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**SOMAIYA  
ORGANO-  
CHEMICALS  
LIMITED**

**ANNUAL REPORT & ACCOUNTS  
1981 - 82**

**1982**

**SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY**

(Incorporated under Indian Companies Act, 1956)

*BOARD OF DIRECTORS:*

SHRI KARAMSHI JETHABHAI SOMAIYA

SHRI BANARSILAL NARULA

DR. (MISS) USHABEN H. MEHTA

SHRI SURESH R. KHATOD

SHRI NIRMAL CHANDRA VARMA

SMT. MAYADEVI S. SOMAIYA

*BANKERS:*

BANK OF BARODA

*SOLICITORS:*

MULLA & MULLA AND CRAIGIE BLUNT AND CAROE

*AUDITORS:*

AMBALAL THAKKAR & CO.

*REGISTERED OFFICE:*

FAZALBHOY BUILDING,  
MAHATMA GANDHI ROAD,  
FORT, BOMBAY-400 023.



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

## NOTICE

Notice is hereby given that the Twenty-second Annual General Meeting of SOMAIYA ORGANO-CHEMICALS LIMITED will be held on Saturday the 23rd April, 1983 at 4 p.m. at the Registered Office of the Company at Fazalbhoj Building, 45/47, Mahatma Gandhi Road, Fort, Bombay-400 023 to transact the following business :

1. To adopt the Director's Report and Audited statement of Accounts for the year ended 31st October, 1982.
2. To elect a Director in place of Shri S. R. Khatod who retires by rotation but, being eligible, offers himself for re-election.
3. To elect a Director in place of Shri N. C. Varma who retires by rotation but, being eligible, offers himself for re-election.
4. To declare dividend on Equity and Preference Shares for the year ended 31st October, 1982.
5. To appoint Auditors for the current year and to fix their remuneration.

The Register of Members will remain closed from 9th April, 1983 to 23rd April, 1983 (both days inclusive).

BY ORDER OF THE BOARD OF DIRECTORS,

**K. J. SOMAIYA**  
*CHAIRMAN*

**BOMBAY:** Dated 31st March, 1983.

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) The dividend when declared will be payable at the Registered Office of the Company on and after 31st May 1983. The dividend warrants will be posted to the shareholders whose names stand on the Company's Register of Members on 9th April, 1983.

# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

## DIRECTORS' REPORT

To:

The Shareholders,

Your Directors are pleased to report on the Audited Accounts of the Company for the year ended 31st October, 1982.

### FINANCIAL RESULTS :

The Gross Profit for the year ended 31st October, 1982 before providing depreciation, investment allowance reserve and taxation amounted to ..... Rs. 57,85,068

Deducting therefrom:

Depreciation .....	Rs.	26,16,228	
Investment Allowance Reserve .....	Rs.	1,68,998	
Provision for Taxation .....	Rs.	6,75,000	
			Rs. 34,60,226
			Rs. 23,24,842

Adding to the above profit, last year's carried forward profit of Rs. 713/-, Income-tax refund Rs. 1,819/- and excess Provision for taxation written back Rs. 1,17,748/- the balance comes to Rs. 24,45,122/-.

Your Directors recommend the following appropriations :

1. Transfer to General Reserve .....	Rs.	21,54,000
2. Proposed Dividend on 10,000 Preference Shares for the year 1981-82 at 9.1% (subject to deduction of tax) .....	Rs.	91,000
3. Proposed Dividend on 10,000 Equity Shares at Rs. 20/- per share	Rs.	2,00,000
4. Balance carried forward to the next year .....	Rs.	122
	Rs.	24,45,122

### OPERATIONS :

The working of the Distillery as well as the Chemical Plant were satisfactory. The production in both the sections was maintained at an optimum level. Due to record sugar production in the country, there was glut of molasses. Thus, the availability of molasses for the needs of the Company's plant was adequate, although we had to draw molasses from a number of sugar factories, some at long distance.



## GOVERNMENT LEVIES :

As indicated in the last year's report, the specific excise duty of Rs. 30/- per metric tonne of molasses imposed by the Government of India continued to remain in force. This indeed has increased the input cost for alcohol. Various representations have been made by the trade as well as the Associations to the authorities at the Centre to review this matter and to withdraw this heavy Excise Duty on Molasses.

