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SOMAIYA ORGANO-CHEMICALS LIMITED



REPORT
of the
DIRECTORS
with
STATEMENTS OF ACCOUNTS
for the year ended 31st May, 1961



BOMBAY

1961

1961

SOMAIYA ORGANO-CHEMICALS LTD.

(Incorporated under the Indian Companies Act 1956)

Board of Directors :

SHRI KARAMSHI JETHABHAI SOMAIYA

SHRI SHANTILAL KARAMSHI SOMAIYA

SHRI RANCHHODDAS SHAMJI KOTAK

SHRI NAVINCHANDRA CHUNILAL SAYTA

SHRI PURSHOTTAM MAVJI KAVADIA

Bankers :

THE BANK OF INDIA LTD.

THE UNITED COMMERCIAL BANK LTD.

Solicitors :

MULLA & MULLA AND CRAIGIE BLUNT AND CAROE.

Auditors :

NANUBHAI & CO.

Registered Office :

FAZALBHOY BUILDING,
MAHATMA GANDHI ROAD,
FORT, BOMBAY No. 1.

SOMAIYA ORGANO-CHEMICALS LIMITED

NOTICE

Notice is hereby given that the first Ordinary Annual General Meeting of the Somaiya Organo-Chemicals Limited will be held on Thursday the 21st December, 1961 at 3-00 P.M. (S.T.) at the Registered Office of the Company, Fazalbhoy Building, 4th Floor, Mahatma Gandhi Road, Fort, Bombay, to transact the following business :

1. To adopt the Directors' Report and Audited Statement of Accounts for the period ended 31st May, 1961.
2. To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution :

"Resolved that the Articles of Association of the Company be altered in the manner following :—

Article No. 123 be substituted by the following :

The fees of every Director for each meeting of the Board attended by him shall be such sum or sums, subject to a maximum of Rs. 150/-, as the Board may from time to time determine :

Further resolved that the resolution passed at the meeting of the Board of Directors held on 30th October, 1961 fixing the fees of Rs. 75/- of every Director for each meeting of the Board attended by him, be and is hereby ratified."

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

"Resolved that the Articles of Association of the Company be altered in the manner following:—

Article No. 124 be substituted by the following :

The fees of every Director for each meeting of the Committee attended by him shall be Rs. 50/- or such other smaller sum as the Board may from time to time determine."

4. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution :

ORDINARY RESOLUTION :

"Resolved that pursuant to the relevant provisions of the Companies Act, 1956, including Section 257 and Section 258, Shri R. S. Kotak, Shri P. M. Kavadia and Shri N. C. Sayta be and they are elected and appointed Directors of the Company."

5. To elect Directors in place of Shri K. J. Somaiya and Shri S. K. Somaiya, who retire by rotation but being eligible offer themselves for re-election.
6. To appoint Auditors for the current year and fix their remuneration.

The Transfer Books of the Company will be closed from 7th December, 1961 to 21st December, 1961, both days inclusive.

By Order of the Board of Directors,
K. J. SOMAIYA

Director.

BOMBAY, Dated: 13th November, 1961.

Note :—A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

EXPLANATORY STATEMENT

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

Item No. 2. Special Resolution :

The Directors are of the opinion that the Article 123 of the Articles of Association of the Company lays down the minimum amount of Rs. 150/- which may be paid as fees to every Director for each meeting of the Board of Directors attended by him. The Directors think that the amount of Rs. 150/- is the maximum amount which should be paid as the fees to the Directors. They, therefore, desire that the Article 123 be substituted accordingly. The Special Resolution is necessary under the provisions of Section 31 of the Companies Act, 1956 and accordingly this Special Resolution is recommended for acceptance.

Item No. 3. Special Resolution :

The Directors are of the opinion that the Article 124 of the Articles of Association of the Company lays down the minimum amount of Rs. 75/- which may be paid as fees to every Director for each meeting of the Committee attended by him. The Directors think that the amount of Rs. 50/- is the maximum amount which should be paid as the fees to the Directors. They therefore desire that the Article 124 be substituted accordingly. The Special Resolution is necessary under the provisions of Section 31 of The Companies Act, 1956 and accordingly the Special Resolution is recommended for acceptance.

Item No. 4. Ordinary Resolution :

Shri R. S. Kotak, Shri P. M. Kavadia and Shri N. C. Sayta were appointed additional Directors by the Board in March 1961. Under the provisions of Section 260 of the Companies Act and of clause 120 of the Articles of Association of the Company, they would hold office upto the end of the next Annual General Meeting, namely 21st December, 1961.

The Board considers it desirable that the Company should avail itself of their services. The Directors accordingly commend the Resolution to your approval.

By the Order of the Board of Directors,

K. J. SOMAIYA

Director.

BOMBAY, Dated: 13th November, 1961.

SOMAIYA ORGANO-CHEMICALS LIMITED BOMBAY

DIRECTORS' REPORT

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

GENTLEMEN,

Your Directors are pleased to report on the audited accounts of the Company for the period ended 31st May, 1961 submitted herewith.

Your Company purchased from the Holding Company, The Godavari Sugar Mills Limited, the land, distillery machinery, partly erected acetic acid plant as from 6-4-1961.

The acetic acid plant was ready duly erected towards end of the financial year, and the plant had preliminary trial runs.

