

28

THE  
GODAVARI  
SUGAR MILLS  
LIMITED

ANNUAL REPORT & ACCOUNTS  
1966-67

# 1967

# THE GODAVARI SUGAR MILLS LIMITED

(Incorporated under the Indian Companies Act VII of 1913)

## **Board of Directors:**

SHRI KARAMSHI JETHABHAI SOMAIYA  
(*Ex-Officio Director*) *Chairman*

SHRI SHANTILAL KARAMSHI SOMAIYA

SHRI NAVALMAL KUNDANMAL FIRODIA

SHRI CHANDANSINHA BHARAKTIYA

SHRI JAYANTILAL GANGADAS DALAL

SHRI V. D. MUZUMDAR

SHRI D. M. POPAT

## **Managing Agents:**

K. J. SOMAIYA AND SONS PRIVATE LTD.

## **Bankers:**

THE BANK OF INDIA LTD.

THE CENTRAL BANK OF INDIA LTD.

THE UNITED COMMERCIAL BANK LTD.

THE BANK OF MAHARASHTRA LTD.

THE STATE BANK OF INDIA

THE BANK OF BARODA LTD.

## **Solicitors:**

MULLA & MULLA AND CRAIGIE BLUNT AND CAROE.

## **Auditors:**

NANUBHAI & CO.

## **Registered Office:**

FAZALBHOY BUILDING, MAHATMA GANDHI ROAD,  
FORT, BOMBAY 1.



# THE GODAVARI SUGAR MILLS LIMITED, BOMBAY

## NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of The Godavari Sugar Mills Limited will be held on Monday, the 25th March, 1968 at 5-00 P.M. (S.T.) at the Registered Office of the Company, Fazalbhoy Building, Mahatma Gandhi Road, Bombay-1 to transact the following business:

1. To adopt the Directors' Report and audited statement of accounts for the year ended 31st May, 1967.
2. To confirm interim dividend on Preference Shares and to declare dividend on Ordinary (Equity) Shares.
3. To elect a Director in place of Shri N. K. Firodia, who retires by rotation, but being eligible offers himself for re-election.
4. To appoint a Director in place of Shri S. K. Somaiya, who retires by rotation, but being eligible offers himself for re-appointment and to consider and if thought fit to pass, with or without modifications, the following Resolution as Special Resolution No. 1. in respect of which a Special Notice as required under Section 261 of the Companies Act, 1956 has been received by the Company:

### **SPECIAL RESOLUTION NO. 1:**

"Resolved that pursuant to the provisions of Section 261 and other applicable provisions, if any, of the Companies Act, 1956, Shri S. K. Somaiya, who retires by rotation and who is an Associate of the Managing Agents of the Company, M/s K. J. Somaiya & Sons Private Limited, be and he is hereby re-appointed as a Director of the Company."

5. To consider and if thought fit to pass, with or without modifications, the following Resolution as Special Resolution No. 2:

### **SPECIAL RESOLUTION NO. 2:**

"Resolved that pursuant to the provisions of Section 372 and other applicable provisions, if any, of the Companies Act, 1956, sanction of the General Meeting be and is hereby accorded to the investment of a sum not exceeding Rs. 4,000/- (Rupees four thousand only) by purchase of 40 Equity shares of the nominal value of Rs. 100/- each at par of the SOMAIYA CHEMICAL INDUSTRIES PRIVATE LIMITED even though such investment would be in excess of the limits specified under sub-section (2) of the said Section 372 of the Companies Act, 1956 and the provisos thereto and the Board of Directors of the Company be and it is hereby authorised subject to the sanction of Central Government to determine the actual sum subject as aforesaid to be so invested and any matters arising out of and incidental to the said proposed investment."

6. To consider and if thought fit to pass, with or without modifications, the following Resolution as Special Resolution No. 3:

### **SPECIAL RESOLUTION NO. 3:**

"Resolved that pursuant to the provisions of Section 360 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the purchase of 10 fully paid up equity shares of Somaiya Chemical Industries Private Limited of Rs. 100/- each at par from Shri K. J. Somaiya and the purchase of 20 fully paid up equity shares of the said Company of Rs. 100/- each at par from Shri S. K. Somaiya, both of whom



are the Associates of the Managing Agents of the Company, the price being payable by the Company against delivery of the said shares."

7. To consider and if thought fit to pass, with or without modifications, the following Resolution as Special Resolution No. 4:

**SPECIAL RESOLUTION NO. 4:**

"Resolved that pursuant to the provisions of Section 372 and other applicable provisions, if any, of the Companies Act, 1956, sanction of the General Meeting be and is hereby accorded to the investment of a sum not exceeding Rs. 75,00,000/- (Rupees Seventy-five lacs only) by subscription and/or purchase or obtaining allotments otherwise than in cash of 75,000 shares (Equity or Preference or both) of the nominal value of Rs. 100/- each at par of the SOMAIYA ORGANICS (INDIA) LIMITED even though such investment would be in excess of the limits specified under sub-section (2) of the said Section 372 of the Companies Act, 1956 and the provisos thereto and the Board of Directors of the Company be and it is hereby authorised subject to the sanction of Central Government to determine the actual sum subject as aforesaid to be so invested and any matters arising out of and incidental to the said proposed investment."

8. To consider and if thought fit to pass, with or without modifications, the following Resolution as Ordinary Resolution:

**ORDINARY RESOLUTION:**

"Resolved, in supersession of the resolution passed at the Extraordinary General Meeting of the Company held on 12th March, 1962, that pursuant to the Clause (d) of the sub-section (1) of Section 293 of the Companies Act, 1956 the consent of the Company be and it is hereby granted to the Board of Directors of the Company for borrowing moneys for the purpose of the Company from time to time notwithstanding that the moneys to be borrowed together with the moneys already borrowed, if any, by the Company (apart from the temporary loans obtained by the Company from the Company's Bankers in the ordinary course of the business) will or may exceed the aggregate of the paid-up capital of the Company and its Free Reserves, if any, that is to say, Reserves not set apart for any specific purpose, so that the total amount upto which moneys can be borrowed by the Board of Directors shall not at any time exceed Rs. 4.00 Crores."

9. To appoint Auditors for the current year and fix their remuneration.

The Transfer Books of the Company will be closed from 11th March, 1968 to 25th March, 1968 both days inclusive.

By Order of the Board of Directors,  
K. J. SOMAIYA & SONS PRIVATE LIMITED,  
K. J. SOMAIYA  
Director,  
Managing Agents.

BOMBAY, Dated: 10th February, 1968.

**NOTES:**

1. The final dividend when declared will be payable at the Registered Office of the Company on and after 30th March, 1968. The dividend warrants will be posted to those shareholders whose names stand on the Company's register on 11th March, 1968.
2. A member entitled to attend and vote is also entitled to appoint a proxy; the proxy need not be a member.
3. An explanatory statement under Section 273 of the Companies Act, 1956 in respect of the above resolutions is annexed.



## EXPLANATORY STATEMENT

The following explanatory statement is given in respect of special items of business mentioned in the accompanying Notice pursuant to the provisions contained in Section 173 of the Companies Act, 1956.

### SPECIAL RESOLUTION NO. 1:

Shri S. K. Somaiya, a director of the Company, retires from the Office of the Director, but offers himself for re-appointment. Special Notice of the Special Resolution set out in item No. 4 has been received by the Company from a shareholder. The Special Notice states that Shri S. K. Somaiya should continue to be a director in order that his experience, knowledge and services continue to be available to the Company. Since Shri S. K. Somaiya is an Associate of the Managing Agents of the Company, the Special Resolution is necessary under the provisions of Section 261 of the Companies Act, 1956 and accordingly the Special Resolution is commended for the approval of the shareholders.

### SPECIAL RESOLUTIONS NO. 2 & 3:

Shri K. J. Somaiya and Shri S. K. Somaiya are two of the Directors of this Company and they are also two of the Directors of Somaiya Chemical Industries Private Limited with Issued and Paid-up Capital of Rs. 4,000/- Out of the 40 equity shares of the nominal value of Rs. 100/- each of the said Company, Shri K. J. Somaiya and Shri S. K. Somaiya hold 10 and 20 equity shares respectively. The remaining 10 equity shares are held by Shri P. M. Kavadia. It is proposed to buy the entire issued capital from the present shareholders of the said Company and hence Special Resolutions No. 2 and 3 are commended for the approval of the shareholders.

### SPECIAL RESOLUTION NO. 4:

In the year 1965, the Company resolved to sell or transfer the right, title, interest and benefit of the Company in:

- (a) Captainganj Distillery and other assets at Captainganj,
- (b) Right, title and interest of the Company in the lands at Barabanki,
- (c) The Industrial Licence No. 2(8) Chem. V/61 dated 28th October, 1961 for the manufacture of Butanol and Butyl Acetate,
- (d) Agreement with LES USINES DE MELLE dated 1st February, 1964,
- (e) Two agreements dated 10th February, 1964 and the one dated 14th February, 1964 with M/s. SPEICHIM, and
- (f) The Import Licence No. P/CG/2040140/R/FG/18/C/CGIII dated 24th October 1963 for importing plant and machinery from France.

to Somaiya Organics (India) Limited and to receive the consideration thereof from the said Company in equity and/or preference shares. It was also resolved to invest a sum not exceeding Rs. 75,00,000/- (Rupees Seventy-five lacs only) by subscription and/or purchase or obtaining allotments otherwise than in cash of 75,000 shares (Equity or Preference or both) of the nominal value of Rs. 100/- each at par in Somaiya Organics (India) Limited.



Pursuant to the said Resolution an application was made on 22-2-1965 to the Company Law Board. The Company Law Board by its letter dated 4-9-1965 bearing reference No. 8(11)-CLVI/65 permitted the Company to invest Rs. 57.09 lacs. The permission was valid for a period of 6 months from the date of the said letter. The Company could not avail of that permission, as Somaiya Organics (India) Ltd., did not come out with its public issue during that period. As the Somaiya Organics (India) Ltd., are now about to issue their shares to the Public, your Company will make investments as resolved earlier. However, as the permission given by the Company Law board has expired, a fresh application has been made. It might become necessary to have a fresh Resolution of the General Body to enable the Company Law Board to grant such permission again.

In view of what is stated above, you are requested to pass the Special Resolution No. 4 as set out in the accompanying Notice.

Shri K. J. Somaiya and Shri S. K. Somaiya are interested in Special Resolutions No. 2 and 3 being the Directors and shareholders of Somaiya Chemical Industries Private Ltd.

Further, Shri K. J. Somaiya, Shri S. K. Somaiya, Shri N. K. Firodia and Shri D. M. Popat are interested in Special Resolution No. 4 being the Directors and/or shareholders of Somaiya Organics (India) Ltd.

