



Annual Report  
2000-2001



**Camphor & Allied Products Ltd**

## BOARD OF DIRECTORS

Harshul Dalal, Chairman & Managing Director

J. N. Guzder

J. K. Setna

H. R. Prasad

Shobhan M. Thakore

Nina H. Dalal

## Secretary

S. R. Iyer

## Auditors

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,

Nandesari 391 340

Dist. Vadodara, Gujarat.

## CAMPHOR &amp; ALLIED PRODUCTS LIMITED

**NOTICE**

**NOTICE** is hereby given that the Twenty Ninth Annual General Meeting of the Members of CAMPHOR & ALLIED PRODUCTS LIMITED will be held on Saturday, the 8<sup>th</sup> day of September, 2001 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, 2001 and the Audited Balance Sheet as at that date.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri J. N. Guzder, who retires by rotation and though being eligible, however expressed his desire not to seek re-appointment.
4. To appoint a Director in place of Smt. Nina H. Dalal, who retires by rotation and being eligible, offers herself 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.

**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) The Register of Members and Share Transfer Books of the company shall remain closed from Friday, the 10<sup>th</sup> August, 2001 to Saturday, the 8<sup>th</sup> September, 2001 (both days inclusive).
- (E) The dividend when declared, will be made payable on or after 3<sup>rd</sup> October, 2001 to those shareholders, whose names stand on the Register of Members of the Company on the 8<sup>th</sup> September, 2001.
- (F) 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.
- (G) The shares of the Company are under compulsory Demat list of SEBI. The trading in equity shares can now be in Demat Form. In case you have not dematerialised your shares, you may do so by opening an account with a Depository Participant and complete dematerialisation formalities.

By Order of the Board of Directors,

**S. R. IYER**  
Secretary

Mumbai, 25<sup>th</sup> June, 2001.

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

## ANNUAL REPORT 2000-2001

**SOURCES AND APPLICATION OF FUNDS**

(Rupees in Lacs)

|                             | 2000-2001 | 1999-2000 | 1998-1999 | 1997-1998 | 1996-1997 |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| <b>SOURCES OF FUNDS</b>     |           |           |           |           |           |
| Shareholder Fund            |           |           |           |           |           |
| Share Capital               | 514.95    | 514.95    | 514.95    | 514.95    | 514.95    |
| Reserve & Surplus           | 4534.72   | 4195.16   | 3862.06   | 3603.88   | 3416.49   |
|                             | 5049.67   | 4710.11   | 4377.01   | 4118.83   | 3931.44   |
| Loan Funds                  | 1046.54   | 1864.71   | 760.99    | 667.93    | 1317.09   |
| Fund Employed               | 6096.21   | 6574.82   | 5138.00   | 4786.76   | 5248.53   |
| <b>APPLICATION OF FUNDS</b> |           |           |           |           |           |
| Fixed Assets (Gross)        | 4583.52   | 4576.70   | 3699.47   | 3286.78   | 4190.21   |
| Depreciation                | 2018.68   | 1876.10   | 1772.53   | 1687.78   | 2209.34   |
| Fixed Assets (Net)          | 2564.84   | 2700.60   | 1926.94   | 1599.00   | 1980.87   |
| Investments                 | 96.97     | 76.57     | 77.08     | 77.84     | 77.84     |
| Current Assets (Net)        | 3434.40   | 3797.65   | 3133.98   | 3109.92   | 3189.82   |
| Net Assets Employed         | 6096.21   | 6574.82   | 5138.00   | 4786.76   | 5248.53   |
| Book Value                  | 98.06     | 91.48     | 85.00     | 79.99     | 76.35     |
| Debt Equity Ratio           | 0.21      | 0.39      | 0.17      | 0.16      | 0.33      |

**FINANCIAL HIGHLIGHTS**

(Rupees in Lacs)

