



# **Samrat Pharmachem Limited**

**7th Annual Report  
1998-99**

## Samrat Pharmachem Limited

7th Annual Report (1998-99)

### REGISTERED OFFICE AND FACTORY

Plot no. A2/3445,  
GIDC Phase IV,  
Ankleshwar - 393 002,  
Gujarat.

### CORPORATE OFFICE

Saroj Bhuvan, Ground Floor,  
Near Bhangwadi Shopping Arcade,  
Kalbadevi Road, Mumbai - 400 002.

### BOARD OF DIRECTORS

<b>Shri Lalit Mehta</b>	<i>Managing Director</i>
<b>Shri Champak Parekh</b>	<i>Joint Managing Director</i>
<b>Shri Rajesh Mehta</b>	<i>Executive Director (Finance)</i>
<b>Shri Hitesh Parekh</b>	<i>Executive Director (Technical)</i>
<b>Shri Suman Lad</b>	<i>Director</i>
<b>Shri Joseph Vedamuthu</b>	<i>Director</i>
<b>Shri Jaswantraai Mehta</b>	<i>Director</i>

### AUDITORS

Nalin S. Parekh & Co.  
Chartered Accountants  
302 Madhav Apts., Jawahar Road,  
Opposite Ghatkopar Station [East],  
Mumbai - 400 077.

### BANKERS

The Saraswat Co-op Bank Ltd.  
Taj Building,  
A. K. Nayak Road,  
C. S. T., Mumbai - 400 001.

Dena Bank  
GIDC Industrial Estate,  
Ankleshwar - 393 002,  
Gujarat.

**Samrat Pharmachem Limited****7th Annual Report (1998-99)****Registered Office**

Plot No. A2/3445, GIDC Phase IV, Ankleshwar - 393 002, Gujarat

**NOTICE**

NOTICE is hereby given that the SEVENTH ANNUAL GENERAL MEETING of the Members of the Company will be held on **Tuesday, the 28th September, 1999 at 1.00 p.m.** at the Registered Office of the company at **Plot No. A2/3445, GIDC Phase IV, Ankleshwar - 393002, Gujarat** to transact the following business.

**ORDINARY BUSINESS**

1. To consider and adopt the Profit and Loss Account of the company for the year ended 31st March, 1999 and the Balance Sheet as at that date, together with Directors and Auditors Report thereon.
2. To appoint a director in place of Shri Rajesh Mehta who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Shri Jaswantra Mehta who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS, AS THE CASE MAY BE, OF THE COMPANY.
2. Proxies, if any, in order to be effective, must be received at the Registered Office of the Company at Plot No. A2/3445, GIDC Phase IV, Ankleshwar - 393 002, Gujarat, not less than 48 hours before the commencement of the meeting. Proxies shall not have any right to speak at the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of 11 days from 18th September, 1999 to 28th September, 1999 (both days inclusive).

4. Members are requested to kindly notify to The Share & Secretarial Department, Samrat Pharmachem Limited, Saroj Bhuvan, Ground floor, Near Bhangwadi Shopping Arcade, Kalbadevi Road, Mumbai 400 002, immediately of any change in their addresses.
5. Members are requested to quote their Folio Numbers in all their correspondence.
6. Members desirous of having any information regarding accounts are requested to write to the Company at least 7 days in advance of the date of Annual General Meeting so as to enable the Management to keep the information ready.
7. Members are requested to bring their copies of the Annual Report to the Meeting.
8. Members are requested to bring with them the attendance slip and hand it over at the entrance duly signed by them.

**By Order of the Board of Directors**

**Lalit Mehta**  
Managing Director

**Champak Parekh**  
Jt Managing Director

**Place : Mumbai**  
**Dated : 31st May, 1999**

# Samrat Pharmachem Limited

## 7th Annual Report (1998-99)

### REPORT OF THE DIRECTORS

#### TO THE MEMBERS

Your Directors have pleasure in presenting the Seventh Annual Report with audited accounts for the year ended 31st March, 1999.

#### FINANCIAL RESULTS

	31st March, 99	31st March, 98
Turnover	98,321,265.01	95,315,727.89
Profit before tax	229,424.32	1,162,909.11
Less: Provision for Taxation	25,990.00	130,641.00
Profit after tax	203,434.32	1,032,268.11
Balance brought forward	7,377,240.14	6,344,972.03
Taxation adjustment of previous year	(370.00)	(0.00)
Balance carried forward	7,580,304.46	7,377,240.14

#### OPERATIONS

Your company's performance during the year has been reasonable considering the slowdown in the economy and general slackness in demand. Sales during the year was Rs. 983.21 Lacs as compared to Rs. 953.16 Lacs in the previous year. Production of 266.83 tonnes of pharmaceutical bulk drugs was achieved during the year.

