

8th ANNUAL REPORT



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2000-2001

ANIL PESTICIDES LIMITED

BOARD OF DIRECTORS

Managing Director
Anil Nibber

Executive Director
Atul Nibber

Y. K. Bhatia (Nominee of HSIDC)
Lekh Raj
Balbir Chand
Same Ram Hooda (Nominee of The Panchkula Central Co-op. Bank Ltd.)

AUDITORS

M/s Harish Shabli & Associates
Chartered Accountants
H. No. 1412, Sector 21,
Panchkula

WORKS & REGD. OFFICE

Vill. Bargodam, Teh. Kalka, Distt. Panchkula

CORPORATE OFFICE

Kaiser Hospital Building, IIIrd Floor,
Sector 21, Panchkula - 134112

BANKERS

The Panchkula Central Co-Operative Bank Ltd.
Canara Bank

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ANIL PESTICIDES LIMITED**8TH ANNUAL REPORT****NOTICE**

Notice is hereby given that 8th Annual General Meeting of ANIL PESTICIDES LIMITED shall be held at the Registered Office of the Company at Village Bargodam, Tehsil Kalka, Distt Panchkula on Monday, the 10th September, 2001 at 11.30 A.M. to transact the following business:

Ordinary Business :

1. To consider, receive and adopt the Balance Sheet as at 31.03.2001 and the Profit & loss Account for the year ended on that date alongwith Auditors' & Directors' Report thereon .
2. To appoint the Auditors of the Company .
3. To appoint a Director in place of Sh Balbir Chand who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Sh Lekh Raj who retires by rotation and being eligible, offers himself for reappointment.

Special Business :

5. To consider and if thought fit to pass with or without the modification the following resolution as Special Resolution:

" RESOLVED THAT ,the name of the Company be changed from ANIL PESTICIDES LIMITED to SYSCHEM(INDIA) LIMITED subject to the approval of Registrar of Companies NCT of Delhi with effect from the date of issue of new Certificate of Incorporation .

RESOLVED FURTHER THAT the new name " SYSCHEM (INDIA) LIMITED " be substituted for old name " ANIL PESTICIDES LIMITED " wherever appearing in the Memorandum & Articles of Association of the Company ."

RESOLVED FURTHER THAT Sh. Anil Nibber ,Managing Director of the Company be and is hereby authorised to apply and also to do all other acts, deed and things as may be required to effect such Change(s) in the Memorandum & Articles of Association and other documents of the company ."

6. To consider and if think fit to pass with or without modification the following resolution as a Special resolution :

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered in the following manner:

- a) By inserting the following new interpretation No.12 in the Article No.1 after the existing interpretation No.11.

12. "Dividend" includes any Interim Dividend also.

- b) By inserting the following new Article with the marginal note indicated there against as Article 13-A after the existing Article 13 :

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Nomination : 13 (A) 1. A holder or joint holders of shares or debentures of the company may at any time nominate in accordance with the provisions of Section 109A of the Act and in the manner prescribed thereunder any person to whom all the rights in such shares or debentures shall vest in the event of the death of such holder or all the joint holders.

2. The right of such nominee shall be governed by the provisions of Section 109 A and 109B of the Act. The said nominee may upon the production of such evidence as may be required by the Board elect either to be registered himself as holder of the shares or debentures as the case may be, or to make such transfer of the shares or debentures as the case may be as the deceased shareholder or debenture holder as the case may be, could have made in accordance with the provisions of Section 109 B of the Act and in the manner prescribed thereunder.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures and if notice is not complied with within 90 days the Board may therefor withhold payment of all dividends, bonus or other monies payable in respect of the shares or debentures until the requirements of the notice have been complied with..

c) By inserting the following heading and new Article with the marginal notes indicated as Article 40-A after the Article 40 :

DEMATERIALISATION OF SECURITIES

Definitions : 40 -A 1. For the purpose of this Article;

- a) "Beneficial Owner" means a person whose name recorded as such with a depository.
- b) "Depository Act" means the Depository Act, 1996 and any statutory modification or reenactment thereof for the time being in force.
- c) "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992.
- d) "Security" or Securities means such security as may be specified by the Securities & Exchange Board of India from time to time.
- e) "Member" means the duly registered holder from time to time of the shares of the company and includes every person whose name is entered as a beneficial owner in the records of the depository.

