



Annual Report
1999 - 2000



Camphor & Allied Products Ltd

BOARD OF DIRECTORS

Harshul Dalal, Chairman & Managing Director

J. N. Guzder

S. N. Desai

J. K. Setna

H. R. Prasad

Nimesh N. Kampani

Shobhan M. Thakore

Nina H. Dalal

Secretary

S. R. Iyer

Auditors

Batliboi & Purohit

B. D. Jokhakar & Co.

Solicitors and Advocates

Bhaishanker Kanga & Girdharlal

Bankers

Bank of Baroda

The Hongkong and Shanghai Banking Corporation Limited

Dena Bank

Corporate Office

Jehangir Building,
133, Mahatma Gandhi Road,
Mumbai 400 001.

Registrars and Share Transfer Agents

IIT Corporate Services Ltd.

IIT House, Near Vazir Glass Works,

Off. M. V. Road, J. B. Nagar,

Andheri (E),

Mumbai - 400 059.

Registered Office

Plot No. 3, GIDC Industrial Estate,

Nandesai 391 340

Dist. Vadodara, Gujarat.

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of CAMPHOR & ALLIED PRODUCTS LIMITED will be held on Saturday, the 16th day of September, 2000 at 11.00 a.m. at the Registered Office of the Company at Plot No.3, GIDC Industrial Estate, Nandesari 391 340, Dist. Vadodara, Gujarat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Audited Profit & Loss Account for the year ended 31st March, 2000 and the Audited Balance Sheet as at that date.
2. To appoint a Director in place of Shri S. N. Desai, who retires by rotation and though being eligible, however expressed his desire not to seek re-appointment.
3. To appoint a Director in place of Shri J. K. Setna, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri H. R. Prasad, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors 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:

6. To consider and, if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution: "RESOLVED THAT pursuant to Section 309 and other applicable provisions, if any, of Companies Act, 1956, the Company does hereby approve of and consent to continuation of payment and distribution thereof a sum of not exceeding 1% of the net profits of the Company as commission computed in accordance with the provisions of Section 198 of the Companies Act, 1956 (which may be determined by the Directors) amongst the Directors of the Company (other than Managing Directors, Wholetime Directors or any other Directors whose remuneration includes any monthly remuneration) in such amounts or proportions and in such manner as may be decided by the Board and such payments shall be made in respect of the profits for the year ending 31st March, 2001 and four succeeding years."

NOTES:

- (A) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (B) The instrument appointing proxy in order to be effective, should be lodged at the Registered Office of the Company not less than forty eight hours before the time of the meeting. A blank proxy form is sent herewith.
- (C) The members are requested to notify immediately any change in their address to the Company's Registrars and Share Transfer Agents, M/s.IIT Corporate Services Limited, IIT House, Near Vazir Glass Works, Off. M. V. Road, J. B. Nagar, Andheri (East), Mumbai - 400 059.
- (D) Pursuant to Section 205(A) of the Companies Act, 1956, all unclaimed dividends upto the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. The shareholders who have not encashed their dividend warrants upto the said period are requested to claim the amount from the Registrar of Companies, Gujarat.

In view of the amendment to the Companies Act, 1956 the unpaid dividends that are due for transfer to the Investor Education and Protection Fund set up by the Central Government are as follows:

Dividend for the Financial Year	Date of declaration of dividend	Unpaid Dividend amount due for transfer on
1995-96	24.08.1996	24.08.2003
1996-97	29.07.1997	29.07.2004
1997-98	29.08.1998	29.08.2005
1998-99	25.09.1999	25.09.2006
1999-2000	01.05.2000	01.05.2007

Members who have not encashed their dividend warrants pertaining to earlier years may approach the Company's Corporate Office at Jehangir Building, 133, Mahatma Ganchi Road, Mumbai 400 001 for issue of fresh cheque against the outdated dividend warrants.

- (E) Members having more than one folio in identical names are requested to consolidate the same.
- (F) In order to avoid fraudulent encashment of dividend warrants, members are requested to provide details of their bank accounts to be printed on the face of the dividend warrants.

By Order of the Board of Directors,

S. R. IYER
Secretary.

Mumbai, dated 26th July, 2000.

Registered Office:
Plot No.3, GIDC Industrial Estate,
Nandesari 391 340,
Dist. Vadodara, Gujarat.

EXPLANATORY STATEMENT

As required under Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out the material facts relating to the item of business mentioned in the accompanying notice dated 28th May, 2000.

