

14

**SOMAIYA
ORGANO-
CHEMICALS
LIMITED**

**ANNUAL REPORT & ACCOUNTS
1973-74**

1974

SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

(Incorporated under Indian Companies Act, 1956)

BOARD OF DIRECTORS :

SHRI KARAMSHI JETHABHAI SOMAIYA, CHAIRMAN
SHRI NAVINCHANDRA CHUNILAL SAYTA
SHRI BANARSILAL NARULA
SHRI NATWARLAL NANUBHAI DESAI
DR. USHABEN H. MEHTA
SHRI SURESH R. KHATOD
SMT. MAYADEVI S. SOMAIYA,
MANAGING DIRECTOR

BANKERS :

UNION BANK OF INDIA

SOLICITORS :

MULLA & MULLA AND CRAIGIE BLUNT AND CAROE

AUDITORS :

NANUBHAI & Co.

REGISTERED OFFICE :

FAZALBHOY BUILDING,
MAHATMA GANDHI ROAD,
FORT, BOMBAY 400 001.

SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of Somaiya Organo-Chemicals Limited will be held on 28th February, 1975 at 4-30 p.m. (S.T.) at the Registered Office of the Company, Fazalbhoy Building, Mahatma Gandhi Road, Bombay-400 001 to transact the following business:

1. To adopt the Directors' Report and audited statement of accounts for the year ended 31st May, 1974.
2. To elect a Director in place of Smt. Mayadevi S. Somaiya who retires by rotation but, being eligible, offers herself for re-election.
3. To elect a Director in place of Shri N. C. Sayta who retires by rotation but, being eligible, offers himself for re-election.
4. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION NO. 1:

"Resolved that pursuant to the relevant provisions of the Companies Act, 1956 including Sections 257 and 258, Dr. Ushaben H. Mehta be and is hereby elected and appointed a Director of the Company."

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

ORDINARY RESOLUTION NO. 2:

"Resolved that pursuant to the relevant provisions of the Companies Act, 1956 including Sections 257 and 258, Shri Suresh R. Khatod be and is hereby elected and appointed a Director of the Company."

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

SPECIAL RESOLUTION:

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

"Articles 121 and 129 (a) be and they are hereby deleted".

7. To declare dividend on preference shares.

8. To appoint Auditors for the current year in place of the present Auditors who have indicated their unwillingness to continue as Auditors in view of the amendments to the Companies Act, 1956, and to fix their remuneration. The company has received special notice of Shareholder's intention to move the following resolution in this behalf:-

"Resolved that M/s Ambalal Thakkar & Co be and they are appointed Auditors of the Company in place of and stead of M/s Nanubhai & Co who have indicated their unwillingness to continue as Auditors, from the date of this Annual General Meeting upto the conclusion of next Annual General Meeting on such remuneration as may be fixed by the Board of Directors not exceeding Rs. 4,000/- (exclusive of all out of Pocket expenses and fees for other work done)".

The transfer books of the Company will be closed from 25th February, 1975 to 28th February, 1975 (both days inclusive).

Yours faithfully,

By Order of the Board of Directors,

M. S. SOMAIYA

Managing Director

BOMBAY: Dated 25th February, 1975.

- Notes:**
1. The dividend when declared will be payable at the Registered Office of the Company on and after 15th March, 1975. The dividend warrants will be posted to those shareholders whose names stand on the Company's Register on 25th February, 1975.
 2. A member entitled to attend and vote is also entitled to appoint a proxy and the proxy need not be a member.

SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

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.

Items No. 4 and 5:

Dr. Ushaben H. Mehta and Shri Suresh R. Khatod were appointed Additional Directors of the Company by the Board of Directors on 30th September, 1974 under the provisions of Section 260 of the Companies Act, 1956 and of Clause 120 of the Articles of Association of the Company. They would hold office upto the date of the next Annual General Meeting to be held on 28th February, 1975. The Board considers it desirable that the Company should avail itself of their services. Your Directors accordingly recommend the Ordinary Resolutions for your approval.

