



# **Samrat Pharmachem Limited**

Report  Junction.com

**9th Annual Report  
2000-2001**

## Samrat Pharmachem Limited

9th Annual Report (2000-2001)

---

### **BOARD OF DIRECTORS**

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

### **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.  
Raja Shopping Centre,  
New Nagardas Road, Andheri [East],  
Mumbai - 400 069.

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

### **REGISTERED OFFICE AND FACTORY**

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

### **CORPORATE OFFICE**

A/7 Sai Prasad, 2nd Floor,  
Teli Gali Cross Lane, Andheri [East],  
Mumbai - 400 069.

**Samrat Pharmachem Limited****9th Annual Report (2000-2001)****Registered Office**

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

**NOTICE**

NOTICE is hereby given that the NINTH ANNUAL GENERAL MEETING of the Members of the Company will be held on **Saturday, the 29th September, 2001** at **1.00 p.m.** at the Registered Office of the Company at **Plot No. A2/3445, GIDC Phase IV, Ankleshwar - 393 002, Gujarat**, to transact the following business.

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2001 and the Profit and Loss Account of the company for the year ended as on that date, together with Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Jaswantra Mehta, who retires by rotation and being eligible offers himself for re-appointment.
3. 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 13 days from 17th September, 2001 to 29th September, 2001 (both days inclusive).
4. Members are requested to kindly notify to The Share & Secretarial Department, Samrat Pharmachem Limited, A/7 Sai Prasad, 2nd Floor, Teli Gali Cross Lane, Andheri [East], Mumbai - 400 069, 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  
For Samrat Pharmachem Limited**

**Lalit Mehta  
Managing Director**

**Champak Parekh  
Jt Managing Director**

**Place : Mumbai  
Dated : 31st July, 2001**

# Samrat Pharmachem Limited

## 9th Annual Report (2000-2001)

### Registered Office

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

### REPORT OF THE DIRECTORS

#### TO THE MEMBERS

Your Directors have pleasure in presenting the Ninth Annual Report with audited accounts for the year ended 31st March, 2001.

#### FINANCIAL RESULTS

	31st March, 2001	31st March, 2000
Turnover	135,888,480.80	103,635,802.46
Profit before tax	251,168.25	213,545.36
Less: Provision for Taxation	87,201.00	24,126.00
Profit after tax	163,967.25	189,419.36
Balance brought forward	7,771,902.82	7,580,304.46
Taxation adjustment of previous year	(1,272.00)	2,179.00
Balance carried forward	7,934,598.07	7,771,902.82

#### OPERATIONS

Your company has performed well during the year in terms of Sales. In spite of difficult business environment, the Company achieved a turnover of Rs. 1358.88 Lacs which is higher by 31.12% from Rs. 1036.36 Lacs achieved in the previous year. Production of 253.72 tonnes of pharmaceutical bulk drugs & chemicals was achieved during the year.

#### DIVIDEND

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

#### EXPORTS

During the year 2000-2001 your company's export division registered sales of Rs. 3,373,204. Your Company has initiated several export promotion measures to increase exports. The products of your Company has been well accepted in the international market and the Company expects better export turnover in the near future.

### DEMATERIALISATION

The Stock Exchange, Mumbai has by circular directed all B2 Group Companies to enter into tripartite agreement with depositories Viz. National Securities Depository Limited (NSDL) & Central Depository Services India Limited (CDSL) & join depositories to facilitate electronic trading of shares on or before 30th September, 2001. In terms of above circular your Company has initiated necessary steps to enter into depository agreement.

### CORPORATE GOVERNANCE

The development of capital market is dependant on good Corporate Governance & hence there is a need of setting up of high standards of Corporate Governance. The code of Corporate Governance will apply to your Company with effect from Financial Year 2002-2003. However your Board intends to initiate required measures to comply with the code as & when it will be made applicable to the Company.

### 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, 2002. Your Company has not been delisted on any of these exchanges for non-payment of listing fees.

