

YENKEY

DRUGS AND PHARMACEUTICALS LIMITED



Report  junction.com

8th
Annual Report
1996-97

MD	✓		BKC	✓
CS	NA		DPY	✓
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

BOARD OF DIRECTORS

SHRI N.V.NARENDER

**CHAIRMAN &
MANAGING DIRECTOR**

SHRI N HARI PRASAD YADAV

- EXECUTIVE DIRECTOR

SHRI G. GOPAL YADAV

- DIRECTOR

AUDITORS

**M/S JAWAHAR AND ASSOCIATES
CHARTERED ACCOUNTANTS
C-5, SKYLARK APARTMENTS
BASHEER BAGH
HYDERABAD - 500 029.**

BANKERS

**STATE BANK OF INDIA
OVERSEAS BRANCH
GUNFOUNDRY, HYDERABAD.**

REGISTERED OFFICE

**E-5, OMEGA APARTMENTS
NAGARJUNA NAGAR
AMEERPET
HYDERABAD - 500 873.**

Report  junction.com

YENKEY DRUGS AND PHARMACEUTICALS LIMITED

NOTICE

To
The Members
YENKEY DRUGS AND PHARMACEUTICALS LIMITED

NOTICE is hereby given that the 8th Annual General Meeting of the Members of the Company will be held at Fateh Maidan Club, Lalbahadur Stadium, Hyderabad., on Wednesday the 31st Dec' 97 at 11 a.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 1997, Directors' Report and Auditors' report thereon.
2. To appoint Director in place of Sri G. Gopal Yadav who retires by rotation and being eligible offers himself for reappointment.
3. To consider and if thought fit to pass the following resolution with or without modification as an Ordinary Resolution.

"RESOLVED that M/s. Jawahar & Associates, Chartered Accountants, Hyderabad be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration as may be fixed by the Board of Directors of the Company.

For and on behalf of the Board
for YENKEY DRUGS & PHARMACEUTICALS LTD.

N.V. NARENDER
CHAIRMAN AND MANAGING DIRECTOR

Regd Office :
6-3-903/A/E5, Omega Apts.,
Yellareddyguda, Nagarjuna Nagar Colony,
Ameerpet, Hyderabad - 500 873.

PLACE : HYDERABAD
Date : 18.11.1997

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS TO BE VALID SHALL BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer books of the Company will remain closed on 31st Dec' 1997.
3. The Members are requested to intimate any change in their address quoting their Registered Folio.
4. The Members are requested to bring Annual Report along with them at the time of Annual General Meeting and are also requested to send their queries, if any, on the adoption of accounts well in advance, so as to enable to place relevant records and information at the time of Annual General Meeting.

YENKEY DRUGS AND PHARMACEUTICALS LIMITED**DIRECTORS REPORT**

Your directors have pleasure in presenting the Audited accounts of your Company for the eighth financial year ended on 31st March 1997.

FINANCIAL RESULTS

In Rupees

	Current Year 1996-97	Previous Year 1995-96
Turnover and Other Income	1,89,60,732	2,12,39,465
Profit before Depreciation and Taxes	17,91,010	17,03,683
Profit after Tax for the year	1,69,266	4,01,512
Profit carried from earlier year	17,72,642	13,71,131
Amount available for appropriation	19,41,908	17,72,642
Transfer to General Reserve	NIL	NIL
Proposed Dividend	NIL	NIL
Balance carried to Balance Sheet	19,41,908	17,72,642

REVIEW OF OPERATIONS

Your Directors are glad to inform you that during the year your Company has made a gross Income of Rs. 17,91,010/- on a turnover of Rs.1,89,60,732/- compared to Rs.17,03,683/- on a turnover of Rs.2,12,39,465/- last year. Though the Company established the production of Butyl Cyano Acetate, Theophylline and Guanine, the realisation from the debtors are very poor and has affected our working capital and sales.

Your company has provided three manufacturing blocks to produce various Cyanide based intermediates and Bulk Drugs. Since the Drug And Chemical Industry is facing liquidity problems, your company is looking forward to have good market tie ups abroad on long term basis for reasonable prices. Your Company is fully prepared to face challenges from Chinese dumping methods.

PROMISES V/S PERFORMANCES

As per clause 43 of the listing agreement projected and the actuals for the period 1.4.96 to 31.3.97 are as follows :

Sl. No.	Particulars	Actuals Rs.in lacs	Projections Rs.in Lacs
1.	Turnover and other income	189.60	1320.68
2.	Total expenditure	143.53	1026.35
3.	Interest	28.17	27.31
4.	Gross profit after Interest but before depreciation and Taxation	17.90	267.02
5.	Provision for Depreciation	15.98	40.04
6.	Provision for Taxation(MAT)	0.23	12.72
7.	Net profit	1.69	214.26
8.	Paid up equity capital incl. calls to arrears	463.53	463.53
9.	Reserves excluding revaluation reserves	28.71	226.35

The Company could not achieve the turnover/profit as projected due to slump in the Drug and Chemical Industry, very poor realisation from debtors and not much scope for exports.

