

SYNCOM FORMULATIONS LTD.

Annual Report 98-99

Report  junction.com

BOARD OF DIRECTORS

Chairman & Managing Director
Shri Kedarmal Bankda

Managing Director
Shri Ajay S. Bankda

Directors
Shri Mukesh R. Patel
Shri Sudhir D. Chaturvedi

President
Shri Vijay Bankda

Bankers
Dena Bank

Auditors
S. P. Moondra & Co.,
Chartered Accountants
53/8, Kanchan Bagh,
INDORE - 452 001.



Kedarmal Bankda
Chairman



Vijay Bankda
President



Ajay S. Bankda
Managing Director

QUALITY POLICY

Our quality policy is to upgrade organisational capabilities viz. men, materials & machines, in order to consistently provide quality products & services to meet customers satisfaction at all times.

EXPORT ENDEAVOR

Keeping up with the pace of changing times and globalisation of Indian Pharmaceuticals, Syncom too has entered into exports in a big way. Export operations of Syncom extend to countries like Russia, Ghana, Tanzania, Bangladesh, Nigeria, Canada, Kenya, Srilanka, U.K and others. Continuous improvement and expansion of our manufacturing units leads us to foresee the forth coming year with continuous growth in exports too.

OUR MISSION

Synergistic effect of quality of products.
Yield increase in our quantity and quality through modern techniques of productivity and automation.
No quality complaint.
Care for customer's satisfaction.
On going commitments to human health.
Motivated team spirit.

Registered Office :

7, Niraj Industrial Estate, Off Mahakali Caves Road,
Andheri (East), MUMBAI-400 093.
Tel. (022)8206293, 8383851, 8383895, 8775111, 8771489.
E-Mail : sfil87@hotmail.com

Corporate Office :

2nd Floor, Dawa Bazar, 13-14, RNT Marg,
GPO PB No..610, INDORE-452 001.
Tel.(0731) 461713, 460037, 470954, 361096, 760707-8
Gram : SYNERGIST. E-Mail : syncom@bom4.vsnl.net.in

Plants :

1. 256-257, Sector-1, Industrial Area,
PITHAMPUR (DHAR), MP-454 775.
Tel. (07292) 53121, 53403.
E-Mail : syncompithampur@hotmail.com
2. 9. Dewan & Sons, Udyog Nagar,
Taluka - PALGHAR (THANE) MS-401 404.
Tel. (0252) 552868.

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SYNCOM FORMULATIONS (INDIA) LIMITED

NOTICE OF THE ELEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Eleventh Annual General Meeting of the members of the Company will be held on Monday, the 27th September, 1999 at 11.30 A.M. at 7-Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai-400093, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st. March, 1999 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To declare dividend at the rate of 5%.
3. To appoint Director in place of Shri Mukesh R. Patel, who retires by rotation and being eligible, offer himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

ITEM NO. 5

To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT in accordance with the provisions of Sections 198, 309 and 310 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the limits specified in Schedule XIII to the said Act, the Company hereby approves to reduce the salary and perquisites of Shri Kedarmal Bankda, Chairman and Managing Director, w.e.f. 1st April, 1998 to 02 May, 2002 as are set out in explanatory statement attached to notice convening this Annual General Meeting, the other terms and conditions will remain same as approved by the members by resolution passed in the annual general meeting held on 29th September, 1997 and is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and condition of the appointment so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or reenactment thereof for the time being in force or any amendments or modification that may hereafter be made thereto by the Central Government or as may be required by any other applicable law and as may be agreed to between the Board of Directors and Shri Kedarmal Bankda."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

ITEM NO. 6

To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT in accordance with the provisions of Sections 198, 309 and 310 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the limits specified in Schedule XIII to the said Act, the Company hereby approves to reduce the salary and perquisites of Shri Ajay S. Bankda, Managing Director, w.e.f. 1st April, 1998 to 02 May, 2002 as are set out in explanatory statement attached to notice convening this Annual General Meeting, the other terms and conditions will remain same as approved by the members by resolution passed in the annual general meeting held on 29th September, 1997 and is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and condition of the appointment so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or reenactment thereof for the time being in force or any amendments or modification that may hereafter be made thereto by the Central Government or as may be required by any other applicable law and as may be agreed to between the Board of Directors and Shri Ajay S. Bankda."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."


