

10

**SOMAIYA ORGANO-CHEMICALS LIMITED**  
**BOMBAY**

ANNUAL REPORT  
&  
ACCOUNTS

**1969-70**



1970

**SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY**

(Incorporated under Indian Companies Act, 1956)

**BOARD OF DIRECTORS:**

SHRI KARAMSHI JETHABHAI SOMAIYA  
SHRI SHANTILAL KARAMSHI SOMAIYA  
SHRI PURUSHOTTAM MAVJI KAVADIA  
SHRI NAVINCHANDRA CHUNILAL SAYTA  
SHRI CHAMPAKLAL AMRITLAL MEHTA  
SHRI BANARSILAL NARULA  
SMT. MAYADEVI S. SOMAIYA

**BANKERS:**

UNION BANK OF INDIA  
BANK OF INDIA  
UNITED COMMERCIAL BANK

**SOLICITORS:**

MULLA & MULLA AND CRAIGIE BLUNT AND CAROE

**AUDITORS:**

NANUBHAI & Co.

**REGISTERED OFFICE:**

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



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

## NOTICE

Notice is hereby given that the 10th Annual General Meeting of Somaiya Organo-Chemicals Limited will be held on the 5th January, 1971 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, 1970.
2. To elect a Director in place of Shri P. M. Kavadia who retires by rotation, but being eligible offers himself for re-election.
3. To elect a Director in place of Shri Banarsilal Narula who retires by rotation, but being eligible offers himself for re-election.
4. To consider and if thought fit to pass, with or without modifications, the following resolution as a Special Resolution :—

### **SPECIAL RESOLUTION No. 1:**

*"Resolved that the following wordings in Article 162 of the Articles of Association of the Company be deleted :*

*Shri Shantilal Karamshi Somaiya shall be the first Managing Director of the Company and he shall hold such office during his life time or until his resignation."*

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

### **SPECIAL RESOLUTION No. 2:**

*"Resolved that pursuant to the provisions of Section 314 of the Companies Act, 1956, the Company hereby approves of the payment of the sum of Rs.10,177/- (Rupees ten thousand one hundred and seventy seven only) to Sugar Selling Agency Private Ltd., as ad hoc commission for the sale of 84,809 Kgs. of Acetic Acid supplied by the Company at the rate of 12 paise per Kg. during the period from 1st January, 1970 to 31st May, 1970"*

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

### **SPECIAL RESOLUTION No. 3:**

*"Resolved that pursuant to the provisions of Section 314 of the Companies Act, 1956, the Company hereby approves of the payment of the sum of Rs.58,870/- (Rupees fiftyeight thousand eight hundred and seventy only) to Zenith Commercial Agencies Private Ltd., as ad hoc commission for the sale of 294.35 M. Tonnes of Acetic Acid at the rate of 20 paise per Kg. during the period from 1st January, 1970 to 31st May, 1970."*

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



#### **SPECIAL RESOLUTION No. 4:**

“Resolved that the present Article No. 174 be renumbered as 174 (1) and that the following article be inserted after Article 174 (1) as Article 174 (2)”:

“Before recommending any dividend, the Directors shall set aside out of the profits of the Company such sum as they may in their sole discretion deem fit, which will be not less than 2 (two) per cent and not more than 15 (fifteen) per cent of the net profits of the Company as determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, which sum shall be utilised for making charitable contributions to one or more of such charitable trusts as the Directors deem fit.”

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

#### **ORDINARY RESOLUTION No. 1:**

“Resolved that pursuant to the relevant provisions of the Companies Act, 1956 including Section 257 and Section 258, Smt. Mayadevi S. Somaiya be and is hereby elected and appointed a Director of the Company.”

