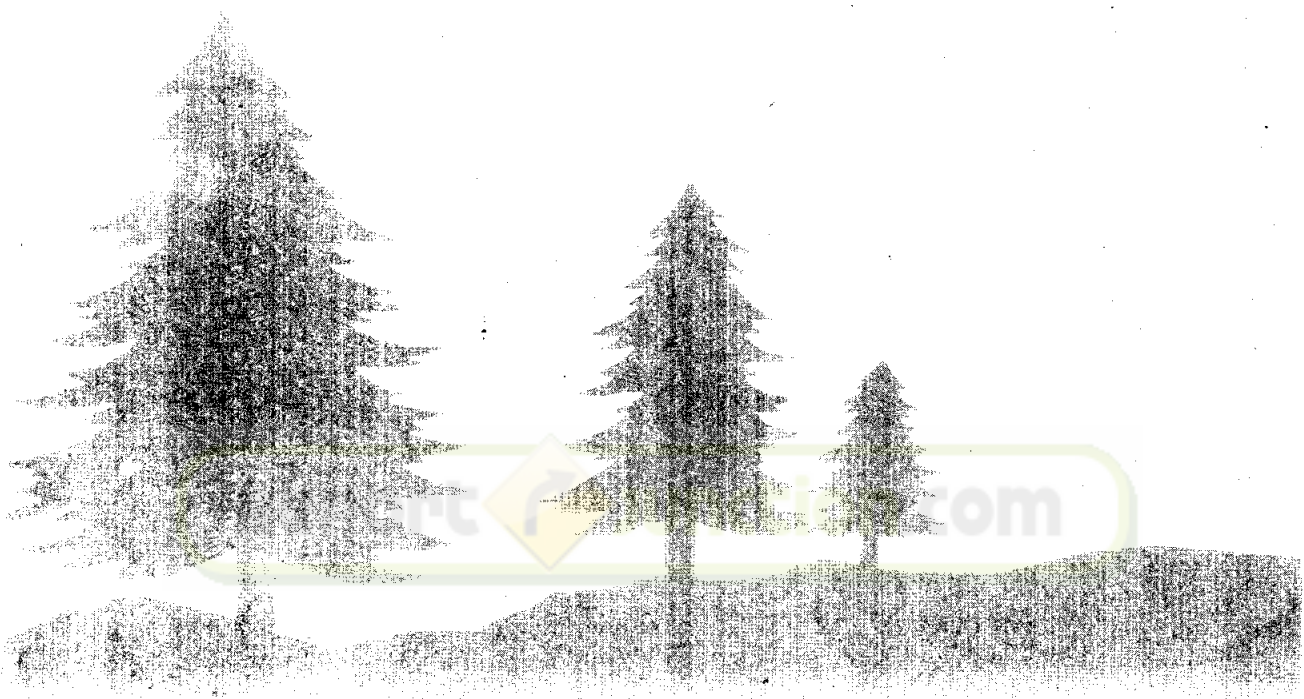




Annual Report  
2001-2002



**Camphor & Allied Products Ltd**

CAMPBOR & ALLIED PRODUCTS LIMITED

---

## BOARD OF DIRECTORS

Harshul Dalal, Chairman & Managing Director

J. K. Setna

H. R. Prasad

Shobhan M. Thakore

Nina H. Dalal

R. Jaishankar

## 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.

Protoprima Chambers,

Suren Road,

Andheri (E),

Mumbai - 400 093.

## 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 Thirtieth Annual General Meeting of the Members of CAMPHOR & ALLIED PRODUCTS LIMITED will be held on Saturday, the 14<sup>th</sup> day of September, 2002 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, 2002 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 S.M.Thakore, who retires by rotation and being eligible, offers himself for re-appointment.
4. 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:**

5. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

'Resolved that Shri R. Jaishankar who was appointed as an additional Director of the Company by the Board of Directors and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the Companies Act, 1956, from a member of the Company proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company.'