SYNCOM FORMULATIONS (INDIA) LIMITED
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 the proxy need not be a member.
2. The Explanatory Statement setting out the material facts in respect of the business under item No. 5 to 6 is annexed hereto.
3. The Register of members and share transfer book of the company will remain closed from 24th September, 1999 to 27th September, 1999 (both days inclusive).
4. Shareholder seeking any information with regard to Accounts are requested to write to the company at least 7 days before the date of meeting enable the management to keep the information ready.
5. The dividend, if declared, will be paid on or after 27th September, 1999 to the members so entitled, whose names appear in the register of members of company as on the 27th September, 1999.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 5 and 6

Shri Kedarmal Bankda and Shri Ajay S. Bankda was appointed in the Annual General Meeting held on 29th September, 1998. Due to depressed market condition and to conserve the resources and for working capital requirement for the future expansion of the company it is proposed to reduce the salary and perquisites of both the directors.

The Board in its meeting held on 26th March, 1999 reduces the salary and perquisites of Shri Kedarmal Bankda, Chairman and Managing Director and Shri Ajay S. Bankda, Managing Director w.e.f. from 1st. April, 1998 as per detail given below:

Name	Present Salary P.M.	Present Perquisites P.A.	Previous Salary P.M.	Previous Perquisites P.A.
Shri Kedarmal Bankda	Rs. 10,000/-	1,20,000/-	13,000/-	1,56,000/-
Shri Ajay S. Bankda	Rs. 10,000/-	1,20,000/-	13,000/-	1,56,000/-

The directors recommend the resolution for approval of the shareholders.

The above may be treated as an abstract of the variation of the terms of appointment of Mr. Kedarmal Bankda and Mr. Ajay S. Bankda, under section 302 of the Companies Act, 1956.

Mr. Kedarmal Bankda and Mr. Ajay S. Bankda may deemed to be concerned or interested in the resolution. None of the other Directors of the company is in any way concerned or interested in the resolution.

By order of the Board of Directors
For Syncom Formulations (India) Limited

Place: Indore
Date : 29th May, 1999

Kedarmal Bankda
Chairman and Managing Director



SYNCOM FORMULATIONS (INDIA) LIMITED

DIRECTOR'S REPORT

To,

The Members,

Your Directors are pleased to present the Eleventh Annual report together with Audited Accounts of the company for the year ended 31st March 1999.

FINANCIAL RESULTS

(Rs.in lacs)

	Year ended 31/03/99	Year ended 31/03/98
Sales and other income	3211.22	2,366.97
Profit before interest & depreciation	304.79	301.43
Less : Interest	147.32	181.38
Less : Depreciation	97.23	118.41
Profit before tax	60.24	1.64
Provision for taxation	5.53	0.17
Profit after tax	54.71	1.47
Balance brought forward from prev. year	40.16	78.16
Amount available for appropriation	94.87	79.63
Appropriation :		
Transfer to General Reserve	4.63	-
Proposed dividend	19.93	35.87
Corporate dividend tax	1.99	3.59
Balance carried to Balance Sheet	68.32	40.17
	94.87	79.63
CASH PROFIT	157.47	120.05
CASH E.P.S.	3.95	3.01

OPERATIONS

During the year, under review the sales and other income of your company has increased to Rs. 3211.22 lacs which registered a growth of 36% over the sales and other income of Rs. 2366.97 lacs in the previous year. The cash profit of company has also increased to Rs. 157.47 Lacs which registered a growth at the rate of 31%.

Historically the major growth propellar for the industry has always been the introduction of new products. Our readiness towards introduction of new products continues to remain unabated with the likely introduction of products in the Generic, OTC & Ethical Divisions. Coupled with this, we are creating priorities for exploring the untapped potentials of existing products.

Our empasis will continue to remain focussed towards successful brand building and improvement of Productivity at the level of products, targetted customers (i.e. Doctors) and market through out the country.

Both these activites of consolidating on existing products and exploring the avenues of new product introduction would provide a positive impact in terms of achieving the desired growth level to improve our market share and rank in the industry.