#### DIVIDEND

In order to build up resources, your Directors do not recommend payment of Dividend for the year.

#### DISCLOSURE OF PARTICULARS

Information as per 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 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure forming part of this report.

#### PARTICULARS OF EMPLOYEES

The company does not have any employee whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

#### YEAR 2000 (Y2K) COMPLIANCE

The company has spent Rs. 15,000 to make the software & hardware Year 2000 (Y2K) compliant. The company's production, sales, distribution & accounting will not be affected by the Y2K bug and all its activities will be carried out safely.

#### LISTING OF SHARES

The Company's shares are listed on the Bombay Stock Exchange, The Ahmedabad Stock Exchange, The Baroda Stock Exchange, Saurashtra Kutch Stock Exchange & Pune Stock Exchange. It has paid the listing fees at all the stock exchanges for the period upto 31st March, 2000. It has not been delisted on any of these exchanges for non-payment of listing fees.

#### DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Rajesh Mehta & Shri Jaswantra Mehta retire by rotation and are eligible for re-appointment.

#### AUDITORS

The Auditors of the Company M/s. Nalin S. Parekh & Co., Mumbai, Chartered Accountants hold office upto the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

#### INSURANCE

The assets of the company have been adequately insured against the risk of fire & other risks.

#### INDUSTRIAL RELATIONS

The industrial relations climate in your Company was harmonious and constructive.

#### ACKNOWLEDGEMENTS

Your Directors are thankful to you, our bankers, customers, employees and to all those who have extended their committed support to the progress of your Company.

For and on behalf of the Board of Directors

Lalit Mehta  
Managing Director

Champak Parekh  
Jt Managing Director

Place : Mumbai  
Dated : 31st May, 1999

## Samrat Pharmachem Limited

7th Annual Report (1998-99)

**ANNEXURE TO THE DIRECTORS' REPORT  
FOR THE YEAR ENDED 31st MARCH, 1999**

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings &amp; Outgo

Section 217(1)(e) of the Companies Act, 1956

The Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988

**A. CONSERVATION OF ENERGY**

Your Company continues to explore & implement measures which will help in conservation and saving of energy.

Measures taken & benefits derived are as follows :

- Hot Water coming from steam traps is recycled & used as boiler feed water.
- Using economiser effectively to pre-heat boiler feed water.
- Timely & routine preventive maintenance of boiler.
- Improvement in unit operations leading to reduction in processing time in reactor, centrifuge, drier & other equipments to minimize use of electricity.

**TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION**

**(A) POWER & FUEL CONSUMPTION**

	Current Year (1998-99)	Previous Year (1997-98)
<b>1. PURCHASED ELECTRICITY</b>		
Units	209,528.00	89,920.00
Total Amount (Rs.)	847,516.00	420,506.00
Rate / Unit (Rs.)	4.04	4.84
<b>2. DIESEL OIL</b>		
Units ( Litres )	1,45,632.00	97,473.22
Total Amount (Rs.)	1,385,739.68	917,163.20
Rate / Unit (Rs.)	9.52	9.41
<b>3. CONSUMPTION PER KILOGRAM</b>		
Production	266,825.79	280,977.95
Bulk Drugs (Kgs)		
Electricity / Kg	3.18	1.50
Diesel Oil / Kg	5.19	3.26

**B. TECHNOLOGY ABSORPTION**

The management has focussed on productivity and quality improvement in order to optimise manufacturing costs. This has helped in achieving optimum manufacturing costs, improved quality of products and consequently enhanced customer satisfaction. The company uses indigenous technology.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign exchange earned	Rs. 1,846,040.00
F.O.B. Value of export of finished goods ( Previous year Rs. 1,703,969.00 )	
Foreign exchange used	Rs. 51,621,009.26
Import of raw materials ( Previous year Rs. 59,330,733.86 )	

**For and on behalf of the Board of Directors**

**Lalit Mehta**  
Managing Director

**Champak Parekh**  
Jt Managing Director

**Place : Mumbai**  
**Dated : 31st May, 1999**