

ANNUAL REPORT

1999 - 2000

REPORT



JUNCTION



THE WATERBASE LIMITED

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ANNUAL REPORT
1999-2000

BOARD OF DIRECTORS

VIKRAM M THAPAR
CHAIRMAN

ANIL KUMAR BHANDARI

ANIL THADANI

J B DADACHANJI

JYOTI THAPAR

PRADEEP DINODIA

KIRIT SHAH

RAM KUMAR MEHRA
Nominee of ICICI

AUDITORS

MITRA KUNDU & BASU
CHARTERED ACCOUNTANTS
1 ACHARYA J C BOSE ROAD
CALCUTTA - 700 020.

REGISTERED OFFICE & WORKS

ANANTHAPURAM VILLAGE
T P GUDUR MANDAL
NELLORE - 524 344
ANDHRA PRADESH

SHARE TRANSFER AGENTS

DATA SOFTWARE RESEARCH CO. PVT. LTD.
SREE SOVEREIGN COMPLEX
22 4TH CROSS STREET
TRUSTPURAM KODAMBAKKAM
CHENNAI 600 024

BANKERS

STATE BANK OF INDIA OVERSEAS BRANCH CHENNAI 600 001
CANARA BANK OVERSEAS BRANCH CHENNAI 600 002
UNION BANK OF INDIA OVERSEAS BRANCH CHENNAI 600 017
STATE BANK OF HYDERABAD INDUSTRIAL FINANCE BRANCH CHENNAI 600 086

Members are requested to bring their copies of Annual Report to the meeting
as the practice of distributing the same in the meeting has been discontinued.

THE WATERBASE LIMITED

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Company will be held on Friday, the 14th July 2000 at 3.00 p.m at the Registered Office of the Company at Ananthapuram Village, T P Gudur Mandal, Nellore - 524 344 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited accounts of the Company for the year ended 31st March 2000 together with Auditors' Report and Directors' Report thereon.
2. To appoint a Director in place of Shri Vikram M Thapar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Pradeep Dinodia, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Anil Kumar Bhandari, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Kirit C Shah, who retires and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration. M/s Mitra Kundu & Basu, Chartered Accountants, retire and are eligible for re-appointment.

Registered Office:
Ananthapuram Village
Nellore - 524 344
27th April 2000

By. Order of the Board

ASHOK NANJAPA
Chief Executive

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 that a proxy need not be a member. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Book of the company will remain closed from 1st July 2000 to 20th July 2000 (both days inclusive).



REPORT OF DIRECTORS TO THE MEMBERS

Your Directors have pleasure in presenting their thirteenth Annual Report together with the Audited Accounts for the Financial Year ended 31st March 2000.

Financial Results

	(Rs. in Millions)	
	Current year	Previous year
Gross sales	928.01	802.19
Operating profit (before Interest & Depreciation)	161.39	144.20
Less : Interest	70.66	63.65
Depreciation	29.26	28.41
Provision for Tax	2.00	3.72
Net Profit / (Net Loss) for the year	59.47	48.42

OPERATIONS:

The year under review has been one of the worst years for shrimp culture with recurrence of disease and related problems, hitting the industry from August 99 onwards. In spite of the problems we are pleased to report that your company has performed well and has shown improved results.

The improved trend in operations which has been established over the last few years continued during the year under review resulting in improved net profits. The Operating Profit before Interest, Depreciation and Tax (PBIDT) was Rs. 161.39 millions, against Rs. 144.20 millions in the previous year, showing an increase of over 10%. The profit after tax (PAT) is Rs. 59.47 millions showing a 23 % improvement over the previous year's net profit of Rs. 48.42 millions. Your company's turnover recorded an increase of about 15%.

FARMING

Farming was conducted under a joint arrangement with reasonable success. The arrangement has been extended and will continue in the new year.

The problems experienced by the industry as a whole also affected our farms.

FEED PLANT

In spite of the disease problems affecting farming operations during the year under review, your company has shown an increase in feed sales, recording a sales volume of 15,229 MT valued at Rs 572.90 millions as against 14,047 MT valued at Rs 528.11 millions in the previous year.

Emphasis on R&D efforts to produce the highest quality of feed continues which has resulted in increased market shares in most segments. During the year under review, your Company launched a feed for fresh water shrimp farming, under the brand name of MAGNUM, which has been well accepted with 1100 MT sold in the 5 months it has been marketed. Additionally, the feed plant capacity has been augmented with the installation of two additional lines which has enhanced our feed capacity by 30%. This will enable your Company to meet peak demand requirements during the farming season.

THE WATERBASE LIMITED

As part of our efforts to provide improved service to farmers and create Brand loyalty, your company has installed four laboratories along the Andhra Pradesh coast and proposes to open atleast three more laboratories in the next financial year.

The feed plant is in the process of obtaining ISO certification and accreditation is expected shortly.

PROCESSING AND EXPORT

Your company processed and exported over 700 MT of Marine products, with emphasis on the US market, during the year under review. During the latter part of the year the Company entered into an arrangement for processing of specific value added products for the US market, the benefits of which will accrue during the next financial year.

The plant is HACCP compliant and is in the process of being approved for export to EU countries. Exports to Japan continue for the standard products.

FINANCE

During the year under review, the working capital funded and non-funded facilities were enhanced by Rs. 60 millions by the consortium of Banks financing the Company. This was done in recognition of the improved performance of the Company.

For and on behalf of Board of Directors

New Delhi
27th April 2000

VIKRAM M THAPAR
CHAIRMAN