Item No. 6:

By a Special Resolution passed at the 23rd Annual General Meeting of the Company held on 2nd September, 1995, the Company has approved of and consented to the payment and distribution thereof of a sum equivalent to one per cent of the net profits of the Company as Commission computed in accordance with the provisions of Section 198 of the Companies Act, 1956, amongst the Directors of the Company (other than the Managing Directors, the Wholetime Directors or any other Director whose remuneration includes any monthly remuneration) in such amounts or proportions and in such manner as may be decided by the Board and that such payments ending 31st March, 1996 and four succeeding years. Under Section 309(7) of the Act, a Special Resolution passed by a Company under Section 309(4) of the Act does not remain in force for a period of more than five years at a time.

All Directors are deemed to be concerned or interested in the above item of business.

By Order of the Board of Directors,
S. R. IYER
Secretary

Mumbai, dated 26th July, 2000.

Registered Office:
Plot No.3, GIDC Industrial Estate,
Nandesari 391 340,
Dist. Vadodara, Gujarat.

CAMPHOR & ALLIED PRODUCTS LIMITED

SOURCES AND APPLICATION OF FUNDS

(Rupees in Lacs)

	1999-2000	1998-1999	1997-1998	1996-1997	1995-1996
SOURCES OF FUNDS					
Shareholder Fund					
Share Capital	514.95	514.95	514.95	514.95	514.54
Reserve & Surplus	4195.16	3862.06	3603.88	3416.49	3225.74
	4710.11	4377.01	4118.83	3931.44	3740.28
Loan Funds	1864.71	760.99	667.93	1317.09	764.65
Fund Employed	6574.82	5138.00	4786.76	5248.53	4504.93
APPLICATION OF FUNDS					
Fixed Assets (Gross)	4576.70	3699.47	3286.78	4190.21	4073.17
Depreciation	1876.10	1772.53	1687.78	2209.34	1996.01
Fixed Assets (Net)	2700.60	1926.94	1599.00	1980.87	2077.16
Investments	76.57	77.08	77.84	77.84	67.80
Current Assets (Net)	3797.65	3133.98	3109.92	3189.82	2359.97
Net Assets Employed	6574.82	5138.00	4786.76	5248.53	4504.93
Book Value	91.48	85.00	79.99	76.35	72.63
Debt Equity Ratio	0.39	0.17	0.16	0.33	0.20

FINANCIAL HIGHLIGHTS

(Rupees in Lacs)

	1999-2000	1998-1999	1997-1998	1996-1997	1995-1996
INCOME					
Sales	8105.21	8742.93	10205.46	9838.99	9428.34
Other Income	219.14	184.69	455.18	139.41	98.34
Total	8324.35	8927.62	10660.64	9978.40	9526.68
EXPENDITURE					
Materials & Overheads	6885.05	7496.14	9187.18	8141.52	7232.83
Excise	442.72	507.20	504.92	614.90	785.18
Interest	272.99	161.42	259.89	305.86	177.65
TOTAL EXPENSES	7600.76	8164.76	9951.99	9062.28	8195.66
GROSS PROFIT	723.59	762.86	708.65	916.12	1331.02
APPROPRIATIONS					
Opening Balance	(189.57)	(191.39)	(184.00)	(186.09)	(261.21)
Depreciation	158.20	135.76	176.88	225.02	207.40
Contingency Provision for Excise/Sales Tax	-	22.27	-	14.26	91.39
Provision for Doubtful Debts & Bad Debt Written Off	0.85	4.34	41.09	5.08	17.28
Provision for Taxation (Net)	171.33	239.32	200.30	303.62	559.84
Proposed Dividend	102.99	102.99	102.99	180.23	180.23
Transfer to Reserve	295.00	260.00	180.00	190.00	350.00
Closing Balance	184.79	189.57	191.39	184.00	186.09
Earning Per Share (Rs.)	7.86	7.77	6.62	7.50	9.12

DIRECTORS' REPORT

Your Directors have pleasure in submitting the 28th Annual Report togetherwith the audited accounts of the Company for the year ended 31st March, 2000.

