



5th ANNUAL *Report*

1997-98

ANIL PESTICIDES LIMITED

BOARD OF DIRECTORS

Managing Director

Anil Nibber

Executive Director

Atul Nibber

Director

Ajay Singla

B.L. Moza (Nominee of HSIDC)

Lekh Raj

Balbir Chand

AUDITORS

M/s Sushil K. Singla & Company

Chartered Accountants

Flat No. 1709, Sector 22-B

Chandigarh - 160 022

WORKS & REGD. OFFICE

Vill. Bargodam, Teh. Kalka, Distt. Panchkula

CORPORATE OFFICE

1412, Sector 15, Panchkula - 134 113

BANKERS

The Panchkula Central Co-operative Bank Ltd.

Canara Bank

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ANIL PESTICIDES LIMITED 5TH ANNUAL REPORT**NOTICE**

Notice is hereby given that the 5th Annual General Meeting of the members of the ANIL PESTICIDES LIMITED will be held at the Registered office of the Company at Village Bargodam, Teh. Kalka, Distt. Panchkula on Tuesday, the 29th September 1998 at 10.00 A.M. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Accounts as at March 31, 1998 and the report of Directors and Auditor's thereon.
2. To Appoint a Director in place of Shri B.L. Moza, who retires by rotation.
3. To appoint a Director in place of Sh. Atul Nibber, who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint a Director in place of Shri Ajay Singla who retires by rotation and being eligible, offer himself for reappointment.
5. To appoint Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification following resolution as ordinary resolution :

"Resolved that in modification of the earlier resolution passed in the Annual General Meeting held on 30.09.97 and pursuant to the provisions of Section 198, 269, 309 and Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the said Act, the approval of the members be and is hereby accorded for the lumpsum payment of remuneration to Mr. Anil Nibber, Managing Director w.e.f. 01.10.1998 as Rs. 25000/- P.M. only as salary till the remaining time of his appointment."

Resolved further that other terms and conditions of his original appointment will remain unchanged.

7. To consider and if thought fit, to pass with or without modification following resolution as ordinary resolution :

"Resolved that in modification of the earlier resolution passed in the Annual General Meeting held on 30.09.97 and pursuant to the provisions of Section 198, 269, 309 and Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the said Act, the approval of the members be and is hereby accorded for the lumpsum payment of remuneration to Mr. Atul nibber, Executive Director w.e.f. 01.10.98 as Rs. 20000/- P.M. only as salary till the remaining time of his appointment."

Resolved further that other terms and conditions of his original appointment will remain unchanged.

ANIL PESTICIDES LIMITED**5TH ANNUAL REPORT**

8. To consider and if thought fit, to pass with or without modification following resolution as ordinary resolution:

"Resolved that in modification of the earlier resolution passed in the Annual General Meeting held on 30.09.97 and pursuant to the provisions of Section 198, 269, 309 and Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the said Act, the approval of the members be and is hereby accorded for the lumpsum payment of remuneration to Mr. Ajay Singla, Whole time Director w.e.f. 01.10.1998 as Rs. 17500/- P.M. only as salary till the remaining time of his appointment.

Resolved further that other terms and conditions of his original appointment will remain unchanged.

for & on behalf of the Board of Directors
ANIL PESTICIDES LTD.

Sd/-

(ANIL NIBBER)

Managing Director

Place : Panchkula

Dated : 30.08.1998

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 the proxy need not be a member.
2. The proxy form duly completed and signed should be deposited at the Registered Office of the company not less than 48 hours before the time fixed for the meeting.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 16.09.98 to 29.09.98 (Both days inclusive).
4. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting Hall.

Explanatory Statement Pursuant to Section 173 of the Companies Act, 1956 in respect of Item No. 5, 6 & 7 of the Notice

The Members at the Annual General Meeting held on 30.09.97 approved the appointment and remuneration of Mr. Anil Nibber Managing Director, Mr. Atul Nibber Executive Director and Mr. Ajay Singla Whole time Director on the following terms and conditions.

Anil Nibber :

Term : For 5 years till 14.10.99

Basic Salary : Rs. 20000 P.M. w.e.f 18-02.97

The above remuneration were approved during the last Annual General Meeting.

Atul Nibber :

Term : For 2 years till 30.09.98

Basic Salary Rs. 15000 w.e.f. 15-10-96

The above remuneration were approved during the last Annual General Meeting.

Ajay Singla :

Term : For 2 years till 30.09.98

Basic Salary : Rs. 12500 w.e.f. 15-10-96

The above remuneration were approved during the last Annual General Meeting.

