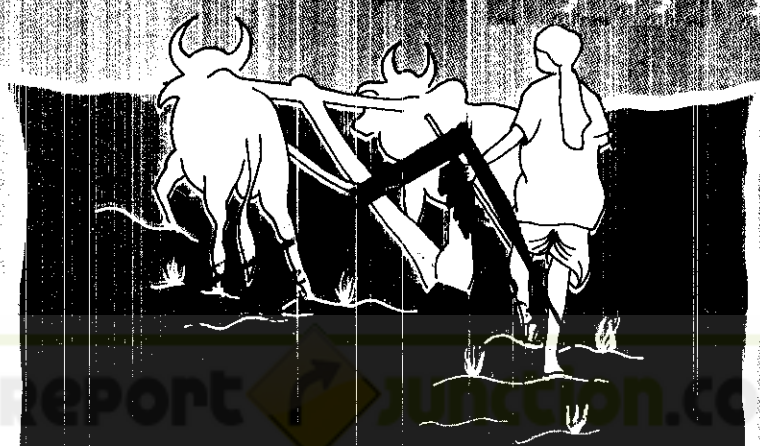


# 7th ANNUAL REPORT

## 1998-99



**SHIVA FERTILIZERS LIMITED**

**Shiva Fertilizers Limited**

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**BOARD OF DIRECTORS**

Shri Omprakash Gilda  
Shri Arvind Modgi  
Shri Arun Toshniwal  
Shri Deepak Maliwal  
Shri Narayanlal Kalantri  
Shri Sambhaji Pawar  
Shri Vijay Agrawal

*Managing Director*  
*Nominee Director (SICOM)*

**REGISTERED OFFICE & WORKS**

Osmannagar Road  
Village - Dhakni  
Dist. Nanded  
(Maharashtra)

**AUDITORS**

**M/s. Bharthya & Falor**  
Chartered Accountants  
Mahajan Building  
Vazirabad,  
Nanded - 431601.

**BANKERS**

Union Bank of India  
Nanded - 431 601.

**FINANCIAL ADVISORS**

Chidrupi Financial Services Limited,  
1001A, Raghava Ratna Towers,  
Chirag Ali Lane, Opp. Medwin Hospitals,  
Hyderabad - 500 001.

**SHARE TRANSFER AGENTS**

Aarthi Consultants (P) Ltd.  
1-2-285, Domalguda,  
Hyderabad - 500 029.



## NOTICE

*Shiva Fertilizers Limited*

Notice is hereby given that the 7th Annual General Meeting of the Share Holders of the Company will be held at Hotel Chandralok, Airport Road, Nanded, on Monday, the 27th September, 1999 at 12.00 Noon to transact the following business.

**Ordinary Business :**

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 1999 and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
- 2) To declare dividend on Equity Shares.
- 3) To elect a Director in place of Shri Omprakash Gilda who retires by rotation and being eligible offers himself for re-appointment.
- 4) To elect a Director in place of Shri Sambhaji Pawar who retires by rotation and being eligible offers himself for re-appointment.
- 5) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

" Resolved that M/s. Bhartiya & Falor, Chartered Accountants, Auditors of the company who retire at the conclusion of ensuing Annual General Meeting are hereby appointed as auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration as may be determined by the Board of Directors".

Report  junction.com

**By The Order of the Board**

Place : Nanded  
Dated : 31st May, 1999.

**Omprakash Gilda**  
Managing Director

**NOTES**

- 1) Any Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be member. The proxies, to be effective, should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
- 2) The Register of Members of the company will remain closed during the period from 16-09-1999 to 27-09-1999 both days inclusive.
- 3) If dividend on equity shares is declared, the same will be paid to the members whose names are on the company's register of the members on 27-09-1999.
- 4) Members desiring any information concerning accounts are requested to send their queries at least seven days before the date of the meeting to the company so that information required may be made available at the meeting.
- 5) Members are requested to bring their copy of Annual Report along with them to the meeting as copies of the Annual Report will not be distributed at the meeting.

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By The Order of the Board

Place : Nanded  
Dated : 31st May, 1999.

**Omprakash Gilda**  
Managing Director

**DIRECTORS' REPORT**

Your Directors are pleased to place before you the Seventh Annual Report and the Audited Accounts of the company for the year ended March 31, 1999.