Item No. 6:

The Companies Act, 1956 does not prescribe any qualification shares to be held by the Directors of a Company. It has been observed that the recent trend of newly registered Companies is to prescribe no qualification shares for Directors. The Directors therefore have commended for your approval the deletion of Articles No. 121 and 129 (a) of the Articles of Association of the Company.

Item No. 8:

In view of the amendments to the provisions of the Companies Act, 1956, the Company's Auditors Messrs. Nanubhai & Co have indicated their unwillingness to be re-appointed as Auditors. The Company has received a Special Notice from the Shareholder proposing to move a Resolution as set out in the Notice of the Meeting.

By Order of the Board of Directors

M. S. SOMAIYA

Managing Director

BOMBAY: Dated 25th February, 1975.

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, 1974.

FINANCIAL RESULTS:

The Gross Profit for the year before providing for depreciation, development rebate reserve and taxation amounted to Rs. 21,12,817

Deducting therefrom:

Depreciation	Rs. 5,35,091	
Development rebate reserve	Rs. 12,150	
Provision for taxation	Rs. 12,70,000	Rs. 18,17,241
		<hr/>
		Rs. 2,95,576

The above profit together with last year's carried forward profit of Rs. 10,015/- and after making adjustment for Refund of Income-tax of Rs. 2,572/- and deducting therefrom short provision for taxation amounting to Rs. 94,780/-, the total profit comes to Rs. 2,13,383/-.

Your Directors recommend the following appropriations:

1. Transfer to General Reserve	Rs. 2,10,000
2. Balance carried to Balance Sheet	Rs. 3,383
	<hr/>
	Rs. 2,13,383

The Directors recommend payment of arrears of Preference Dividend of Rs. 91,000/- for the Accounting Year ending 31st May, 1971 out of General Reserve.

During the year under report, the plant worked satisfactorily, inspite of the difficulties regarding molasses. The Distillery reached a high production level. Similarly, the Acetic Acid Plant also gave satisfactory output.

The markets remained steady during the year. During the latter half of the period under report, there were various difficulties such as coal shortage, power cut etc. As a result there were some temporary difficulties in meeting buyers' requirements in full. However, these were satisfactorily resolved by mutual co-operation.

Particulars of employees as required by the Companies (Particulars of Employees) Rules, 1975 are furnished in Note No. 8 to the Balance Sheet.

Two of your Directors, Shri N. C. Sayta and Smt. M. S. Somaiya, retire by rotation, but being eligible offer themselves for re-election.

In view of the changes in Companies Act, 1956, and on the present Auditors indicating their unwillingness to be reappointed, it will be necessary to appoint new Auditors. Company has received notice of Resolution for the appointment of M/s Ambalal Thakkar & Co as Auditors of the Company for the current year at a remuneration not exceeding Rs. 4,000/- (exclusive of payment in other capacity and out of pocket expenses) as may be fixed by the Board of Directors.

Yours faithfully,
For and on behalf of the Board of Directors,

M. S. SOMAIYA

Managing Director

BOMBAY: Dated 25th February, 1975.

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, 1974 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 subject however to Notes No. 1 regarding Managing Director's Remuneration, No. 6 regarding Proposed Dividend, No. 9 regarding Unsecured Debentures and No. 10 regarding loans to firms & parties and 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, 1974 and
 - (b) in the case of the Profit and Loss Account for the 'Profit' for the year ended on that date.

For NANUBHAI & CO.,
CHARTERED ACCOUNTANTS
D. H. PARMAR

Partner

BOMBAY: Dated 25th February, 1975.

