

**10th ANNUAL REPORT  
2001 - 2002**



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**S S ORGANICS LIMITED**

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**BOARD OF DIRECTORS**

Shri V. N. Sunanda Reddy	Managing Director
Shri B. Subba Reddy	Director
Shri K. Srinivas Reddy	Alternate Director to Shri B. Subba Reddy
Dr. S. S. Vankineni	Director
Dr. D. Sadasiva Reddy	Director
Shri P. Ramachandra Gupta	Director
Dr. G. Subramanyam	Director
Shri P. V. Subrahmanyam	Director (APIDC Nominee)
Shri Y. Ramachandra Reddy	Technical Director

**AUDITORS**

M/s. K. Nagaraju & Associates  
1-8-197  
Chikkadapally  
Hyderabad - 500 020

**BANKERS**

State Bank of India  
Rehabilitation & Recovery Branch  
Secunderabad - 500 003.

**REGD. OFF. & FACTORY**

Survey No. 252/1  
Aroor Village  
Sadasivapet Mandal  
Medak Dist.  
Andhra Pradesh.

**S S ORGANICS LIMITED****NOTICE :**

Notice is hereby given that the 10th Annual General Meeting of the Members of the Company will be held on 27th Friday, of September, 2002 at 11.30 A.M at the Registered Office of the Company : Survey no. 252/1, Aroor Village, Sadasivapet Mandal, Medak District, A.P.

**ORDINARY BUSINESS :**

01. To receive, consider and adopt audited Profit and Loss Account for the Year ended 31st March, 2002 and Balance Sheet as on that date and report of auditors' and directors' thereon.
02. To appoint director in place of Dr. S S Vankineni who retires by rotation.
03. To appoint director in place of Dr. D. Sadasiva Reddy who retires by rotation.
04. To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary resolution.

" RESOLVED THAT pursuant to section 224 and other applicable provisions of the Companies Act, 1956 M/S. Nagaraju & Associates, Chartered Accountants, Hyderabad be and are hereby appointed as Auditors of the company to hold Office from the conclusion of this meeting till the conclusion of the next Annual General Meeting, at such remuneration as may be determined by the Board of Directors of the Company".

BY THE ORDER OF THE BOARD  
FOR S S ORGANICS LIMITED

V N SUNANDA REDDY  
MANAGING DIRECTOR

DATE : 23-08-2002

PLACE : HYDERABAD

**NOTES :**

01. A Member Entitled to attend and vote at the meeting is entitled to appoint a proxy and such proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the Meeting.
02. Members are requested to intimate any changes in their addresses registered with the Company.
03. The register of Members will be closed from 24-08-2002 to 28-08-2002 ( both days inclusive).

**DIRECTORS' REPORT**

Dear Members,

Your directors takes great pleasure in bringing you this report for the Financial Year ended 2001-2002.

Rs. in Lakhs

<b>FINANCIAL PERFORMANCE</b>		
	For the year ending 31-03-2002	Previous year 31-03-2001
Total Income	981.49	755.09
Profit / Loss before Financial Expenses and Depreciation	145.27	168.41
Profit / (Loss) after Financial Expenses and Depreciation	(50.43)	(121.59)

**OPERATIONS :**

During the year under review apart from undertaking job works, own production has also been undertaken. There is a over all improvement in operations of the company considering the general market conditions and liquidity crunch.

Based on the Draft Rehabilitation Scheme

**S S ORGANICS LIMITED**

prepared by the company and agreed by the Operating Agency and other Institutions and Banks, Hon'ble BIFR approved a Scheme vide order dated 12<sup>th</sup> Feb, 2002. This approval is a Milestone in the History of the company and the Management is confident of the revival of the Company. The reliefs and Concessions as available in the approved package is given effect to the accounts of the company.

**AUDITORS :**

M/S.K. Nagaraju & Associates, Chartered Accountants, Statutory Auditors of the Company who retire at this Annual General Meeting, are eligible for reappointment. They have signified their willingness for reappointment and have confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956.

**REPLIES TO AUDITORS REPORT :**

01. On specific assignment basis the job of updation of Fixed Assets Register is undertaken during the year.
02. ESI, PF, IT and Sales Tax are being remitted in instalments as per the rehabilitation package approved by BIFR.
03. Notes on accounts are self - explanatory for other observations made by Auditors.