Dematerialization of Securities : 2. Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act.

Option for Investor: 3. Every person subscribing to the securities offered by the company shall have the option to receive the security certificate or hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository if permitted by the law, in respect of any security in the manner provided by the Depositories Act and the company shall in the manner and within the time prescribed issue to the beneficial owner the required certificate of securities.

If a person opt to hold his security with the depository the company shall intimate such depository the details of allotment of the security and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

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Securities in depositories to be in fungible form. : 4. All securities held by a depository shall be dematerialised and shall be in fungible form, Subject to and in accordance with the provisions of Section 9 of the Depository Act nothing contained in Section 153,153 A,153B,187B,187C and 372 of the Companies Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of Depositories and Beneficial Owners : 5 (a) .Notwithstanding anything to the contrary contained in these articles and subject to and in accordance with the provisions of the Depositories Act, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

b)Save as otherwise provided in(a) above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

c) Every person holding equity share capital of the company and whose name is entered as the beneficial owner in records of the depository shall be deemed to be member of the company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service of Documents: 6. Notwithstanding anything to the contrary contained in the these articles and subject to and in accordance with the provisions of the Depositories Act where securities are held in a depository the records of the beneficial ownership may be served by such depository on the company by means of electronics mode or by delivery of floppies or discs.

Transfer of Securities : 7. Notwithstanding anything to the contrary contained in these articles and subject to and in accordance with the provisions of sub section (3) of Section 108 of the Act, the provisions of Section 108 of the Act or the provisions of these Articles relating to transfer of securities shall not apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the record of a depository.

Allotment of Securities dealt with in a depository : 8. Notwithstanding anything contained in these Articles where the securities are dealt with in a depository the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.

Distinctive Numbers of securities held in a Depository: 9. Nothing contained in these articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to securities held with a depository.

Register and Index of beneficial Owners: 10. The register and index of beneficial owners maintained by a depository under the Depositories Act shall also be deemed to be the Register and Index of Members and Register and Index of Debentureholders as the case may be for the purpose of these Articles.

Provisions of Articles to apply to shares held in Depository : 11. Except as specifically provided in these Articles the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in depository so far as they apply to these shares held in physical form subject to the provisions of the Depository Act.

d) Article No. 75(1) be substituted by the following new Article:

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Question at general meeting : 75(1) Every question submitted to a meetings except the business which may be or are required to be passed by the postal ballots, shall be decided in the first instance unless a poll is demanded in accordance with Section 179 of the Act by a show of hands and in the case of equality of votes either on show of hands or on a poll the chairman of the meeting shall be entitled to a second or casting vote in addition to vote to which he may be entitled as a member.

- e) By inserting the following heading and new Article with the marginal notes indicated as Article 85-A after the Article 85 :

POSTAL BALLOTS :

Resolution by Postal Ballots : 85 -(A) In the case of resolution relating to such business as the Central Governments declares by notification to be conducted only by a postal ballot the company shall get such resolution passed by means of a Postal Ballot only in accordance with the provisions of the Companies Act, The Companies (passing of the resolution by Postal Ballots) Rules 2001 or any law or rules applicable at the time of relating to above resolutions , instead of transacting business at general meeting of the company . The resolution (ordinary / special) passed by postal ballot with requisite majority as required under the Companies Act for such resolutions shall be deemed to have been duly passed at a general meeting convened in that behalf.