BALANCE SHEET

AND

PROFIT & LOSS

ACCOUNT

1973-74

SOMAIYA ORGANO-

BALANCE SHEET

As at 31st May, 1973	LIABILITIES			
Rupees		Rupees	Rupees	Rupees
	I. SHARE CAPITAL:			
	AUTHORISED CAPITAL:			
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				
	ISSUED AND SUBSCRIBED CAPITAL:			
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				
	II. RESERVES AND SURPLUS:			
	(a) General Reserve:			
26,90,827	As per Last Balance Sheet	30,60,738		
60,661	Add: Transferred from Development Rebate Reserve	54,462		
250	Transferred from Dividend Reserve	—		
4,00,000	Set aside from the Profit of the year	2,10,000		
31,51,738		33,25,200		
91,000	Less: Dividend on Preference Shares paid for 1969-70	91,000		
30,60,738			32,34,200	
	(b) Development Rebate Reserve:			
7,34,259	As per Last Balance Sheet	6,73,598		
60,661	Less: Transferred to General Reserve	54,462		
6,73,598		6,19,136		
—	Add: Set aside from the Profit	12,150		
6,73,598			6,31,286	
37,34,336				
15,00,000	Carried Over		38,65,486	15,00,000

CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1974

As at 31st May, 1973	ASSETS				
Rupees			Rupees	Rupees	Rupees
	I. FIXED ASSETS (At Cost):				
98,86,671	Gross Block			95,29,502	
66,02,896	Less: Depreciation written off upto 31-5-1974			67,67,854	
32,83,775	Net Depreciated Block as per Schedule 'A' ,			27,61,648	
—	Capital Work-in-Progress			3,74,200	31,35,848
32,83,775					
	II. INVESTMENTS (At Cost):				
	OTHER INVESTMENTS:				
1,50,000	(1) 1,500 Equity Shares of Rs. 100/- each of Oriental Power Cables Ltd., fully paid up			1,50,000	
43,541	(2) 24,500 Equity Shares of Rs. 10/- each of Kutch Salt & Allied Industries Ltd., fully paid up			43,541	
45,000	(3) 450 Equity Shares of Rs. 100/- each of Somaiya Organics (India) Ltd., fully paid up			45,000	
995	(4) 4% 1967 Maharashtra State Loan (Face Value Rs. 1,000/-) Deposited with Excise Department			995	
21,000	(5) Investment in Shares of The Book Centre Pvt. Ltd.:				
6,000	210 Equity Shares of Rs. 100/- each fully paid up	21,000			
27,000	60 7½% Preference Shares of Rs. 100/- each fully paid up	6,000		27,000	
—	(6) 3 8% Debentures of United News of India of Rs. 1000/- each .. (Purchased during the year)			3,000	
		Cost	Market Value		
	Aggregate quoted Investments	2,38,541	1,67,250		
	Aggregate unquoted Investments	30,995	—		
2,66,536		2,69,536	1,67,250	2,69,536	
2,66,536					
32,83,775	Carried Over		2,69,536		31,35,848