The Transport fee on Industrial Alcohol, it would be recalled, which was jacked up to Rs. 1.25 per litre with effect from 4th November, 1981 was revised by the authorities and was brought down to 40 paise per litre from 22nd May, 1982. Even this transport fee was quite heavy and representations were made to the Government to restore the transport fee back to the pre-5th November, 1981 level i.e., 17 paise per litre, if not reduced further. Ultimately, the authorities have finally revised the transport fee to 25 paise per litre with effect from 12th November, 1982.

## MARKET :

In the later part of the year under report, there was a tremendous pressure on the products manufactured by your Company and as a result, prices of Acetaldehyde as well as Acetic Acid declined. Two or three new Plants manufacturing these products have come up in the Country and some plants have increased their capacity. On the other hand there has been an increase in the costs of inputs, particularly in regard to coal and electricity and stores.

## PROJECT AT SAMEERWADI :

The Company is holding a Licence to put up a Distillery at Sameerwadi (Taluka: Mudhol, District Bijapur, Karnataka State). Effective steps are being taken to implement the licence and put up a Distillery near the Sugar Factory of the Godavari Sugar Mills Ltd. at Sameerwadi. The Company has been assured that the molasses of Sameerwadi Sugar Factory of the Godavari Sugar Mills Limited will be made available for the use of this Distillery.

## OTHER MATTERS :

The relations with labour remained cordial throughout the year under report.

The Statement concerning employees, as required by sub-section (2A) of Section 217 of the Companies Act, 1956 is attached as per Schedule "C".

Two of your Directors viz., Shri S. R. Khatod and Shri N. C. Varma, retire by rotation but, being eligible, offer themselves for re-election.

M/s. Ambalal Thakkar & Co., Auditors of the Company, retire but offer themselves for re-appointment.

By Order of the Board of Directors

**K. J. SOMAIYA**

*Chairman*

BOMBAY: Dated 31st March, 1983.



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

## AUDITORS' REPORT TO THE SHAREHOLDERS ON THE ACCOUNTS FOR THE YEAR ENDED 31ST OCTOBER, 1982

We have examined the attached Balance Sheet and the Profit and Loss Account annexed thereto which are in agreement with the Company's Books of Accounts.

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1975 dated 7th November, 1975 issued by the Central Government and on the basis of such checks as we consider appropriate, we report as under :

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets. Physical verification of all the assets has been conducted by the Management at the close of the year and no serious discrepancies were notified.
2. No fixed assets of the Company has been revalued during the year.
3. The Stock of Finished goods, Raw Materials, Stores and Spares etc. were physically verified by the Management during the year. In our opinion the frequency of verification is reasonable. The discrepancies noticed on verification between physical stock, and the Stock as shown in the Books have been properly dealt with in the Books of Accounts. In our opinion, valuation of the above-mentioned stocks is fair and proper in accordance with the normally accepted principles and is on the same basis as in the earlier years.
4. The Company has not taken any loans from companies, firms or other Parties listed in the register maintained under Section 301 and 370 (I-C) of the Companies Act, 1956.
5. In respect of loans and advances in nature of loans given by the Company, parties have been repaying the principal amounts and have also been regular in the payment of interest wherever it has become due as stipulated. Loans and advances in the nature of loans given to employees are recovered regularly as stipulated.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, for the purchases of raw materials, stores, plant and machineries, equipment and other Assets.
7. The Company has purchased stores and raw materials exceeding Rs. 10,000/- from a Company in which Directors are interested and the prices paid are reasonable as compared to the prices of similar items supplied by other parties.
8. As informed to us and as per usual practice unsaleable and obsolete stock of Stores is shown at NIL value and no provision for the loss has been made in the accounts.
9. In respect of deposits accepted from public and loans from other parties, the Company has complied with provisions of Section 58-A and Acceptance of Deposit Rules framed thereunder.



10. Company has maintained reasonable records for the sale and disposal of by-products.
11. The paid-up Capital of the Company is less than Rs. 25 lakhs and hence requirements regarding internal Audit does not apply.
12. According to the records produced and information given to us, we are of the opinion that Cost Records and Accounts as prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 have been maintained by the Company but no detailed examination of such Records and Accounts have been carried out by us.
13. The Company is regular in depositing Provident Fund dues with the appropriate authorities.

