



SUMEX CHEMICALS LIMITED

MD	✓		BKC	NA
CS	NA		DPY	NA
RO	✓		DEV	NA
TRA	✓		AC	✓
AGM	✓		SHI	✓
YE	✓			

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TWELVETH ANNUAL REPORT
1997-98

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**SUMEX CHEMICALS LIMITED****ANNUAL REPORT 1997-98****ANNUAL GENERAL MEETING****VENUE : SUMEX CHEMICALS LTD.**

501-E/2, Poonam Chambers, A-Wing,

Dr. Annie Besant Road, Worli, Mumbai - 400 018.

DAY : Thursday**DATE : 31st December 1998****TIME : 10.00 A.M.**
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BOARD OF DIRECTORS : D. N. Chaturvedi, Chairman & M.D.
 S. D. Chaturvedi, Director
 U. S. Tiwari, Director
 Dinesh Chaturvedi, Director
 D. N. Rai, Executive Director
 S. M. Dudhani, Nominee Director GLIC

BANKERS : Canara Bank
 Bank of Baroda
 Union Bank of India

AUDITORS : Anand Jain & Associates,
 Mumbai.

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REGISTERED OFFICE : 501-E/2, Poonam Chambers, A-Wing,
 Dr. Annie Besant Road, Worli, Mumbai - 400 018.

PLANTS : 1. P. O. Box 144, Lilapore Chikhla, Valsad - 396 001. Gujrat.
 2. Plot No. 1003/1, GIDC, Phase III, Vapi - 396 195, Gujrat.

RESEARCH FARM : Seeds Division:
 Karikingaon Taluka: Pathan, Dist. Aurangabad.

**REGISTERED & SHARE
 TRANSFER AGENTS** : Consolidated Share Services Pvt. Ltd.
 Shanti Nahar, Cross Road A, Near MIDC Bus Depot,
 MIDC Andheri (E), Mumbai - 400 093.

**SUMEX CHEMICALS LIMITED****ANNUAL REPORT 1997-98****NOTICE**

Notice is hereby given that the Twelveth Annual General Meeting of the Members of Sumex Chemicals Ltd. will be held on Thursday the 31st December, 1998 at 10.00 a.m. at 501/E-2, Poonam Chambers, 'A' Wing, Dr. A. B. Road, Worli, Mumbai - 400 018, to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1998 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Dr. Sandip Chaturvedi who retires by rotation, but being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

4. To Consider and if thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution :
"RESOLVED THAT Mr. U. S. Tiwari be and is hereby appointed as a Director of the Company, whose Office shall be liable to retirement by rotation."
5. To Consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :
"RESOLVED THAT Mr. Dinesh Chaturvedi be and his hereby appointed as a Director of the Company, whose Office shall be liable to retirement by rotation."
6. To Consider and if thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution :
"RESOLVED THAT Mr. D. N. Rai be and his hereby appointed as a Director of the Company."
7. To consider and if thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution :

d) Amenities :-**i) Conveyance Facilities :**

The Company shall provided suitable conveyance facilities as may be required by the Executive Director.

ii) Communication Facilities :

The Company shall provided Telephone at the Executive Director's Residence.

" Provided that when in any financial year, the company has no profits or its profits are inadequate, the remuneration including prerequisites will be paid to the Executive Director in accordance with the provisions of the said Schedule XIII and will be adjusted appropriately."

"RESOLVED FURTHER THAT the prerequisites mentioned above be interchangeable within the overall ceiling of the Annual Salary of Mr. D. N. Rai, Executive Director."

"RESOLVED FURTHER THAT the draft of agreement of appointment as placed before the meeting duly intialled by the Chairman for the purpose of identification, be and is hereby approved and that the Chairman be and is hereby authorised to enter into the said agreement with Mr. D. N. Rai, Executive Director on behalf of the company under the common seal of the company affixed in his presence."



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- 8) To consider and if thought fit, to pass with or without modification (s) the following resolution as a Special Resolution :

"RESOLVED THAT subject to the provisions of Section 198, 269, 309 and 310 and any other applicable provisions if any of the companies Act, 1956, read with Schedule XIII, approval of the member be and is hereby accorded to the re-appointment of Mr. D. N. Chaturvedi as the Managing Director of the Company for a period of Five Years w.e.f. 01/07/98 on the following remuneration, terms and conditions.

- i) Salary : Rs. 15,000/- (Rupees Fifteen Thousand Only) per month.
- ii) Perquisites: Perquisites will be allowed addition to salary. However, it shall be restricted to an amount equal to Annual Salary or Rs.1,35,000/- per annum, whichever is less.

"RESOLVED THAT subject to the provisions of Section 198, 269, 309 and 387 and any other applicable provisions of any of the companies Act, 1956, read with Schedule XIII, approval of the member be and is hereby accorded to the re-appointment of Mr. Dinanath Rai as a whole time Director of the Company designated as Executive Director for a period of Five Years w.e.f. 11/02/98 on the following remuneration, terms and conditions.