SOMAIYA ORGANO-

BALANCE SHEET

As at 31st May, 1973	LIABILITIES—(Contd.)				
Rupees		Rupees	Rupees	Rupees	
15,00,000	Brought Forward ..		38,65,486		15,00,000
37,34,336					
250	(c) Dividend Reserve: ..				
250	As per Last Balance Sheet	—			
	Less: Transferred to General Reserve	—			
—					
—	(d) Storage Fund for Molasses & Alcohol Account:				
	As per Last Balance sheet	43,633			
43,633	Add: Adjusted from Sales of Rectified & Denatured Spirit during the year	21,498			
43,633			65,131		
10,015	(e) Profit and Loss Account:				
	Balance as per Profit & Loss Account		3,383		39,34,000
37,87,984					
	III. SECURED LOANS:				
—	From Union Bank of India against Equitable Mortgage of Fixed Assets including Machineries etc. and guaranteed by two Directors of the Company		24,00,000		
10,15,123	Cash Credit Account with Bank against Hypothecation of finished goods and raw materials and stores		13,17,854		37,17,854
10,15,123					
	IV. UNSECURED LOANS:				
15,00,000	(i) 150 6% Unsecured Debentures of Rs. 10,000/- each fully paid-up redeemable at the option of the Company at any time or times on giving 3 (Three) Calendar Months' Previous Notice		15,00,000		
8,12,228	(ii) From Selling Agents		11,51,219		
9,622	(iii) Loan from Others		10,073		
1,46,543	(iv) Interest accrued on above		1,72,187		28,33,479
24,68,393					
	V. CURRENT LIABILITIES AND PROVISIONS:				
	(A) CURRENT LIABILITIES:				
11,08,169	1. Sundry Creditors (includes Rs. 13,963/- due to Director & Rs. 10,694/- due to Managing Director)		14,51,301		
2,74,879	2. Deposits and Advances from Customers (including Rs. 25,000/- from Selling Agents)		2,70,069		
—	3. Liability for Income Tax		94,780		
3,82,023	4. Due to Selling Agents		5,33,382		
10,694	5. Due for Managing Directors' Commission		15,876		
1,78,152	6. Provision for Accrued Gratuity		2,73,326		
7,405	7. Interest Accrued but not due		68,108		
19,61,322			27,06,842		
87,71,500	Carried Over				1,19,85,333

CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1974

As at 31st May, 1973	ASSETS—(Contd.)				
Rupees			Rupees	Rupees	Rupees
32,83,775		Brought Forward ..		2,69,536	31,35,848
2,66,536					
	Immovable Property (including value of Land Rs. 1,65,000/-)				
2,50,000	Balance as per Last Balance Sheet	2,60,063			
12,500	Addition during the year	—			
2,62,500		2,60,063			
2,125	Less: Depreciation written off upto 31st May, 1972 ..	—			
2,125	Add: Depreciation of previous year written back ..	—			
—					
2,437	Depreciation written off up to 31st May, 1974	2,377		2,57,686	
2,60,063					5,27,222
5,26,599					
	III. CURRENT ASSETS, LOANS AND ADVANCES:				
	(A) CURRENT ASSETS:				
—	(i) Interest Accrued on Investments			22	
	(ii) Stores, Chemicals and Spares at Cost (as per inventory valued and certified by Managing Director)				
13,80,388	(a) On Hand	15,73,281			
94,155	(b) In Transit	42,163		16,15,444	
14,74,543					
15,191	(iii) Loose Tools & Implements (as per inventory certified by Managing Director)			13,600	
	(iv) Stock-in-trade (as valued and certified by Managing Director)				
1,34,384	(a) Acetic Acid at Market Rate	10,741			
2,04,182	(b) Rectified Spirit at Market Rate	2,38,702			
2,24,412	(c) Raw Materials (Molasses) at cost	83,811			
2,723	(d) Denatured Spirit at Market Rate	8,031		3,41,285	
5,65,701					
	(v) Sundry Debtors (Unsecured and considered good except otherwise stated)				
3,24,183	(a) Debts outstanding for more than 6 months (including doubtful debts of Rs. 84,282/- not provided for) ..	3,83,128			
10,95,342	(b) Other Debts	9,39,912		13,23,040	
14,19,525					
34,74,960					
38,10,374	Carried Over			32,93,391	36,63,070

SOMAIYA ORGANO-

BALANCE SHEET

As at 31st May, 1973	LIABILITIES—(Contd.)				
Rupees			Rupees	Rupees	Rupees
87,71,500	Brought Forward	..		27,06,842	1,19,85,333
19,61,322					
14,55,000	(B) PROVISIONS:				
8,77,693	Provision for Taxation	27,25,000		
5,77,307	Less: Advance tax paid	17,07,473		
3,15,000			10,17,527		
8,92,307	Provision for Bonus	4,65,000	14,82,527	41,89,369
28,53,629					
	CONTINGENT LIABILITIES (Not provided for):				
3,64,000	(1) Arrears of Dividend on 7% (Free of Income-tax) redeemable Cumulative Preference Shares for the period of 1970-1971 to 1973-1974		3,64,000	
57,000	(2) In respect of Counter Guarantee given to a Bank		75,000	
—	(3) In respect of Bills discounted with a Bank		11,52,005	
1,16,25,129	Total Rupees			1,61,74,702

CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1974

As at 31st May, 1973	ASSETS—(Contd.)			
Rupees		Rupees	Rupees	Rupees
38,10,374	Brought Forward ..		32,93,391	36,63,070
34,74,960	(vi) Cash and Bank Balances:			
9,194	Cash on hand	25,556		
64,627	In Current Account with Scheduled Banks	1,21,314	1,46,870	
73,821				
39,375	(vii) Stamps on Hand		39,375	
	(B) LOANS & ADVANCES: (Unsecured and considered good except otherwise stated):			
6,944	(1) To M/s. The Godavari Sugar Mills Ltd., a Company under the same management (Maximum debit Balance during the year Rs. 2,11,042/-, Previous year Rs. 1,25,915/-)	88,189		
38,27,840	(2) Loan to Others	73,89,107	74,77,296	
38,34,784	Advances recoverable in cash or kind or for value to be received (includes doubtful advances of Rs. 46,767/- not provided for, and Rs. 5,598/- due from a Private Limited Company in which one or more Directors are interested as Director. Maximum debit balance during the year Rs. 8,000/- (Previous year Rs. 55,000/-)		15,00,606	
3,58,300	Deposit (includes Rs. 6,000/- in Post Office A/c. Pass book whereof lodged with car dealer)		54,094	
33,515				1,25,11,632
78,14,755				
1,16,25,129	Total Rupees			1,61,74,702

SOMAIYA ORGANO- BALANCE SHEET

Notes:

1. "Central Government's approval for appointment of Managing Director does not provide for minimum remuneration in the event of absence of inadequacy of Profits in any year. As a result, the payment of remuneration and perquisites made to the Managing Director during 1970-1971 and 1971-1972 have exceeded the permissible remuneration of 5% by Rs. 15,068/- and Rs. 23,796/- respectively. Till the approval of the Central Government for which an application is made, Managing Director is holding this payment in trust."

	Number	Salary and Bonus	Contribution to Provident Fund
2. (a) Employees who were employed throughout the year at remuneration which in the aggregate was not less than Rs. 36,000/- (Other than Managing Director)	2	72,127	4,917
(b) There was no Employee of the Company who is in receipt of or entitled to receive emoluments amounting to Rs. 3,000/- per mensem for part of the year	—	—	—

3. Quantitative Information in respect of Goods Manufactured:

Classes of Goods	Licenced Capacity	Installed Capacity (as certified by Works Manager)	Actual Production (Quantity)	Opening Stock		Closing Stock		Sales	
				Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Rectified Spirit	68,200 H.L.	1,00,000 H.L.	93,743.27 H.L.	8424.36 H.L.	2,04,182	9848.68 H.L.	2,38,703	5,173 H.L.	2,94,073
Acetic Acid	1,906 M.T.	2,400 M.T.	2386.400 M.T.	103.372 M.T.	1,34,384	4.590 M.T.	10,741	2135.080 M.T.	57,20,296
Dilute Acetic Acid			410.181 M.T.	—	—	—	—	410.181 M.T.	5,18,105
Denatured Spirit			30,834.44 H.L.	90.78 H.L.	2,723	267.717 H.L.	8,031	30657.50 H.L.	15,62,131
Acetal Dehyde			786.726 M.T.	—	—	—	—	786.726 M.T.	17,25,936
Acetic Anhydride			1,60.223 M.T.	—	—	—	—	160.223 M.T.	7,77,918
Others			37.033 M.T.	—	—	—	—	37.033 M.T.	90,678