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.

In our opinion, proper Books of Accounts as required by the Companies Act, 1956 have been kept by the Company so far as appears from our examination of those Books.

In our opinion, and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account subject to note No. 1 regarding non provision of gratuity in Schedule 'B' and read with other notes thereon gives the information required by the Act, in the manner so required and present a true and fair view of the State of the Company's affairs as at the close of above financial year and of the PROFIT for the year ended on that date.

For **AMBALAL THAKKAR & COMPANY**  
**CHARTERED ACCOUNTANTS**

**G. P. BHATT**

*Partner.*

Bombay: Dated 31st March, 1983

# SOMAIYA ORGANO- BALANCE SHEET

As at 31st Oct. 1981		LIABILITIES			
Rupees			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>				
10,00,000	10,000 Equity Shares of Rs. 100/- each fully paid up : of the above shares 5,000 shares of Rs. 100/- each are allotted as Bonus Shares by Capitalising General Reserve .. .. .		10,00,000		
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		
20,00,000					20,00,000
	<b>II. RESERVES AND SURPLUS :</b>				
40,88,379	(a) <i>General Reserve:</i>				
45,760	As per last Balance Sheet .. .. .	41,94,139			
41,34,139	Add: Transferred from Development Rebate Reserve ..	—			
60,000		41,94,139			
41,94,139	Add: Set aside during the year .. .. .	21,54,000			
57,910			63,48,139		
45,760	(b) <i>Development Rebate Reserve:</i>				
12,150	As per last Balance Sheet .. .. .	12,150			
2,01,814	Less: Transferred to General Reserve .. .. .	—			
21,81,528			12,150		
23,83,342	(c) <i>Investment Allowance Reserve:</i>				
	As per last Balance Sheet .. .. .	23,83,342			
	Add: Set aside during the year .. .. .	1,68,998			
			25,52,340		
	(Utilised for Purchase of New Plant & Machinery Rs. 8,77,807/- Previous year Rs. 2,01,814/-)				
2,39,763	(d) <i>Storage Fund for Molasses and Alcohol Account:</i>				
33,819	As per last Balance Sheet .. .. .	2,73,582			
2,73,582	Add: Adjusted from Sale of Rectified and Denatured Spirit during the year .. .. .	39,075			
42,742			3,12,657		
—	(e) <i>Effluent Fund Account :</i>				
42,742	As per last Balance Sheet .. .. .	42,742			
	Add: Adjusted from Sale of Rectified and Denatured Spirit during the year .. .. .	41,680			
			84,422		
69,05,955					
20,00,000	Carried Over .. .. .		93,09,708		20,00,000



# CHEMICALS LIMITED, BOMBAY

AS AT 31ST OCTOBER, 1982

As at 31st Oct. 1981	ASSETS			
Rupees		Rupees	Rupees	Rupees
	<b>I. FIXED ASSETS (At Cost):</b>			
2,08,37,311	Gross Block .. .. .	2,17,47,025		
1,15,19,577	Less: Depreciation Written off Upto 31-10-1982 .. ..	1,41,33,885		
93,17,734	Net Depreciated Block as per Schedule "A" .. .. .	76,13,140		
38,667	Capital Work-in-Progress (Sakarwadi) .. .. .	—		
—	Capital Work-in-Progress for Distillery Project at Sameerwadi ..	12,84,469		
93,56,401				88,97,609
	<b>II. INVESTMENTS (At Cost):</b>			
	<b>OTHER INVESTMENTS:</b>			
1,50,000	(1) 1,500 Equity Shares of Rs. 100/- each of Oriental Power Cables Ltd., fully paid up .. .. .	1,50,000		
821	(2) 500 Equity Shares of Rs. 10/- each of Kutch Salt & Allied Industries Ltd., fully paid up .. .. .	821		
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 Limited 210 Equity Shares of Rs. 100/- each fully paid up .. ..	21,000		
6,000	60 7½% Preference shares of Rs. 100/- each fully paid up .. ..	6,000		
27,000			27,000	
500	(6) 5 Shares of Rs. 100/- each Basant Co-Operative Housing Society Ltd., .. .. .	500		
2,000	(7) Raghuvanshi Co-Operative Bank Ltd. .. .. .	2,000		
		<u>Cost</u>	<u>Market Value</u>	
	Aggregate quoted Investments .. .. .	1,95,821	1,89,450	
	Aggregate unquoted Investments .. .. .	30,495	—	
2,26,316		<u>2,26,316</u>	<u>1,89,450</u>	2,26,316
	Immovable Property (including value of Land Rs. 1,65,000/-)			
2,43,794	Balance as per Last Balance Sheet .. .. .	2,41,824		
1,970	Less: Depreciation written off during the year .. .. .	1,920		
2,41,824			2,39,904	
7,04,500	Due from Partnership firm of M/s. Vashi Automobiles from which Company retired as partner from 30-9-1981 ..		7,05,884	
11,72,640				11,72,104
1,05,29,041	Carried Over .. .. .			1,00,69,713