The respective shareholdings of each of the above Directors is shown below:

	<i>The Godavari Sugar Mills Ltd.</i>		<i>Somaiya Chemical Industries P. Ltd.</i>		<i>Somaiya Orga- nics (I) Ltd.</i>		<i>K. J. Somaiya &amp; Sons P. Ltd.</i>	
	E	P	E	P	E	P	E	P
Shri K. J. Somaiya ...	15,770	—	10	—	50	—	150	—
Shri S. K. Somaiya ...	6,467	—	20	—	50	—	525	—
Shri N. K. Firodia ...	13	20	—	—	50	—	—	—
Shri D. M. Popat ...	11	15	—	—	5	—	—	—

In addition to above, Shri K. J. Somaiya along with Smt. Sakarbai K. Somaiya and Shri S. K. Somaiya holds 62,416 equity shares of Godavari Sugar Mills Ltd.; Shri K. J. Somaiya as karta of K. J. Somaiya Hindu Undivided Family holds 2,000 equity shares of Godavari Sugar Mills Ltd.; Shri K. J. Somaiya along with Shri N. R. Mulla, Shri S. K. Somaiya and Smt. Sakarbai K. Somaiya holds 10,750 equity shares of Godavari Sugar Mills Ltd.; and Shri S. K. Somaiya, as natural guardian of Kum. H. S. Somaiya holds 600 equity shares of Godavari Sugar Mills Ltd.

#### ORDINARY RESOLUTION:

By an ordinary resolution passed at the Extraordinary General Meeting of the Company on 12th March, 1962 the Board of Directors were authorised to borrow funds upto a limit of Rs. 2.00 Crores in addition to its Paid-up Capital and Free Reserves.

The Board of Directors are of the opinion that to meet the additional financial requirements, the borrowing limit of Rs. 2.00 Crores should be increased to Rs. 4.00 Crores. The Ordinary Resolution as set out in the Notice is, therefore, commended for the approval of the shareholders.

By Order of the Board of Directors,  
K. J. SOMAIYA & SONS PRIVATE LIMITED,  
K. J. SOMAIYA,  
Director,  
Managing Agents.

BOMBAY, Dated: 10th February, 1968.



# THE GODAVARI SUGAR MILLS LIMITED, BOMBAY

## DIRECTORS' REPORT

THE SHAREHOLDERS,  
The Godavari Sugar Mills Ltd.,  
Bombay.

LADIES AND GENTLEMEN,

Your Directors are pleased to report on the audited statement of accounts of the Company for the year ended 31st May, 1967.

### FINANCIAL RESULTS :

The Profit and Loss Account for the year under review shows a net Profit of Rs. 7,19,630/- after providing for Depreciation Rs. 13,12,180/-, Development Rebate Reserve Rs. 2,36,043/- and Taxation Rs. 10,00,000/-. The Profit, along with the balance of Rs. 2,846/- brought forward from last year, amounts to Rs. 7,22,476/-. Your Directors recommend appropriation as follows :—

	Rupees
1. Transfer to General Reserve ... ..	7,20,000
2. Balance carried to Balance Sheet... ..	2,476
	<u>7,22,476</u>

The Directors have resolved to pay on or after 27th February, 1968 Interim Dividend on Preference Shares at Rs. 7·8572 (subject to deduction of tax) per share for the year ended 31st May, 1967 out of taxed profits for and upto assessment year 1959-60. You are requested to approve the same. Your Directors also recommend a dividend on ordinary (Equity) shares at Rs. 3/- (subject to deduction of tax) per share for the year ended 31st May, 1967 out of taxed profits for and upto assessment year 1959-60, if approved by the shareholders at the Annual General Meeting to be held on 25th March, 1968.

You are requested to approve Rs. 2,58,800/- by way of Charity and Donation during the year as under :—

1. The Somaiya Trust ... ..	1,45,000
2. K. J. Somaiya Trust ... ..	45,000
3. Maharashtra Pradesh Congress Committee ... ..	25,000
4. Bombay Pradesh Congress Committee ... ..	25,000
5. Uttar Pradesh Congress Committee ... ..	5,000
6. Mysore Pradesh Congress Committee ... ..	5,000
7. Kanhegaon Education Society ... ..	5,000
8. Chief Minister's Relief Fund, Bombay ... ..	3,000
9. Sundry ... ..	800
Total ... ..	<u>2,58,800</u>

It would be recalled that the Government had imposed 25 per cent cut in water supply to sugarcane in October 1965. This affected the cane crop of the Company substantially. The crop was further affected due to conditions of drought in the latter part of 1966, which has had adverse effect on the recovery at both the factories.



The above 25 per cent cut in water supply was continued in the succeeding year and therefore the availability of sugarcane from our own farms for the crushing season 1967-68 also continues to be smaller than usual. The Government has now belatedly restored the cut, long after the Adsali plantations were over in Maharashtra. As such, the crop for 1968-69 crushing season would also be affected.

The cane crop available for crushing season 1967-68 is about 2381 acres.

The Government of India announced partial decontrol of sugar in 1967. The first release of free sale sugar was made on 22nd November 1967. The Government will release 40 % of production for free sale subject to the minimum of 13 lac tonnes for controlled distribution.

On account of the cost of Living Indices further going up, the Company has, in terms of the recommendations of the Central Wage Board for Sugar Industry, further increased the rates of dearness allowance payable to its workmen at the Sugar Factories and the Farms with effect from 1st October 1967. The second Wage Board for Sugar Industry appointed by the Government of India has recommended that such additional D. A. should be paid with effect from 1st July 1967 instead of from 1st October 1967.

The appeal filed by the Company against the order of the Bombay High Court dismissing the Company's petition challenging the validity of the Maharashtra Agricultural Land (Ceiling on Holdings) Act, 1961, has not yet come up for hearing. The Company has furnished security to the State of Maharashtra in terms of the order for interim stay passed by the Bombay High Court. The decision of the Full Bench of the Supreme Court which was being awaited at the time of last annual report has since been pronounced. In light of the said decision, the Maharashtra Agricultural Land (Ceiling on Holdings) Act, 1961 will get immunity against challenge of contravening fundamental rights.

The Directors have pleasure in reporting that the working of the Captainganj Distillery during the year under review was better than in the previous year, despite the deterioration in the overall molasses supply position in the country.

During the year under review, Somaiya Organics (India) Ltd., to whom the Butanol and Butyl Acetate Project is proposed to be transferred, continued its efforts for getting its shares underwritten before making a public issue. It is expected that the said company will be in a position during the course of the current year to take over this project.

Shri S. K. Somaiya and Shri N. K. Firodia two of your Directors retire by rotation but being eligible offer themselves for re-election.

Messrs. Nanubhai & Co., retire and offer themselves for re-appointment as auditors.

Yours faithfully,  
By Order of the Board of Directors,  
K. J. SOMAIYA  
Chairman.

BOMBAY, 10th February, 1968.



# THE GODAVARI SUGAR MILLS LIMITED, BOMBAY

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of The GODAVARI SUGAR MILLS LIMITED, as at 31st May, 1967, and also the attached Profit and Loss Account of the Company for the year ended on that date and report that:

- (1) 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.
- (2) In our opinion proper Books of Accounts as required by law have been kept by the Company, so far as appears from our examination of the Books of Accounts produced before us.
- (3) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Accounts.
- (4) In our opinion and to the best of our information and according to the explanations given to us, the Accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
  - (a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st May, 1967, and
  - (b) in the case of the Profit and Loss Account of the 'Loss' for the year ended on that date.

NANUBHAI & CO.,  
*Chartered Accountants.*

BOMBAY: Dated the 12th day of February, 1968.



# THE GODAVARI SUGAR

## BALANCE SHEET

As at 31st May 1966		LIABILITIES		
Rupees			Rupees	Rupees
	<b>I. SHARE CAPITAL:—</b>			
	<b>AUTHORISED CAPITAL:</b>			
1,80,00,000	1,80,000 Ordinary (Equity) Shares of Rs. 100/- each ..		1,80,00,000	
20,00,000	20,000 7·8572% subject to deduction of tax at source Redeemable Cumulative Preference Shares of Rs. 100/- each .. .. .		20,00,000	
<u>2,00,00,000</u>				<u>2,00,00,000</u>
	<b>ISSUED AND SUBSCRIBED CAPITAL:</b>			
1,00,00,000	1,00,000 Ordinary (Equity) Shares of Rs. 100/- each fully paid up:  Of the above shares 90,000 shares are allotted as fully paid up by way of bonus shares by Capitalisation of General Reserve .. .. .		1,00,00,000	
18,50,950	18,509½ 7·8572% subject to deduction of tax at source Redeemable Cumulative Preference Shares of Rs. 100/- each fully paid, liable to be redeemed at the option of the Company at any time and from time to time after 1st October 1952 after giving three months' notice of the intention to so redeem the same .. .. .		18,50,950	
<u>1,18,50,950</u>				<u>1,18,50,950</u>
	<b>II. RESERVES AND SURPLUS:—</b>			
	(A) Capital Reserve:			
—	As per last Balance Sheet .. .. .	22,661		
22,661	Add: Profit on sale of land .. .. .	36,748		
<u>22,661</u>		<u>59,409</u>		
—	Less: Transfer to Profit & Loss Account ..	59,409		
<u>22,661</u>				
	(B) General Reserve:			
70,28,500	As per last Balance Sheet .. .. .	93,87,000		
2,73,933	Add: Transfer from Development Rebate Reserve ..	4,39,223		
<u>73,02,433</u>		<u>98,26,223</u>		
18,30,000	Add: Set aside from 1966-67 profits .. .. .	7,20,000		
<u>91,32,433</u>		<u>1,05,46,223</u>		
2,54,567	Add: Transfer from Dividend Reserve .. .. .	—		
<u>93,87,000</u>		<u>1,05,46,223</u>		
—	Less: Dividend on preference shares paid for the year ended 31st May '66 .. .. .	1,45,433		
<u>93,87,000</u>			1,04,00,790	
<u>94,09,661</u>				
<u>1,18,50,950</u>				
	Carried Over ..		1,04,00,790	1,18,50,950



# MILLS LIMITED, BOMBAY

AS AT 31ST MAY, 1967

As at 31st May, 1966	ASSETS			
Rupees		Rupees	Rupees	Rupees
	<b>I. FIXED ASSETS (At cost or book value):—</b>			
3,27,85,548	Gross Block .. .. .	3,56,33,735		
1,99,16,374	Less: Depreciation written off upto 31st May, 1967 ..	2,12,54,418		
1,28,69,174	Net Depreciated Block as per Schedule 'A' attached. ..	1,43,79,317		
12,71,755	Capital work-in-progress .. .. .	10,33,425		
1,41,40,929				1,54,12,742
	<b>II. INVESTMENTS (At cost):—</b>			
	<b>(A) TRADE INVESTMENTS:</b>			
	(i) Shares of subsidiary Companies:			
1,00,000	2,000 Partly paid up Ordinary (Equity) Shares of Godavari Investment & Finance Corporation Ltd. of Rs. 100/- each, Rs. 50/- per share paid up .. .. .	1,00,000		
5,00,000	10,000 Fully paid up 7% Free of Income Tax Cumulative Preference Shares of Rs. 100/- each of Somaiya Organo-Chemicals Ltd. (5000 shares Purchased during the year) .. .. .	10,00,000		
2,55,000	2,550 Fully paid up Equity Shares of Rs. 100/- each of Somaiya Organo-Chemicals Ltd. ..	2,55,000		
8,55,000		13,55,000		
	(ii) Investments in Shares of Oriental Power Cables Ltd., Company under same Group: (Managing Agents: Somaiya Bharaktiya Private Limited)			
10,50,000	10,500 Equity Shares of Rs. 100/- each Fully paid up	10,50,000		
—	1700 Equity Shares of Rs. 100/- each fully paid up Purchased during the year .. .. .	2,04,000		
10,50,000		12,54,000		
—	Less: 2,000 Fully paid up Equity Shares Donated	2,00,000		
10,50,000		10,54,000		
—	250 9½% Cumulative Redeemable Preference Shares of Rs. 100/- each fully paid up Purchased during the year .. .. .	25,000	10,79,000	
10,50,000			24,34,000	
19,05,000				
	<b>(B) OTHER INVESTMENTS:</b>			
78	One Ordinary Share of Maharashtra State Co-operative Bank Ltd., of Rs. 50/- each fully paid up .. .. .	78		
9,500	National Savings Certificates deposited with Excise Commissioner, U.P. and Hydro Electric Division, Gorakhpur .. .. .	9,500		
19,14,578				
1,41,40,929				
	Carried Over ..	24,43,578		1,54,12,742