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

#### **ORDINARY RESOLUTION No. 2:**

“Resolved that pursuant to the Article 162 of the Articles of Association of the Company and any other applicable provisions of the Companies Act, 1956 and subject to sanction/approval of the Central Government, approval of the shareholders be and is hereby given to the payment of remuneration to Smt. Mayadevi S. Somaiya as Managing Director of the Company for the period commencing from 1st December, 1970 to 30th November, 1975 as per terms and conditions given below with a power to the Board of Directors to agree to such variations in the said terms and conditions as may be required by the Central Government and agreeable to Smt. Mayadevi S. Somaiya”:

- (1) *Salary* Rs. 7500/- (Rupees seven thousand and five hundred only) per month.
- (2) *Commission* 1% of the Net Profits of the Company in each financial year computed in the manner as laid down in Section 309 (5) of the Companies Act subject to a maximum of Rs. 4,5000/- (Rupees Fortyfive thousand only) per annum or one-half of the total annual salary whichever is less.
- (3) *Perquisites*
- (i) Free furnished accommodation with facilities and amenities or reasonable rent in lieu thereof.
  - (ii) Use of Company's car with driver;
  - (iii) Actual medical expenses by the Managing Director and her spouse;
  - (iv) Leave with pay for a period not exceeding one month in a year or one-eleventh of duty period subject to the condition that encashment of leave unavailed of shall not be allowed.
  - (v) Leave travelling expenses within India for self and spouse once in each financial year;
  - (vi) Personal accident insurance;
  - (vii) Other benefits and amenities as may be applicable to other senior executives of the Company;



(viii) Benefit of Provident Fund and Superannuation Scheme and other retirement benefits, if any, as may be fixed by the Board of Directors of the Company.

(ix) Gratuity as admissible under the Company's rules.

(x) Pension of Rs. 1750/- per month for the remainder of her life time from the date of retirement but such pension at the rate of Rs. 1750/- per month shall in any event be payable certain to her or her spouse or to her nominee at the rate of one year's pension for each year of service put in from 1-12-1970 and for a period of service of less than a year to a pension of Rs. 1750/- per month for the proportionate period.

10. To declare dividend on preference shares for the years 1960-61 to 1965-66.

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

By Order of the Board of Directors,

**S. K. SOMAIYA,**

Director.

BOMBAY, Dated 30th December, 1970.

- Notes:**
1. A member entitled to attend and vote is also entitled to appoint a proxy and the proxy need not be a member.
  2. An Explanatory Statement under Section 173 of the Companies Act, 1956 in respect of the above resolutions is annexed.
  3. The final dividend when declared will be payable at the Registered Office of the Company on and after 15th February, 1971. The dividend warrants will be posted to those shareholders whose names stand on the Company's register on 30th December, 1970.

### **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:**

The Company had not appointed Managing Director earlier although the Articles provided that Shri S. K. Somaiya would be the first Managing Director of the Company. As these wordings are not necessary, the Board feels that the same be deleted.



### **SPECIAL RESOLUTIONS Nos 2 and 3:**

The Board of Directors has paid sums of Rs. 10,177/- and Rs. 58,870/- to M/s. Sugar Selling Agency Pvt. Ltd., and M/s Zenith Commercial Agencies Pvt. Ltd., respectively in which Shri P. M. Kavadia, a Director of the Company, is also a Director.

Shri K. J. Somaiya, a Director of the Company jointly with Shri S. K. Somaiya (another Director of the Company), Smt Sakarbai K. Somaiya and Shri N. R. Mulla hold 848 Equity Shares of the said Sugar Selling Agency Pvt. Ltd. The respective share holding of each of the Directors of the Company in M/s Sugar Selling Agency Pvt. Ltd., and Zenith Commercial Agencies Pvt. Ltd., is shown below:-

	Sugar Selling Agency P. Ltd.		Zenith Commercial Agencies Pvt. Ltd.	
	Preference	Equity	Preference	Equity
1. Shri K. J. Somaiya	—	—	—	—
2. Shri S. K. Somaiya	—	—	—	—
3. Shri P. M. Kavadia	—	—	—	5
4. Shri N. C. Sayta	—	—	—	5
5. Dr. C. A. Mehta	—	—	—	—
6. Shri Banarsilal	—	—	—	—
7. Smt. Mayadevi S. Somaiya	—	—	—	—

### **SPECIAL RESOLUTION No. 4:**

The shareholders are aware that the Company donates some amounts every year for charitable purposes. In order to enable the Board of Directors to set aside out of the profits of the Company certain percentage of profits for the purpose of contribution for charitable purposes, the Articles 174 of the Articles of Association of the Company will be required to be renumbered as 174(1) and new Article 174(2) as set out in the Notice will have to be inserted after Article 174(1). The Special Resolution No. 4 as set out in the Notice is therefore commended for the approval of the shareholders in order to carry out the aforesaid amendments and additions to the Articles of Association of the Company.

