



ELEVENTH ANNUAL REPORT
1999 - 2000



PHYTO CHEM (INDIA) LIMITED



PHYTO CHEM (INDIA) LIMITED

BOARD OF DIRECTORS

Dr. P.Sreemannarayana	-	Chairman
Mr. Y.Nayudamma	-	Managing Director
Mr. M.V.Satya Prasad	-	Wholetime Director
Dr. Y.Venkateswarlu	-	Director
Mr. U.Venkateswara Rao	-	Wholetime Director

AUDITORS

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

BANKERS

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

SHARE TRANSFER AGENTS

M/s. Jupiter Technologies
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.

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NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the Members of M/s Phyto Chem (India) Limited will be held on Friday, the 29th day of September, 2000 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 2000, 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.P.Sreemannarayana, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr.M.V.Satya Prasad, 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 Twelfth 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. To consider, and if thought fit, to pass the following resolution with or without modification as a Special Resolution.
RESOLVED that pursuant to section 31 and other applicable provisions, if any of the Companies Act 1956, and the Articles of Association of the Company be and are hereby altered in the following manner."
- A. Article 2 (f) & 2(l) of the Articles of Association altered to include the following definitions at appropriate places.

2 (f) 'Member' means the duly registered shareholder from time to time of the shares of the Company and include subscribers to the Memorandum of Association of the Company and shall include a person whose name is entered as beneficial owner in the records of a Depository.

2 (l) 'Register' means the Register of Members of the Company required to be kept under Section 150 of the Act and shall include the Register of Beneficial owners maintained by the Depository.

B. The following definitions shall be added and included in Article 2 of the Articles of Association after the sub-clause 2(o).

2 (p) 'Beneficial Owner' shall mean beneficial owner as defined under clause (1) of Section 2 of the Depositories Act. 1996.

2 (q) 'Depository' shall mean a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act. 1996.

2 (r) 'Depositories Act' shall mean Depositories Act. 1996 (22 of 1996) and shall include any statutory modification or reenactment thereof for the time being in force.

2 (s) 'SEBI' shall mean the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act. 1992.

2 (t) 'Record' includes the records maintained in the form of books or stored in a computer or in such other form or medium as may be determined by regulations made by SEBI.

2 (u) 'Security' shall mean such security as may be specified by the SEBI from time to time.

C. In Article 11, after sub-clause (e), add the following sub-clauses

11 (f) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing shares, debentures or other securities which may have been presently issued or which may be issued at a future date and also



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rematerialise its shares, debentures and other securities held in the Depositories and/or to issue its fresh shares, debentures or other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder.

- 11 (g) All securities held by a depository shall be dematerialised and be in fungible form. The provision relating to progressive numbering shall not apply to the shares of the Company, which have been dematerialised.

D. In Article 16, after sub-clause (f), add the following sub-clauses.

- 16 (g) Nothing Contained in the Act or these Articles shall apply to transfer of shares or other securities affected by the transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

In the case of transfer of shares or securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, provisions of the Depositories Act, 1996 shall apply.

'RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary proper and expedient to give effect to the above resolution.'

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

"RESOLVED that pursuant to the provisions of section 31 and other applicable provisions of the Companies Act, 1956, the following new Article 98 to be inserted after Article 97.

XXXIII. NOMINATION

98. "Notwithstanding anything contained in any other clauses of the Articles of Association of the Company, a holder or joint holders of shares or debentures, may nominate, in accordance with the provisions of Section 109 A of the Companies Act, 1956 and in the manner prescribed thereunder, person to

whom all the rights on the shares or debentures of the Company shall vest in the event of death of such holders. Any nominee then so made shall be dealt with by the Company in accordance with the provisions of Section 109 B of the Companies Act, 1956".

A copy of the Articles of Association of the Company is available for inspection by the members during business hours on any working day at the Registered Office of the Company, upto the date of meeting.

For and on behalf of the Board

Place: Hyderabad, **Y.NAYUDAMMA**
Date: 31-07-2000 **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/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 Transfer will remain closed from 27-09-2000 to 29-09-2000 (both days inclusive).
5. Any change of address of the Members may please be notified to the Company or Share Transfer Agents M/s Jupiter Technologies, 106, 1st Block, 1st Floor, Divyashakthi Complex, Ameerpet, Hyderabad - 500 016 quoting their Registered Folio Number.

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6. Members desirous 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.
9. As per the circular received from SEBI through The Hyderabad Stock Exchange Limited, Hyderabad the trading in shares

of the Company will be dealt in DEMAT Form by all the Investors with effect from 26-12-2000. The Company is making arrangements for providing connectivity with both NSDL/CSDL for trading of securities in Demat Form.