- a) Salary : Rs. 20,000/- (Rupees Twenty Thousand Only) per month.
- b) Commission : 5% of profit not exceeding 50% of Salary.
- c) Perquisites :
 - i) Housing : Suitable residential accommodation or Rent to the maximum amount of the Rs. 5,000/- per month.
 - ii) Medical Reimbursement : Reimbursement of actual medical expenses incurred on leave once in a year in respect of himself and family not exceeding 5% of Annual Salary.
 - iii) Leave Travel Concession : Reimbursement of travelling expenses for proceeding on leave once in a year in respect of himself and family not exceeding 5% of Annual Salary.
 - iv) Personal Accident Insurance : Personal Accident policy of such amount as may be decided by the Board of Directors Premium of which shall not exceed Rs. 4,000/-.
 - v) Contribution to Provident Fund : Company's Contribution to Provident Fund as per the Rule of the company not exceeding 10% of salary.
 - vi) Gratuity : Gratuity at the rate of half month's salary for each completed year of services.
 - vii) Leave : Leave with full pay or oncashment thereof as per the Rules of the company.
 - viii) Other Perquisites : Subject to overall ceiling on remuneration mentioned hereinbelow the Executive Director may given other allowance, benefits and perquisites as the Board of Directors may from time to time decide.

The Perquisites related to Salary will be worked out on the basis of substantive salary and are classified into three catagories "A", "B", "C" as follows :-



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CATAGORY - "A" :

- i) **Housing :**
 - a) In case unfurnished accommodation is hired by the company, the expenditure incurred by the company on hiring of such accommodation shall not exceed 60% of the salary, over and above 10% payable by the Managing Director.
 - b) In case the Managing Director is provided accommodation owned by the company, 10% of the salary of the Managing Director shall be deducted by the company.
 - c) In case no accommodation is provided by the company the Managing Director shall be entitled to House Rent Allowance subject to the ceiling laid down in (a) above.
- ii) **Medical Reimbursement :**
Reimbursement of the Medical expences at actuals for self and family.
- iii) **Leave Travel Concession :**
For Managing Director and his family, once in a year incurred in accordance with the rules of the company.
- iv) **Club Fees :**
Fees for clubs subject to a maximum of 2 Clubs. This will not include admission and life membership fees.
- v) **Personal Accident Insurance :**
Personal accident insurance for an amount, annual premium of which will not exceed Rs. 1,000/- per annum.

CATEGORY "B" :

- i) **Provident fund, Superannuation Fund or Annuity Fund :**

Company's contribution to provident fund, Superannuation Fund or Annuity Fund will not be included in computation of ceiling on perquisites viz. Rs. 1,35,000/- per annum, to the extent these either singly or put together are not taxable under the Income-Tax Act.

- ii) **Gratuity :**
Gratuity as per the rules of the company. Gratuity will be payable over and above the value of perquisites in terms of Schedule XIII to the Act.

CATEGORY "C" :

- i) **Car :**
The company shall provide a Car with driver to the Managing Director for use on Company's business.
- ii) **Telephone :**
The company shall provide a telephone at residence of the Managing Director for Company's Business.

These facilities will not be considered as perquisites.

Minimum Remuneration :

In the event of loss or inadequacy of profits in any particular year, the above salary along with perquisites will be treated as the minimum remuneration.



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- i) The Managing Director shall be entitled to reimbursement of entertainment and all other expenses incurred in the course of Company's business.
- ii) The Managing Director shall be entitled to leave with full pay as per company's rules.
- iii) The Managing Director, while he continues to hold that Office shall not be liable to retire by retation.
- iv) The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- v) The head quarter of the Managing Director shall be at Bombay.

9) To consider and if thought fit, to pass with or without modification(s), the following resolution as a special Resolution :

"RESOLVED THAT subject to Confirmation of the Company Law Board, Western Region Bench, pursuant to the provisions of the Section 17 of the Companies Act, 1956 the Registered Office of the Company situated at 501/E-2, Poonam Chambers, 'A' Wing, Dr. Annie Besant Road, Worli, Mumbai - 400 018, Maharashtra, be and is hereby shifted to plot No. 1003/1, GIDC, Phase III, Vapi - 396 195, Gujarat."

By Order of the Board

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D. N. Chaturvedi,
Chairman & Managing Director

Registered Office :
501/E-2, Poonam Chambers, 'A' Wing,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018.

Dated : 2nd December, 1998.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The relative Explanatory Statement, pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business under item No. 5, is annexed hereto.
3. As a measure of economy, copies of the Annual Report will not be distributed at the annual General meeting. Members are therefore requested to bring their copies of the Annual Report to the meeting.
- 4) Member are requested to send their queries, if any, at least 15 days in advance of the meeting so as to enable the management to reply at the meeting.