



MD	✓		MD	✓
CS	NA		DRY	NA
RO	✓		DIV	NA
TRA	NA		KE	✓
AGM	✓	✓	SH	✓
YE	✓			

SAM INDUSTRIES LIMITED

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**THIRD
ANNUAL REPORT
1996 - 97**





SAM INDUSTRIES LIMITED, INDORE

BOARD OF DIRECTORS

Mr. V.K. Sud, **Chairman**
Mr. Ashutosh Maheshwari, **Vice Chairman**
Mr. J.S. Chaudhuri, **Managing Director**
Mr. Anil Maloo, **Executive Director**
Mr. Shanti Prasad Jain
Mr. Rakesh Agrawal
Mr. Mahesh Jarani
Mr. M.D. Khatri

AUDITORS

M/s. J.M. Trivedi & Associates
Chartered Accountants,
MUMBAI - 400 080.

BANKERS

State Bank of Hyderabad.
State Bank of Travancore.
State Bank of Mysore.
State Bank of Indore.

REGISTERED OFFICE

703, Alankar Chambers
A-2, Ratlam Kothi,
A.B.Road,
INDORE - 452 001

WORKS

Village - Dakachya
Tehsil - Sanwer
District - Indore (M.P.)



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SAM INDUSTRIES LIMITED, INDORE

NOTICE OF 3RD ANNUAL GENERAL MEETING

Notice is hereby given that the 3rd Annual General Meeting of the Members of the Company will be held on Tuesday, the 30th September, 1997 at the Registered Office of the Company at 703, Alankar Chambers, A-2 Ratlam Kothi, A.B. Road, Indore - 452001 at 2.00 p.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Auditor's Report, the Audited Balance Sheet as at 31st March, 1997 and Profit and Loss account for the year ended 31st March, 1997.
2. To appoint a Director in place of Shri Virendra Sud, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Shanti Prasad Jain, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass the following resolution with or without modifications as an ordinary Resolution :
 "Resolved that pursuant to Section 260, and other provisions, if any, of The Companies Act, 1956, Shri Murlidhar Khatri be and is hereby appointed as a Director of the Company, subject to retirement by rotation. "

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in poll instead of himself and such a proxy need not be a member of the Company. Proxies, to be effective, must be received by the Company not less than 48 hours before the time fixed for the meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of The Companies Act, 1956 in respect of Special Business is given in annexure to the notice.
3. For the purpose of Annual General Meeting the Register of Members and Transfer Books shall remain closed from Monday, 22nd September, 1997 to Tuesday, 30th September, 1997 (both days inclusive).
4. The shareholders are requested to bring the Annual Report along with them, as extra copies will not be supplied at the meeting.

Place : Indore
 Dated : 19th August, 1997

By Order of the Board

(J.S. Chaudhuri)
 Managing Director

SAM INDUSTRIES LIMITED, INDORE**ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

Resolution under item No.5

Shri Murlidhar Khatri was appointed as an additional director of the Company by the board of directors w.e.f. 19.05.1997. According to the provision of Section 260 of the Companies Act, 1956 he holds office upto the date of ensuing annual general meeting only.

The Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Shri M.D.Khatri for appointment as Director of the Company.

Shri M.D.Khatri is M.Com., F.C.A and is having vast experience in the field of Taxation, Law, Finance etc. The Board considers it to be in the interest of the Company to continue the appointment of Shri M.D.Khatri as Director of the Company and recommend the resolution for the approval of the members.

None of the Directors are interested in the resolution except Shri M.D.Khatri.

Place : Indore

Dated : 19th August, 1997

By Order of the Board

(J.S.Chaudhuri)

Managing Director.

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SAM INDUSTRIES LIMITED, INDORE**DIRECTORS' REPORT**

To,
The Members,

Your Directors have pleasure in presenting the Third Annual Report of the Company alongwith the Audited Accounts for the financial year ended 31st March, 1997.