**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, Protoprima Chambers, 2<sup>nd</sup> Floor, Suren Road, Andheri (East), Mumbai - 400 093.
- (D) The Register of Members and Share Transfer Books of the company shall remain closed from Monday, the 2<sup>nd</sup> September, 2002 to Saturday, the 14<sup>th</sup> September, 2002 (both days inclusive).
- (E) The dividend when declared, will be made payable on or after 4<sup>th</sup> October, 2002 to those shareholders, whose names stand on the Register of Members of the Company on the 14<sup>th</sup> September, 2002.
- (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 demated your shares, you may do so by opening an account with a Depository Participant and complete dematerialisation formalities.
- (H) In case of a resident individual, income tax will not be deducted at source from dividend, if declared, where :-
  - i) such dividend does not exceed Rs.1,000/-.
  - ii) such dividend exceeds Rs.1,000/- on furnishing declaration in Form No. 15G, in duplicate, to the Registrar & Share Transfer Agents of the company.
- (I) Members are requested to inform the Registrar & Share Transfer Agents of the company their Income Tax Permanent Account Number (PAN) / General Index Register Number (GIR), if any, allotted to them by the Income Tax Authorities, to be stated in the Tax Deduction Certificate.
- (J) Dividend for the financial year ended 31<sup>st</sup> March, 1996 which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government in the year 2003 pursuant to the provisions of Section 205A of the Companies Act, 1956.

Members who have not encashed their dividend warrant(s) for the financial year ended 31<sup>st</sup> March, 1996, or any subsequent financial year(s), are requested to seek issue of duplicate warrant(s) by writing to the Registrar & Share Transfer Agents of the company.

K) Details of Directors to be appointed/reappointed at the ensuing Annual General Meeting:

Name	Age	Experience
S.M.Thakore	55	More than 30 years experience and expertise in the field of law as Solicitor & Advocate.
Other Directorships:		Alkyl Amines Chemicals Ltd. Bharat Forge Ltd. Carraro India Pvt. Ltd. (Alternate) Carraro PNH Components (India) Pvt. Ltd. Chinai Chemicals Ltd. Dharangji Morarjee Chem.Co.Ltd DSP Merrill Lynch Investment Managers Ltd. Futura Polymers Ltd. RMC (India) Pvt. Ltd. Siap Gears India Pvt. Ltd.
R. Jaishankar	61	More than 35 years experience in the field of engineering consultancy and chemical engineering in particular.
Other Directorships:		Caldyne Thermal Systems P.Ltd Trema-RJA Processors P.Ltd.

By Order of the Board of Directors,

**S. R. IYER**  
Secretary

Mumbai, dated 30<sup>th</sup> July, 2002.

**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 30<sup>th</sup> July, 2002:

**Item No.5**

Shri R. Jaishankar was appointed as Additional Directors of the Company on the 30<sup>th</sup> day of July, 2002 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds office only upto the date of the ensuing Annual General Meeting. As required under Section 257 of the Act, a notice has been received from a member signifying his intention to propose the appointment of Shri R. Jaishankar as Director along with a deposit of Rupees five hundred.

Shri R. Jaishankar is a technocrat and has more than 40 years of experience and expertise in the field of Chemical Engineering. He is the Managing Director of M/s. RJ Associates (Engineers) Pvt.Ltd., an engineering consultancy company which provides consultancy services to various industries in general and chemical industry in particular.

In his capacity as a consulting engineer, he has been actively associated with the company right from inception for most of our projects.

His vast experience and knowledge of the industry will immensely benefit the company.

The Board considers it desirable that the company should continue to avail of his services. Mr. R. Jaishankar is interested in this resolution.

By Order of the Board of Directors,

**S.R. IYER**  
Secretary.

Mumbai, dated 30<sup>th</sup> July, 2002.

**Registered Office:**

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

## CAMPHOR &amp; ALLIED PRODUCTS LIMITED

## SOURCES AND APPLICATION OF FUNDS

	(Rupees in Lacs)				
	2001-2002	2000-2001	1999-2000	1998-1999	1997-1998
<b>SOURCES OF FUNDS</b>					
Shareholder Fund					
Share Capital	513.37	514.95	514.95	514.95	514.95
Reserve & Surplus	4162.25	4534.72	4195.16	3862.06	3603.88
	4675.62	5049.67	4710.11	4377.01	4118.83
Loan Funds	493.04	1046.54	1864.71	760.99	667.93
Fund Employed	5168.66	6096.21	6574.82	5138.00	4786.76
<b>APPLICATION OF FUNDS</b>					
Fixed Assets (Gross)	4555.65	4583.52	4576.70	3699.47	3286.78
Depreciation	2096.64	2018.68	1876.10	1772.53	1687.78
Fixed Assets (Net)	2459.01	2564.84	2700.60	1926.94	1599.00
Investments	34.53	96.97	76.57	77.08	77.84
Current Assets (Net)	2675.12	3434.40	3797.65	3133.98	3109.92
Net Assets Employed	5168.66	6096.21	6574.82	5138.00	4786.76
Book Value	91.07	98.06	91.48	85.00	79.99
Debt Equity Ratio	0.11	0.21	0.39	0.17	0.16