### **ORDINARY RESOLUTION No. 1:**

Under the provisions of Section 260 of the Companies Act, 1956 and Clause 120 of the Articles of Association of the Company, Smt. Mayadevi S. Somaiya who was appointed additional Director in the Board meeting held on 28th November 1970, would hold office upto the date of next Annual General Meeting, namely, 5th January 1971. The Board considers desirable that the Company should continue to avail itself of her services.

### **ORDINARY RESOLUTION No. 2:**

The Board of Directors in their meeting held on 28th November, 1970 recommended for your approval the appointment of Smt. Mayadevi S. Somaiya as Managing Director of the Company subject to Central Government's sanction on the terms and conditions set out in the

draft of an agreement produced before the said meeting a copy whereof initialled by the Chairman of the meeting is available for inspection by any member of the Company at the Registered office of the Company between 10.00 a.m. and 12.00 noon on any working day.

The material terms relating to the appointment and the remuneration of Smt. Mayadevi S. Somaiya as Managing Director are set out in the abstract under Section 302 of the Companies Act, 1956 which is attached to this Explanatory Statement.

The Directors commend the aforesaid Ordinary and Special resolutions for the approval of the Members.

By Order of the Board of Directors,

**S. K. SOMAIYA,**

*Director.*

BOMBAY, Dated 30th December, 1970.



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

(An Abstract of the Agreement, to be entered into, between the Company and Shrimati Mayadevi S. Somaiya for her appointment as the Managing Director of the Company and Memorandum of Interest furnished in accordance with Section 302 of the Companies Act, 1956.)

## PARTIES:

**SOMAIYA ORGANO-CHEMICALS LIMITED** (hereinafter called "The Company")  
and **SMT. MAYADEVI S. SOMAIYA** (hereinafter called "Managing Director").

### 1. Period:

Commencing from 1st December, 1970 and ending on 30th November, 1975.

### 2. Duties, Responsibilities and Powers:

Subject to the superintendence, control and direction of the Board of Directors of the Company, the Managing Director shall be responsible for the general conduct and management of the business and affairs of the Company for which she shall have all the usual powers.

### 3. Remuneration:

#### 1. Salary:

Rs. 7,500/- (Rupees seven thousand and five hundred only) per month.

#### 2. Commission:

1% on the Net Profits of the Company for each financial year computed in the manner as laid down in Section 309 (5) of the Companies Act subject to a maximum of Rs. 45,000 (Rupees forty-five thousand only) per annum or one-half of the total annual salary whichever is less.

#### Perquisites:

- (i) Free furnished accommodation with facilities and amenities or reasonable rent in lieu thereof;
- (ii) Use of Company's car with driver;
- (iii) Actual medical expenses incurred by the Managing Director and her spouse;
- (iv) Leave with pay for a period not exceeding one month in a year or one-eleventh of duty period subject to the condition that encashment of leave unavailed of shall not be allowed;
- (v) Leave travelling expenses within India for self and spouse once in each financial year;
- (vi) Personal accident insurance;
- (vii) Other benefits and amenities as may be applicable to other senior executives of the Company;
- (viii) Benefit of Provident Fund and Superannuation Scheme and other retirement benefits, if any, as may be fixed by the Board of Directors of the Company;
- (ix) Gratuity as admissible under the Company's rules;
- (x) Pension at Rs. 1750/- per month for the remainder of her life time from the date of retirement but such pension at the rate of Rs. 1750/- per month shall in any event be payable certain to her or her spouse or to her nominee at the rate of one year's pension for each year of service put in from 1-12-1970 and for a period of service of less than a year to a pension of Rs. 1750/- per month for the proportionate period.



4. **Minimum Remuneration:**

In case of absence of profits (including the case of loss) or inadequacy of profits in any year, or part of the year, the Managing Director shall be paid as minimum remuneration salary of Rs. 7500/- (Rupees seven thousand five hundred only) per month along with afore-said perquisites so that the total perquisites during any year do not exceed Rs. 30,000/- (Rs. Thirty Thousand only) per year.

5. **Compensation:**

Compensation for loss of office of Managing Director will be paid subject to the provision of Section 318 of the Companies Act, 1956.