	Rupees Lacs	Rupees Lacs	Previous Year Rupees Lacs
Gross Profit for the year is		723.59	762.86
Deduction therefrom:			
Depreciation	158.20		135.76
Contingency Provision for Excise & Sales Tax	-		22.27
Provision for Doubtful Debts and Bad Debts written off	0.85		4.34
Provision for Taxation	160.00		200.00
		319.05	362.37
Net Profits Comes to		404.54	400.49
Deducting therefrom:			
Short provision for Taxation for earlier years		0.00	27.99
Profit after Tax is		404.54	372.50
Adding thereto balance brought forward from last year		189.57	191.39
Profit available for appropriation is		594.11	563.89
From which your Directors recommend the following appropriations:			
General Reserve	200.00		200.00
Debenture Redemption Reserve	95.00		60.00
Interim Dividend	102.99		
Corporate Tax on Interim Dividend	11.33		
Proposed Dividend	0.00		102.99
Corporate Tax on Proposed Dividend	0.00		11.33
		409.32	374.32
Balance being carried to next year's account		184.79	189.57

Working Results:

The Company has achieved a total turnover of Rs. 8,105 lacs during year under review as compared to previous year's turnover of Rs. 8,743 lacs, mainly due to lower price realisation of products in competitive market conditions.

New Project:

The company's new plant at Nandesari, Vadodara to manufacture high value performance chemicals for use in manufacture of fragrance chemicals, which was under implementation since last year, was commissioned for commercial production in November, 1999. Total turnover achieved before end of the year was Rs.3.33 crores out of which export was Rs.2.49 crores.

Dividend:

Your Directors had already declared interim dividend of Rs.2/- per share of Rs.10/- each. In view of profit level remaining same as last year your Directors do not recommend any further dividend. Hence total dividend for the year remains at the same rate as last year at Rs.2/- per share.

CAMPHOR & ALLIED PRODUCTS LIMITED

Finance:

The financial liquidity of the company was quite comfortable during the year out of the profit and cash generations from the normal operations of the Company.

The Company's borrowings by way of fixed deposits is within limits prescribed by the Companies (Acceptance of Deposits) Rules, 1975, 46 deposits amounting to Rs.2.55 lacs have remained unclaimed as on 31.3.2000 (of which 7 deposits aggregating to Rs. 0.37 lacs have since been renewed or repaid.)

Insurance:

The Company's buildings, plant and machinery, stores and stocks have been adequately insured. Loss of profit and standing charges in respect of Camphor Division have also been adequately insured.

Subsidiary Company:

Mulberry Investment & Trading Limited, the wholly owned subsidiary of the Company has made a profit after Tax of Rs. 4.46 lacs during the year under review compared to the profit of Rs. 2.42 lacs made in the previous year.

Directors:

In accordance with the Companies Act, 1956 and Articles of Association of the Company, Shri J. K. Setna, Shri S. N. Desai and Shri H. R. Prasad are retiring by rotation but being eligible, have offered themselves for re-appointment.

Auditors:

M/s. Batliboi & Purohit, Chartered Accountants and M/s. B. D. Jokhakar & Company, Chartered Accountants, the Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a certificate from M/s. B. D. Jokhakar & Company, Chartered Accountants, pursuant to the provisions of Section 224(i) of the Companies Act, 1956, regarding their eligibility for appointment, if made at the ensuing Annual General Meeting. The Company has also received a letter from M/s. Batliboi & Purohit, Chartered Accountants, informing that they do not seek reappointment as statutory Auditors of the Company.

Auditors Report:

The observation of the Auditors with regard to non-provision of liability of Income-tax, when read with the notes to the accounts is self-explanatory.

With regard to the observation of the Auditors for non-provision of liability to pay State Sales Tax on raw material refunded by the State, the Directors wish to state that the Company has represented to the concerned Sales-tax Authorities to review the claim as directed in the order of the Hon'ble High Court of Jammu & Kashmir.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars as prescribed under sub-section (1) (e) of Section 217 of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given as Annexure 'A'.

Environmental Compliance and Safety:

Your Company gives great importance to pollution control and environmental protection and efforts are made at all stages of manufacture to minimize effluents and emissions. Necessary reports are submitted by the Company to local authorities as required.

Industrial Relations:

The industrial relations in all the three units of the Company have remained cordial during the year under review.

Particulars of Employees:

The statement under sub-section (2A) of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, and forming part of this Directors' Report is given as Annexure 'B'.

General:

Your Directors place on record their sincere thanks to the Financial Institutions, Banks and shareholders for their continuous support and co-operation. The Directors also place on record their appreciation for the good work done by the employees of the Company.