7. To consider and if think fit to pass with or without modification the following resolution as a Ordinary resolution :

"RESOLVED THAT subject to provisions of Section 198,309 and Schedule XIII and other applicable provisions of the Companies Act,1956,the approval of the members of the Company be and is accorded to the increase in the payment of remuneration to Sh. Anil Nibber,Managing Director of the Company from Rs.25000/- per month to Rs.40000/- per month w.e.f 01.04.2001 till the remaining period of his current tenure."

8. To consider and if think fit to pass with or without modification the following resolution as a Ordinary resolution :

"RESOLVED THAT subject to provisions of Section 198,309 and Schedule XIII and other applicable provisions of the Companies Act,1956,the approval of the members of the Company be and is accorded to the increase in the payment of remuneration to Sh. Atul Nibber,Executive Director of the Company from Rs.20000/- per month to Rs.35000/- per month w.e.f 01.04.2001 till the remaining period of his current tenure."

9. To consider and if think fit to pass with or without modification the following resolution as a Ordinary resolution :

"RESOLVED THAT pursuant to provisions of Section 198,269,309 read with Schedule XIII of the Companies Act,1956 and any other applicable provisions of the Act and subject to approval of other agencies if necessary,the consent of the company be and is hereby accorded to appointment and also to the payment of remuneration of Rs. 17500/- per month to Sh Ajay Singla for his services as a Whole Time Director of the Company w.e.f. 15.10.1999 to 22.08.2000 .."

10. To consider and if think fit to pass with or without modification the following resolution as a Special resolution :

"RESOLVED THAT pursuant to provisions of Section 198,269,309 read with Schedule XIII of the Companies

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Act, 1956 and any other applicable provisions of the Act and subject to approval of other agencies if necessary, the consent of the company be and is hereby accorded to appointment and also to the payment of remuneration of Rs. 32000/- per month including perks as disclosed in the Explanatory Statement to Sh P K Verma for his services as a Whole Time Director of the Company w.e.f. 01.09.2000 to 31.03.2001."

For Anil Pesticides Limited

Place : Panchkula
Date : 10.07.2001

Sd/-
(ANIL NIBBER)
MANAGING DIRECTOR

NOTES :

1. A member entitled to attend & vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hrs before the meeting.
2. In respect of Item No. 5, 6, 7, 8, 9 & 10 of the Notice, an explanatory statement under Section 173 of the Companies act, 1956 is annexed hereto.
3. The Register of Members & Share Transfer Books of the Company will remain closed from 05.09.2001 to 10.09.2001 both days inclusive.
4. Members are requested to bring the attendance slip sent with the annual report duly completed and signed and hand it over at the entrance.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 5 :

The Company M/s Anil Pesticides Limited was incorporated on 31.12.1993 with the main objects to carry on the business as manufacturer, processors, exporters, buyers, sellers and dealers of all kinds of chemicals, pesticides, weedicides, fungicides, fertilizers, medicines, pharmaceuticals, antibiotics and basic drugs or chemicals and compounds formulation of all kinds and description.

At present, the company is manufacturing basic chemicals relating to pesticides namely Monocrotophos, DDVP, Detha and DETC etc. The present name of the Company indicates its activities relating to the manufacturing of pesticides however it is formed with the main objects to manufacture various types of chemicals and its compounds, medicine, pharmaceuticals, basic drugs, antibiotic etc for various applications and uses.

Your company is planning to diversify its operation and therefore wants to manufacture various kinds of chemicals and its compounds. In view of above it has been decided to change the present name of the company so that it could reflect your company as a multidimensional organization. The said changes of name

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is .subject to the approval of the Registrar of Companies, NCT of Delhi and other legal formalities as provided in the Section 21 & 31 of the Companies Act,1956 .On the application of the Company, the Registrar of Companies, Delhi has confirmed the availability of new name as proposed in the resolution from ANIL PESTICIDES LIMITED to " SYSCHEM (INDIA) LIMITED" .vide their letter dated 17.05.2001 . The copy of the said letter is available at the registered office of the company for your perusal .

The Board of Directors of the company recommend the above resolutions to be passed in the best interest of the Company . None of Director is interested in the resolution .