# THE GODAVARI SUGAR

## BALANCE SHEET

As at 31st May, 1966	LIABILITIES—(Contd.)			
Rupees		Rupees	Rupees	Rupees
1,18,50,950				
94,09,661				
	(C) Dividend Reserve:			
11,50,000	As per last Balance Sheet	—		
8,95,433	Less: Dividend paid	—		
2,54,567		—		
2,54,567	Less: Transfer to General Reserve .. .. .	—	—	
	(D) Development Rebate Reserve:			
17,57,327	As per last Balance Sheet .. .. .	15,21,707		
38,313	Add: Amount set aside from Profit of the year ..	2,36,043		
17,95,640		17,57,750		
2,73,933	Less: Transferred to General Reserve .. .. .	4,39,223		
15,21,707			13,18,527	
	(E) Profit & Loss Account:			
2,846	Balance as per Profit & Loss Account .. .. .		2,476	
1,09,34,214				1,17,21,793
	III. SECURED LOANS:—			
	Cash Credit account with Bank against hypothecation of all tangible moveable assets of the Company including stocks of sugar fully guaranteed by the Managing Agents and two Directors. .. .. .		1,43,13,190	
87,27,713				
	Cash Credit Account with The United Commercial Bank Ltd., against Hypothecation of all tangible moveable assets of Captainganj Distillery including stocks of alcohol .. .. .		30,000	
75,029				
	From The Bank of India Ltd., against equitable mortgage by way of deposits of title deeds of the Company's moveable property at factories and Somaiya Farms and fully guaranteed by the Managing Agents and by two Directors .. .. .		8,00,000	
12,00,000				1,51,43,190
1,00,02,742	IV. UNSECURED LOANS:—			
	(i) From Directors .. .. .	33,255		
34,344	(ii) From others .. .. .	16,036		
7,89,619	(iii) On Current Account:			
	(a) From Managing Agents .. .. .	99,099		
69,933	(b) From Selling Agents .. .. .	3,39,508		
—	(c) From Banks .. .. .	16,580		
—	(d) Public Fixed Deposits .. .. .	3,52,818		8,57,296
8,93,896				
3,36,81,802	Carried Over ..			3,95,73,229



# MILLS LIMITED, BOMBAY

AS AT 31ST MAY, 1967

As at 31st May 1966		ASSETS—(Contd.)			
Rupees			Rupees	Rupees	Rupees
1,41,40,929		Brought Forward ..		24,43,578	1,54,12,742
19,14,578					
1,995		4½ % U.P. State Development loan of 1972 (Face value Rs. 2,000/-) .. .. .		1,995	
1,000		100 Shares of Rs. 10/- each of U. P. Bhokta Distillery AUR Sugar Mills Sahakari Samiti Ltd. Captainganj .. .. .		1,000	
			Cost	Market value	
		Aggregate quoted Investments	10,80,995	6,44,420	
		Aggregate unquoted Investments	13,65,578	—	
			24,46,573	6,44,420	
19,17,573					24,46,573
		III. CURRENT ASSETS, LOANS AND ADVANCES:—			
		(A) CURRENT ASSETS:			
1,280		i) Interest accrued on Investments .. .. .		1,280	
		ii) Stores, Chemicals and Spares (at cost as per inventories valued and certified by Managing Agents)			
46,28,034		On hand (including machineries Rs. 3,56,053/-)	48,92,672		
1,86,920		In transit .. .. .	1,39,372		
48,14,954				50,32,044	
54,618		iii) Loose tools and implements (as per inventories valued and certified by Managing Agents) ..		55,127	
		iv) Stock-in-trade (as per inventories valued and certified by Managing Agents):			
2,44,59,777		a) Sugar at Market Rate .. .. .	2,08,57,374		
1,19,811		b) Denatured and Rectified Spirit at Market Rate	1,04,647		
75,191		c) Industrial Alcohol at Market Rate .. ..	9,664		
5,26,498		d) Grains, Cotton etc. at Market Rate .. ..	9,14,400		
49,799		e) Molasses at Cost .. .. .	18,167		
57,799		f) Molasses at Market Rate .. .. .	37,342	2,19,41,594	
2,52,88,875					
1,02,818		v) National Defence Remittance premium		—	
		vi) Crop in progress: (including tillages, preparation of land, irrigation charges etc. at cost as valued and certified by Managing Agents) .. ..		29,75,781	
28,83,812		vii) Sundry Debtors: (Unsecured and considered good except otherwise stated)			
54,799		a) Debts outstanding for more than six months	53,483		
54,799					
3,31,46,357					
1,60,58,502		Carried Over ..	53,483	3,00,05,826	1,78,59,315



# THE GODAVARI SUGAR

## BALANCE SHEET

As at 31st May, 1966	LIABILITIES—(Contd.)			
Rupees		Rupees	Rupees	Rupees
3,36,81,802	Brought Forward ..			3,95,73,229
	<b>V. CURRENT LIABILITIES AND PROVISIONS:</b>			
	(A) CURRENT LIABILITIES:			
1,76,95,396	Sundry Creditors .. .. .	1,04,34,304		
80,787	Advances from Customers against sale of land & wood .. .. .	15,594		
50,000	Security Deposit from Selling Agents .. .. .	50,000		
22,533	Security Deposit from Customers .. .. .	20,128		
23,45,284	For Taxation .. .. .	29,47,371		
2,84,119	Due to partnership firm of Khanapur Farms .. .. .	3,72,549		
1,68,768	Due to partnership firm of Lakh Farms .. .. .	63,070		
3,34,188	Due for Selling Agents' Commission .. .. .	5,32,173		
4,33,711	Due for Managing Agents' remuneration .. .. .	46,526		
10,357	Unclaimed dividend ... .. .	14,266		
2,200	Unclaimed Redemption Money .. .. .	2,200		
20,498	Due to Trustees to Staff Provident Fund (since paid)	48,173		
2,58,057	Interest accrued but not due on loans .. .. .	2,99,788		
2,17,05,898		1,48,46,142		
	(B) PROVISIONS:			
1,57,12,063	Provision for taxation .. .. .	1,43,62,216		
33,30,000	Less: Advance payment under Section 207 of Indian Income-Tax Act, 1961 .. .. .	56,80,000		
1,23,82,063		86,82,216		
9,02,000	Provision for Bonus .. .. .	5,02,000		
11,45,000	Provision for payment of Agri: profit under Maharashtra Agri. Lands (Ceiling on holdings) Act, 1961. (Subject to adjustment) .. .. .	11,45,000		
3,61,34,961				2,51,75,358
	<b>CONTINGENT LIABILITIES (Not provided for):—</b>			
50,000	(i) (a) In respect of lands for which suits are pending in Court.	50,000		
10,000	(b) In respect of Legal expenses on above.	10,000		
1,00,000	(ii) Uncalled liability on partly paid shares held as investments of Godavari Investment & Finance Corporation Ltd., a subsidiary Company .. .. .	1,00,000		
1,60,000				
6,98,16,763	Carried Over ..			6,47,48,587



# MILLS LIMITED, BOMBAY

AS AT 31ST MAY, 1967

As at 31st May 1966	ASSETS—(Contd.)			
Rupees		Rupees	Rupees	Rupees
1,60,58,502				
3,31,46,357	Brought Forward ..	53,483	3,00,05,826	1,78,59,315
54,799	b) Considered doubtful .. .. .	21,712		
7,090		75,195		
61,889				
7,090	Less: Provision for doubtful debts .. ..	21,712		
54,799		53,483		
13,10,157	c) Other debts: (Including Rs. 58,671 due from Somaiya Organo-Chemicals Ltd., a sub- sidiary Company and Rs. 643,582 due from Arpit Ltd. a Company under the same management) .. .. .	19,49,339	20,02,822	
13,64,956				
3,45,11,313				
1,48,498	VII. CASH AND BANK BALANCES:			
11,46,721	Cash, cheques and drafts on hand .. ..	2,88,017		
436	In Current Account with Scheduled Banks ..	1,95,336		
304	In current account with Ahmednagar District Central Co-Operative Bank Ltd., Shrirampur, a non-scheduled Bank (maximum debit Balance during the year Rs. 436/-) .. .. .	436		
—	Stamps on hand .. .. .	265		
1,000	Fixed Deposit with a Scheduled Bank .. ..	50,000		
12,96,959	In Post Office Savings Bank (pledged with Collec- tor of Central Excise) .. .. .	1,000	5,35,054	
3,58,08,272			3,25,43,702	
26,01,949	(B) LOANS AND ADVANCES:			
32,904	(Unsecured and considered good except otherwise stated):			
26,34,853	Loans to others .. .. .	17,88,332		
32,904	Considered doubtful .. .. .	32,904		
26,01,949		18,21,236		
36,47,038	Less: Provision for doubtful loans .. ..	32,904		
19,54,276			17,88,332	
55,56,873	Loans to Arpit Ltd. a Company under the same management (maximum debit balance during the year Rs. 39,77,208/-) .. .. .		39,77,208	
75,11,149	Loans to subsidiary Companies of which the Com- pany is Holding Company:			
4,95,68,408	(a) Godavari Investment & Finance Corpora- tion Ltd. .. .. .	10,17,632		
1,60,58,502	(b) Somaiya Organo-Chemicals Ltd. .. ..	27,09,154		
			37,26,786	
	Carried Over ..		4,20,36,028	1,78,59,315



# THE GODAVARI SUGAR

## BALANCE SHEET

As at 31st May, 1966	LIABILITIES—(Contd.)			
Rupees	Rupees	Rupees	Rupees	
6,98,16,763				Brought Forward ..
1,60,000				
—		25,00,000		(iii) In respect of guarantee given to a Bank for loan granted to a subsidiary Company .. .. .
1,12,52,315		1,25,52,315		(iv) In respect of Counter guarantee given to Banks, Insurance Companies and others .. .. .
57,63,598		57,30,907		(v) In respect of estimated purchase commitments on Capital purchase against which advance of Rs. 9,00,500 have been made and shown under the head Advance about .. .. .
1,47,402		1,28,071		(vi) In respect of losses of subsidiary companies: (a) Of Godavari Investment & Finance Corporation Ltd., Profit & Loss Account as at 31st May, 1967 ..
18,46,807		19,56,154		(b) Of Somaiya Organo-Chemicals Limited, Profit & Loss Account as at 31st May, 1967 .. .. .
5,52,935		5,52,935		(vii) In respect of demands of Excise Duty of Rs. 3,43,040/- and Rs. 2,09,895/- for the years 1959-60 and 1960-61 respectively, against which Company has preferred an appeal .. .. .
1,95,483		1,83,984		(viii) In respect of development charges payable to Government in 16 instalments for leasehold lands at Gandhidham ..
2,000		2,000		(ix) In respect of Colony road case at Captainganj .. ..
<u>6,98,16,763</u>	Total Rupees ..		<u>6,47,48,587</u>	