The revised remuneration is to be approved by the shareholders in general meeting and accordingly the resolutions are being placed before the meeting.

Sh. Anil Nibber and Sh. Atul Nibber are relatives, thus may be regarded as concerned or interested in their respective resolution. No other Director of the company is concerned or interested in resolution.

The above amendments may also be treated as an abstract under section 302 of the Companies Act, 1956.

ANIL PESTICIDES LIMITED 5TH ANNUAL REPORT**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting their report together with the Audited Annual Accounts for the year ended on March 31, 1998.

PROJECT IMPLEMENTATION AND WORKING RESULTS

During the year, being first year of commercial operation, the company sold 203.769 Mt of Monocrotophos Technical worth Rs. 429.93 lacs. Being first year in business and lean season for the company products the company could not achieve the desired results. Your directors are hopeful to achieve better results in the running financial year. Till August 1998 the company has sold 165.580 Mt of Monocrotophos worth Rs. 399.17 lacs. Your company was also able to enter into overseas market by fetching the export order from France which it executed successfully in the month of July 1998 and are hopeful to get the repeat orders from the same supplier.

DIRECTORS

Sh Atul Nibber & Shri Ajay Singla Directors retire by rotation and being eligible offer themselves for re-appointment. Sh. B.L. Moza, nominee Director from HSIDC retire by rotation, has not offered himself for re-appointment. The Directors have placed on record their appreciation of the services rendered by Mr. B.L. Moza as a director of the Company.

AUDITORS

M/s Sushil K. Singla & company, the present Auditors of the company have signified their consent to continue in the office.

PARTICULARS OF EMPLOYEES

The Particulars of Employees required to be given under provisions of section 217 2(A) of the Companies Act, 1956 are not applicable as none of the employees qualified the prescribed limits.

INDUSTRIAL RELATIONS

During the year the industrial relations remain cordial.

COMPARISON OF PROJECTED FIGURES WITH ACTUAL PURSUANT TO THE CLAUSE 43 OF THE LISTING AGREEMENT

Since the Company has started commercial production only in the month of February 1997 and financial year 1997-98 being the first year of operation the company could not achieve the desired results, as such the projected profitability made in prospectus at the time of Public Issue is not comparable.

ANIL PESTICIDES LIMITED**5TH ANNUAL REPORT****CONSERVATION OF ENERGY**

In designing the equipments and plant layout due care has been taken to conserve the energy including regular monitoring of consumption, reduction in transmission losses and improving the maintenance system. Every equipment with latest technology has been installed which helps in minimum consumption of energy.

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

The process know-how and designing of plant layout has been developed indigenously. The Company is adopting recently developed Low Temperature Chlorination (LTC) route which offers a specified process, high purity, least pollution and lower consumption of other ingredients.

At all levels senior professionals have been recruited for R & D with the main object to develop in house cost effective and environment friendly process for pesticides. No specific expenses has been incurred on Research & Development activity.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings - Rs. NIL

Foreign Exchange Outgo - Rs. NIL

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the support and guidance extended by the Panchkula Co-operative Bank Limited Kalka, Haryana State Industrial Development Corporation Limited. Your Directors place on record their appreciation of contribution made by the employees at all levels during the year.

FOR AND ON BEHALF OF THE BOARD

Sd/-

ANIL NIBBER

Managing Director

Panchkula

30.08.98

ANIL PESTICIDES LIMITED 5TH ANNUAL REPORT**AUDITORS' REPORT OF THE MEMBER**

To

The Members of
ANIL PESTICIDES LIMITED

We have audited the attached Balance Sheet of **ANIL PESTICIDES LIMITED**, VILLAGE BARGODAM, TEH. KALKA, DISTT. PANCHKULA as at 31st March, 1998 and the Profit & Loss Account for the year ended on that date and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) order 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexures statement on the matters specified in paragraphs 4 & 5 of the said order and other observations.
2. Further to our comments in the Annexures referred to in paragraph above.
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit ;
 - b) in our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of those books ;
 - c) the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts ;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit & Loss Account read with notes on accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view ;
 - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 1998
AND
 - ii) In the case of profit and loss a/c loss of the company for the year ended on that date.

FOR SUSHIL K. SINGLA & CO.
CHARTERED ACCOUNTANTS

PLACE : CHANDIGARH
DATED : 30-08-1998

Sd/-
(S.K. SINGLA)