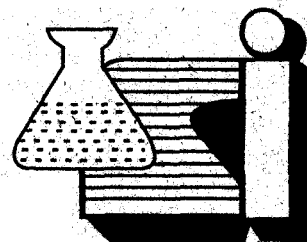


**14 TH  
ANNUAL  
REPORT  
2002 - 2003**

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**SHREYAS  
INTERMEDIATES  
LTD.**

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## BOARD OF DIRECTORS

Shri Dinesh Sharma	Chairman
Shri S. L. Sharma	Director
Shri N. M. Sayyad	Wholetime Director
Shri B. N. Dabas	Director

**REGISTERED OFFICE**

122-125 Solaris II, Opp. L&T Gate no. 6,  
Sakivihar Road, Powai, Andheri (E),  
Mumbai - 400 072.

**STATUTORY AUDITORS**

M/s. Sodha Chandak & Associates  
Chartered Accountants

**BANKERS**

Bank of Baroda

**FACTORY**

D-22, M.I.D.C.  
Lote Parshuram, Taluka Khed,  
Dist. - Ratnagiri,  
Maharashtra.

**REGISTRARS & SHARE TRANSFER AGENTS**

M/s. System Support Services  
209, Shivai Indl. Estate  
Near Parke Devis,  
Andheri Kurla Road,  
Sakinaka, Mumbai - 400 072.

**14 th ANNUAL GENERAL MEETING**

Date : 31st December, 2003  
Day : Wednesday  
Time : 10.30 a.m.  
Place : 122-125, Solaris-II Opp. L & T Gate  
No. 6, Sakivihar Road, Powai,  
Andheri (E), Mumbai-400 072.

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**SHREYAS INTERMEDIATES LTD.****NOTICE**

Notice is hereby given that the 14th Annual General Meeting of the members of SHREYAS INTERMEDIATES LIMITED will be held at Solaris II, Flat No. 122, Universal Industrial Estate, Saki Vihar Road (Opp. L & T Gate No. 6) Andheri (East), Mumbai 400 072 on Wednesday, 31st December, 2003 at 10.30 A.M. to transact the following Business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report, the Auditors' Report and the audited Balance Sheet as at 30.06.2003 and the Profit and Loss Account for the period ended on that date.
2. To appoint a Director in place of Shri S.L. Sharma who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.
4. To consider and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:  
"RESOLVED that Mr. Sayyad Nazir Saheb Mubarak who is eligible for appointment and in respect of whom the Company has received a notice in writing proposing for candidature for the office of Director pursuant to Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director liable to retirement by rotation".
5. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:  
"RESOLVED that pursuant to the provisions of Section 269, 309, 198 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, if any, as may be required, the consent and approval of the Company be and is hereby accorded to the appointment of Mr. Sayyad Nazir Saheb Mubarak, as the Whole Time Director of the Company for a period of 5 years with effect from 30th September 2003 and to his receiving remuneration, benefits and amenities and upon the terms and conditions and stipulations contained in an agreement to be entered into between the Company and Mr. Sayyad Nazir Saheb Mubarak, a draft whereof is placed before the meeting and for the purposes of identification, is initialed by the Chairman hereof, which agreement is hereby specifically sanctioned with liberty to Board of Directors to alter and vary the terms and conditions of the said appointment and / or remuneration and /or agreement as may be agreed to between the Board of Directors and Mr. Sayyad Nazir Saheb Mubarak provided however that the remuneration payable to Mr. Sayyad Nazir Saheb Mubarak shall not exceed the maximum limits for payment of managerial remuneration in accordance with the laws, policies, rules, regulations and/or guidelines in force from time to time."  
"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take all necessary steps for the aforesaid purpose and matters incidental thereto."
6. To consider and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:  
"RESOLVED that Shri Brahama Nand Dabas who is eligible for appointment and in respect of whom the Company has received a notice in writing proposing for Candidature for the office of Director pursuant to Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director liable to retirement by rotation."
7. To consider and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to Sections 16, 94 and other applicable provisions, if any, of the Company's Act, 1956, the Authorized Share Capital of the Company be increased from Rs. 8,00,00,000/- Equity Shares of Rs. 10/- each to Rs. 16,00,00,000/- (Rupees Sixteen Crores only) comprising 1,60,00,000 Equity Share of Rs. 10/- each by creation of 80,00,000 new Equity Shares of Rs. 10/- each, ranking pari passu with the existing Equity Shares of the Company and the existing Clause V of the Memorandum of Association be substituted by the following new Clause:-  
'V The Authorised Share Capital of the Company is Rs. 16,00,00,000/- (Rupees Sixteen Crores) Divided into 1,60,00,000 Equity Shares of Rs. 10/- each'.

