the company has not mobilized resources by way of deposit from the public.

8. CORPORATE GOVERNANCE REPORT :-

Pursuant to clause 49 of the Listing Agreement of the company with the Stock Exchanges, the Management Discussion & Analysis Report, Report on Corporate Governance, and certification by the Managing Director (CEO) confirming compliance by all the Board Members and Senior Management personnel with Company's Code of Conduct are made a part of the Annual Report. A certificate regarding compliance of conditions of Corporate Governance as stipulated under the aforesaid clause 49 is attached to this report.

9. DIRECTOR'S RESPONSIBILITY STATEMENT :-

Pursuant to requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed :

1. that in the preparation of the Account for the financial year ended 31st
March, 2011 the applicable standards have been followed along with proper explanation relating to material departures ;