



VIBROS ORGANICS LIMITED

VIBROS ORGANICS LIMITED

12th
ANNUAL REPORT
1998-99

BOARD OF DIRECTORS

Shri Naveen Kohli	Chairman cum Managing Director
Shri P.M. Abraham	Director
Shri Satish Girotra	Director
Dr. P.R. Behl	Director
Shri Ravindra Kacker	Nominee Director- PICUP
Shri Anil Sood	Director
Ms. Kusum Gaind	Director

COMPANY SECRETARY

Shri Deepak Kapoor

AUDITORS**S.K. MEHTA & COMPANY**

Chartered Accountants

BANKERS

State Bank of Bikaner & Jaipur

REGISTERED OFFICE

A-46, UPSIDC Industrial Area,
Distt. Bulandshahr (U.P.)

CORPORATE OFFICE

235, Okhla Industrial Estate
New Delhi - 110 020.

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VIBROS ORGANICS LIMITED

NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the members of **VIBROS ORGANICS LIMITED** will be held as scheduled below:

Day : Wednesday
Date : 29th September, 1999
Time : 9.00 a.m.
Venue : A-46, UPSIDC Industrial Area,
Sikanderabad, Distt. Bulandshahr (U.P.)

to transact the following business :

ORDINARY BUSSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and the Profit & Loss Account of the Company for the period ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Satish Girotra who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint a Director in place of Sh. P. M. Abraham who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration. M/s S.K.Mehta & Co., Chartered Accountants, the retiring auditors being eligible offer themselves for re-appointment.

By order of the Board
for **VIBROS ORGANICS LIMITED**
Sd/-
(NAVEEN KOHLI)
Chairman Cum Managing Director

Place : New Delhi
Date : May 28, 1999

NOTES :-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy forms duly signed and completed should reach the Registered Office of the Company not less than 48 hours before the time and date fixed for the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 27.09.1999 to 29.09.1999 (both days inclusive).



DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors take this opportunity to present the Twelfth Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

	(Rs. in	
	1998 - 99	1997
Sales & Other Income	485.39	777.5
Profit Before Interest,		
Depreciation & Tax	8.42	16.64
Financial Charges	40.36	37.08
Profit / (Loss) before		
Depreciation & Tax	(31.94)	(20.44)
Depreciation	23.44	23.45
Profit / (Loss) before tax	(55.38)	(43.89)
Provision for Tax	-	-
Profit / (Loss) after tax	(55.38)	(43.89)

OPERATIONS AND FUTURE OUTLOOK

The year 1998-99 is marked by developments, primarily external, which have resulted into it being not an encouraging year for your company, in terms of profitability.

The financials of the company plunged further with Net Loss from operations, resulting to the extent of Rs. 55.38 lacs.

The company introduced new products in the market which have better profitability. Unfortunately, the products being sensitive in nature, have gone through the long process of testing and being ultimately accepted by our customers. After the sample have been approved in laboratory, the tests are now being conducted in actual market. The results, so far, are positive and therefore your company is confident of receiving good orders for these new profitable products.

The recession in the economy has kept the prices depressed for the agro intermediate, being manufactured by your company. We have now taken several measures to improve

production techniques to make the product more cost effective and also superior in quality.

However, despite the fact that improved production techniques which were cost effective and Environmental friendly were deployed, besides taking other steps to achieve economies of scale, the efforts bore hardly any fruits, largely due to presence of even greater adverse impact of overall economic sluggishness.

During the year, your company has taken certain pro-active measures to revive the business scenario and position itself to face challenges emanating from factors beyond its control. The aggressive marketing strategies coupled with cost cut measures can turnaround the situation.

With the able support of distinguished members and institutions and the strength company derives from its valued customers / suppliers, employees at all levels, your company definitely believes in its strengths to challenge adversities and foresee the success ahead.

Your Directors are truly gratified to acknowledge with immense appreciation the valued patronage of its members and look forward for it to continue at this crucial times.