Item No. 6:

Induction of the Equity Shares of the Company in to Depository System of NSDL & CDSL and also certain amendment in the Companies Act by Companies Amendment Act,1999 & 2000 necessitated the alteration of the Articles of Association of the company in the manner indicated in the resolution set out at Item No. 5 of the notice so that it could be interpreted in the same sense.

The approval of the members is required, therefore the Directors recommend the resolution before you for your approval.

A copy of the Articles of the Association together with the proposed alteration is available at the registered office of the company for inspection by the members.

None of the Directors is interested in the resolution.

Item No.7 :

The members of the company at the 6th Annual General Meeting of the Company approved the re-appointment of Sh. Anil Nibber as Managing Director of the Company w.e.f 15.10.1999 for another 5 years at a fixed remuneration of Rs.25000/- per month . As you are aware the company is paying the same remuneration for the last three years . The company has progressed very well under his able leadership. The Board of Directors of the Company has therefore decided to increase his remuneration at their meeting held on 10.07.2001 from Rs.25000/- per month to Rs.40000/- per month w.e.f 01.04.2001 till the remaining period of his current tenure subject to your approval .

The Directors recommend the resolution for your approval. Except Sh Atul Nibber who is related to Mr. Anil Nibber none of the other Directors are interested in the resolution. This may also be treated as an abstract under Section 302 of the Companies Act,1956.

Item No. 8:

The members of the company at the 7th Annual General Meeting of the Company approved the re-appointment of Sh. Atul Nibber as Executive Director of the Company w.e.f 15.10.1999 for another 2 years at a fixed remuneration of Rs.20000/- per month . As you are aware ,the company is paying the same remuneration for last three years. The company has progressed very well under his able leadership. The Board of Directors of the Company has therefore decided to increase his remuneration at their meeting held on 10.07.2001 from Rs.20000/- per month to Rs.35000/- per month w.e.f 01.04.2001 till the remaining period of his current tenure subject to your approval .

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The Directors recommend the resolution for your approval. Except Sh Anil Nibber who is related to Mr. Atul Nibber none of the other Directors are interested in the resolution. This may also be treated as an abstract under Section 302 of the Companies Act, 1956.

Item No. 9 :

Sh Ajay Singla was re appointed as Whole Time Director of the Company with effect from 15.10.1999 to 14.10.2001 at a fixed remuneration of Rs. 17500/- per month. He has however resigned from the company on 22.08.2000 as Director of the Company and therefore he has also ceased as Whole Time Director of the Company on that date. The remuneration paid to Mr. Ajay Singla during his tenure as a whole time director of the company is now sought to be approved by a resolution of the shareholders as indicated in the Item No. 8 of the Notice of the meeting.

The Board of Directors of the Company recommend the resolution for your approval.

None of the Directors other than Sh Ajay Singla are interested in the resolution. This may also be treated as an abstract under Section 302 of the Companies Act, 1956.

Item No. 10 :

Sh P K Verma was appointed as Executive Director (Operation) of the Company on 31.08.2000 by the Board of Directors of the Company with effect from 01.09.2000 to 31.08.2002 at following remuneration :

A) Basic Salary : Rs. 32000/- per month

B) Allowances:

1. House Rent Allowance : 50% of the basic salary however no HRA shall be payable in case company provides him company's leased accommodation.

2. Leave Travel Assistance : Rs. 48000/- per annum

3. Children Education Allowance: Rs. 2400/- per annum

C) Perquisites :

1. Medical reimbursement : Rs. 2500/- per month will be reimbursed for medical expenses incurred on self or family including dependent parents.

2. Credit Card / Mediclaim Policy : The company shall pay Rs. 500/- per month for use of credit cards and also premium towards medi claim policies.

3. Others : I) In addition to above he shall be provided with company's car for business/personal use and company shall also pay salary of driver.

II) Contribution towards the provident fund, superannuation fund and annuity fund as may be applicable shall also be paid and same shall not be included in the computation of ceiling on total remuneration as mentioned above.