By order of the Board  
For SHREYAS INTERMEDIATES LTD

Mumbai  
1st December 2003

Dinesh Sharma  
CHAIRMAN

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**NOTES:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER
- (b) The Register of Members and the Share Transfer Books in respect of the Equity Shares of the Company will remain closed from Saturday, 27th December 2003 to Wednesday 31st December, 2003 (both days inclusive).
- (c) Members are requested to intimate the change of address If any, immediately to the Company's Registrar and share Transfer Agents, M/s System Support Service, 209 Shivai Industrial state, Near Parke Davis, 89 Andheri Kurla Road, Sakinaka, Mumbai - 400 072.
- (d) ADDITIONAL INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Item Nos. 4 and 6 of the Notice:

Sr. No.	Particulars	Mr. Sayyad Nazir Saheb Mubarak	Mr. Brahama Nand Dabas
1.	Age	38 years	72 years
2.	Educational and Professional Qualifications	B.Sc.	Chemical Engineer
3.	Managerial / Industrial Experience	17 years	35 years
4.	Date of appointment (As a Director)	20.09.2003 - as Additional Director	25.07.2003 - as Director in casual vacancy
5.	Directorship in other Companies	NIL	NIL
6.	Membership / Chairmanship in Board Committees	Share Transfer and Audit Committee	Investors Grievances and Audit Committee

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956****Item no. 4 and 5**

Mr. Sayyad Nazir Saheb Mubarak who was looking after the production and working of the factory was appointed as an Additional Director with effect from 30th September, 2003 and the Board has appointed him as the Whole Time Director with effect from the same date viz. 30th September, 2003 on the remuneration and the terms and conditions as set out below subject to the approval of the members, rules, regulations and guidelines. Pursuant to Section 257 of the Companies Act, 1956 the Company has received a notice in writing from a member with the requisite deposit, proposing the appointment of Mr. Sayyad Nazir Saheb Mubarak, as a Director of the Company.

- Period:** 5 years from 30th September 2003.
- Nature of Duties:** Shall devote whole time and attention to the business of the Company. He shall have control of and full executive responsibility under Factories Act, Labour Laws, Excise Laws and

## SHREYAS INTERMEDIATES LTD.

other Laws and for general conduct and management of the business and affairs of the Company. He shall exercise all such powers and may be granted and entrusted to or required by him for the proper discharge of his duties. He shall at all times be subject to the superintendence, control and direction of the Board of Directors.

3. **Remuneration:** The whole Time Director shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Section 198, 309 and Schedule XIII of the Companies Act, 1956.

1. **Salary :** Rs. 9,400/- (including D.A.)

2. **Perquisites:**

- i) Housing : Rs. 3290/-
- ii) Medical Reimbursement : Rs.2350/-
- iii) Conveyance: Rs.2820/-
- iv) Gratuity and P.F. contribution : as per law
- v) Telephone : Actual

3. **Other Terms:**

- i) The whole Time Director shall not become interested or otherwise concerned directly or through his wife and/or minor children in any other concern.
- ii) He shall be entitled to reimbursement of all actual expenses including on entertainment and traveling incurred in the course of the Company's business.
- iii) He shall be entitled to 30 days fully paid leave for every eleven months completed service.
- iv) The appointment may be terminated by the Company or by giving not less than three months prior notice in writing.
- v) The agreement also sets out the mutual rights and obligations of the Company and the Director.

In compliance with the applicable provisions of the Companies Act, 1956, a Special Resolution in terms as set out in item No. 5 of the accompanying notice is now being placed before the members in the General Meeting for their approval. No one is interested in the said Resolution except Mr. Sayyad Nazir Saheb Mubarak.

The Explanatory Statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956 of the agreement to be entered into between the Company and Mr. Sayyad Nazir Saheb Mubarak.

ITEM No. 6.

Taking into wide and varied experience of Shri Brahama Nand Dabaś who retired as General Manager of Hindustan Insecticides Ltd., a Government of India undertaking, the Directors at their meeting held on 25.07.2003 had appointed him as director in place of Shri G.K. Sharma, who has resigned. The Company has received from a member a notice proposing Shri Brahama Nand Dabas Candidature

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with requisite deposit pursuant to Section 257 of Companies Act, 1956. The Directors recommend the resolution to the shareholders. None of the Directors except Shri Brahama Nand Dabas is concerned or interested in the said Resolution.