For and on behalf of the Board of Directors,

HARSHUL DALAL
Chairman & Managing Director

Mumbai: 12th May, 2000.



ANNEXURE 'A' TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

I. Conservation of Energy:**(a) Energy conservation measures taken:**

Conservation of energy is an ongoing process and constant efforts are being made to conserve the energy by introduction of energy saving measures and efficient control of manufacturing processes.

(b) The total energy consumption and consumption per unit of production are as under:

ELECTRICITY		1999-2000		1998-1999	
Camphor Division					
Purchased Units	Nos.	10.72	lacs	43.90	lacs
Total Value	Rs.	57.49	lacs	207.74	lacs
Rate per unit	Rs.	5.36		4.73	
Own Generation					
Camphor Division					
Through Diesel Generation:					
Units Generated	Nos.	73.62	lacs	50.06	lacs
Unit per litre of Diesel Oil	Nos.	3.61		3.58	
Rate per Unit	Rs.	3.71		2.93	
Fine Chemical Division					
Through Diesel Generation:					
Units Generated	Nos.	10.82	lacs	-	
Unit per litre of Diesel Oil	Nos.	2.97		-	
Rate per Unit	Rs.	4.62		-	
Furnace Oil					
Camphor Division					
Quantity	M.T.	5,544.16		5,531.04	
Total amount	Rs.	549.70	lacs	361.99	lacs
Rate per unit	Rs.	9.91		6.54	
Fine Chemical Division					
Quantity	M.T.	319.35		-	
Total amount	Rs.	34.34	lacs	-	
Rate per Unit	Rs.	10.75		-	
Consumption per unit of Production					
Camphor Division					
Electricity	Nos.	1.469	units	1.640	units
Furnance Oil	Qty.	0.966	Kgs.	0.965	Kgs.
Fine Chemical Division					
Electricity	Nos.	8.73	units	-	
Furnance Oil	Qty.	2.57	Kgs.	-	

II. Particulars Regarding Research And Development & Technology Absorption:

The total expenditure for R & D during the year under review is Rs.174.33 lacs (Previous Year Rs.166.46 lacs) of which Rs.11.82 lacs (Previous Year Rs.11.76 lacs) is towards capital expenditure. Foreign exchange earned through contract research was at Rs.95.83 lacs compared to Rs.82.46 lacs of last year.

During the year work on process development of certain high value fragrance chemicals, and intermediates in the laboratory and pilot plant continued with encouraging results.

III. Foreign Exchange Earnings And Outgo:

The total earning on exports is Rs.1,297.10 lacs and Sponsored Research fees Rs.95.83 lacs as against Rs.1,284.30 lacs and Rs.82.46 lacs respectively in the previous year. The company continues to export USP Camphor, Camphene, Isobornyl Acetate, Alpha Pinene Expoxide, Alpha Campholenic Aldehyde and variety of fragrance and other chemicals to USA, Europe and other countries where the quality of its product is well accepted.

The Foreign Exchange Outgo on account of:

	1999-2000	(Rs. in Lacs) 1998-1999
a. Raw Materials	1,716.16	1,810.14
b. Components & Spare Parts	Nil	0.39
c. Capital Goods	Nil	16.72
d. Export Promotion Expenses	5.25	17.87
e. Travelling	2.30	4.51
f. Membership/Subsorption/Books	3.64	2.97
g. Professional/Consultation Charges	Nil	4.89
h. Dividend Payment	0.45	0.45

ANNEXURE 'B' TO THE DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217(2A) OF THE COMPANIES ACT 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AND ANNEXED TO AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2000.

Employed throughout the financial year under review and were in receipt of remuneration aggregating Rs. 6,00,000/- or more.

Sr. No.	Name	Age	Designation/ Nature of Duties	Remuneration (Rupees)	Qualification	Exp. Years	Date of Commencement of employment	Last employment held by such Employees
I.	Harshul Dalal	52	Chairman & Managing Director	2,115,875	B.Sc. (Hons.)	33	03-04-1970	Executive Director, Dalal and Jhaveri P. Ltd.

Notes :

- I. The above employee has adequate experience in his field of work.
- II. Remuneration mentioned above includes salary, bonus, commission, company's contribution to Provident Fund, Gratuity, Superannuation, Leave Encashment and other perquisites calculated in accordance with the provisions of Income-Tax Act 1961.
- III. The above employee is under service contract.
- IV. Shri Harshul Dalal is a relative of Smt. Nina Dalal, a Director of the Company.