



M.D	✓		BKC	✓
CS	NA		DPY	AD
RO	✓		DIV	AD
TRA	✓		AC	✓
ACM	✓		GE	✓
YE	✓			✓

Eighth Annual Report 1996 - 1997



PHYTO CHEM (INDIA) LIMITED

Report  junction.com



PHYTO CHEM (INDIA) LIMITED

BOARD OF DIRECTORS

Dr. P.Sreemannarayana	- Chairman
Sri C.Venkateswarlu	- <i>Managing Director</i>
Sri Y.Nayudamma	- <i>Wholetime Director</i>
Sri K.Srinivas	- <i>Wholetime Director</i>
Sri M.V.Satya Prasad	- <i>Wholetime Director</i>
Sri G.Sreenu Babu	- <i>Wholetime Director</i>
Dr.Y.Venkateswarlu	- Director
Sri C.N.Chary	- Director (Upto 11-11-1997)

AUDITORS

M/s.T.Adinarayana & Co.,
Chartered Accountants
806, Raghava Ratna Apartments
Chirag Ali Lane
HYDERABAD - 500 001.

BANKERS

The Federal Bank Limited
Orient Estate, Abids, HYDERABAD - 500 001.

REGISTRARS & SHARETRANSFER AGENTS

M/s. Beekay Software Consultants Limited
106, 1st Block, 1st Floor
Divyashakthi Complex
Ameerpet, HYDERABAD-500 016.

CORPORATE OFFICE

9 B Gayatrinagar
Srinivasa Nagar East
HYDERABAD - 500 038.
Andhra Pradesh.

REGISTERED OFFICE & FACTORY

Temple Street
BONTHAPALLY - 502 313
Jinnaram Mandal
Medak District,
Andhra Pradesh.

PHYTO CHEM - ANNUAL REPORT - 1996-97**NOTICE**

Notice is hereby given that the Eighth Annual General Meeting of the Members of M/s. Phyto Chem (India) Limited will be held on Friday, the 26th day of December, 1997 at 11.00 A.M at the Registered Office of the Company at Temple street, Bonthapally-502313, Jinnaram Mandal, Medak District, Andhra Pradesh to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance sheet as at 31st March 1997, Profit and Loss Account for the Year ending on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Dr.Sreemannarayana Prathipati, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. C.Venkateswarlu, who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

"RESOLVED that M/s.T.Adinarayana & Co., Chartered Accountants be and are hereby reappointed as Auditors of the company from the conclusion of this Annual General Meeting till the conclusion of Ninth Annual General Meeting at such remuneration as may be fixed by the Board of Directors and reimbursement of out of pocket expenses."

SPECIAL BUSINESS**5. Alterations to Memorandum of Association.**

To consider and if thought fit, to pass the following resolution with or without modification as a Special Resolution.

"RESOLVED that in supersession of the resolutions passed by the shareholders in their Seventh Annual General Meeting held on 31st, December, 1996, and pursuant to Section 17 as amended and other applicable provisions, if any, of the Companies Act, 1956 clause-III-Object Clause of the Memorandum of Association of the Company be and is hereby altered:"

- i) By addition of the new clauses III A (2) and (3) after the existing clause III A (1) :

III A (2) : To manufacture, produce, refine, process, formulate, buy, sell, import, export, market, develop, distribute, trade or otherwise engage or deal in all types of organic and inorganic chemicals, fertilizers, microfertilizers of any nature used or capable of being used in all types of agricultural and commercial crops and to carry on the activities of cotton ginning, spinning, sale of cotton bales and seeds.

III A (3): To extract, produce, refine, process, buy, sell, import, export, market, develop, distribute, trade or other wise engage or deal in all types of oils, edible and non-edible oils and its by-products and any other commodities or products.

- ii) By renumbering the existing clauses III A (2)(3)(4)(5) as Clauses III A (4) (5) (6)(7)

"RESOLVED further that the Company be and is hereby authorised to file necessary forms and papers with the Registrar of Companies, A.P. Hyderabad to give effect to this resolution."



PHYTO CHEM (INDIA) LIMITED

6. Enhancement of Remuneration to Mr.C.Venkateswarlu, Managing Director.

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

"RESOLVED that in modification and supersession of the resolutions passed by the shareholders in their earlier meetings and pursuant to the provisions of Section 198, 304, 310 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, the consent of the shareholders be and is hereby accorded for payment of the remuneration to Mr.C.Venkateswarlu, Managing Director as per the following terms and conditions with effect from 01-04-1997."