|   | 2000-2001 | 1999-2000 | 1998-1999 | 1997-1998 | 1996-1997 |
|---|-----------|-----------|-----------|-----------|-----------|
| <b>INCOME</b>                                       |           |           |           |           |           |
| Sales   | 7675.92   | 8105.21   | 8742.93   | 10205.46  | 9838.99   |
| Other Income  | 184.14    | 202.76    | 184.69    | 455.18    | 139.41    |
| Total   | 7860.06   | 8307.97   | 8927.62   | 10660.64  | 9978.40   |
| <b>EXPENDITURE</b>                                  |           |           |           |           |           |
| Materials & Overheads                               | 6565.16   | 6885.05   | 7496.14   | 9187.18   | 8141.52   |
| Excise  | 255.53    | 442.72    | 507.20    | 504.92    | 614.90    |
| Interest  | 233.91    | 256.61    | 161.42    | 259.89    | 305.86    |
| TOTAL EXPENSES                                      | 7054.60   | 7584.38   | 8164.76   | 9951.99   | 9062.28   |
| GROSS PROFIT  | 805.46    | 723.59    | 762.86    | 708.65    | 916.12    |
| <b>APPROPRIATIONS</b>                               |           |           |           |           |           |
| Opening Balance                                     | (184.79)  | (189.57)  | (191.39)  | (184.00)  | (186.09)  |
| Depreciation  | 169.29    | 158.20    | 135.76    | 176.88    | 225.02    |
| Contingency Provision for Excise/Sales Tax          | -         | -         | 22.27     | -         | 14.26     |
| Provision for Doubtful Debts & Bad Debt Written Off | 16.37     | 0.85      | 4.34      | 41.09     | 5.08      |
| Provision for Taxation (Net)                        | 125.76    | 171.33    | 239.32    | 200.30    | 303.62    |
| Proposed Dividend                                   | 154.48    | 102.99    | 102.99    | 102.99    | 180.23    |
| Transfer to Reserve                                 | 315.00    | 295.00    | 260.00    | 180.00    | 190.00    |
| Closing Balance                                     | 209.35    | 184.79    | 189.57    | 191.39    | 184.00    |
| Earning Per Share (Rs.)                             | 9.90      | 7.86      | 7.77      | 6.62      | 7.50      |

## CAMPHOR &amp; ALLIED PRODUCTS LIMITED

**DIRECTORS' REPORT**

Your Directors have pleasure in submitting the 29<sup>th</sup> Annual Report together with the audited accounts of the Company for the year ended 31st March, 2001.

|   | Rupees<br>Lacs | Previous Year  |                |
|---|----------------|----------------|----------------|
|   |                | Rupees<br>Lacs | Rupees<br>Lacs |
| Gross Profit for the year is                                      |                | 805.46         | 723.59         |
| Deduction therefrom:  |                |                |                |
| Depreciation  | 169.29         |                | 158.20         |
| Provision for Doubtful Debts and Bad Debts written off            | 16.37          |                | 0.85           |
| Provision for Taxation  | 110.00         |                | 160.00         |
|   |                | 295.66         | 319.05         |
| Net Profits after Tax is  |                | 509.80         | 404.54         |
| Adding thereto balance brought forward from last year             |                | 184.79         | 189.57         |
| Profit available for appropriation is                             |                | 694.59         | 594.11         |
| From which your Directors recommend the following appropriations: |                |                |                |
| General Reserve   | 300.00         |                | 200.00         |
| Debenture Redemption Reserve                                      | 15.00          |                | 95.00          |
| Interim Dividend  | -              |                | 102.99         |
| Corporate Tax on Interim Dividend                                 | -              |                | 11.33          |
| Proposed Dividend   | 154.48         |                | 0.00           |
| Corporate Tax on Proposed Dividend                                | 15.76          |                | 0.00           |
|   |                | 485.24         | 409.32         |
| Balance being carried to next year's account                      |                | 209.35         | 184.79         |

**Working Results:**

The Company has achieved a total turnover of Rs.7,676 lacs during year under review as compared to previous year's turnover of Rs. 8,105 lacs, mainly due to lower price realisation of products in competitive market conditions.

**Dividend:**

Your Directors recommend a dividend at the rate of Rs.3/- per share of Rs.10/- each as against Rs.2/- per share of Rs. 10/- each paid last year.

**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. 45 deposits amounting to Rs.3 lacs have remained unclaimed as on 31.3.2001 (of which 7 deposits aggregating to Rs. 0.57 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. 1.47 lacs during the year under review compared to the profit of Rs. 4.46 lacs made in the previous year.

**Directors:**

In accordance with the Companies Act, 1956 and Articles of Association of the Company, Shri J. N. Guzder and Smt. Nina H. Dalal are retiring by rotation and are eligible for re-appointment. Even though Shri J.N. Guzder is eligible for re-appointment he has expressed his desire not to seek re-appointment. Smt. Nina H. Dalal has offered herself for re-appointment.

**Auditors:**

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(1) of the Companies Act, 1956, regarding their eligibility for appointment, if made at the ensuing Annual General Meeting.

**Auditors Report:**

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.

**Cost Audit:**

M/s.P.D.Phadke & Associates, Cost Accountants, have been appointed to conduct cost audit for the year ending 31<sup>st</sup> March, 2001. They will submit their report to the Department of Company Affairs, Government of India.

**Director's Responsibility Statement:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 inserted vide the Companies (Amendment) Act, 2000, the Directors confirm that:

1. In the preparation of Annual Accounts, the applicable accounting standards have been followed.
2. Appropriate accounting policies have been selected and applied consistently and have made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2001 and of the Profit for the year 1<sup>st</sup> April 2000 to 31<sup>st</sup> March, 2001.
3. Proper and sufficient care has been taken 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 Annual Accounts have been prepared on a going concern basis.

**Corporate Governance:**

Your Company shall take necessary steps to incorporate standards for good corporate governance to ensure that all mandatory provisions and some of the non-mandatory provisions of Corporate Governance as prescribed by the amended Listing Agreements of the Stock Exchanges are complied with within the prescribed time stipulated under the Listing Agreement.