4. Consumption of Important Raw Materials:

Indigenous:

	Quantity	Amount
Molasses	46174.447 M.T.	12,97,400.
Rectified Spirit (Own Manufactured)	89149.05 H.L.	—
Acetic Acid (Own Manufactured)	350.102 M.T.	—

5. (a) C.I.F. Value of Imports:

	Amount
(i) Raw Materials	Nil
(ii) Stores and Spares	8,737
(iii) Capital Goods	Nil

Indigenous

(b) Consumption of:

	%	Rupees	%	Rupees
(i) Raw Materials	100%	12,97,400	Nil	Nil
(ii) Stores and Spares	86.06%	6,97,582	13.94%	1,12,951

6. The Directors have recommended payment of arrears of Preference Dividend of Rs. 91,000/- for the accounting year 1970-1971 which dividend if approved by the Shareholders at the Annual General Meeting to be held on 28th February, 1975 will be paid out of General Reserve. No separate provision has been made therefore.

Referred to in our Report of even date.

For **NANUBHAI & CO.,**
CHARTERED ACCOUNTANTS

D. H. PARMAR

Partner

BOMBAY: Dated 25th February, 1975.

CHEMICALS LIMITED, BOMBAY

AS AT 31ST MAY, 1974

7. According to usual practice unusable and obsolete stocks are not valued and value whereof is not ascertainable.
8. As required by the Companies (Particulars of Employees) Rules 1975, the necessary Particulars are given below:

Name of the Employee	Qualification	Date of commencement of Employment	Designation	Remuneration	Duties	Other terms and conditions
Smt. M. S. Somaiya	B.A.	1-11-70	Managing Director	67,025	To manage the Company under Superintendence, direction and control of the Board of Directors.	As approved by the Ministry of Law, Justice and Company affairs vide letter No. 1 (150) CL. VIII/71, dated 6th September, 1971.
Commodore S. Rajendra	B.Sc.	1- 2-72	Executive	40,314	Administrative.	As applicable to other senior officers of the Company.
Shri P. K. R. Nair	Int. Science two years technical training in General Engineering and Aircraft Instrumentation.	25-5-61	Works Manager	36,730	To attend technical and Administrative matters at Sakarwadi Factory.	As applicable to other senior officers of the Company.

9. Company has issued unsecured debentures of Rs. 15 lacs which exceeds limit laid down under the Non-Banking Non-Financial Companies (Reserve Bank) Directives 1966 by Rs. 1.92 lacs. Return to be submitted to Reserve Bank of India pertaining to Deposits from Public has not been filed in time prescribed. Same has been filed recently.
10. Loans given to Firms and Other Parties of the aggregate amount of Rs. 65.93 lacs have been considered by the Directors as good. In absence of any material to verify the same by the auditors, they are unable to ascertain whether they are recoverable or not.
11. The figures of the previous year have been recasted wherever necessary so as to make them comparable with the Current Year's figures.

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 the amount reasonably necessary.

K. R. THANAWALA
Secretary

K. J. SOMAIYA
NAVINCHANDRA C. SAYTA
N. N. DESAI
U. H. MEHTA
S. R. KHATOD
M. S. SOMAIYA

Directors

Managing Director

BOMBAY: Dated 25th February, 1975.