10. **Nomination Facility:** Consequent to the introduction of Section 109 (A) of the Companies Act, 1956, individual members holding shares are entitled to make a nomination in respect of the shares held by them. Members desirous of making nomination are requested to send the Nomination Form 2 B duly completed to the Share Transfer Agents of the Company.

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

ITEM NO.5

Certain provisions of the Companies Act, 1956 pertaining to issue, transfer and other dealings in shares and other certificates as also certificates thereof have been amended after enactment of the Depositories Act, 1996 and introduction of Depositories system.

Consequently addition of some articles in the Articles of Association of the Company pertaining to issue, transfer and other dealings are to be brought in line with the aforesaid amendments and hence this resolution.

None of the Directors of the Company are interested or concerned in this resolution.

Your Directors recommend the resolution for approval of the Shareholders.

ITEM NO.6

The Companies (Amendment) Act, 1999 has inter alia, made a provision through section 109(A) and 109(B) whereby a holder or joint holders of shares can nominate a person to whom all the rights in the shares or debentures of a Company shall vest in the event of death of such holder(s). Where a nomination has been made in the prescribed manner by the shareholder(s) or debenture holders, the nominee shall, on the death of the shareholders or debenture holders as the case may be, be entitled to all rights, in the shares or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. It is therefore proposed to introduce a new article in the Articles of Association of the Company by way of an enabling provision to provide for nomination facility in accordance with the newly enacted provisions of the Companies Act, 1956.

None of the Directors of the Company are interested or concerned in this resolution.

Your Directors recommend the resolution for approval of the Shareholders.

For and on behalf of the Board

Place: Hyderabad, **Y.NAYUDAMMA**
Date: 31-07-2000 **MANAGING DIRECTOR**



PHYTO CHEM (INDIA) LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Eleventh Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2000.

1. FINANCIAL RESULTS:

The financial results for the year ended 31st March, 2000 are summarised as under:

Particulars	(Rupees in lacs)	
	1999-2000	1998-99
Sales/income	1099.29	1318.55
Profit before depreciation and tax	24.87	41.93
Depreciation	14.30	14.08
Profit before Tax	10.57	27.85
Provision for Tax	1.22	3.34
Profit after Tax	9.35	24.51
Prior Period Adjustments	0.34	—
Profit after Prior Period Adjustments	9.01	24.51

2. REVIEW OF OPERATIONS:

Your Company achieved a turnover of Rs.1099.29 lacs during the year 1999-2000 as against a turnover of Rs.1318.55 lacs during the previous year and the Company has earned net profit of Rs.9.35 lacs during 1999-2000 as against net profit of Rs.24.51 lacs during 1998-99, after providing for prior year adjustments the Company could make Net Profit of Rs.9.01 lacs during 1999-2000 as against Rs.24.51 lacs during 1998-99. In view of the continuing competition, drought and unfavourable weather conditions, the Company could not achieve expected turnover and profits. Your Board of Directors could not recommend any dividend for the year 1999-2000 as sufficient profits are not available.

3. FIXED DEPOSITS:

Your Company has not accepted any deposits from the Public during the year.

4. AUDITORS :

M/s T. Adinarayana & co., Chartered Accountants, Hyderabad, the Auditors of the Company retire at the conclusion of this Annual General Meeting and are recommended for

reappointment. They have signified their willingness to accept the reappointment and have confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956.

5. DIRECTORS:

Dr.P.Sreemannarayana, Director & Mr.M.V.Satya Prasad, Wholetime Director will retire by rotation at this Annual General Meeting and being eligible, offer themselves for reappointment.

6. PERSONNEL:

None of the Employees is covered under Sec.217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended.

7. PARTICULARS REGARDING ENERGY CONSUMPTION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO.

As required by Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, the relevant data pertaining to consumption of Energy, Technology Absorption, Foreign Exchange earnings and outgo are given in the Annexure to this report.

8. Y2 K PREPAREDNESS:

The Company has become Y2 K complainant for its hardware/software and the Company does not foresee any problem to meet the expenditure on Y2 K compliance for its future requirements.

9. PAYMENT OF LISTING FEE:

The Company is listed at Hyderabad, Mumbai and Chennai and the listing fee has been paid by the Company till the financial year 2000-2001.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their deep appreciation of the esteemed support and cooperation received from M/s The Federal Bank Limited, Abids, Hyderabad. Your Directors also acknowledge the support and encouragement received from both Central and State Governments and also thank the Dealers, Distributors and Institutional Customers for their patronisation support, feed back and