- a) Salary :- Rs.15,000/- per month.
- b) Personal Accident Insurance :- Rs.2000/- per annum towards Personal Accident Insurance.
- c) G.P.F :- 10% of the salary or such other minimum amount as may be amended by the Government from time to time.
- d) Gratuity :- Half month salary per every year of completed service.
- e) The Company shall pay the professional tax of the Managing Director as per the rules of the State Government as amended from time to time.
- f) Entitled to encashment of Leave at the end of the tenure which will not be included in the computation of the ceiling on perquisites.

7. Enhancement of remuneration to Mr.Y.Nayudamma, Wholetime Director.

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

"RESOLVED THAT in modification and supersession of the resolutions passed by the shareholders in their earlier meetings and pursuant to the provisions of Section 198, 304, 310 and other applicable provisions,

if any, read with Schedule XIII of the Companies Act, 1956, the consent of the shareholders be and is hereby accorded for payment of the remuneration to Mr.Y. Nayudamma, wholetime Director as per the following terms and conditions with effect from 01-04-1997.

- a) Salary :- Rs.12,000/- per month.
- b) Personal Accident Insurance :- Rs.2000/- per annum towards Personal Accident Insurance.
- c) G.P.F :- 10% of the salary or such other minimum amount as may be amended by the Government from time to time.
- d) Gratuity :- Half month salary per every year of completed service.
- e) The Company shall pay the professional tax of the Managing Director as per the rules of the State Government as amended from time to time.
- f) Entitled to encashment of Leave at the end of the tenure which will not be included in the computation of the ceiling on perquisites.

8. Enhancement of remuneration to Mr.K.Srinivas, Wholetime Director.

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

"RESOLVED THAT in modification and supersession of the resolutions passed by the shareholders in their earlier meetings and pursuant to the provisions of Section 198, 304, 310 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, the consent of the shareholders be and is hereby accorded for payment of the remuneration to Mr.K.Srinivas, Wholetime Director as per the following terms and conditions with effect from 01-04-1997.

- a) Salary :- Rs.12,000/- per month.
- b) Personal Accident Insurance :- Rs.2000/- per annum towards Personal Accident Insurance.
- c) G.P.F :- 10% of the salary or such other

PHYTO CHEM - ANNUAL REPORT - 1996-97

minimum amount as may be amended by the Government from time to time.

- d) **Gratuity :-** Half month salary per every year of completed service.
- e) The Company shall pay the professional tax of the Director as per the rules of the State Government as amended from time to time.
- f) Entitled to encashment of Leave at the end of the tenure which will not be included in the computation of the ceiling on perquisites.

9. Enhancement of remuneration to Mr.M.V.Satya Prasad, Wholetime Director.

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

"RESOLVED THAT in modification and supersession of the resolutions passed by the shareholders in their earlier meetings and pursuant to the provisions of Section 198, 304, 310 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, the consent of the shareholders be and is hereby accorded for payment of the remuneration to Mr.M.V.Satya Prasad, Wholetime Director as per the following terms and conditions with effect 01.04.1997.

- a) **Salary :-** Rs.12,000/- per month.
- b) **Personal Accident Insurance :-** Rs.2000/-per annum towards Personal Accident Insurance.
- c) **G.P.F :-** 10% of the salary or such other minimum amount as may be amended by the Government from time to time.
- d) **Gratuity :-** Half month salary per every year of completed service
- e) The Company shall pay the professional tax of the Director as per the rules of the State Government as amended from time to time.
- f) Entitled to encashment of Leave at the end of the tenure which will not be included in the computation of the ceiling on perquisites.

10.Enhancement of remuneration to Mr.G.Sreenu Babu,Wholetime Director.

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

"RESOLVED THAT in modification and supersession of the resolution passed by the shareholders in their earlier meetings and pursuant to the provisions of Section 198, 304, 310 and other applicable provisions, if any, read with Schedule XIII of the companies Act, 1956, the consent of the shareholders be and is hereby accorded for payment of the remuneration to Mr.G.Sreenu Babu, Wholetime Director as per the following terms and conditions with effect from 01.04.1997.

- a) **Salary :-** Rs.9,600/- per month.
- b) **Personal Accident Insurance :-** Rs.2000/- per annum towards Personal Accident Insurance.
- c) **G.P.F :-** 10% of the salary or such other minimum amount as may be amended by the Government from time to time.
- d) **Gratuity :-** Half month salary per every year of completed service.
- e) The Company shall pay the professional tax of the Director as per the rules of the State Government as amended from time to time.
- f) Entitled to encashment of Leave at the end of the tenure which will not be included in the computation of the ceiling of perquisites.