6. **General:**

Managing Director shall be entitled to be re-imbursed for expenses incurred by her on behalf of the Company.

**Memorandum of Interest—**

Smt. Mayadevi S. Somaiya who is appointed as the Managing Director of the Company is deemed to be concerned or interested in the Agreement to the extent of remuneration to which she will be entitled to, as the Managing Director of the Company.

By Order of the Board of Directors,

**S. K. SOMAIYA,**

*Director.*

BOMBAY, Dated 30th December, 1970.



# 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, 1970.

### FINANCIAL RESULTS:

The Gross Profit for the year before providing for depreciation, development rebate reserve and taxation amounted to Rs. 43,37,585

Deducting therefrom:

Depreciation .. .. .	Rs. 5,63,899
Development rebate .. .. .	Rs. 66,276
Provision for Taxation .. .. .	Rs. 21,80,000
	<hr/>
	Rs. 28,10,175
	<hr/>
	Rs. 15,27,410

The above profit together with last year's carried forward profit of Rs. 4,10,357/- makes a total profit of Rs. 19,37,767/-.

Your Directors recommend the following appropriations:

1. Transfer to Dividend Reserve .. .. .	Rs. 2,25,000
2. Transfer to General Reserve .. .. .	Rs. 17,12,500
3. Balance Carried to Balance Sheet.. .. .	Rs. 267
	<hr/>
	Rs. 19,37,767

The Directors recommend payment of arrears of Preference dividends of Rs. 2,24,583/- upto Accounting Year 1965-66 out of Dividend Reserve.

You are requested to approve Rs. 65,000/- by way of Charity and donation during the year as under:

Jagjivan Ashram, New Delhi .. .. .	Rs. 25,000
The Somaiya Trust .. .. .	Rs. 35,000
Maulana Azad Education Trust .. .. .	Rs. 5,000
	<hr/>
	Rs. 65,000

The working of the Distillery and Acetic Acid Plant during the year were quite satisfactory. Besides Acetic Acid, the Company also marketed Acetaldehyde and a small quantity of Paraldehyde. A Research Laboratory on a moderate scale has been set up at the works to explore possibilities of new products.

Two of your Directors Shri P. M. Kavadia and Shri Banarsilal Narula 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,  
For and on Behalf of the Board of Directors,

**S. K. SOMAIYA**

*Director*

BOMBAY, Dated 30th December 1970



# 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, 1970, and also the Profit and Loss Account of the Company for the year 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.
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, 1970 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 31st day of December 1970.



# SOMAIYA ORGANO- BALANCE SHEET

As at 31st May, 1969	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 AND SUBSCRIBED CAPITAL:</b>		
5,00,000	5,000 Equity Shares of Rs. 100/- each fully paid .. .. .		5,00,000
10,00,000	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 .. .. .	10,00,000	15,00,000
15,00,000			
	<b>II. RESERVES AND SURPLUS:</b>		
—	(a) General Reserve: Set aside from the Profit of the year .. .. .		17,12,500
11,68,927	(b) Development Rebate Reserve: As per last Balance Sheet .. .. .	12,35,160	
66,233	Add: Amount set aside from the Profit .. .. .	66,276	
12,35,160			13,01,436
	(c) Dividend Reserve: Set aside from Profit of the year .. .. .		2,25,000
4,10,357	(d) Profit & Loss Account: Balance as per Profit & Loss Account .. .. .		267
16,45,517			32,39,203
	<b>III. (A) SECURED LOANS:</b>		
14,00,000	From Union Bank of India against Equitable Mortgage of fixed Assets including Machineries etc. and guaranteed by two Directors of the Company .. .. .		10,00,000
	<b>(B) UNSECURED LOANS:</b>		
—	From Godavari Sugar Mills Limited .. .. .		46,573
45,45,517	Carried Over .. .. .		57,85,776



# CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1970

As at 31st May, 1969	ASSETS		Rupees	Rupees	Rupees
Rupees	<b>I. FIXED ASSETS (At Cost):</b>				
81,04,616	Gross Block .. .. .			83,44,469	
49,26,496	Less: Depreciation written off upto 31st May, 1970 .. .. .			53,35,324	
31,78,120	Net depreciated Block as per Schedule 'A' .. .. .			30,09,145	
25,661	Capital Work-in-Progress .. .. .			11,337	
32,03,781				<u>30,20,482</u>	
	<b>II. INVESTMENT (At Cost):</b>				
	<b>(A) TRADE INVESTMENTS:</b>				
	(1) (In Company under same group)— 1,500 fully paid up equity shares of Rs. 100/- each of Oriental Power Cables Ltd. .. .. .			1,50,000	
1,50,000					
	(2) 24,500 Equity Shares of Rs. 10/- each of Kutch Salt & Allied Industries Limited fully paid up .. .. .		1,03,541		
1,03,541					
—	Less: On Reduction of capital .. .. .		60,000		
				<u>43,541</u>	
1,03,541	(3) 450 Fully paid up Equity Shares of Rs. 100/- each of Somaiya Organics (India) Limited .. .. .			45,000	
33,750				<u>45,000</u>	
2,87,291				<u>2,38,541</u>	
	<b>(B) OTHER INVESTMENTS:</b>				
	4% 1967 Maharashtra State Loan (face value Rs. 1,000/-) deposited with Excise Department .. .. .		Cost	Market Value	995
995					
	Aggregate quoted Investments .. .. .		1,93,541	1,30,541	
	Aggregate unquoted Investments .. .. .		45,995	—	
2,88,286			<u>2,39,536</u>	<u>1,30,541</u>	<u>2,39,536</u>
34,92,067	Carried Over .. .. .				<u>32,60,018</u>



# SOMAIYA ORGANO- BALANCE SHEET

As at 31st May, 1969	LIABILITIES—(Contd.)				
Rupees		Rupees	Rupees	Rupees	
45,45,517	Brought Forward .. .. .				57,85,776
	<b>IV. CURRENT LIABILITIES AND PROVISIONS:</b>				
	<b>(A) CURRENT LIABILITIES:</b>				
3,79,657	Due to Selling Agents .. .. .		3,92,595		
6,88,783	Sundry Creditors .. .. .		10,16,735		
3,67,082	Deposits and Advance from Customers .. .. .		3,09,837		
—	Provision for accrued Gratuity .. .. .		42,775		
10,765	Interest accrued but not due .. .. .		7,671		
14,46,287			<u>17,69,613</u>		
	<b>(B) PROVISIONS :</b>				
11,60,000	Provision for taxation .. .. .	33,40,000			
—	Provision for Bonus .. .. .	65,000			
26,06,287		<u>34,05,000</u>			
71,51,804					51,74,613
	<b>V. CONTINGENT LIABILITIES (Not provided for):</b>				
4,44,824	1. Arrears of dividend on 7% (free of Income-tax) redeemable cumulative preference shares for the period of 1960-61 to 1969-70 .. .. .		5,14,824		
28,000	2. In respect of Counter guarantee given to a Bank .. .. .		28,000		
	<b>Note:</b>				
	Application has already been made to the Company Law Board for the loan given to Private Limited Companies in which one or more directors are interested as Directors without obtaining approval from the Central Government U/S 295 of the Companies Act, 1956.				
71,51,804	Carried Over .. .. .				<u>1,09,60,389</u>



# CHEMICALS LIMITED, BOMBAY

ASSETS AT 31ST MAY, 1970

As at 31st May, 1969	ASSETS—(Contd.)		
Rupees		Rupees	Rupees
34,92,067	Brought Forward .. .. .		3260,018
	<b>III. CURRENT ASSETS, LOANS AND ADVANCES:</b>		
	<b>(A) CURRENT ASSETS:</b>		
	(i) Stores, Chemicals and spares at cost (as per inventory valued and certified by Director) .. .. .		
8,15,980	(a) On hand .. .. .	11,27,027	
2,38,506	(b) In transit .. .. .	<u>1,24,388</u>	12,51,415
10,54,486			
15,169	(ii) Loose Tools and Implements (as per inventory certified by a Director)		14,259
	(iii) Stock-in-trade: (As valued and certified by a Director)		
2,88,684	(a) Acetic Acid at Market rate .. .. .	10,69,697	
3,56,283	(b) Rectified Spirit at Market rate .. .. .	1,60,187	
1,38,484	(c) Raw Materials (Molasses) at cost .. .. .	2,02,737	
13,713	(d) Denatured Spirit at Market Rate .. .. .	<u>10,561</u>	14,43,182
7,97,164			
	(iv) Sundry Debtors (unsecured and considered good except otherwise stated) .. .. .		
1,68,980	(a) Debts outstanding for more than 6 months (includes doubtful debts of Rs. 70,373/- not provided for) .. .. .	1,84,034	
4,00,929	(b) Other debts .. .. .	<u>7,39,525</u>	9,23,559
5,69,909			
15,781	(v) Cash and Bank Balances:		
53,806	Cash on hand .. .. .	1,985	
69,587	In Current Account with Schedule Banks .. .. .	<u>71,696</u>	73,681
25,06,315			
34,92,067	(iv) Stamps on hand .. .. .		39,375
25,06,315	Carried Over .. .. .		<u>37,45,471</u>
			<u>32,60,018</u>