# MILLS LIMITED, BOMBAY

AS AT 31ST MAY, 1967

<i>As at 31st May, 1966</i>	ASSETS—(Contd.)	Rupees	Rupees	Rupees
<i>Rupees</i>				
<u>1,60,58,502</u>	Brought Forward ..		4,20,36,028	1,78,59,315
<u>4,95,68,408</u>				
	Advances recoverable in cash or kind or for value to be received (including Rs. 3,60,463 in dispute and Rs. 7,01,754 in respect of drawings, designs, technical know-how, patents etc. for Chemical Plant) .. .. .	38,54,848		
31,94,679				
<u>48,216</u>	Considered doubtful .. .. .	33,571		
<u>32,42,895</u>		38,88,419		
<u>48,216</u>	<i>Less:</i> Provision for doubtful Advances .. ..	33,571		
<u>31,94,679</u>			38,54,848	
<u>8,08,427</u>	Paid under Section 23A of Income-tax Act, 1922		8,08,427	
	Deposits with Irrigation Department, Railways and others (including Rs. 6,000/- with Post Office Savings a/c., Pass Books whereof lodged with Car dealers) .. .. .		1,89,969	
<u>1,86,747</u>				4,68,89,272
<u>5,37,58,261</u>				
<u><u>6,98,16,763</u></u>	Total Rupees ..			<u><u>6,47,48,587</u></u>



# THE GODAVARI SUGAR

## BALANCE SHEET

- NOTES: (1) Provision for taxation made in the accounts is subject to completion of pending assessments from assessment year 1962-63 onwards.
- (2) Inventories are taken of obsolete and unserviceable stores and spares and other obsolete and unserviceable goods value thereof not being ascertained.
- (3) The Company has entered into partnership with other persons who are working partners in respect of working of Khanapur and Lakh Farms owned by the Company's share in Liabilities and Assets of the partnership firm are incorporated in the Books of Accounts of the Firms. Profits for the year have been incorporated in Accounts as per the statements certified by the partners. During the year, materials of the value of Rs. 1,48,012/- at cost have been supplied to the said firms.
- (4) No provision has been made for payment of Profits to Maharashtra Government for profits under Maharashtra Agricultural Lands (Ceilings on holdings) Act, 1961, as there is no Agricultural Profit during the year.
- (5) In the opinion of the Board, the loan of Rs. 39,77,208/- to Arpit Limited, a Company under the same management may not have the same value on realisation in the ordinary course of business. No specific provision has been made in view of the available Reserves.
- (6) Company has created equitable Mortgage of immoveable property at Captainganj Distillery in favour of Punjab National Bank Limited, in consideration of guarantee given by the Bank of Rs. 60,80,316/- in favour of Speichim, Paris.
- (7) In respect of fixed Assets of Captainganj Distillery, Depreciation upto 31st May, 1964 was charged on written down value method. During the year, difference of depreciation calculated on straight line method under Section 205(2)(b) of Companies Act, 1956 from 1st April, 1960 to 31st May, 1967 has been provided or excess written back.
- (8) In the Books of Captainganj Distillery, sum of Rs. 7,13,827/- representing repairs to Plant and Machinery, and Buildings, interest to Bank and interest on Capital advanced to it by Head Office and net operational losses after deducting Profits for the period from 1st April, 1960 to 31st May, 1964 is capitalised during the year and is proportionately adjusted to fixed assets other than land.
- (9) The Directors have resolved to pay on or after 27th February, 1968, interim dividend of Rs. 1,45,433/- (subject to deduction of tax) at Rs. 7.8572 per share on 18509½ Preference Shares of the Company out of the taxed profits for and upto assessment year 1959-60 and have recommended a dividend of Rs. 3,00,000/- (subject to deduction of tax) at Rs. 3/- per share on 1,00,000 ordinary (Equity) shares, which dividend if approved by the shareholders at the Annual General Meeting to be held on 25th March, 1968 will be paid out of the taxed profits and upto assessment year 1959-60. No separate provision has been made therefore.
- (10) No provision for Bonus has been made during the year, liability whereof is about Rs. 2 lakhs. No provision has been made also for Accrued leave for salaries and wages, amount whereof is unascertained.

Referred to in our report of even date.

NANUBHAI & CO.

Chartered Accountants.

BOMBAY, Dated: 12th February, 1968.



# MILLS LIMITED, BOMBAY

AS AT 31ST MAY, 1967

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956.

### (1) RE: GODAVARI INVESTMENT AND FINANCE CORPORATION LIMITED.

- (i) The Godavari Sugar Mills Ltd., holds the whole of the subscribed Capital of Rs. 2,00,000/- of which Rs. 1,00,000/- has been paid up, in Godavari Investment & Finance Corporation Limited, as at 31st May, 1967.
- (ii) Godavari Investment & Finance Corporation Limited made a Profit of Rs. 19,325/- for the year ended 31st May, 1967. The Net loss after adjusting the previous years' Loss from profit of this year comes to Rs. 1,28,071/-. The said loss has been carried to the Balance Sheet of that Company and no adjustment has been made in the Books of the Godavari Sugar Mills Ltd., in respect of the said loss of the subsidiary Company.
- (iii) Advances: The amount advanced to Godavari Investment & Finance Corporation Ltd., as at 31st May, 1967 stands at Rs. 10,17,632/-.

### (2) RE: SOMAIYA ORGANO-CHEMICALS LIMITED.

- (i) The Godavari Sugar Mills Ltd. holds 10,000 fully paid 7% free of Income tax cumulative Preference Shares of Rs. 100/- each and 2,550 fully paid Equity Shares of Rs. 100/- each of Somaiya Organo-Chemicals Limited.
- (ii) Somaiya Organo-Chemicals Ltd. made a loss of Rs. 1,09,347/- for the year ended 31st May, 1967. The total loss including that of previous years comes to Rs. 19,56,154/-. The said loss has been carried forward to the Balance Sheet of that Company and no adjustment has been made in the books of the Godavari Sugar Mills Ltd., in respect of the said loss of the subsidiary Company.
- (iii) Advances: The amount advanced to Somaiya Organo-Chemicals Ltd., as at 31st May, 1967, stands at Rs. 27,09,154/-.

In the opinion of the Board, the current assets, loans and advances are of the value stated, if realised in the ordinary course of business. The provision for all known liabilities and depreciation is adequate and not in excess of the amount reasonably necessary.

*Managing Agents:*

For K. J. SOMAIYA & SONS PRIVATE LTD.

K. J. SOMAIYA  
*Director.*

BOMBAY, Dated: 10th February, 1968.

K. J. SOMAIYA	}	<i>Directors</i>
N. K. FIRODIA		
C. S. BHARAKTIYA		
J. G. DALAL		
S. K. SOMAIYA		
D. M. POPAT		



# THE GODAVARI SUGAR

## PROFIT AND LOSS ACCOUNT FOR

As at  
31st May 1966

Rupees		Rupees	Rupees
	To Opening Stock on 1st June 1966:—		
1,38,86,202	Sugar .. .. .	2,44,59,777	
32,892	Molasses .. .. .	57,799	
84,960	Denatured & Rectified spirit .. .. .	1,19,811	
32,932	Power and Absolute Alcohol .. .. .	75,191	
1,40,36,986			2,47,12,578
5,94,637	„ Raw materials consumed (purchase of raw materials Rs. 6,60,279/-)		6,91,911
35,11,810	„ Crops in progress as at 1st June, 1966 .. .. .	28,83,812	
66,528	„ Stock of grains and other seeds as at 1st June, 1966 .. .. .	42,904	
8,696	„ Grains and other seeds for sowing .. .. .	25,753	
28,72,804	„ Salaries and Wages .. .. .	29,92,117	
2,25,000	„ Provision for Bonus .. .. .	—	
84,857	„ Contribution to Govt. Provident Fund and Administrative charges .. .. .	88,090	
538	„ Gratuity .. .. .	4,117	
565	„ Workmen and Staff Welfare expenses .. .. .	83	
75	„ Workmen compensation .. .. .	—	
18,65,701	„ Stores inclusive of manures .. .. .	26,15,122	
10,268	„ Repairs and renewals (including salaries and wages Rs. 1,382/-)	15,267	
2,85,519	„ Land Rent (including Rs. 1,20,000/- relates to Previous year) .. .. .	7,61,230	
8,59,310	„ Irrigation rates and taxes .. .. .	7,40,928	
—	„ Insurance Premium .. .. .	666	
1,186	„ Expenses on sales of grains, cotton, tobacco etc. .. .. .	977	
70,936	„ Education Cess .. .. .	1,19,350	
693	„ Rent .. .. .	760	
1,11,553	„ Miscellaneous expenses, including Printing and Stationery, Postage and Telegrams, & Travelling expenses (including harvesting and carting commission Rs. 46,285/-)	1,21,002	
1,85,128	„ Depreciation .. .. .	1,51,602	
18,218	„ Land Development Expenses written off .. .. .	129	
—	„ Legal charges .. .. .	34,213	
14,443	„ Premium on leasehold land written off .. .. .	14,443	
21,886	„ Brokerage and commission .. .. .	1,05,759	
9	„ Loose tools written off .. .. .	8	
4,39,430	„ User's compensation for Agricultural land .. .. .	—	
1,496	„ Livestock written off .. .. .	1,122	
1,06,56,649			
1,46,31,623			
	Carried Over ..	1,07,19,454	2,54,04,489



## MILLS LIMITED, BOMBAY

THE YEAR ENDED 31ST MAY, 1967

As at 31st May, 1966		Rupees	Rupees	Rupees
	By Sales:			
4,86,35,795	Sugar .. .. .	5,35,71,726		
1,00,539	Molasses .. .. .	1,11,569		
1,91,788	Denatured and Rectified spirit .. .. .	7,42,809		
19,42,885	Power and Absolute Alcohol .. .. .	19,57,609		
4,151	Gur Sales .. .. .	—		
91,222	Foodgrains, tobacco, cotton, grains etc., (including consumption of Rs. 25,753/- as per contra) .. .. .	1,13,607		
5,09,66,380				5,64,97,320
2,37,031	„ Sundry receipts from Flour Mills, Dairy etc. (including credit balances of Rs. 2,094/- written off) .. .. .			4,21,880
1,47,979	„ Income from Immovable property .. .. .			1,42,215
6,59,250	„ Sundry receipts being market value of Farm Produce etc. ( including profit on sale of cotton and grains Rs. 18,278/- ) .. .. .			13,14,909
	„ Income from Khanapur and Lakh Farms in Partnership:			
	(a) Khanapur Farms:			
4,500	Rent .. .. .	4,500		
14,116	Add: $\frac{1}{4}$ share of profit for the year .. .. .	17,793		
18,616			22,293	
	(b) Lakh Farms:			
4,500	Rent .. .. .	4,500		
16,753	Add: $\frac{1}{4}$ share of profit for the year .. .. .	19,641		
21,253			24,141	
39,869				46,434
3	„ Dividend on Co-operative Bank share .. .. .			2
30	„ Share transfer and splitting fees .. .. .			38
	„ Interest:			
—	On Bank accounts .. .. .	3,000		
2,25,379	On loans and others .. .. .	2,23,892		
6,90,460	From subsidiary companies .. .. .	5,22,713		
3,25,544	From Arpit Ltd., a company under the same management .. .. .	3,99,745		
260	From lessors .. .. .	4,885		
12,41,643				11,54,235
5,32,92,185				
	Carried Over ..			5,95,77,033