DIRECTORS

Sh. Satish Girotra and Sh. P.M. Abraham, Directors of the company, will retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

M/s S.K.Mehta & Company, Chartered Accountants, Auditors of the Company, retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The company has received certificate from the Auditors to the effect that their re-appointment, if made, would be in accordance with section 224 (1B) of the Companies Act, 1956.

VIBROS ORGANICS LIMITED

PARTICULARS OF EMPLOYEES

There were no such employees who were in receipt of remuneration exceeding Rs. 6,00,000/-per annum, if employed for the whole year or exceeding Rs. 50,000/-per month, if employed for a part of the year of which, particulars Under Section 217(2-A) of the Companies Act, 1956 for the year ending 31st March, 1999 are required.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND R&D

The information regarding conservation of energy, technology absorption and R&D as required under the Companies Act, 1956 are given as under :

Total energy consumption and energy consumption per unit of production :

**For the year ended
31.03.99 31.03.98**

Electricity

(a) Purchased

Units	Kwh	315374	268125
Total Amount	Rs. in lacs	21.11	10.47
Rate	Rs./unit	6.69	3.90

(b) Own Generation

(Through Diesel Generators)

Units	Kwh	125112	297024
Units per ltr. of Diesel	Kwh	2.83	2.88
Cost	Rs./unit	3.35	3.65

FIXED DEPOSITS

During the year, the Company had not accepted any Fixed Deposits from Public and as on 31st March, 1999 the liability of Fixed Deposits is nil.

YEAR 2000 (Y2K)

The Company's major computer system and Software are Y2K Compliant.

NOTES ON ACCOUNTS

The observations of Auditors and notes on accounts are self explanatory.

INDUSTRIAL RELATIONS

During the year under review, the relations between the management and the workmen were highly cordial.

ACKNOWLEDGEMENT

Your directors wish to place on record their deep appreciation of the continued support of Shareholders, the Financial Institutions, Banks, other Government Authorities and the Services rendered by the employees of the Company.

By Order of the Board
for **VIBROS ORGANICS LIMITED**
Sd/-

Place : New Delhi
Date : May 28, 1999

(NAVEEN KOHLI)
Chairman Cum
Managing Director



AUDITORS' REPORT

To,

THE MEMBERS

VIBROS ORGANICS LIMITED

We have audited the attached Balance Sheet of VIBROS ORGANICS LIMITED, as at 31st March, 1999, and the annexed Profit & Loss Account for the year ended on that date and report that :

1. As required by the Manufacturing and the 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 annex hereto a statement on the matters specified in paragraph 4 & 5 of the said order, to the extent applicable.

2. Further to our comments in the Annexure referred to in paragraph (1) above:-

We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books.

The Balance Sheet and Profit & Loss Account are in agreement with the books of accounts.

In our opinion the Profit & Loss A/c and the Balance Sheet comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the Schedules annexed thereto, read with the notes made thereon, 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 the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999, and

- (ii) In the case of Profit & Loss Account, of the loss of the Company for the year ended 31st March, 1999.

FOR S.K. MEHTA & CO.
Chartered Accountants
Sd/-
(JYOTI BAGGA)
Partner

Place : New Delhi
Dated : May 28, 1999

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our Report of even date.)

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, physical verification of fixed assets was conducted by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and its operation and on the basis of explanations received, in our opinion, no material discrepancies have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished goods, stores, spare parts and raw material have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and adequate in relation to the size of the Company and the nature of its business.
4. In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on physical verification of stocks as compared to book records were not material, having regard to the size of operations of the Company and the same have been properly dealt with in the books of account.
6. In our opinion, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has taken interest free unsecured loans from members only. The terms and conditions of such loans are not prejudicial to the company.
8. The company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 and/to the companies under the same management, as defined under Section 370 (1B) of the Companies Act, 1956.