EXPORT SALES

Your company is concentrating on increasing the share in the existing international market. WHO's acclamation on G.M.P. is encouraging the continious unabated efforts to the new markets. Significant progress was made in developing new markets.

The export earnings during the year has also registered growth more than 100%.



SYNCOM FORMULATIONS (INDIA) LIMITED

MODERNISATION AND EXPANSION

New and more sophisticated machines were installed during last year which resulted in successful huge expansion of installed capacity and production base.

DIVIDEND

Your directors are pleased to recommend a dividend of 5% on Equity Share if approved by the shareholders at the annual general meeting. This would make track record of continuous dividend paying company since last eight years.

The company has been advise by the banks/financial institutions to retain the maximum funds, in order to accomplish the expansion scheme of manufacturing facilities financially assisted by them.

PARTICULARS OF EMPLOYEES

There were no employees in the company who if employed through out the financial year, were in receipt of remuneration, whose particulars, if so employed, are required to be included in the Report of directors in accordance with the provisions of section 217(2A) of the Companies Act, 1956, read with companies (Particulars of employees) rules, 1975.

PARTICULARS OF CONSERVATION OF ENERGY ETC.

Information regarding conservation of energy etc. as per provision of section 217(1)(e) of the Companies Act, 1956 are set out in the statement annexed here to forming part of this report.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public during the year under report.

Y2K PREPAREDNESS

All essential computers are year 2000 competent. The software are developed in-house by our own team which is competent enough to address such type of problems.

In view of this, your directors are of the opinion that the problems of Y2K will not vitiate the assumption of going concern and no provision is required in this respect in the profit and loss account.

DIRECTORS

Shri Mukesh R. Patel retires by rotation in accordance with the articles of association and as per the provisions of the company's act and being eligible, offers himself for reappointment.

AUDITORS

M/s S.P. Moondra & Co. the statutory auditors of the company retire at the conclusion of the forth coming Annual General Meeting and are eligible for reappointment.

ACKNOWLEDGMENT

Your Directors take this opportunity to express their gratitude for the assistance and continued cooperation extended by Banks, financial institutions, Government authorities, Clients and Suppliers. The Directors are pleased to record their sincere appreciation of the devotion and sense of commitment shown by the employees at all levels and acknowledge their contribution towards sustained progress and performance of your company.

For and on behalf of the Board of Directors

Place : Indore
Dated : 22nd May 99

KEDARMAL BANKDA
Chairman & Managing Director


SYNCOM FORMULATIONS (INDIA) LIMITED
ANNEXURE TO THE DIRECTOR'S REPORT

(Information under Section 217(1)(e) of the Companies Act, 1956 read with companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report)

FORM A

(Form of the Disclosure of particulars with respect to conservation of energy)

**I. POWER AND FUEL CONSUMPTION
(Electricity)**

	Current Year (1998-99)	Previous Year (1997-98)
1. Purchased unit (KWH)	4,43,055	4,37,694
Amount (Rs)	19,90,574	18,93,557
Rate/unit (Rs.)	4.49	4.32
2. Own Generation unit (KWH)	1,63,729	61,663
Amount (Rs.)	5,78,679	3,31,170
Unit per Litre of Diesel oil	2.83	2.05
Rate/Unit (Rs)	3.53	5.37

II. CONSUMPTION PER UNIT OF PRODUCTION

In view of varied nature of the products, of their units measurement and of their packs, it is not feasible to give the information on the accurate consumption per unit of production.

FORM B

(Form for disclosure of particulars with respect of absorption)

1. RESEARCH & DEVELOPMENT (R&D)

Your company has not incurred any expenditure on research & development (Previous year Rs. NIL)

2. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The technology used and proposed to be used is entirely indigenous.

3. FOREIGN EXCHANGE EARNINGS & OUTGO

During the year company has earned foreign exchange by effecting exports sales worth of Rs. 1,97,50,086 and total foreign outgo was Rs. 7,94,535.

For and on behalf of the Board of Directors

Place : Indore
Dated : 22nd May 99.

KEDARMAL BANKDA
Chairman & Managing Director