# THE GODAVARI SUGAR

## PROFIT AND LOSS ACCOUNT FOR

As at 31st May, 1966 Rupees		Rupees	Rupees
1,46,31,623			
1,06,56,649			
28,83,812			
77,72,837			
5,29,104			
83,01,941			
2,18,31,820			
32,93,916			
40,251			
2,75,000			
32,140			
24,021			
1,76,799			
1,50,526			
11,687			
40,04,340			
12,98,918			
6,17,916			
5,33,525			
1,57,617			
43,567			
7,34,709			
14,66,332			
98,704			
1,17,65,072			
91,605			
3,629			
85,716			
14,11,698			
1,17,821			
2,32,965			
3,34,188			
7,39,801			
6,77,68,798			
	Brought Forward ..	1,07,19,454	2,54,04,489
	Less: Crops in progress as at 31st May, 1967..	29,75,781	
	To Transportation of cane .. .. .	77,43,673	
		3,83,887	
	„ Locally purchased cane .. .. .		81,27,560
	„ Salaries and wages (including Rs. 36,000/- commission in addition to salary to General Manager at Factories who is also Superintending Engineer) after deducting Rs. 6,20,859/- charged to repairs, capital and other relevant heads	31,39,019	2,13,02,203
	„ Bonus to employees .. .. .	8,000	
	„ Provision for bonus .. .. .	—	
	„ Contribution to Provident Fund of the Company .. .. .	33,816	
	„ Gratuity .. .. .	27,351	
	„ Contribution to Government Provident Fund and administrative charges ..	2,11,611	
	„ Workmen and staff welfare expenses .. .. .	2,35,840	
	„ Workmen compensation .. .. .	7,602	
	„ Stores, chemicals & spare parts (after deducting Rs. 3,90,951/- charged to agriculture, capital, repairs and other relevant heads) .. .. .		36,63,239
	„ Power and fuel .. .. .		12,81,157
	„ Repairs to Plant and Machinery (inclusive of salaries and wages Rs. 3,38,081/-)	5,53,302	7,95,139
	„ Repairs to buildings (inclusive of salaries and wages Rs. 90,369/-)	1,46,458	
	„ Other repairs (inclusive of salaries and wages Rs. 46,910/-) .. .. .	84,812	
			7,84,572
	„ Sugarcane purchase-tax .. .. .		14,05,715
	„ Gratuity insurance.. .. .		1,03,653
	„ Excise duty .. .. .		1,09,09,515
	„ Insurance Premium .. .. .		1,05,426
	„ Personal Injuries Insurance premium .. .. .		—
	„ Emergency Risk Insurance Premium .. .. .		—
	„ Packing and forwarding .. .. .		12,65,168
	„ Rent (Received Rs. 3,125/-) (Including Rs. 8,800/- for Previous year) ..		1,35,329
	„ Rates and taxes .. .. .		2,05,564
	„ Sole Selling Agents' Commission on sugar .. .. .		5,32,173
	„ Miscellaneous expenses, including printing and stationery, postage and telegrams, telephone, travelling and motor cars maintenance (including Rs. 3,257 sundry debit Balance written off) ... .. .		8,67,846
	Carried Over ..		7,68,88,748



THE YEAR ENDED 31ST MAY, 1967

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# THE GODAVARI SUGAR

## PROFIT AND LOSS ACCOUNT FOR

As at 31st May, 1966		Rupees	Rupees
		Rupees	Rupees
6,77,68,798	Brought Forward ..		7,68,88,748
5,14,631	To Charity and donation (refer Directors' Report on page No. 7) (inclusive of Rs. 25,000/- to Maharashtra Pradesh Congress Committee, Rs. 25,000/- to Bombay Pradesh Congress Committee, Rs. 5,000/- to Uttar Pradesh Congress Committee and Rs. 5,000/- to Mysore Pradesh Congress Committee) .. .. .		2,58,800
	To Interest:		
13,277	Managing Agents .. .. .	14,467	
2,061	Directors .. .. .	2,032	
7,87,001	Cash Credit account .. .. .	10,56,858	
1,15,570	Fixed loans .. .. .	79,937	
—	On fixed Deposit .. .. .	5,011	
87,350	Other loans .. .. .	83,897	
10,05,259			12,42,202
2,400	„ Directors' Fees (including Rs. 525/- of Members of Managing Agents as Directors) .. .. .		1,350
30,884	„ Directors' and Managing Agents' Travelling expenses .. .. .		30,877
4,33,711	„ Managing Agents' remuneration—commission on profits subject to adjustments that may have to be made in respect of bonus and other provisions if any .. .. .		96,526
	„ Payment to auditors:		
7,500	Audit fees .. .. .	7,500	
16,150	In other capacity .. .. .	10,000	
713	Travelling expenses .. .. .	415	
24,363			17,915
—	„ Loss on Shares donated .. .. .		1,00,000
1,39,420	„ Brokerage and commission .. .. .		1,37,908
76,186	„ Legal expenses (including Rs. 27,000/- to a Director) .. .. .		63,076
7,42,598	„ Depreciation (Net) (See note No. 7) .. .. .		11,60,578
3,316	„ Loose tools and implements written off .. .. .		3,461
10,000	„ Premium on leasehold land written off .. .. .		10,000
300	„ Premium on Lease-hold Garage written off .. .. .		300
—	„ Loss on National Defence Remittance Certificate .. .. .		44,105
3,897	„ Bad Debts written off .. .. .		—
15,191	„ Provision for doubtful debts and advances .. .. .		—
11,45,000	„ Provision for payment of Agricultural profits to Maharashtra Government (subject to adjustment) .. .. .		—
38,313	„ Development Rebate Reserve .. .. .		2,36,043
42,00,000	„ Provision for taxation .. .. .		10,00,000
18,93,400	„ Balance being Profit for the year .. .. .		—
7,80,47,667	Total Rupees ..		8,12,91,889



THE YEAR ENDED 31ST MAY, 1967

8,12,91,889



# THE GODAVARI SUGAR

## PROFIT AND LOSS ACCOUNT FOR

As at 31st May, 1966	Rupees		Rupees	Rupees
—		To Balance brought down .. .. .		6,08,644
		To Bonus to employees pertaining to previous year:		
3,02,480		Agriculture .. .. .	2,55,190 ✓	
4,68,182		Manufacturing .. .. .	4,14,051	
<u>7,70,662</u>				6,69,241
18,30,000		„ General Reserve .. .. .		7,20,000
2,846		„ Balance carried to Balance Sheet .. .. .		2,476
		NOTES:		
		(i) Remuneration received by Directors for their own use from other companies by virtue of nomination by the Company on Board of subsidiary Companies amounted to Rs. 225/- during the year.		
		(ii) Amount of transaction with associates of Managing Agents is as follows:-		
1,25,472		Purchase of movable property .. .. .	—	
2,19,772		For sale .. .. .	—	
—		For rendering services .. .. .	—	
<u>3,45,244</u>			—	
		(iii) Computation of Managing Agents' Remuneration is as follows:		
18,93,400 (Profit)		Net Loss as per Profit and Loss Account .. .. .	6,08,644	
		Less:-		
4,33,711	(i)	Managing Agents' Remuneration .. .. .	96,526	
750	(ii)	Director's fees to members of Managing Agency Company .. .. .	525	
42,00,000	(iii)	Provision for taxation .. .. .	10,00,000	
38,313	(iv)	Development Rebate Reserve .. .. .	2,36,043	
			<u>13,33,094</u>	
			7,24,450	
<u>26,03,508</u>	<u>65,66,174</u>	Carried Over ..	<u>7,24,450</u>	<u>20,00,361</u>



THE YEAR ENDED 31ST MAY, 1967

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# THE GODAVARI SUGAR

## PROFIT AND LOSS ACCOUNT FOR

As at 31st May, 1966	Rupees	Rupees	Rupees	Rupees	Rupees
	26,03,508	65,66,174	Brought Forward ...	7,24,450	20,00,361
		Add:—			
		Depreciation:—			
	1,85,128	Agriculture... ..	1,51,602		
	7,42,598	Factory ... ..	11,60,578		
	9,27,726			13,12,180	
				20,36,630	
		Add:—			
		Income shown in Lower part of Profit & Loss Account:			
	3,25,000	(i) Provision for Bonus reccredited ... ..	4,00,000		
	15,696	(ii) Unclaimed salaries, wages and bonus written back ... ..	9,061		
	—	(iii) Purchase Tax Refund ... ..	1,382		
	6,590	(iv) Excise duty written back ... ..	6,40,470		
	31,651	(v) Leasehold land Development Expenses written back ... ..	—		
	—	(vi) Excess Provision for doubtful debts re-credited ... ..	22		
	—	(vii) Excess Provision reccredited ... ..	12,760		
	3,78,937			10,63,695	
	78,72,837			31,00,325	
		Less:—			
	7,70,662	(i) Bonus for previous year shown in lower part of Profit & Loss Account ... ..	6,69,241		
	1,26,130	(ii) Provision for surtax ... ..	—		
	13,49,474	(iii) Depreciation to the extent specified in Section 350 of Companies Act, 1956 ... ..	14,60,575		
	22,46,266			21,29,816	
	56,26,571	Net Profit for calculating Managing Agents' Remuneration ... ..		9,70,509	
	4,34,461	Managing Agents' remuneration on Rs. 9,70,509/- @ 10% ... ..		97,051	
		Less:—			
	750	Directors' Fees to Members of Managing Agency Company ... ..		525	
	4,33,711	Amount of Managing Agents' Remuneration ... ..		96,526	
26,03,508		Total Rupees ...		20,00,361	

Referred to in our report of even date.

BOMBAY, Dated: 12th February, 1968.

NANUBHAI & CO.  
Chartered Accountants.



THE YEAR ENDED 31ST MAY, 1967

*Managing Agents:*  
FOR K. J. SOMAIYA & SONS PRIVATE LTD.