**FIXED DEPOSITS :**

The company has not raised any fixed deposits as on 31st March 2002 so as to attract the provisions of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) rules, 1975 as amended from time to time. There is no amount outstanding or due to any deposit holder.

**PARTICULARS OF EMPLOYEES :**

In Pursuance of Section 215 (2A) of the Companies Act, 1956 none of the employees of the company was drawing remuneration

exceeding Rs. 24,00,000/- per Annum or Rs. 2,00,000/- per month or part thereof.

**PERSONNEL:**

Your Directors place on record their appreciation of the services rendered by the employees. The relation between the management and the workers has been cordial throughout the year.

**DIRECTORS :**

Dr. D. Sadasiva Reddy and Dr. S S Vankineni retire by rotation at this Annual General Meeting and whose appointment is placed before you.

**DIRECTORS RESPONSIBILITY STATEMENT :**

Persuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility statement, your Directors wish to confirm that :

- i). In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any :
- ii). Such accounting Policies have been selected and applied consistently and judgements and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit and Loss of the Company for that period ;
- iii). Proper and sufficient care 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 any fraud or other irregularities has been taken.
- iv). Accounts for the financial year ended on 31st March, 2002 are prepared on a going - concern basis.

**S S ORGANICS LIMITED****PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY AND ABSORPTION ETC.,:**

Particulars with respect to Conservation of Energy as required under Section 217 (1) (e) of the Companies Act 1956 read with the Companies (disclosure of Particulars in the Report of the Board of Directors) rules, 1988 is annexed.

**LISTING DETAILS:**

The shares of the company are listed at Hyderabad, Mumbai and Madras stock Exchnages.

**DEMATERIALISATION OF SHARES:**

The shares of the company have been demated with CDSL under ISIN NO : INE 102E01018. However NSDL has not yet confirmed the same on technical reasons.

**AUDIT COMMITTEE:**

The Audit committee is regularly meeting and reviewing operations and internal controls and systems of the company.

**ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to place on record their sincere appreciation and wish to express their thanks for the guidance and assistance received from State & Central Government Agencies, Company's Clients, Bankers, Financial Institutions, Share Holders for their continued support and faith in the Company. Your directors also wish to appreciate the hard work and commitment exhibited by the employees of the company.

BY THE ORDER OF THE BOARD  
FOR S S ORGANICS LIMITED

DATE: 23-08-2002

PLACE: HYDERABAD

Y. RAMACHANDRA REDDY

DIRECTOR

V N SUNANDA REDDY

MANAGING DIRECTOR

**ANNEXURE TO DIRECTORS REPORT**

Information pursuant to Section 217 (i) of companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

**FORM 'A'**

1. Conservation of Energy	2001-2002	2000-2001
<b>POWER AND FUEL</b>		
Number of Units consumed (Nos. in lakhs)	19.64	16.23
Unit Rate (Rs.)	05.03	04.69
Total Amount (Rs. in Lakhs)	98.81	76.25
<b>OWN GENERATION (THROUGH D.G. Set)</b>		
Number of Units consumed (Nos. in Lakhs)	05.25	04.23
Unit Rate (Rs.)	06.93	07.75
Total Amount (Rs. in Lakhs)	36.36	32.77
<b>COAL</b>		
quantity (MT)	3590.46	2250.30
Total Cost (Rs. in Lakhs)	82.48	51.62
Average Rate (MT in Rs.)	2297.00	2294.00

**Form 'B'****01. RESEARCH & DEVELOPMENT:**

The Company is carrying out Research and Development in Process Development and required quality has been achieved. Though no significant amount has been spent on Research & Development, Continuous Research & Development would be undertaken.

**02. TECHNOLOGY ABSORPTION:**

The Company has not acquired any specific technology for its operations. Therefore the question of technology absorption does not arise. However, the Plant & Machinery installed in the company's factory are made with the latest technology available in the country.

**03. CONSERVATION OF ENERGY:**

The Company has already implemented energy conservation measures at the time of implementation of project itself. However efforts to conserve and optimise the use of energy through improved operation methods and other mean will continue.