YENKEY DRUGS AND PHARMACEUTICALS LIMITED

DIRECTORS

Shri G.Gopala Yadav retires by rotation and being eligible offers himself for reappointment as Director.

FIXED DEPOSITS

The Company has not invited fixed deposits during the year.

AUDITORS

M/s Jawahar and Associates, Chartered Accountants, the Auditors of the Company retire at the conclusion of this Annual General Meeting and are eligible for reappointment.

The company has received certificate of the Auditors to the effect that appointment, if made, within the prescribed limits under Section 224(1) of the Companies Act, 1956.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given in Annexures 1 and 2 form part of this report.

- a) Information required under Section 217 (2A) of the Companies Act, 1956 read with Companies(Particulars of employees) Rules,1975 is not applicable to the Company as none of the employees are covered with in the meaning of the provisions.

EMPLOYEE RELATIONS

Employees relations at all levels remained cordial during the year.

AUDITORS COMMENTS

Regarding Tax Deducted at Source, your directors wish to state that there are balances still to paid to the contractors. Necessary compliance with the provisions will be made.

- i. An effective system for the physical verification of Fixed Assets is being developed which will be implemented during the year.
- ii. Regarding the procedure of physical verification of stocks, instructions have already been passed and the same is being implemented.
- iii. Regarding strengthening of the internal control procedures the services of external Chartered Accountants is being sought.
- iv. Regarding the strengthening of the Internal Audit System the services of external Chartered Accountants are being sought.
- v. Regarding maintenance of cost records your directors wish to state that the same are being maintained at the factory and could not be produced to the auditors.
- vi. Regarding non reconciliation of Public Issue refund account, your directors wish to state that the same is being carried out.

ACKNOWLEDGEMENTS

The Company acknowledges with gratitude the cooperation and assistance given by the financial institutions, banks employees and investors during the year under review.

For and on behalf of the Board

N.V.NARENDER
CHAIRMAN & MANAGING DIRECTOR

Place: Hyderabad
Date: 18-11-1997

YENKEY DRUGS AND PHARMACEUTICALS LIMITED

**ANNEXURE - 1
FORM A
(SEE RULES 2)**

Form for disclosure of particulars with respect to conservation of energy

A. Power and fuel consumption

Particulars	1996-97	1995-96
1. Electricity		
a) Purchased:		
Unit	1,88,843	71,307
Total Amount(in Rs.)	6,65,873	2,10,746
Rate/Unit	3.52	2.95
b) Own generation:		
i) Through diesel generator total amount	2,11,748.48	N.A.
units per litre of diesel oil cost/unit	78,987 Uts Rs.2.68	N.A.
ii) Through steam turbine/generators units per litre fuel oil/gas cost/unit	N.A.	N.A.
2. Coal (specify quality & where used)		
Quantity (tones)	287.34 MTs	N.A.
Total Cost (in Rs.)	3,84,402	N.A.
Average rate	1,337.94 MTs	N.A.
3. Furnace Oil Quantity (K litres total amount)	N.A.	N.A.
Average Rate		
4. Others/internal generation (Please give details)	N.A.	N.A.
Quantity		
Total Cost		
Rate/unit		

B. Consumption per unit of production

Products(with details)	Standards (if any)	Current Year	Previous Year
Unit			
Electricity			
Furnace Oil			
Coal(specify quality)			
Other(specify)			

Since there are number of stages involved in production, it is not practicable to ascertain product wise consumption.

YENKEY DRUGS AND PHARMACEUTICALS LIMITED

ANNEXURE - 2

FORM B

(SEE RULES 2)

Form for disclosure of particulars with respect to absorption

Research and Development (R&D)

1. Specific areas in which R&D was Carried out	R&D is carried out for Butyl Cyano Acetate, Theophylline, Cyano Acetamide, Guanine.	
2. Benefits derived as a result of	Production of Cyano Acetamide, Guanine and standardisation of quality will improve by the above R & D.	
3. Future plan of action	Development of new products and existing product Theophylline	
4. Expenditure on R & D	1996-97	1995-96
i) Capital	10,00,910	25,66,642.
ii) Recurring	—	
iii) Total	10,00,910	25,66,642
iv) Total R & D expenditure as percentage of total turnover	0.05%	12.66%

Technology absorption, adaption and innovation

1. Efforts in brief, made towards technology absorption, adaption and innovation	No technology has been imported by the company in the last 6 years. The company raises all assistance and technological guidance in respect of product. Which are presently licensed and allowed to be manufacture by the company. The company deputes free of charge their technical personnel whenever required to guide the company operations including maintenance of quality and safety.	
2. Benefits derived as a result of the above efforts e.g. cost reduction, product development import substitution.	product improvements, process development etc.-	
3. In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year).	N.A.	

Following information may be furnished

- Technology imported
 - Year of import
 - Has technology been fully absorbed
 - If not fully absorbed areas where this has not taken place, reasons thereof and future plans of actions.
- N.A.