**CAMPOR & ALLIED PRODUCTS LIMITED**

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**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.

**Listing of Company Securities:**

Your Company's shares are currently listed at Mumbai, Delhi & Vadodara Stock Exchanges.

Shares of your Company are already under compulsory dematerialisation list as announced by Securities & Exchange Board of India. Till date, about 17.36 lacs shares representing 34% of our Company's equity share capital, have been dematerialised.

**Industrial Relations:**

The industrial relations in the two 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: 25<sup>th</sup> June, 2001.



**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****2000-2001****1999-2000****Camphor Division**

|                 |      |       |      |       |      |
|-----------------|------|-------|------|-------|------|
| Purchased Units | Nos. | 8.32  | lacs | 10.72 | lacs |
| Total Value     | Rs.  | 44.25 | lacs | 57.49 | lacs |
| Rate per unit   | Rs.  | 5.32  |      | 5.36  |      |

**Own Generation****Camphor Division****Through Diesel Generation:**

|                              |      |       |      |       |      |
|------------------------------|------|-------|------|-------|------|
| Units Generated              | Nos. | 51.90 | lacs | 73.62 | lacs |
| Unit per litre of Diesel Oil | Nos. | 3.43  |      | 3.61  |      |
| Rate per Unit                | Rs.  | 4.85  |      | 3.71  |      |

**Fine Chemical Division****Through Diesel Generation:**

|                              |      |       |      |       |  |
|------------------------------|------|-------|------|-------|--|
| Units Generated              | Nos. | 25.95 | lacs | 10.82 |  |
| Unit per litre of Diesel Oil | Nos. | 3.05  |      | 2.97  |  |
| Rate per Unit                | Rs.  | 5.13  |      | 4.62  |  |

**Furnace Oil****Camphor Division**

|               |      |          |      |          |      |
|---------------|------|----------|------|----------|------|
| Quantity      | M.T. | 4,305.02 |      | 5,544.16 |      |
| Total amount  | Rs.  | 509.46   | lacs | 549.70   | lacs |
| Rate per unit | Rs.  | 11.83    |      | 9.91     |      |

**Fine Chemical Division**

|               |      |        |      |        |  |
|---------------|------|--------|------|--------|--|
| Quantity      | M.T. | 679.70 |      | 319.35 |  |
| Total amount  | Rs.  | 76.19  | lacs | 34.34  |  |
| Rate per Unit | Rs.  | 10.42  |      | 10.75  |  |

**Consumption per unit of Production****Camphor Division**

|              |      |       |       |       |       |
|--------------|------|-------|-------|-------|-------|
| Electricity  | Nos. | 1.133 | units | 1.469 | units |
| Furnance Oil | Qty. | 0.810 | Kgs.  | 0.966 | Kgs.  |

**Fine Chemical Division**

|              |      |      |       |      |       |
|--------------|------|------|-------|------|-------|
| Electricity  | Nos. | 7.88 | units | 8.73 | units |
| Furnance Oil | Qty. | 2.22 | Kgs.  | 2.57 | Kgs.  |



## CAMPOR &amp; ALLIED PRODUCTS LIMITED

**II. Particulars Regarding Research And Development & Technology Absorption:**

The total expenditure for R & D during the year under review is Rs.123.50 lacs (Previous Year Rs.174.33 lacs) of which Rs.5.41 lacs (Previous Year Rs.11.82 lacs) is towards capital expenditure. Foreign exchange earned through contract research was at Rs.73.50 lacs compared to Rs.95.83 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.1,480.83 lacs and Sponsored Research fees Rs.73.50 lacs as against Rs.1,297.10 lacs and Rs.95.83 lacs respectively in the previous year.

The Foreign Exchange Outgo on account of:

|                                  | <u>2000-2001</u> | (Rs. in Lacs)<br><u>1999-2000</u> |
|----------------------------------|------------------|-----------------------------------|
| a. Raw Materials                 | 1,582.99         | 1,716.16                          |
| b. Export Promotion Expenses     | 8.69             | 5.25                              |
| c. Travelling                    | 4.32             | 2.30                              |
| d. Membership/Subscription/Books | 2.88             | 3.64                              |
| e. 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, 2001.

Employed throughout the financial year under review and were in receipt of remuneration aggregating Rs. 12,00,000/- or more.

| Sr. No. | Name          | Age | Designation/<br>Nature of<br>Duties | Remuneration<br>(Rupees) | Qualification | Exp.<br>Years | Date of<br>Commencement<br>of employment | Last employment<br>held by such<br>Employees     |
|---------|---------------|-----|-------------------------------------|--------------------------|---------------|---------------|--|--|
| I.      | Harshul Dalal | 53  | Chairman &<br>Managing<br>Director  | 2,832,747                | B.Sc. (Hons.) | 34            | 03-04-1970                               | Executive Director,<br>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.