SOMAIYA ORGANO-

PROFIT AND LOSS ACCOUNT FOR

As at 31st May, 1973			Rupees	Rupees
Rupees		To Opening Stock on 1st June, 1973		
23,008		Acetic Acid	1,34,384	
1,01,276		Rectified Spirit	2,04,182	
1,530		Denatured Spirit	2,723	3,41,289
1,25,814				12,97,400
9,54,883		„ Molasses Consumed (Purchase Rs. 11,56,800/-)		8,10,539
6,22,573		„ Stores and Chemicals Consumed		18,61,429
12,57,437		„ Power and Fuel	13,18,974	
11,10,322		„ Salaries and Wages	78,821	
1,66,475		„ Bonus (Rs. 78,821/- pertaining to previous year)	203	
298		„ Workmen's Compensation	1,50,000	
1,00,000		„ Provision for Bonus	6,769	
3,771		„ Workmen and Staff Welfare Expenses	1,03,743	
82,083		„ Gratuity		
24,775		„ Company's Contribution (to the G.S.M. Ltd., Employees Provident Fund Scheme) towards Provident Fund and Employees Family Pension Fund Scheme	33,751	
40,179		„ Company's Contribution to Government Provident Fund and Administrative Charges and Family Pension Scheme	46,400	17,38,661
15,27,903				
70,675		„ Repairs:	2,34,037	
3,151		Plant and Machinery	9,978	
41,836		Building	53,403	2,97,418
		Other Repairs		
1,15,662				73,836
73,836		„ Rent (Net)		48,099
47,660		„ Excise Establishment Charges		45,095
—		„ Excise Duty		47,155
20,599		„ Insurance Premium		—
76		„ Emergency Risk Insurance Premium		1,575
900		„ Directors' Fees		40
—		„ Personal Injuries Insurance		77,019
71,218		„ Legal Expenses		5,00,000
1,12,500		„ Contribution to Scientific Research Institution		10,652
4,834		„ Directors' Travelling Expenses		2,72,849
2,54,669		„ Acetic Anhydride Manufacturing and Transport Charges		
3,349		„ Interest:	3,61,407	
68,063		Bank on Fixed Loan	1,16,221	
90,000		Cash Credit Account	90,000	
—		On Debentures	91,737	
1,29,577		On Discounting (Bills)	1,38,991	7,98,356
		Others		
2,90,989				
54,81,553				
		Carried Over		82,21,412

THE YEAR ENDED 31ST MAY, 1974

19

PROFIT AND LOSS ACCOUNT FOR

20

CHEMICALS LIMITED, BOMBAY

THE YEAR ENDED 31ST MAY, 1974

As at 31st May, 1973	
<i>Rupees</i> 84,53,946	<div> <div>Brought Forward</div> <div>Rupees</div> <div>Rupees</div> <div>1,18,47,450</div> </div>
84,53,946	<div> <div>TOTAL RUPEES</div> <div>1,18,47,450</div> </div>
3,35,804 553 80 1,829 71,749	<div> <div>By Balance Brought Down</div> <div>Balance of Profit & Loss Account of Last Year</div> <div>Excess Provision of Taxation written back</div> <div>Unclaimed Salaries & Wages written back</div> <div>Refund of Income Tax</div> <div>2,95,576</div> <div>10,015</div> <div>—</div> <div>—</div> <div>2,572</div> </div>
4,10,015	<div> <div>Carried Over</div> <div>3,08,163</div> </div>

**SOMAIYA ORGANO-
PROFIT AND LOSS ACCOUNT FOR**

As at 31st May, 1973			
Rupees		Rupees	Rupees
4,10,015	Brought Forward ..		3,08,163
12,16,570	Net Profit for Calculating Managing Director's Commission	15,87,654	
12,166	Commission payable at 1%	15,876	
<i>Total Managerial Remuneration:</i>			
36,000	(a) Remuneration	36,000	
10,694	(b) Commission on Profit	15,876	
3,000	(c) Company's contribution to provident fund	3,000	
9,334	(d) Perquisites in respect of Rent-Free Furnished Quarters	7,500	
1,800	(e) Perquisites for use of Company's Car	2,400	
—	(f) Perquisites in respect of Leave Travel	2,249	
60,828	Total	67,025	
4,10,015	Total Rupees		3,08,163

Referred to in our Report of even date
For **NANUBHAI & CO.,**
CHARTERED ACCOUNTANTS

D. H. PARMAR

Partner

BOMBAY: Dated 25th February, 1975.