### 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.

### 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.

### INSURANCE

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

**Samrat Pharmachem Limited****9th Annual Report (2000-2001)****DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Jaswantra Mehta retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Shri Joseph Vedamuthu who retires by rotation at the ensuing Annual General Meeting expressed his unwillingness to continue as Director of the Company. The Board place on record their gratitude for the valuable services and guidance given by Shri Joseph Vedamuthu during tenure of his Directorship.

**AUDITORS**

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

**COST AUDIT**

Your Company has received an order from Ministry of Law, Justice & Company Affairs, Department of Company Affairs, Cost Audit Branch, New Delhi Under Section 209(1)(d) of the Companies Act, 1956 to maintain Cost Accounting records in respect of manufacture of Bulk Drugs. In response of the said orders your Company has appointed Ms. Kalpana P. Mehta, Cost Accountant, Mumbai to conduct the cost audit of the records & accounts maintained by the Company in respect of Bulk Drugs manufactured by the Company for the year ended 31st March, 2001 & 31st March, 2002 subject to approval of the Central Government.

**INDUSTRIAL RELATIONS**

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

**COMPLIANCE CERTIFICATE**

The certificate of compliance from the Auditors of the Company as required Under Clause 49 of the Standard Listing Agreement is not attached to this report as the code of Corporate Governance apply to the Company only from Financial Year 2002-2003.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended with respect of Directors responsibility statement, it is hereby confirmed :-

1. That the preparation of accounts for the Financial Year ended 31st March, 2001, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;

2. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and the Profit or Loss of the Company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 as amended for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors' have prepared the accounts for the Financial Year ended 31st March, 2001 on a going concern basis.

**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  
For Samrat Pharmachem Limited**

**Lalit Mehta**  
Managing Director

**Champak Parekh**  
Jt Managing Director

**Place : Mumbai**

**Dated : 31st July, 2001**

## Samrat Pharmachem Limited

## 9th Annual Report (2000-2001)

**ANNEXURE TO THE DIRECTORS' REPORT  
FOR THE YEAR ENDED 31st MARCH, 2001**

Conservation of Energy, Technology Absorption and  
Foreign Exchange Earnings & 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.
- The company is exploring the possibility of substituting Diesel as the fuel with natural gas.

**TOTAL ENERGY CONSUMPTION AND ENERGY  
CONSUMPTION PER UNIT OF PRODUCTION****(A) POWER & FUEL CONSUMPTION**

	Current Year (2000-01)	Previous Year (1999-00)
<b>1. ELECTRICITY</b>		
a) Purchased Units (kwh)	145,630.00	138,210.00
Total Amount (Rs.)	704,421.00	849,994.31
Rate / Unit (Rs.)	4.84	6.14
b) Own Generation		
Through Diesel Generator		
Units (kwh)	3,472.00	4,563.00
Total Amount (Rs.)	26,797.00	27,638.00
Units / Ltr of Diesel	2.22	2.17
Cost / Unit (Rs.)	7.72	6.06
<b>2. DIESEL OIL</b>		
Units ( Litres )	101,064.00	77,394.50
Total Amount (Rs.)	1,614,589.70	914,369.11
Rate / Unit (Rs.)	15.98	11.81

**3. CONSUMPTION PER KILOGRAM**

Production	253,726.72	212,713.81
------------	------------	------------

Bulk Drugs &  
Chemicals (Kgs)

Electricity / Kg	2.89	4.13
------------------	------	------

Diesel Oil / Kg	6.36	4.30
-----------------	------	------

**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. 3,373,204.00
-------------------------	------------------

F.O.B. Value of export of finished goods  
( Previous year Rs. 5,008,238.00 )

Foreign exchange used	Rs. 95,939,759.00
-----------------------	-------------------

Import of raw materials  
( Previous year Rs. 68,203,374.00 )

**For and on behalf of the Board of Directors  
For Samrat Pharmachem Limited**

**Lalit Mehta**  
Managing Director

**Champak Parekh**  
Jt Managing Director

**Place : Mumbai  
Dated : 31st July, 2001**