FINANCIAL RESULTS

	(Rs. in lacs)
Gross Sales	3896.40
Profit before depreciation and tax	35.49
Less : Depreciation	33.03
Provision for taxation	<u>0.35</u>
Profit after tax	2.11
Add : Surplus of previous year	1.52
Less : Prior year adjustment	<u>0.09</u>
Balance available for appropriation	<u>3.54</u>

DIVIDEND

Your Directors do not recommend any dividend for the year.

OPERATIONS

During the year, your Company commenced commercial production at the 800 TPD solvent extraction plant at Dakachya, near Indore. The production was commenced on 21.11.96 and a turnover of Rs.3896.40 lacs was achieved, including export turnover of Rs.189.63 lacs.

Your directors are hopeful of recording a higher turnover and profit for the next financial year.

PUBLIC ISSUE

During the year, the Company came out with a public issue of 41,86,000 equity shares of Rs.10/- each for cash, at a premium of Rs.5/- per share, aggregating Rs.627.90 lacs. The Issue was over subscribed. Your directors wish to place on record their appreciation to the shareholders for the confidence reposed in the Management.

The shares have been listed on Indore and Mumbai Stock Exchanges.

BANK FINANCE

During the year, your Company obtained the Working Capital facilities from a consortium of banks as under

Fund based	: Rs. 1400 lacs
Non-fund based	: Rs. 50 lacs

FIXED DEPOSIT

The Company has not accepted any fixed deposit from the public.

**SAM INDUSTRIES LIMITED, INDORE**

DIRECTORS

In accordance with the provisions of The Companies Act, 1956 and the Company's Articles of Association, Shri Virendra Sud and Shri Shanti Prasad Jain, retire by rotation and being eligible, offer themselves for reappointment.

Shri Murlidhar Khatri was appointed as an additional director on the board on 19th May, 1997 and as such holds office upto the date of the ensuing Annual General Meeting. Notice has been received under Section 257 of the Companies Act, 1956 proposing his candidature to the office of director of the Company.

AUDITORS

M/s. J.M.Trivedi & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for reappointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure "A" forming part of this report.

PARTICULARS OF EMPLOYEES

The particulars prescribed under Section 217 (2A) of the Companies Act, 1956 are given in Annexure "B" forming part of this report.

ACKNOWLEDGEMENTS

The directors wish to convey their appreciation for the co-operation received from the Company's Bankers. The directors also wish to thank the shareholders, employees, customers and suppliers for their support and co-operation.

For and on behalf of the Board of Directors

Place : Pune

Date : 19th August, 1997.

(Virendra K. Sud)

Chairman

SAM INDUSTRIES LIMITED, INDORE**ANNEXURE "A"****I. FORM - A FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.****A. POWER AND FUEL CONSUMPTION****Electricity**

(a) Purchased unit	Rs.	1079907.60
Total amount	Rs.	4619027.00
Rate/Unit	Rs.	4.28
(b) Own Generation		
i) Through Diesel Generator		
Units		Nil
Units per Ltr.		Nil
Cost/Unit		Nil
ii) Through Steam Turbine		
Units		Nil
Units per ltr of fuel oil		Nil
Cost/Unit		Nil

Coal

Nil

<u>Furnace oil - Qty. (Kg. ltr)</u>	1107598.00
Total Amount	7825697.00
Average Rate (Rs./Kg.)	7.07

B. CONSUMPTION PER UNIT OF PRODUCTION

Products	Doc & Oil
Electricity (Unit/M.T)	32.20
Furnace Oil (Ltr/M.T.)	33.03

II. RESEARCH AND DEVELOPMENT

The Company manufactures standard product for which technology has already been stabilised, and therefore, no further research is being carried out.

III. TECHNOLOGY & ABSORPTION

The Company has adopted indigenous technology for crushing of soyabean seed and other oil seeds. No foreign technology has been imported by the Company.

IV. FOREIGN EXCHANGE EARNING AND OUT GO

	<u>Current year</u>	<u>Previous Year</u>
Foreign exchange used	---	1,12,01,671.00
Foreign exchange earned	1,89,62,548.00	10,97,720.00