## FINANCIAL HIGHLIGHTS

	(Rupees in Lacs)				
	2001-2002	2000-2001	1999-2000	1998-1999	1997-1998
<b>INCOME</b>					
Sales	8557.24	7675.92	8105.21	8742.93	10205.46
Other Income	323.36	184.14	202.76	184.69	455.18
Total	8880.60	7860.06	8307.97	8927.62	10660.64
<b>EXPENDITURE</b>					
Materials & Overheads	7813.05	6565.16	6885.05	7496.14	9187.18
Excise	209.83	255.53	442.72	507.20	504.92
Interest	186.42	233.91	256.61	161.42	259.89
TOTAL EXPENSES	8209.30	7054.60	7584.38	8164.76	9951.99
GROSS PROFIT	671.30	805.46	723.59	762.86	708.65
<b>APPROPRIATIONS</b>					
Opening Balance	(209.35)	(184.79)	(189.57)	(191.39)	(184.00)
Depreciation	159.87	169.29	158.20	135.76	176.88
Contingency Provision for Excise/Sales Tax	—	—	—	22.27	—
Provision for Doubtful Debts, Bad Debts Written Off & Provision for Diminution in Value of Investments	100.15	16.37	0.85	4.34	41.09
Provision for Taxation (Net)	156.10	125.76	171.33	239.32	200.30
Proposed Dividend	102.67	154.48	102.99	102.99	102.99
Transfer to Reserve	200.00	315.00	295.00	260.00	180.00
Closing Balance	161.86	209.35	184.79	189.57	191.39
Earning Per Share (Rs.)	4.40	9.90	7.86	7.77	6.62

**DIRECTORS' REPORT**

Your Directors have pleasure in submitting the 30<sup>th</sup> Annual Report together with the audited accounts of the Company for the year ended 31st March, 2002.

	Rupees Lacs	Rupees Lacs	Previous Year Rupees Lacs
Gross Profit for the year is		671.30	805.46
Deduction therefrom:			
Depreciation	159.87		169.29
Provision for Doubtful Debts, Bad Debts written off & Diminution in value of Investments	100.15		16.37
Provision for Taxation & deferred taxation	185.60		110.00
		445.62	295.66
Net Profit after Tax is		225.68	509.80
Add: Income Tax refund of Earlier year		27.57	0.00
Add: Excess provision of tax written back		1.93	0.00
Adding thereto balance brought forward from last year		209.35	184.79
Profit available for appropriation is		464.53	694.59
From which your Directors recommend the following appropriations:			
General Reserve	200.00		300.00
Debenture Redemption Reserve	—		15.00
Proposed Dividend	102.67		154.48
Corporate Tax on Proposed Dividend	—		15.76
		302.67	485.24
Balance being carried to next year's account		161.86	209.35

**Working Results:**

The Company has achieved a total turnover of Rs.8557 lacs during the year under review as compared to the previous year's turnover of Rs.7676 lacs, representing an increase of 11% mainly due to increase in sales by Fine Chemical Division.

**Dividend:**

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

**Finance:**

The financial liquidity of the company was quite comfortable during the year arising 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. Deposits amounting to Rs.6.18 lacs have remained unclaimed as on 31.3.2002 (of which 23 deposits aggregating to Rs.3.04 lacs have since been renewed or repaid.)

**CAMPOR & ALLIED PRODUCTS LIMITED****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:**

As regards Subsidiary Company viz., Mulberry Investment & Trading Ltd., it was decided to amalgamate this with the Company w.e.f. 1<sup>st</sup> April, 2001. In this connection 2 petitions were filed with the Gujarat High Court and Bombay High Court and the same have been disposed of vide orders dated 10<sup>th</sup> July, 2002 and 25<sup>th</sup> July, 2002 respectively.

**Directors:**

In accordance with the Companies Act, 1956 and Articles of Association of the Company, Shri S.M.Thakore is retiring by rotation but being eligible, has offered himself for re-appointment. Shri R. Jaishankar, who has been appointed as additional Director, will be appointed as Director liable to retire by rotation at the ensuing Annual General Meeting.

**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(I) 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, 2003. 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, and that there are no material departures.
2. In consultation with Statutory Auditors 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, 2002 and of the Profit for the year 1<sup>st</sup> April 2001 to 31<sup>st</sup> March, 2002.
3. To the best of their knowledge and ability, 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 has taken necessary steps to adopt 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. The Report on Corporate Governance forms part of this report as an annexure thereto.