# SOMAIYA ORGANO- BALANCE SHEET

<i>As at</i> 31st May, 1969	LIABILITIES—(Contd.)			
Rupees			Rupees	Rupees
71,51,804	Brought Forward	..	..	1,09,60,389
71,51,804	Total Rupees	..	..	1,09,60,389

Referred to in our Report of even date.

NANUBHAI & CO.  
Chartered Accountants

Bombay, Dated the 31st Day of December 1970.



# CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1970

As at 31st May, 1969	ASSETS—(Contd.)				
Rupees			Rupees	Rupees	Rupees
34,92,067	Brought Forward .. .. .		37,45,471		32,60,018
25,06,315					
	(B) LOANS AND ADVANCES—(Unsecured and considered good except otherwise stated): .. .. .				
	(1) To Companies under the same Management:				
2,74,930	Loan to M/s. Oriental Power Cables Ltd. (Maximum debit balance during the year Rs. 2,78,929/- Previous year Rs. 3,38,640/-) ..		22,529		
71,972	(2) M/s. Godavari Sugar Mills Limited (Maximum debit balance during the year Rs. 2,25,783 .. .. .)		—		
—	(3) M/s. Arpit Ltd. (Maximum debit balance during the year Rs. 1,93,226/-) .. .. .		1,93,226		
5,99,625	(4) To Private Limited Companies in which one or more Directors are interested as Directors (Maximum debit balance during the year Rs. 8,50,586/-) .. .. .		—		
—	(5) Loan to others .. .. .		32,02,486		
9,46,527	Advance recoverable in Cash or kind or for value to be received (includes doubtful advances Rs. 12,399/- not provided for)			34,18,241	
1,74,549	Deposit (includes Rs. 2,000/- in Post Office A/c. Pass Book whereof lodged with a Car dealer .. .. .)			5,03,630	
32,346				33,029	
36,59,737					77,00,371
71,51,804	Total Rupees .. .. .				1,09,60,389

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

BOMBAY, Dated 30th December, 1970

S. K. SOMAIYA  
P. M. KAVADIA  
N. C. SAYTA } Directors.



# SOMAIYA ORGANO- PROFIT & LOSS ACCOUNT FOR

As at 31st May, 1969		Rupees	Rupees
Rupees	To Opening Stock on 1st June, 1969		
4,05,756	Acetic Acid .. .. .	2,88,684	
2,47,564	Rectified Spirit .. .. .	3,56,284	
12,562	Denatured Spirit .. .. .	13,712	
4,900	Fusel Oil .. .. .	—	
12,750	Ethyl Acetate .. .. .	—	
		6,58,680	
6,83,532	„ Molasses consumed (Purchase Rs. 9,13,985/-) .. .. .		8,49,732
8,07,665	„ Stores & Chemical Consumed .. .. .		2,67,667
3,06,377	„ Power & Fuel .. .. .		10,44,658
8,93,330	„ Salaries and Wages .. .. .	7,09,811	
5,87,550	„ Bonus (Rs. 26,419 relating to previous year) .. .. .	29,336	
—	„ Provision for Bonus .. .. .	65,000	
5,000	„ Workmen and Staff Welfare Expenses .. .. .	—	
89	„ Gratuity .. .. .	46,778	
—	„ Company's Contribution (to the Trustees of G.S.M. Ltd., Employees P. Fund Scheme) towards		
4,238	Provident Fund .. .. .	5,494	
30,440	„ Company's Contribution to Govt. Provident Fund and Administrative charges .. .. .	33,620	
		8,90,039	
6,27,317	„ Repairs:		
41,805	Plant and Machinery .. .. .	74,231	
3,795	Buildings .. .. .	2,221	
5,538	Other Repairs .. .. .	8,342	
		84,794	
51,138	„ Rent .. .. .		43,700
14,400	„ Excise Establishment charges .. .. .		17,566
36,367	„ Insurance Premium .. .. .		22,611
23,540	„ Emergency Risk Insurance Premium .. .. .		—
3,691	„ Directors' Fees .. .. .		1,200
1,650	„ Legal Expenses .. .. .		51,838
19,750	„ Directors' Travelling Expenses .. .. .		20,706
16,760	„ Interest:		
80,777	To The Godavari Sugar Mills Limited .. .. .	—	
1,45,488	To Bank on Fixed Loan .. .. .	1,21,082	
3,000	Others .. .. .	23,689	
		1,44,771	
2,29,265			
37,14,782	Carried Over .. .. .		40,97,962