K. J. SOMAIYA  
N. K. FIRODIA  
C. S. BHARAKTIYA  
J. G. DALAL  
S. K. SOMAIYA  
D. M. POPAT

### Directors

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# THE GODAVARI SUGAR

## Schedule A

## Schedule of fixed Assets Attached to and Forming Part of

PARTICULARS	Gross Block as on 1-6-1966 at cost except otherwise stated	Additions during the year	Adjustment of Develop- ment expen- ses capita- lised	Sub Total
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
Freehold Land (Book Value) ... ..	15,84,649	—	—	15,84,649
Leasehold Land Premium ... ..	3,90,785	✓ 700	—	3,91,485
Leasehold Land Development expenses ... ..	43,527	✓ 11,494	—	55,021
Leasehold Premium on Garage ... ..	12,000	—	—	12,000
✓ Buildings (Book value) ... ..	58,30,787	✓ 5,28,035	✓ 1,23,143	64,81,965
✓ Temporary Quarters ... ..	2,12,512	✓ —	—	2,12,512
Temporary Quarters at Farms ... ..	97,360	✓ —	—	97,360
✓ Pucca Quarters at Factory ... ..	8,76,073	✓ 1,61,131	—	10,37,204
✓ Pucca Quarters at Farms ... ..	1,88,787	✓ 1,855	—	1,90,642
✓ General Machinery (Book Value) ... ..	1,40,21,102	✓ 3,48,523	✓ 5,40,956	1,49,10,581
✓ Electrical Machinery ... ..	14,18,472	✓ 8,31,698	✓ 23,086	22,73,256
✓ Agricultural Machinery ... ..	30,03,412	✓ 51,033	—	30,54,445
Locomotive ✓ ... ..	92,974	✓ —	—	92,974
✓ Electric Installation & Fittings ... ..	96,947	✓ —	—	96,947
Furniture & Office Equipment ... ..	7,34,690	✓ 1,64,041	✓ 7,632	9,06,363
Weigh Bridges ✓ ... ..	1,90,858	✓ —	✓ 887	1,91,745
Trolley Lines ✓ ... ..	6,29,591	✓ —	✓ 320	6,29,911
Railway Sidings ✓ ... ..	1,36,597	✓ —	✓ 1,743	1,38,340
Motor Cars, Lorries & Cycles (Book value) ... ..	7,43,200	✓ 65,583	✓ 4,289	8,13,072
Carts & Trucks (Book value) ... ..	3,50,872	✓ —	—	3,50,872
Laboratory Apparatus ✓ ... ..	55,944	✓ 246	✓ 1,644	57,834
Roads & Drainage ... ..	9,60,508	✓ 41,507	✓ 9,968	10,11,983
Dead Stock ... ..	67,953	✓ —	✓ 159	68,112
Library ✓ ... ..	7,758	✓ —	—	7,758
Medical Instruments ✓ ... ..	363	✓ —	—	363
✓ Irrigation Lifts ... ..	9,39,723	✓ —	—	9,39,723
Live Stock ... ..	98,104	195	—	98,299
Total Rupees ...	3,27,85,548	22,06,041	7,13,827	3,57,05,416

Referred to in our report of even date.

NANUBHAI & CO.  
Chartered Accountants.



# MILLS LIMITED, BOMBAY

Balance Sheet as at 31st May, 1967

Deduction of Sale & other Adjustments	Gross Block as on 31st May, 1967	Written off upto 31st May, 1966	Written off this year	Less excess Depreciation written back	Total Depre- ciation upto 31st May, 1967	Net Depre- ciated Block as at 31st May, 1967	Net Depre- ciated Block as at 31st May, 1966
(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
28,081	15,56,568	—	—	—	—	15,56,568	15,84,649
—	3,91,485	3,05,526	24,442	—	3,29,968	61,517	85,259
—	55,021	—	—	—	—	55,021	43,527
—	12,000	2,700	300	—	3,000	9,000	9,300
—	64,81,965	20,31,167	1,34,840	5,475	21,60,532	43,21,433	37,99,620
—	2,12,512	1,92,230	1,521	—	1,93,751	18,761	20,282
—	97,360	88,543	661	—	89,204	8,156	8,817
—	10,37,204	54,816	23,035	—	77,851	9,59,353	8,21,257
—	1,90,642	41,824	3,720	—	45,544	1,45,098	1,46,963
31,000	1,48,79,581	98,97,270	6,77,398	—	1,05,74,668	43,04,913	41,23,832
—	22,73,256	9,79,944	2,01,421	—	11,81,365	10,91,891	4,38,528
—	30,54,445	26,65,844	90,771	—	27,56,615	2,97,830	3,37,568
—	92,974	81,342	1,163	—	82,505	10,469	11,632
—	96,947	71,941	2,500	—	74,441	22,506	25,006
—	9,06,363	3,61,350	42,077	43	4,03,384	5,02,979	3,73,340
—	1,91,745	1,24,648	7,799	400	1,32,047	59,698	66,210
—	6,29,911	5,49,560	7,890	129	5,57,321	72,590	80,031
—	1,38,340	98,197	2,140	699	99,638	38,702	38,400
12,600	8,00,472	4,97,172	57,830	—	5,55,002	2,45,470	2,46,028
—	3,50,872	2,79,213	5,016	—	2,84,229	66,643	71,659
—	57,834	29,275	1,424	295	30,404	27,430	26,669
—	10,11,983	5,34,001	43,346	908	5,76,439	4,35,544	4,26,507
—	68,112	54,184	1,315	195	55,304	12,808	13,769
—	7,758	4,011	225	—	4,236	3,522	3,747
—	363	313	3	—	316	47	50
—	9,39,723	8,97,036	14,229	—	9,11,265	28,458	42,687
—	98,299	74,267	1,122	—	75,389	22,910	23,837
71,681	3,56,33,735	1,99,16,374	13,46,188	8,144	2,12,54,418	1,43,79,317	1,28,69,174

Managing Agents:

For K. J. SOMAIYA & SONS PRIVATE LTD.

K. J. SOMAIYA

Director.

K. J. SOMAIYA  
N. K. FIRODIA  
C. S. BHARAKTIYA  
J. G. DALAL  
S. K. SOMAIYA  
D. M. POPAT

Directors

BOMBAY, Dated: 10th February, 1968.



# GODAVARI INVESTMENT AND FINANCE CORPORATION LIMITED, BOMBAY

## DIRECTORS' REPORT

GENTLEMEN,

Your Directors submit herewith their Twelfth Annual Report and Audited Accounts of the Company for the year ended 31st May, 1967.

During the year under report the Graded Finance Scheme and Hire Purchase Scheme worked satisfactorily.

The working of the Company for the year resulted in a profit of Rs. 19,335/-. After adjusting this profit from the last year's carried forward loss of Rs. 1,47,402/-, the balance loss of Rs. 1,28,077/- is carried forward to next year.

In view of the carried forward loss, your Directors do not recommend any dividends for the year.

You are requested to appoint auditors for the current year and fix their remuneration.

Yours faithfully,  
For and On Behalf of the Board of Directors,  
R. S. KOTAK,  
*Director.*

BOMBAY, Dated : 29th November, 1967.



# GODAVARI INVESTMENT AND FINANCE CORPORATION LIMITED, BOMBAY

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of GODAVARI INVESTMENT AND FINANCE CORPORATION LIMITED, as at 31st May, 1967, and also the attached Profit and Loss Account of the Company for the year ended on that date and report that:

- (1) 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.
- (2) In our opinion proper Books of Accounts as required by law have been kept by the Company, so far as appears from our examination of the Books of Accounts produced before us.
- (3) The Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the Books of Accounts.
- (4) In our opinion and to the best of our information and according to the explanations given to us, the Accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
  - (a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st May, 1967, and
  - (b) in the case of the Profit and Loss Account of the 'Profit' for the year ended on that date.

NANUBHAI & CO.,  
*Chartered Accountants.*

BOMBAY: Dated the 29th day of November, 1967.



# GODAVARI INVESTMENT & BALANCE SHEET

As at 31st May, 1966		LIABILITIES	
Rupees		Rupees	Rupees
	<b>I. AUTHORISED CAPITAL:—</b>		
5,00,000	5,000 Ordinary (Equity) Shares of Rs. 100/- each .. .. .		5,00,000
	<b>II. SUBSCRIBED CAPITAL:—</b>		
1,00,000	2,000 Ordinary (Equity) Shares of Rs. 100 each, Rs. 50/- called up, held by holding Company, The Godavari Sugar Mills Ltd., and its nominees.		1,00,000
	<b>III. SECURED LOANS:—</b>		
—	In cash credit account with Bank of India Limited, against hypothecation of machinery & Implements including those given/to be given on hire purchase and against equitable submortgages by deposit of the mortgage documents including prior title deeds relating thereto in respect of the rights of the company as mortgagees under mortgage documents executed in favour of the company by cultivators.		8,82,551
	<b>IV. UNSECURED LOANS:—</b>		
17,43,662	Loan on Current Account from the Holding Company, The Godavari Sugar Mills Ltd. .. .. .	8,67,900	
2,10,614	Interest accrued on above .. .. .	1,49,732	
19,54,276			10,17,632
	<b>V. CURRENT LIABILITIES AND PROVISIONS:—</b>		
16,636	(i) Sundry Creditors .. .. .	22,509	
1,479	(ii) Deposit .. .. .	728	
2,24,160	(iii) Estimated unearned Finance charges on hire Purchase carried forward .. .. .	1,86,715	
—	(iv) Interest accrued but not due on loans.	16,196	
2,42,275			2,26,148
22,96,551		Carried Over ..	22,26,331



# FINANCE CORPORATION LTD., BOMBAY

AS AT 31ST MAY, 1967

As at 31st May 1966		ASSETS		
Rupees		Rupees	Rupees	Rupees
	<b>I. CURRENT ASSETS, LOANS AND ADVANCES:</b>			
	(A) CURRENT ASSETS:			
	(i) Stock-in-trade (at cost) (as per inventories taken, valued and certified by a Director):			
1,04,298	Machinery Stores and Spares .. .. .		88,998	
6,67,056	(ii) Future instalments receivable from hire of oil engines and pumps under Hire Purchase Agreements: (considered good)		5,51,577	
	(iii) SUNDRY DEBTORS:			
	(Unsecured and considered good, except otherwise stated)			
	For supply of spares and fittings supplied to cane growers and for the supervision charges and hire purchase instalments due from them			
1,06,681	Outstanding for more than six months .. .. .	1,41,912		
46,226	Considered doubtful .. .. .	29,152		
1,52,907		1,71,064		
46,226	Less: Provision for doubtful debts .. .. .	29,152		
1,06,681		1,41,912		
69,374	Other debts .. .. .	70,544		
1,76,055			2,12,456	
	(iv) CASH AND BANK BALANCES:			
259	Cash on hand .. .. .	167		
5,942	Stamp papers on hand .. .. .	3,408		
1,933	In current Account with a Scheduled Bank .. .. .	664		
8,134			4,239	
9,55,543				
	Carried Over ..	8,57,270		



# GODAVARI INVESTMENT &

## BALANCE SHEET

As at 31st May, 1966		LIABILITIES—(Contd.)	
Rupees			Rupees
22,96,551		Brought Forward ...	22,26,331
NOTES:			
1. No Provision for taxation has been made as Company expects no liability in view of carried forward losses.			
2. Out of Land Mortgage Agreements for Loans given to Bagaitdars, agreements for loans amounting to Rs. 1,36,671/- have been either sent for registration or are under execution.			
22,96,551		Total Rupees ...	22,26,331

Referred to in our report of even date.