For and on behalf of the Board

**Y.NAYUDAMMA
DIRECTOR.**

Place : Hyderabad,

Date : 11th November, 1997.



PHYTO CHEM (INDIA) LIMITED

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/herself and the proxy need not be a Member of the Company.
2. Proxies in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting. A proxy form is enclosed.
3. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto in respect of special business.
4. The Register of Members and the Register of Share Transfers will remain closed from 24th December, 1997 to 26th December, 1997 (both days inclusive).
5. Any change of address of the Members may please be notified to the Company or Share Transfer Agent quoting their Registered Folio Number.
6. Members desiring of seeking any information on the accounts are requested to write to the Company at least a week in advance to facilitate compilation of the information.
7. Members are requested to carry their respective copies of the Annual Report for reference during the Annual General Meeting.
8. All documents referred to in the above notice are open for inspection at the Registered Office of the Company during office hours.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM NO.5

The Board of Directors propose to diversify the activities of the company with a view to broad basing its activities and making it more resilient. In view of the bright prospects and to make use the rich experience of the Wholtime Directors of the company, the company feels that it can conveniently venture into business of fertilizers, Microfertilizers, Organic and inorganic Chemicals, Oils and its by-products, Cotton ginning, spinning and its allied activities and other areas more elaborately described in the resolution.

The Object Clause of the Memorandum of Association of the Company is proposed to be amended with insertion of a specific new clauses III A (2) and (3) and renumbering of existing clauses under III A of the Memorandum.

As a follow up to the resolution passed by the shareholders in their Seventh Annual General Meeting, the company has filed necessary papers with the company Law Board, Chennai. The approval of Company Law Board has not been received so far. In view of the Section 17(2) as amended with effect from 01-03-1997, the approval of the shareholders by Special Resolution is sufficient for alterations of memorandum of Association. Hence the resolution as set out in item No.5 is placed before shareholders.

None of the Directors is concerned or interested in the Resolution.

Your Directors recommend the resolution for approval of shareholders.

PHYTO CHEM - ANNUAL REPORT - 1996-97**ITEM NO.6:**

Earlier the approval of the shareholders for appointment of Mr. C.Venkateswarlu as Managing Director of the Company on a remuneration of Rs.7,500/- was obtained. The shareholders in their Seventh Annual General Meeting held on 31st December, 1996 enhanced his remuneration to Rs.12,500/- with effect from on 01-01-1996. The Board in its meeting held on 30-06-1997 considered that the salary being paid to Managing Director be enhanced as stated in the resolution No.6.

Your Directors recommend the resolution for approval of the shareholders.

None of the Directors is concerned or interested in the resolution except Mr.C.Venkateswarlu, Managing Director.

enhanced his remuneration to Rs. 8,000/- with effect from 01-01-1996. The Board in its meeting held on 30-06-1997 considered that the salary being paid to Wholetime Director be enhanced as stated in the resolution No.10.

Your Directors recommend the resolution for approval of the shareholders.

None of the Directors is concerned or interested in the Resolution except Mr.G.Sreenu Babu, Wholetime Director.

For and on behalf of the Board

**Y.NAYUDAMMA
DIRECTOR**

Place : Hyderabad

Date : 11th November,1997.

ITEM NO. 7, 8 & 9:

Earlier the approval of the shareholders for appointment of Mr. Y.Nayudamma, Mr.K.Srinivas and Mr.M.V.Satya Prasad as Whole time Directors of the Company on a remuneration of Rs.6,000/- each was obtained. The shareholders in their Seventh Annual General Meeting held on 31st December, 1996 enhanced their remunerations to Rs.10,000/- with effect from 01-01-1996. The Board in its meeting held on 30-06-1997 considered that the salary being paid to Wholetime Directors be enhanced as stated in the resolutions No.7,8 & 9.

Your Directors recommend the resolutions for approval of the shareholders.

None of the Directors is concerned or interested in the resolutions except Mr.Y. Nayudamma, Mr.K.Srinivas and M.V.Satya Prasad, Wholetime Directors.

ITEM NO.10:

Earlier the approval of the shareholders for appointment of Mr. G.Sreenu Babu as Wholetime Director of the Company on a remuneration of Rs.5000/- was obtained. The shareholders in their Seventh Annual General Meeting held on 31st December, 1996