The following additional information, given in accordance with the amended Schedule XIII to the Companies Act, 1956, enables the Shareholders to consider the resolution on merits.

**1. GENERAL INFORMATION :**

The Company is in the business of manufacture, sale, marketing, distribution and export of pigmentary chemicals such as CPC Green, CPC Blue and CPC Crude. The Company is in the process of finalizing joint ventures with local corporates / parties overseas for setting up manufacturing facilities and negotiations / discussions are in an advanced stage. The Company's debt is within the acceptable and permissible limits and the utilization of financial and manpower resources are optimum and production / productive oriented resulting in a favourable asset utilization.

**2. INFORMATION ABOUT MR. SAYYAD NAZIR SAHEB MUBARAK :**

Mr. Sayyad Nazir Saheb Mubarak is B.Sc., is 38 years old and has extensive exposure and well rounded experience in the chemical industry. He has been and continues to be the Factory Manager managing all the activities in the Company's factory at Lote Parshuram.

**3. OTHER INFORMATION :**

The Company continues to make profits and has been increasing its domestic as well as export turnover. The Company is actively negotiating with Corporates in other countries for taking over existing factories / setting up new facilities in its sphere of operation and influence.

**ITEM No. 7.**

Sections 16 and 94 of the Companies Act, 1956 empower the Company to increase its Authorised Capital by an Ordinary Resolution. The Company proposes to increase the Authorised Capital of Rs. 8 Crores to Rs. 16 Crores by creating 80 lakhs new Equity Shares of Rs. 10/- each, ranking pari passu with the existing Shares of the Company so as to issue such Shares to other persons who may like to take the Company's Shares arising out of joint venture / amalgamation / working capital requirements of the Company. Hence the Resolution at Item no. 7. None of the Directors is concerned or interested in the Resolution except to the extent of the Shares held by them in the Company.

For and on behalf of the Board

Place: Mumbai

Date: 1st December, 2003

(DINESH SHARMA)  
CHAIRMAN



## SHREYAS INTERMEDIATES LTD.

### DIRECTORS' REPORT

To,  
The Shareholders,

Your Directors are pleased to present the 14th Annual Report together with the Accounts of the Company for the year ended on 30th June 2003.

### FINANCIAL RESULTS

	Year ended 30.06.2003 (Rs. in Lacs) (9 Months)	Year ended 30.09.2002 (Rs. in Lacs)
Gross Income	1498.06	1638.92
Profit before interest And depreciation	110.97	152.89
Less: interest	24.70	53.93
Profit before Depreciation	86.27	98.96
Less Depreciation	43.76	58.35
Less: Provision for tax	3.40	3.40
Profit for the year	39.11	37.20
Balance brought forward	361.75	324.55
Profit available for Appropriation	400.86	361.75

The Accounting year has been changed from September ending to June ending each year.

### DIVIDEND

The industry in passing through a recession and due to paucity of disposal earnings, the Directors express their inability to declare any dividends.

### PRODUCTION AND PERFORMANCE

The Company has produced CPC to match international quality. The production achieved during the nine months was 712 tons of CPC Crude. The capacity utilization in this product was 50%. However in the pigment the capacity utilization was

low on account of severe competition in the field. The Company hopes to achieve full capacity utilization in the coming years.

### MARKET

The market for pigment has picked up from the last year. The prices, which dipped due to heavy recessionary tendencies in the market were more than compensated by the enhanced production and better quality of offering from the Company. The Company sees a good future in the pigments and the Company sees enhanced profitability in the coming year.

### EXPORTS

The total exports were Rs. 655.72 Lacs. The exports have gradually picked up and will continue to do so in future.

### RESEARCH AND DEVELOPMENT

The Company had developed two more new products during the last year. However only one product was accepted in sustained way in the market. However, the quality of pigment took a quantum leap and translated in terms of higher export growth in the pigment field.

### FUTURE OUT LOOK

The export market looks more encouraging to the Company than the local market. The products of the Company are very well accepted throughout the World and we foresee a decent growth in future.

### LISTING

The Company's Equity Capital continued to be listed on the Mumbai Stock Exchanges. The company has paid annual listing fees. The shares have been temporarily suspended from trading due to some minor non compliances. The matter is taken up with the BSE authorities and the normal activity will be restored soon.

The Company's Shares have been demated and Company has been allotted the ISIN: INE 115 FO