# SOMAIYA ORGANO- BALANCE SHEET

As at 31st Oct.1981	LIABILITIES (Contd.)				
Rupees			Rupees	Rupees	Rupees
20,00,000	Brought Forward .. .. .		93,09,708		20,00,000
69,05,955					
713	(e) Profit and Loss Account:				
69,06,668	Balance as per Profit and Loss Account .. .. .		122		
					93,09,830
	<b>III. SECURED LOANS:</b>				
9,50,483	(a) Cash Credit Account with Bank against Hypothecation of Finished Goods and Raw Materials and Stores .. .. .		14,86,374		
	(b) Debentures:				
	(Secured by negative lien on Fixed Assets of the Company's Sakarwadi Factory as per Agreements) .. .. .				
15,00,000	(i) 150 6% Debentures of Rs. 10,000/- each fully Paid up redeemable at Company's option at any time after expiry of 20 years from the date of issue .. .. .	15,00,000			
5,00,000	(ii) 50 8½% Debentures of Rs. 10,000/- each fully paid up redeemable after twenty years and before twenty five years from the date of issue .. .. .	5,00,000			
20,00,000				20,00,000	
1,21,462	(iii) Interest accrued on above .. .. .		1,21,462		
	(c) Due for Purchase of Machineries on deferred payments for which Usance Bills are guaranteed by Bank of Boroda which guarantee is Secured against equitable Mortgage by way of Deposits of title deeds of the Company's Fixed Assets at Sakarwadi and Hypothecation of all tangible, movable Machinery and Plant, both present and future (including Machinery Purchased under this facility) and fully guaranteed by two Directors .. .. .		58,43,257		
69,01,167					94,51,093
99,73,112					
	<b>IV. UNSECURED LOANS:</b>				
10,76,600	(1) Public Fixed Deposits .. .. .	18,76,700			
42,000	(2) Public Loans (Guaranteed by a Director) .. .. .	8,34,000			
42,32,402	(3) From Ex-Selling Agents .. .. .	44,48,567			
—	(4) From Others .. .. .	5,00,000			
8,50,000	(5) From Madhavpura Mercantile Co-op. Bank Limited .. .. .	—			
6,62,002	(6) Interest Accrued on above .. .. .	4,88,227			
68,63,004					81,47,494
2,57,42,784	Carried Over .. .. .				2,89,08,417



# CHEMICALS LIMITED, BOMBAY

AS AT 31ST OCTOBER, 1982

As at 31st Oct. 1981	ASSETS (Contd.)			
Rupees		Rupees	Rupees	Rupees
1,05,29,041	Brought Forward .. ..			1,00,69,713
	<b>III. CURRENT ASSETS LOANS AND ADVANCES:</b>			
	(A) CURRENT ASSETS:			
180	(i) Interest accrued on Investments .. ..		225	
	(ii) Stores, Chemicals & Spares at Cost (as per inventory valued & Certified by a Director)			
20,09,390	(a) On Hand .. ..	15,43,019		
2,00,325	(b) In Transit .. ..	77,657		
22,09,715			16,20,676	
6,233	(iii) Loose Tools and Implements (as per inventory certified by a Director) .. ..		5,610	
	(iv) Stock-in-trade (as Valued and Certified by a Director)			
1,07,206	(a) Acetic Acid at Market Rate .. ..	30,50,790		
5,48,013	(b) Rectified Spirit at Market Rate .. ..	12,80,643		
9,98,247	(c) Raw Materials (Molasses) at Cost .. ..	14,92,772		
1,400	(d) Denatured Spirit at Market Rate .. ..	23,359		
4,66,936	(e) Acetal Dehyde at Market Rate .. ..	44,498		
86,765	(f) Timber at Cost .. ..	86,756		
22,08,558			59,78,818	
	(v) Sundry Debtors (Unsecured and considered good except otherwise stated)			
1,26,301	(a) Debts Outstanding for more than six months (including doubtful debts of Rs. 84,282/- Previous year Rs. 84,282/- not provided for) .. ..	1,87,353		
31,17,385	(b) Other Debts .. ..	56,80,037		
32,43,686			58,67,390	
76,68,372				
1 05,29,041	Carried Over .. ..		1,34,72,719	1,00,69,713