Accounts: The accounts cover the period from 15-12-1960 (the date of incorporation of the Company) to 31-5-1961. The net loss of the year amounts to Rs. 7,29,282/- after providing Rs. 1,54,554/- for depreciation and after transferring Rs. 5,44,927/- to Development Rebate Reserve. In view of the loss for the period ended 31st May, 1961, the Directors do not recommend any dividend. The loss is carried forward to the next year.

Two of your Directors, Shri K.J. Somaiya and Shri S.K. Somaiya, retire by rotation but being eligible offer themselves for re-election.

It is necessary to appoint Auditors for the current year and to fix their remuneration.

Yours faithfully,

For and on behalf of the Board of Directors,

K. J. SOMAIYA

Director.

BOMBAY, Dated: 13th November, 1961

SOMAIYA ORGANO-CHEMICALS LIMITED BOMBAY

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the annexed Balance Sheet of SOMAIYA ORGANO-CHEMICALS LIMITED as at 31st May, 1961 and also the Profit and Loss Account of the Company for the period ended on that date, attached thereto 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 those Books of Accounts.
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 together with the note 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, 1961, and
 - (b) In the case of the profit and loss account of the loss for the period ended on that date.
5. The allocation of the Capital expenditure from Stores Account which is being debited for all purchases has been accepted as certified by the Director.

Bombay, Dated: 15th November, 1961.

NANUBHAI & CO.,
Chartered Accountants.

SOMAIYA ORGANO-

BALANCE SHEET AS AT

LIABILITIES		Rupees	Rupees
I. SHARE CAPITAL:—			
AUTHORISED CAPITAL:			
25,000 Equity shares of Rs. 100/- each		25,00,000	
25,000 7% Free of Income-Tax Redeemable cumulative preference shares of Rs. 100/- each liable to be redeemed at the option of the Company		25,00,000	50,00,000
SUBSCRIBED CAPITAL:			
150 Equity shares of Rs. 100/- each fully paid up		15,000	
5,000 7% Free of Income-Tax Redeemable cumulative preference shares of Rs. 100/- each fully paid up liable to be redeemed at the option of the company		5,00,000	5,15,000
II. RESERVES AND SURPLUS:—			
Development Rebate Reserve:			
Amount transferred from Profit & Loss Account			5,44,927
III. UNSECURED LOANS:			
Loan on current account, from the holding company,			
The Godavari Sugar Mills Limited			31,53,889
IV. CURRENT LIABILITIES AND PROVISIONS:—			
Sundry Creditors			11,170
NOTES:— (i) Conveyance for purchase of land, from the Holding Company, The Godavari Sugar Mills Ltd., is under preparation.			
(ii) As the Company was registered on 15th December, 1960, figures for previous year could not be given.			
		Total Rupees ..	<u>42,24,986</u>

Referred to in our Report of even date.

NANUBHAI & CO.,
Chartered Accountants.

BOMBAY, Dated: 15th November, 1961.

CHEMICALS LIMITED, BOMBAY.

31ST MAY, 1961.

		Rupees	Rupees	Rupees
ASSETS				
I. FIXED ASSETS (At cost):—				
Land			10,000	
Distillery Building		1,70,000		
Less: Depreciation during the period		4,250	1,65,750	
Distillery Machinery		3,22,143		
Less: Depreciation during the period		13,633	3,08,510	
Acetic Acid Plant		27,00,491		
Less: depreciation during the period		1,36,670	25,63,821	
Capital Work-in progress			30,48,081	
Building under erection		1,61,358		
Machinery under installation		27,319	1,88,677	32,36,758
II. CURRENT ASSETS, LOANS AND ADVANCES:—				
(A) CURRENT ASSETS:				
Stores and spares at cost (as per inventories valued and certified by a Director):				
On hand		1,45,394		
In Transit		753		
		1,46,147		
Works-in process at cost (as valued and certified by a Director) ..		15,565	1,61,712	
Cash and Bank Balances:				
Cash on hand		35		
In current account with Banks		9,440	9,475	
			1,71,187	
(B) LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD):				
Advances recoverable in cash or in kind or for value to be received ..			83,824	2,55,011
III. MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted):—				
Preliminary expenses			3,935	
Loss as per Profit and Loss Account			7,29,282	7,33,217
Total Rupees ..				42,24,986

NOTE:—

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 the business. The provision for all the known liabilities is adequate and not in excess of amount reasonably necessary.

K. J. SOMAIYA
S. K. SOMAIYA
N. C. SAYTA
P. M. KAVADIA

} Directors

BOMBAY, Dated: 13th November, 1961.

SOMAIYA ORGANO-

PROFIT & LOSS ACCOUNT

	Rupees
To Raw Materials consumed (purchases Rs. 2,139/-)	2,139
„ Stores materials consumed	14,648
„ Salaries and Wages	20,568
„ Miscellaneous Expenses:	
Including Printing and Stationery, Postage and Telegram, Travelling and licence fees etc.	4,049
„ Excise establishment charges	3,462
„ Audit Fees	500
„ Depreciation	1,54,554
„ Development Rebate Reserve	5,44,927
Total Rupees ..	7,44,847

Referred to in our Report of even date.

NANUBHAI & CO.,
Chartered Accountants.

BOMBAY, Dated: 15th November, 1961.