NANUBHAI & CO.,  
Chartered Accountants.

BOMBAY, Dated: 29th November, 1967



# FINANCE CORPORATION LTD., BOMBAY

AS AT 31ST MAY, 1967

As at 31st May, 1966		ASSETS—(Contd.)			
Rupees			Rupees	Rupees	Rupees
9,55,543		Brought Forward ..	8,57,270	—	
	(B) LOANS ADVANCES:				
	(Secured and considered good as certified by Director except otherwise stated):				
	(i) Loans to cane growers under arrangement to supply cane to the Holding Company, The Godavari Sugar Mills Ltd. in terms of agreements:				
11,53,928	Secured .. .. .	12,25,878			
25,965	Unsecured .. .. .	—			
45,282	Considered Doubtful .. .. .	84,529			
12,25,175		13,10,407			
45,282	Less: Provision for doubtful Loans ..	84,529			
11,79,893			12,25,878		
13,513	(ii) Suspense Account under dispute (doubtful) .. .. .	14,765			
200	(iii) Deposit against Insurance .. .. .	200			
—	(iv) Prepaid Insurance .. .. .	141			
21,49,149				20,98,254	
	II. MISCELLANEOUS EXPENDITURE:				
	Profit and Loss Account:				
1,47,402	Loss as per Profit and Loss Account .. .. .			1,28,077	
22,96,551		Total Rupees ..		22,26,331	

In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realised, in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

K. J. SOMAIYA	} Directors
S. K. SOMAIYA	
R. S. KOTAK	
S. R. PARIKH	

BOMBAY, Dated: 29th November, 1967.



## PROFIT AND LOSS ACCOUNT FOR

Referred to in our Report of even date.

BOMBAY, Dated: 29th November, 1967



# FINANCE CORPORATION LTD., BOMBAY

THE YEAR ENDED 31ST MAY, 1967

<i>As at 31st May, 1966</i>			
<i>Rupees</i>		<i>Rupees</i>	<i>Rupees</i>
1,68,767	By Cost of Machinery and spare parts let during the year to cane growers in terms of Hire Purchase Agreements: .. .. .		87,546
3,288	„ Cost of spares sold to The Godavari Sugar Mills Ltd. .. .. .		—
—	„ Sale of Stores & Spares .. .. .		1,66,695
72,933	„ Commission on Cane from Holding Co., The Godavari Sugar Mills Limited		43,889
1,04,405	„ Interest on loans .. .. .		1,15,445
17,241	„ Supervision charges from cane growers .. .. .		12,435
59,054	„ Income on Hire Purchase contracts .. .. .		72,163
253	„ Miscellaneous Receipts .. .. .		610
8,055	„ Bad Debts written off realised .. .. .		2,500
1,04,298	„ Closing Stock of Machinery, Stores & Spares (at cost) .. .. .		88,998
<u>5,38,294</u>		Total Rupees ..	<u>5,90,281</u>
40,102	By Profit Brought down .. .. .		19,325
10,977	„ Excess Provision for doubtful debts recredited .. .. .		—
1,47,402	„ Loss carried to Balance Sheet .. .. .		1,28,077
<u>1,98,481</u>		Total Rupees ..	<u>1,47,402</u>

K. J. SOMAIYA  
 S. K. SOMAIYA  
 R. S. KOTAK  
 S. R. PARIKH

} *Directors*

BOMBAY, Dated: 29th November, 1967.



# SOMAIYA ORGANO-CHEMICALS LIMITED BOMBAY

## DIRECTORS' REPORT

THE SHAREHOLDERS,  
SOMAIYA ORGANO-CHEMICALS LTD.,  
BOMBAY.

LADIES AND GENTLEMEN,

Your Directors are pleased to report on the audited accounts of the Company for the year ended 31st May 1967 submitted herewith.

The net loss of the Company for the year under report amounts to Rs. 1,09,347/- after providing Rs. 6,00,768/- for depreciation and after transferring Rs. 34,265/- to Development Rebate Reserve. The total loss after adding the carry forward loss of Rs. 18,46,807/- from last year, comes to Rs. 19,56,154/-, which has been carried forward to next year. In view of this, Directors do not recommend any dividend.

The working of the Distillery during the year under report was quite satisfactory. With its expanded capacity, the distillery, besides feeding our own Acetic Acid plant, also endeavoured to meet the demands of other industrial users of Alcohol. Sales of Rectified Spirit were resumed after a period of about five years.

The allotment of Molasses to your distillery has however not been adequate. Your Directors are pursuing this matter with the authorities. A sharp fall in sugar production in the country from the previous season's record of 35 lakh tonnes to 22 lakh tonnes in the year under report resulted into difficulties of availability of molasses to distilleries. The situation was further complicated by some of the sugar factories in our State having been permitted free sale of molasses in the open market upto a specified quantity.

In the latter part of the period under report, the market of Acetic Acid turned the corner and gradually began steadying. While shortage of molasses is likely to affect the production of alcohol during the forthcoming year, your Directors are hopeful that the current year will show better results on account of improvement in prices of Acetic Acid.

Two of your Directors Shri R. S. Kotak and Shri P. M. Kavadia retire by rotation, but being eligible, offer themselves for re-election.

Messrs. Nanubhai & Co., retire and offer themselves for reappointment as Auditors.

Yours faithfully,  
For and on Behalf of the Board of Directors,  
K. J. SOMAIYA  
*Chairman.*

BOMBAY, Dated 29th November, 1967.



# SOMAIYA ORGANO-CHEMICALS LIMITED

## BOMBAY

### AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of SOMAIYA ORGANO-CHEMICALS LIMITED, as at 31st May, 1967, and also the attached Profit and Loss Account of the Company for the year ended on that date and report that:

- (1) 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.
- (2) In our opinion, proper Books of Accounts as required by law have been kept by the Company, so far as appears from our examination of the Books of Accounts produced before us.
- (3) The Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the Books of Accounts.
- (4) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
  - (a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st May, 1967, and
  - (b) in the case of the Profit and Loss Account of the 'Loss' for the year ended on that date.

NANUBHAI & CO.,  
*Chartered Accountants.*

BOMBAY: Dated the 29th day of November, 1967.



## SOMAIYA ORGANO-

## BALANCE SHEET

As at 31st May, 1966		LIABILITIES	
Rupees		Rupees	Rupees
	<b>I. SHARE CAPITAL:</b>		
	<b>AUTHORISED CAPITAL:</b>		
25,00,000	25,000 Equity Shares of Rs. 100/- each .. .. .	25,00,000	
25,00,000	25,000 7% free of Income-tax cumulative Preference Shares of Rs. 100/- each liable to be redeemed at the option of the Company ..	25,00,000	
50,00,000			50,00,000
	<b>ISSUED &amp; SUBSCRIBED CAPITAL:</b>		
5,00,000	5,000 Equity Shares of Rs. 100/- each fully paid out of which, 2,550 shares are held by the Holding Company, The Godavari Sugar Mills Limited .. .. .	5,00,000	
5,00,000	10,000 7% free of Income-tax cumulative Preference Shares of Rs. 100/- each fully paid up, liable to be redeemed at the option of the Company, held by the Holding Company, The Godavari Sugar Mills Limited .. .. .	10,00,000	
10,00,000			
	<b>II. RESERVES AND SURPLUS:</b>		15,00,000
	<b>Development Rebate Reserve:</b>		
7,38,533	As per last Balance Sheet .. .. .	10,09,811	
2,71,278	Add: Amount set aside from the profit of the year .. .. .	34,265	
10,09,811			10,44,076
	<b>III. SECURED LOANS:</b>		
—	From Union Bank of India Ltd. against Equitable Mortgage of Fixed Assets including Machineries etc. and guaranteed by two directors of the Company .. .. .		20,00,000
	<b>IV. UNSECURED LOANS:</b>		
50,77,028	On Current Account with the Holding Company, The Godavari Sugar Mills Limited .. .. .	23,36,172	
4,79,845	Interest on above .. .. .	3,72,982	
55,56,873			27,09,154
	<b>V. CURRENT LIABILITIES AND PROVISIONS:</b>		
	<b>(A) Current Liabilities:</b>		
93,200	Due to Selling Agents .. .. .	1,65,000	
6,90,159	Sundry Creditors (including Rs. 58,674/- due to Holding Company)	3,86,227	
1,35,512	Deposits (including Rs. 25,000/- under dispute) .. .. .	1,56,000	
—	Interest accrued but not due .. .. .	32,272	
9,18,871		7,39,499	
	<b>(B) Provisions:</b>		
45,000	Provisions for bonus .. .. .	45,000	
9,63,871			7,84,499
85,30,555			
	Carried Forward ..		80,37,729



# CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1967

As at 31st May, 1966		ASSETS	
Rupees		Rupees	Rupees
	<b>I. FIXED ASSETS (At cost):—</b>		
69,04,563	Gross block .. .. .	70,57,407	
32,75,243	Less: Depreciation written off upto 31st May, 1967 .. .. .	38,76,011	
36,29,320	Net depreciated block as per Schedule 'A' .. .. .	31,81,396	
1,38,210	Capital Work in progress .. .. .	5,13,569	
37,67,530			36,94,965
	<b>II. INVESTMENTS (At cost):—</b>		
	(A) TRADE INVESTMENTS:		
1,50,000	(1) (In company under same group)		
—	1,500 fully paid up equity shares of Rs. 100/- each of Oriental Power Cables Ltd. (Managing Agents: Somaiya Bharaktiya Private Ltd.) ..	1,50,000	
1,50,000	(2) 20,000 Equity of Rs. 10/- each of Kutch Salt & Allied Industries Limited fully paid up .. .. .	90,000	
		2,40,000	
	(B) OTHER INVESTMENTS:—		
995	4% 1967 Maharashtra State Loan (face value Rs. 1,000/-) deposited with Excise Department (Quoted Investments: Cost Rs. 2,40,995, Market Value Rs. 1,85,491/-) .. .. .	995	
1,50,995			2,40,995
	<b>III. CURRENT ASSETS, LOANS AND ADVANCES:—</b>		
	(A) CURRENT ASSETS:		
	(i) Stores, Chemicals and spares at cost (as per inventory valued and certified by a Director):		
10,94,580	(a) On hand .. .. .	6,92,937	
29,166	(b) In transit .. .. .	70,354	
11,23,746			7,63,291
18,262	(ii) Loose tools and implements (as per inventory certified by a Director) .. .. .		17,167
	(iii) Stock-in-trade: (As valued and Certified by a Director)		
2,55,874	(a) Acetic Acid at market rate .. .. .	6,252	
3,77,242	(b) Rectified Spirit at market rate .. .. .	3,37,110	
97,152	(c) Raw materials (molasses) at cost .. .. .	1,19,631	
8,672	(d) Denatured Spirit at market rate .. .. .	14,130	
—	(e) Fusel Oil .. .. .	2,800	
—	(f) Ethyl Acetate .. .. .	13,500	
7,38,940			4,93,423
	(iv) Sundry debtors (unsecured and considered good, other than in dispute not provided for):		
70,695	(a) Debts outstanding for more than 6 months due for supply of goods under dispute excluding unadjusted claim for damages under agreement .. .. .	70,696	
1,94,999	(b) Other debts .. .. .	2,39,203	
24,000	(c) Due from Oriental Power Cables Ltd., a company under the same management .. .. .	—	
2,89,694			3,09,899
21,70,642			
39,18,525			
	Carried forward ..	15,83,780	39,35,960



# SOMAIYA ORGANO-

## BALANCE SHEET

<i>As at 31st May, 1966</i>	<b>LIABILITIES—(Contd.)</b>		
<i>Rupees</i>		<i>Rupees</i>	<i>Rupees</i>
85,30,555		Brought Forward ..	80,37,729
	<b>CONTINGENT LIABILITIES (Not provided for):—</b>		
2,24,583	1. Arrears of dividend on 7% (free of Income-tax) redeemable cumulative preference shares for the period of 1960-61 to 1966-67 .. .. .	2,62,076	
7,500	2. In respect of legal expenses of suit for recovery proceedings against a customer .. .. .	7,500	
3,150	3. In respect of share of cost towards conveyance and agreement for purchase of Fixed Assets from the holding Company, The Godavari Sugar Mills Limited .. .. .	—	
11,000	4. In respect of counter guarantees given to a Bank .. .. .	50,375	
1,00,000	5. In respect of purchases commitments including for capital purchases ..	1,00,000	
8,79,365	6. In respect of counter claim made by M/s P. Vrajlal Dulabhdas in the suit filed by the Company against them for recovery of Rs. 61,165/- and interest .. .. .	8,79,365	
<u>85,30,555</u>	Total Rupees ..		<u>80,37,729</u>

Referred to in our Report of even date.