**PERFORMANCE OF THE COMPANY**

Your company's Financial results are summarised hereunder:

	<b>1998-99</b>	(Rs. In Lacs) <b>1997-98</b>
Sales	3940.26	2494.23
PBIDT	255.88	232.01
Finance Charges	110.19	92.82
Depreciation	44.46	42.25
Profit Before Taxation	100.43	96.94
Provision for Taxation	23.00	21.00
Profit after Taxation	77.43	75.94

**APPROPRIATIONS**

Proposed Dividend	18.61	18.61
Transferred to General Reserve	20.00	20.00
Surplus Carried Forward	199.82	165.10

**REVIEW OF OPERATIONS:**

Your company has achieved a sales turnover of Rs. 3940.26 Lacs during the year under review which represents a significant increase of 58% over the previous year. The smart increase in sales could be achieved due to your company consolidating its market share of Mixed Fertilizers and increasing its incremental operating capacity by 63% in the SSP segment through optimization of its production facilities during the current year. Your company's profitability during the year under review was under stress due to marked increase in the cost of Rock Phosphate, large allowance of discounts to dealers, delayed receipts of subsidy from Central Government and reduced offtake of SSP in Vidarbha region, our major market segment, during Rabbi season due to crop failure. However the operating performance for the year under review has improved and sustained due to effective cost control measures initiated by your company. Your company is confident of maintaining its existing level of performance which is expected to be supported by satisfactory monsoon during the year.

**DIVIDEND :**

In view of need for augmenting the long term resources of your company your directors are constrained to recommend a Dividend of 6% on equity capital subject to approval by the Members in the Annual General Meeting, Financial Institutions and Bankers.

**FUTURE PROSPECTS :**

Your company is making continuous efforts for consolidating its market share in the SSP & Mix fertilizer segments. Your company is also actively considering strategic marketing tie-ups for distribution of complex fertilizers through its large dealer network.

**FIXED DEPOSITS :**

Your company has accepted fixed deposits during the year and there are no unpaid/overdue fixed deposits.

**DIRECTORS:**

Shri Omprakash Gilda, and Shri Sambhaji Pawar, Directors of the company, retire by rotation and being eligible offer themselves for reappointment.

**AUDITORS :**

M/s. Bhartiya & Falor, Chartered Accountants, Auditors of the company, retire at the conclusion of ensuing Annual General Meeting are eligible for reappointment.

**ENERGY, TECHNOLOGY, FOREIGN EXCHANGE :**

Details of energy conservation and research and development activities undertaken by the company along with the information in accordance with the provisions of section 217 (1) (e) of the Companies Act 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in the Annexure-A to the Directors Report.

**PARTICULARS OF EMPLOYEES :**

Information in accordance with the provisions of Section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended is not presently applicable.

**ACKNOWLEDGMENT :**

Your Directors have pleasure in recording their appreciation of the assistance extended, and support from various State and Central Government Departments, Financial Institutions viz. SICOM LTD., Union Bank of India and the co-operation received from Share Holders, Employees, Customers and Dealers.

**ON BEHALF OF THE BOARD**

Place : Nanded  
Dated : 31st May, 1999.

**Omprakash Gilda**  
Managing Director



## ANNEXURE TO THE DIRECTORS REPORT

## A) CONSERVATION OF ENERGY

## FORM "A"

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO  
CONSERVATION OF ENERGY

## a) Power and Fuel Consumption :

	For the year ended 31.03.99	For the year ended 31.03.98
1) Electricity		
a) Purchased		
Unit	1159434.00	861652.00
Rate/unit	3.73	3.73
b) Own Generation	Nil	Nil
2) Coal	Nil	Nil
3) Furnace Oil	Nil	Nil
4) Other	Nil	Nil
b) Consumption per unit of production		
Electricity (KWH)	15.87 PMT	19.20 PMT

## B) TECHNOLOGY ABSORPTION :

## FORM B

Company has fully absorbed the technology to manufacture Single Superphosphate (SSP) with an installed capacity of 300 TPD. The plant has been operated at its full efficiency level.

## C) FOREIGN EXCHANGE EARNINGS AND OUTGO : Nil