**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 28.50 lacs shares representing 55.35% of our Company's equity share capital have been dematerialized.

**Industrial Relations:**

The industrial relations in the two units of the Company have remained cordial during the year under review. Wage settlements have been made recently with Workmen's union/representatives in both the units.

**Particulars of Employees:**

Statement of employees' particulars to be given pursuant to sub-section (2A) of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, forms part of this Directors' Report.

**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.

Report Junction.com

For and on behalf of the Board of Directors,

**HARSHUL DALAL**  
Chairman & Managing Director

Mumbai:  
Dated 30<sup>th</sup> July, 2002



## 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:

		2001-2002	2000-2001
<b>ELECTRICITY</b>			
<b>Camphor Division</b>	<b>Nos.</b>	<b>10.06 lacs</b>	<b>8.32 lacs</b>
Purchased Units	<b>Rs.</b>	<b>55.57 lacs</b>	<b>44.25 lacs</b>
Total Value	<b>Rs.</b>	<b>5.52</b>	<b>5.32</b>
Rate per unit			
<b>Own Generation</b>			
<b>Camphor Division</b>			
<b>Through Diesel Generation:</b>			
Units Generated	<b>Nos.</b>	<b>48.58 lacs</b>	<b>51.90 lacs</b>
Unit per litre of Diesel Oil	<b>Nos.</b>	<b>3.63</b>	<b>3.43</b>
Rate per Unit	<b>Rs.</b>	<b>4.98</b>	<b>4.85</b>
<b>Fine Chemical Division</b>			
<b>Through Diesel Generation:</b>			
Units Generated	<b>Nos.</b>	<b>31.58 lacs</b>	<b>25.95 lacs</b>
Unit per litre of Diesel Oil	<b>Nos.</b>	<b>3.12</b>	<b>3.05</b>
Rate per Unit	<b>Rs.</b>	<b>5.54</b>	<b>5.13</b>
<b>Furnace Oil</b>			
<b>Camphor Division</b>			
Quantity	<b>M.T.</b>	<b>3,883.05</b>	<b>4,305.02</b>
Total amount	<b>Rs.</b>	<b>408.99 lacs</b>	<b>509.46 lacs</b>
Average rate per unit	<b>Rs.</b>	<b>10.53</b>	<b>11.83</b>
<b>Fine Chemical Division</b>			
Quantity	<b>M.T.</b>	<b>988.43</b>	<b>679.70</b>
Total amount	<b>Rs.</b>	<b>95.25</b>	<b>76.19</b>
Average rate per Kg.	<b>Rs.</b>	<b>9.64</b>	<b>10.42</b>
<b>Consumption per unit of Production</b>			
<b>Camphor Division</b>			
Electricity	<b>Nos.</b>	<b>1.176 units</b>	<b>1.133 units</b>
Furnace Oil	<b>Qty.</b>	<b>0.780 Kgs.</b>	<b>0.810 Kgs.</b>
<b>Fine Chemical Division</b>			
Electricity	<b>Nos.</b>	<b>5.78 units</b>	<b>7.88</b>
Furnace Oil	<b>Qty.</b>	<b>1.81 Kgs.</b>	<b>2.22</b>

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

The total expenditure for R & D during the year under review is Rs.147.12 lacs (Previous Year Rs. 123.50 lacs) of which Rs.12.78 lacs (Previous Year Rs.11.82 lacs) is towards capital expenditure. Foreign exchange earned through contract research was at Rs.71.32 lacs compared to Rs.73.50 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.1,739.69 lacs and Sponsored Research fees Rs.71.32 lacs as against Rs.1,480.83 lacs and Rs.73.50 lacs in the previous year. The company continues to export USP Camphor, Camphene, Isobornyl Acetate, Alpha Pinene Epoxide, 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:**

	2001-2002	(Rs. in Lacs) 2000-2001
a) Raw Materials	2,751.78	1,582.99
b) Export Promotion Expenses	10.16	8.69
c) Travelling	4.41	4.32
d) Membership/Subsorption/Books	1.50	2.88
e) Dividend Payment	0.67	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, 2002.

Employed throughout the financial year under review and were in receipt of remuneration aggregating Rs.24,00,000/- or more.

Sr. & Name No.	Age	Designation / Nature of Duties	Remuneration (Rupees)	Qualification	Exp. Years	Date of Commencement of employment	Last employment held by such Employees
I. Harshul Dalal	54	Chairman & Managing Director	2,572,795	B.Sc.(Hons.)	35	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.