CHEMICALS LIMITED, BOMBAY

THE YEAR ENDED 31ST MAY, 1974

<i>As at</i> 31st May, 1973						Rupees	Rupees
<i>Rupees</i> 4,10,015	Brought Forward						3,08,163
4,10,015	Total Rupees						3,08,163

BOMBAY : Dated 25 February, 1975

K. R. THANAWALA
Secretary

K. J. SOMAIYA
NAVINCHANDRA C. SAYTA
N. N. DESAI
U. H. MEHTA
S. R. KHATOD
M. S. SOMAIYA

} *Directors*
Managing Director

SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

Schedule attached to and forming part of Balance Sheet as at 31st May, 1974

Schedule "A"

Particulars (1)	Gross Block at cost except otherwise stated as at 1st June, 1973 (2)	Additions during the year (3)	Sub-Total (4)	Deduction of Sale made during the year (5)	Gross Block as at 31st May, 1974 (6)	Depreciation written off upto 31st May, 1973 (7)	Depreciation written off this year (8)	Deduction for depreciation on sale of Assets (9)	Total Depreciation upto 31st May, 1974 (10)	Net Depreciated Block as at 31st May, 1974 (11)	Net Depreciated Block as at 31st May, 1973 (12)
Land	37,180	—	37,180	—	37,180	—	—	—	—	37,180	✓ 37,180
Distillery Building ..	8,11,705	—	8,11,705	—	8,11,705	3,00,292	✓ 25,571	—	3,25,863	4,85,842	✓ 5,11,413
Distillery Machinery (Book Value) ..	42,11,983	✓ 18,700	42,30,683	5,53,454	36,77,229	24,00,406	✓ 3,38,360	3,67,756	23,71,010	13,06,219	✓ 18,11,577
Acetic Acid Building..	2,61,550	—	2,61,550	—	2,61,550	1,05,111	✓ 7,822	—	1,12,933	1,48,617	✓ 1,56,439
Electric Machinery ..	3,08,115	—	3,08,115	—	3,08,115	2,34,516	✓ 14,720	—	2,49,236	58,879	✓ 73,599
Acetic Acid Plant ..	33,34,770	✓ 62,301	33,97,071	—	33,97,071	30,95,304	✓ 60,418	—	31,55,722	2,41,349	✓ 2,39,466
Laboratory	4,756	—	4,756	—	4,756	3,284	✓ 147	—	3,431	1,325	✓ 1,472
Furniture & Office Equipment.. ..	52,768	✓ 8,221	60,989	—	60,989	28,324	✓ 4,209	—	32,533	28,456	✓ 24,444
Motor Cars, Lorries and Tankers ..	1,36,312	✓ 1,07,063	2,43,375	—	2,43,375	83,013	✓ 40,846	—	1,23,859	1,19,516	✓ 53,299
Scale & Weigh Bridge	2,420	—	2,420	—	2,420	1,771	✓ 65	—	1,836	584	✓ 649
Storage Vats & Tanks	6,45,938	—	6,45,938	—	6,45,938	3,16,993	✓ 36,027	—	3,53,020	2,92,918	✓ 3,28,945
Electric Installation ..	79,174	—	79,174	—	79,174	33,882	✓ 4,529	—	38,411	40,763	✓ 45,292
Total Rupees ..	98,86,671	1,96,285	1,00,82,956	5,53,454	95,29,502	66,02,896	5,32,714	3,67,756	67,67,854	27,61,648	32,83,775

Referred to in our Report of even date

For **NANUBHAI & CO.,**
CHARTERED ACCOUNTANTS
D. H. PARMAR
Partner

K. R. THANAWALA
Secretary

K. J. SOMAIYA
NAVINCHANDRA C. SAYTA
N. N. DESAI
U. H. MEHTA
S. R. KHATOD
M. S. SOMAIYA

Directors

Managing Director

BOMBAY : Dated 25th February, 1975.

BOMBAY : Dated 25th February, 1975.