BOMBAY: Dated 29th November, 1967.

NANUBHAI & CO.,  
Chartered Accountants.



# CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1967

As at 31st May, 1966		ASSETS—(Contd.)		
Rupees			Rupees	Rupees
39,18,525		Brought Forward ..	15,83,780	39,35,960
21,70,642				
19,623	(v) Cash and Bank Balances:			
29,090	Cash on hand .. .. .	12,659		
48,713	In current account with Scheduled Banks	88,450		
22,19,355			1,01,109	
			16,84,889	
	(B) LOANS AND ADVANCES: (Unsecured and considered good except otherwise stated):			
4,32,305	(i) Loan to M/s. Oriental Power Cables Ltd., a Company under the same Management. (Maximum Debit Balance during the year Rs. 4,32,305/- previous year Rs. 4,32,305) .. .. .	2,65,563		
—	Loan to M/s. Arpit Ltd., a Company under the same Management. (Maximum Debit Balance during the year Rs. 16,800/- previous year Nil) .. .. .	12,839		
96,123	(ii) Advances recoverable in cash or kind or for value to be received (Including Rs. 11,379/- considered doubtful not provided for) ..	1,64,374		
17,440	(iii) Deposits (Includes Rs. 4,000/- in Post Office a/c. Pass Book whereof lodged with a Car dealer.) .. .. .	17,950		
27,65,223				21,45,615
66,83,748				60,81,575
	IV. MISCELLANEOUS EXPENDITURE:			
18,46,807	Balance as per Profit & Loss Account .. .. .			19,56,154
85,30,555		Total Rupees ..		80,37,729

In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business. The provision for all known liabilities and depreciation is adequate and not in excess of amount reasonably necessary.

K. J. SOMAIYA	} Directors
S. K. SOMAIYA	
R. S. KOTAK	
N. C. SAYTA	

BOMBAY: Dated 29th November, 1967.



# SOMAIYA ORGANO-

## PROFIT AND LOSS ACCOUNT FOR

As at 31st May, 1966	Rupees		Rupees	Rupees
		To Opening Stock on 1st June, 1966:		
1,69,227		Acetic Acid .. .. .	2,55,873	
19,987		Rectified Spirit .. .. .	3,77,242	
—		Denatured Spirit .. .. .	8,672	
1,89,214				6,41,787
23,561		„ Rectified Spirit purchases .. .. .		—
2,80,831		„ Molasses consumed (purchase Rs. 4,98,327/-) .. .. .		4,75,849
1,90,876		„ Stores and Chemicals consumed .. .. .		2,54,280
4,78,224		„ Power and Fuel .. .. .		4,99,857
3,70,653		„ Salaries and Wages .. .. .	4,22,670	
5,987		„ Bonus .. .. .	5,000	
30,000		„ Provision for Bonus .. .. .	15,000	
1,260		„ Workmen and Staff Welfare expenses .. .. .	18	
1,416		„ Company's contribution (to the Holding Company) towards Provident Fund .. .. .	1,171	
23,510		„ Company's contribution to Govt. Provident Fund and Administrative charges .. .. .	26,292	
6,019		„ Workmen compensation .. .. .	—	
4,38,845				4,70,151
		„ Repairs:		
61,107		Plant and Machinery .. .. .	16,026	
673		Buildings .. .. .	5,698	
2,328		Other repairs .. .. .	52,090	
64,108				73,814
27,632		„ Excise establishment charges .. .. .		57,250
14,460		„ Insurance Premium .. .. .		16,838
19,028		„ Emergency Risk Insurance Premium .. .. .		—
247		„ Personal Injuries Insurance Premium .. .. .		16
12,000		„ Brokerage and Commission .. .. .		19,000
1,575		„ Directors' fees .. .. .		1,275
7,450		„ Legal Expenses .. .. .		6,413
3,252		„ Directors' Travelling expenses .. .. .		4,536
4,79,845		„ Interest on loan to Holding Company, The Godavari Sugar Mills Ltd. .. .. .	3,72,982	
—		„ Interest on loan to Bank .. .. .	1,28,649	
1,616		„ Others .. .. .	3,235	
4,81,461				5,04,866
		„ Miscellaneous expenses, including Printing and Stationery, postage and telegrams, travelling, subscription, motor car maintenance etc. .. .. .		69,796
50,775		„ Rates and Taxes .. .. .		2,379
225		„ Office Rent .. .. .		14,400
14,400		„ Audit Fees .. .. .		500
500		„ Charity and Donation .. .. .		25,000
—		„ Loose tools written off .. .. .		1,096
1,126		„ Depreciation .. .. .		6,00,768
6,93,976		„ Development Rebate Reserve .. .. .		34,265
2,71,278		„ Sole Selling Agents' Commission .. .. .		1,65,000
93,200		„ Balance being Profit for the year .. .. .		—
33,58,244		Total Rupees .. .. .		39,39,136
		To Balance as per last Balance Sheet .. .. .		18,46,807
11,11,747		„ Balance brought down .. .. .		44,533
7,40,568		„ Bonus for previous year .. .. .		79,997
15,663		Total Rupees .. .. .		19,71,337
18,67,978				

Referred to in our Report of even date.

NANUBHAI & CO.,

Chartered Accountants.

BOMBAY, Dated: 29th November, 1967.



# CHEMICALS LIMITED, BOMBAY

THE YEAR ENDED 31ST MAY, 1967

<i>As at 31st May, 1966</i>	<i>Rupees</i>		<i>Rupees</i>	<i>Rupees</i>
		By Sales:		
17,55,993		Acetic Acid .. .. .	18,49,736	
1,08,000		Denatured Spirit & Rectified Spirit .. .. .	14,50,259	
18,63,993				32,99,995
1,819		„ Sales Tax refund .. .. .		—
24,000		„ Hire Charges .. .. .		48,000
45,303		„ Miscellaneous receipts .. .. .		1,24,837
14,400		„ Rent compensation... .. .		14,400
32		„ Interest on Government loan (net) .. .. .	32	
26,305		„ Interest on loans .. .. .	33,547	
37		„ Interest from others .. .. .	—	
26,374				33,579
		„ Closing stock in trade (As valued and certified by a Director):		
2,55,873		„ Acetic Acid at Market rate .. .. .	6,252	
3,77,242		„ Rectified Spirit at market rate .. .. .	3,37,110	
8,672		„ Denatured Spirit .. .. .	14,130	
—		„ Fusel Oil .. .. .	2,800	
—		„ Ethyl Acetate .. .. .	13,500	
6,41,787				3,73,792
7,40,568		„ Balance being Loss during the year .. .. .		44,533
33,58,244				
			Total Rupees ..	39,39,136
1,171		By Unclaimed Salaries, Wages and Bonus written back .. .. .		183
20,000		„ Provision for Bonus recredited .. .. .		15,000
18,46,807		„ Balance carried to Balance Sheet .. .. .		19,56,154
18,67,978			Total Rupees ..	19,71,337

K. J. SOMAIYA  
S. K. SOMAIYA  
R. S. KOTAK  
N. C. SAYTA

} Directors

BOMBAY, Dated: 29th November, 1967.



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

Schedule attached to and forming part of Balance Sheet as at 31st May, 1967

## Schedule 'A'

Particulars	Gross Block at cost except otherwise stated as at 1st June, 1966	Additions during the year	Deduction for Transfer or sale	Gross Block as at 31st May, 1967	Depreciation written off upto 31st May, 1966	Depreciation written off this year	Total depreciation upto 31st May, 1967	Net depreciated block as at 31st May, 1967	Net depreciated Block as at 31st May 1966
1	2	3	4	5	6	7	8	9	10
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Land .. ..	10,000	3,150	—	13,150	—	—	—	13,150	10,000
Distillery Building ..	7,96,847	719	—	7,97,566	80,471	35,855	1,16,326	6,81,240	7,16,376
Distillery Machinery (at Book value) ..	21,50,221	46,753	27,000	21,69,974	7,36,705	2,60,866	9,97,571	11,72,403	14,13,516
Acetic Acid Building	2,01,664	—	—	2,01,664	43,761	7,895	51,656	1,50,008	1,57,903
Electric Machinery	2,78,711	16,735	—	2,95,446	98,444	18,864	1,17,308	1,78,138	1,80,267
Acetic Acid Plant ..	31,03,768	6,749	—	31,10,517	22,32,292	2,30,648	24,62,940	6,47,577	8,71,476
Laboratory apparatus	3,808	—	—	3,808	1,018	195	1,213	2,595	2,790
Furniture and Office equipments .. ..	27,584	4,651	—	32,235	8,905	2,464	11,369	20,866	18,679
Motor car, Lorries & Tankers .. ..	51,659	—	—	51,659	34,393	4,102	38,495	13,164	17,266
Scale & Weighbridges	2,420	—	—	2,420	969	174	1,143	1,277	1,451
Storage Vats & Tanks	2,51,800	1,01,087	—	3,52,887	35,677	37,358	73,035	2,79,852	2,16,123
Electric Installation	26,081	—	—	26,081	2,608	2,347	4,955	21,126	23,473
<b>Total Rupees ..</b>	<b>69,04,563</b>	<b>1,79,844</b>	<b>27,000</b>	<b>70,57,407</b>	<b>32,75,243</b>	<b>6,00,768</b>	<b>38,76,011</b>	<b>31,81,396</b>	<b>36,29,320</b>

Referred to in our Report of even date.  
NANUBHAI & CO.  
Chartered Accountants.

BOMBAY, Dated: 29th November, 1967.

BOMBAY,  
Dated: 29th November, 1967.

K. J. SOMAIYA  
S. K. SOMAIYA  
R. S. KOTAK  
N. C. SAYTA

} Director