# CHEMICALS LIMITED, BOMBAY

THE YEAR ENDED 31ST MAY, 1970

As at 31st May, 1969		Rupees	Rupees	Rupees
Rupees	By Sales:			
55,38,752	Acetic Acid .. .. .		52,80,297	
10,84,888	Denatured Spirit & Rectified Spirit .. .. .		15,57,701	
—	Acetal Dehyde .. .. .		3,820	
727	Amyl Alcohol .. .. .		—	
—	Acetal Anhydride .. .. .		31,897	
5,400	Fusel Oil .. .. .		26,700	
3,90,817	Acetal Dehyde .. .. .		9,49,963	
—	Paral Dehyde .. .. .		1,542	
			<u>78,51,920</u>	
70,20,584	„ Refund of Income Tax .. .. .			26
—	„ Hire Charges .. .. .			28,000
48,000	„ Profit on Sale of Distillery Machinery .. .. .			15,071
—	„ Miscellaneous Receipts (including Sundry Credit Balance written back Rs. 245/-) .. .. .			80,071
51,012	„ Interest on Govt. Loan (net) .. .. .		45	
45	„ Interest on loan .. .. .	1,95,842		
59,520	Less: Income Tax deducted at source .. .. .	12,313		
10,897			<u>1,83,529</u>	
48,623				
154	„ Others .. .. .	9,461		
—	Less: Income tax deducted at source .. .. .	1,800		
			<u>7,661</u>	
48,822				<u>1,91,235</u>
	„ Closing Stock in trade (as valued and certified by a Director)			
2,88,684	Acetic Acid at Market Rate .. .. .		10,69,697	
3,56,284	Rectified Spirit at Market Rate .. .. .		1,60,187	
13,712	Ordinary Denatured Spirit at Market Rate .. .. .		10,561	
			<u>12,40,445</u>	
6,58,680				
	Carried Over .. .. .			<u>94,06,768</u>
78,27,098				



# SOMAIYA ORGANO- PROFIT & LOSS ACCOUNT

As at 31st May, 1969		Rupees	Rupees
Rupees 37,14,782	Brought Forward .. .. .		40,97,962
1,72,073	To Miscellaneous expenses, including Printing & Stationery, Postage and Telegrams, Travelling		
566	Subscription, Motor Car Maintenance etc. .. .. .		2,33,686
500	„ Rates and Taxes .. .. .		72
31,000	„ Audit Fees .. .. .		1,000
968	„ Charity and Donation .. .. .		65,000
5,24,486	„ Loose Tools written off .. .. .		910
66,233	„ Depreciation .. .. .		5,63,899
	„ Development Rebate Reserve .. .. .		66,276
	„ Commission:		
3,51,029	Sole Selling Agents' Commission .. .. .	3,92,595	
1,76,276	Others .. .. .	2,77,958	
		6,70,553	
5,27,305	„ Provision for Taxation .. .. .		21,80,000
11,60,000	„ Balance being Profit for the year .. .. .		15,27,410
16,29,185			
78,27,098	Total Rupees .. .. .		94,06,768
12,11,073	To Balance as per last Balance Sheet .. .. .		—
—	„ Transferred to General Reserve .. .. .		17,12,500
—	„ Transferred to Dividend Reserve .. .. .		2,25,000
10,010	„ Bonus for Previous Years .. .. .		—
10,357	„ Balance carried to Balance Sheet .. .. .		267
16,31,440	Total Rupees .. .. .		19,37,767

BOMBAY, Dated the 31st Day of December, 1970.

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



# CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1970

As at 31st May, 1969		Rupees	Rupees
78,27,098	Brought Forward .. .. .		94,06,768
78,27,098	Total Rupees .. .. .		<u>94,06,768</u>
16,29,185	By Balance Brought Down .. .. .		15,27,410
—	„ Balance of Profit and Loss Account of Last Year .. .. .		4,10,357
2,255	„ Unclaimed Salaries & Bonus written back .. .. .		—
16,31,440	Total Rupees .. .. .		<u>19,37,767</u>

BOMBAY, Dated 30th December, 1970.

S. K. SOMAIYA }  
P. M. KAVADIA } Directors.  
N. C. SAYTA }



# Somaiya Organo-Chemicals Limited, Bombay

Schedule attached to and forming part of Balance Sheet as at 31st May, 1970

## Schedule "A"

Particulars I	Gross Block at cost except otherwise stated as at 1st June, 1969 2	Additions during the year 3	Gross Block as at 31st May, 1970 4	Deduction of sale made during the year 5	Gross Block as on 31st May, 1970 6	Depreciation written off upto 31st May, 1969 7	Depreciation written off this year 8	Deduction for depreciation on sale of Assets 9	Total Depreciation upto 31st May 1970 10	Net Depreciated Block as at 31st May, 1970 11	Net Depreciated Block as at 31st May, 1969 12
Land .. ..	13,150	—	13,150	—	13,150	—	—	—	—	13,150	13,150
Distillery Building	8,11,705	—	8,11,705	—	8,11,705	1,83,838	31,393	—	2,15,231	5,96,474	6,27,866
Distillery Machinery (Book Value) .. ..	27,31,015	1,70,699	29,01,714	2,00,000	27,01,714	14,92,133	2,89,805	1,55,071	16,26,867	10,74,847	12,38,883
Acetic Acid Building .. ..	2,61,550	—	2,61,550	—	2,61,550	69,484	9,603	—	79,087	1,82,463	1,92,966
Electric Machinery .. ..	3,00,181	5,997	3,06,178	—	3,06,178	1,68,192	13,799	—	1,81,991	1,24,187	1,31,990
Acetic Acid Plant .. ..	33,17,491	1,60,683	34,78,174	—	34,78,174	27,79,784	1,49,001	—	29,28,785	5,49,389	5,37,707
Laboratory .. ..	3,808	948	4,756	—	4,756	1,564	1,172	—	2,736	2,020	2,244
Furniture & Office Equipments .. ..	34,051	3,548	37,599	—	37,599	16,562	3,155	—	19,717	17,882	17,488
Motor Car Lorries .. Tankers ..	72,602	79,742	1,52,344	—	1,53,344	48,176	21,271	—	69,447	82,897	24,426
Scale & Weigh Bridge ..	2,420	—	2,420	—	2,420	1,431	99	—	1,530	890	989
Storage Vats & Tanks ..	4,77,468	18,237	4,95,705	—	4,95,705	1,55,190	37,698	—	1,92,888	3,02,817	3,22,278
Electric Installation .. ..	79,174	—	79,174	—	79,174	10,142	6,903	—	17,045	69,129	69,033
<b>Total Rupees .. ..</b>	<b>81,04,815</b>	<b>4,39,854</b>	<b>85,44,469</b>	<b>2,00,000</b>	<b>83,44,469</b>	<b>49,26,496</b>	<b>5,63,899</b>	<b>1,55,071</b>	<b>53,35,324</b>	<b>30,09,145</b>	<b>31,78,120</b>

Referred to in our Report of even date.  
 NANUBHAI & CO.  
 Chartered Accountants.  
 BOMBAY, Dated 31st December 1970

Bombay, Dated 30th December 1970.

S. K. SOMAIYA }  
 P. M. KAVADIA } Directors.  
 N. C. SAYTA }