# SOMAIYA ORGANO- BALANCE SHEET

As at 31st Oct. 1981	LIABILITIES (Contd.)			
Rupees		Rupees	Rupees	Rupees
2,57,42,784	Brought Forward .. ..			2,89,08,417
	<b>V. CURRENT LIABILITIES AND PROVISIONS:</b>			
	(A) CURRENT LIABILITIES:			
56,21,326	(1) Sundry Creditors .. ..		74,90,041	
5,07,678	(2) Deposits and Advances from Customers .. ..		4,38,424	
1,64,100	(3) Liability for Income Tax .. ..		19,283	
3,87,831	(4) Provision for Accrued Gratuity .. ..		—	
4,031	(5) Interest Accrued on Deposits .. ..		4,171	
73,887	(6) Interest Accrued but not due .. ..		61,075	
			<u>80,12,994</u>	
67,58,853				
	(B) PROVISIONS:			
38,50,000	(i) Provision for Taxation .. ..	45,25,000		
40,43,816	Less: Advance Tax Paid .. ..	48,29,818		
51,323	Add: Income-Tax deducted at source .. ..	26,626		
		<u>48,56,444</u>		
40,95,139			3,31,444	
2,45,139	Less: As per Contra .. ..	3,31,444		
2,45,139			<u>—</u>	
6,00,000	(ii) Provision for Bonus .. ..	10,00,000		
2,91,000	(iii) Proposed Dividend .. ..	2,91,000		
8,91,000			<u>12,91,000</u>	
76,49,853				93,03,994
	<b>CONTINGENT LIABILITIES (Not provided for):</b>			
	(i) In respect of counter guarantee given in favour of Bank in lieu of guarantee given by Bank in favour of Central Railway .. ..	1,00,000		
1,00,000				
11,90,580	(ii) In respect of bills discounted with a Bank .. ..	10,03,373		
<u>3,33,92,637</u>	<b>TOTAL RUPEES .. ..</b>			<u>3,82,12,411</u>

Accompanying our Report of even date.  
For **AMBALAL THAKKAR & COMPANY,**  
**CHARTERED ACCOUNTANTS**  
**G. P. BHATT**  
Partner

Bombay : Dated 31st March, 1983

# CHEMICALS LIMITED, BOMBAY

AS AT 31ST OCTOBER, 1982

As at 31st Oct. 1981	ASSETS (Contd.)			
Rupees		Rupees	Rupees	Rupees
76,88,372	Brought Forward .. ..		1,34,72,719	1,00,69,713
1,05,29,041	(vi) Cash and Bank Balances:			
2,11,605	Cash on hand (including Stamps on hand Rs. 39,375/-)	1,72,131		
1,50,000	Remittance in Transit .. ..	—		
6,44,752	In Current Account with Scheduled Banks .. ..	95,589		
1,000	In Current Account with Madhavpura Mercantile Co- op. Bank Limited .. ..	1,000		
50,000	In Fixed Deposit with a Scheduled Banks as lien for guarantees .. ..	1,20,000		
10,57,357			3,88,720	
	(B) LOANS AND ADVANCES:			
	(Unsecured and considered good except otherwise stated)			
78,34,261	Loans to Others .. ..	78,34,261		
38,67,978	Interest accrued on above .. ..	38,67,978		
1,17,02,239			1,17,02,239	
19,85,731	Advances recoverable in Cash or in Kind for value to be received (including doubtful advance of Rs. 45,530/- Previ- ous year Rs. 45,530/- not provided for and due from Officers of the Company Rs.24,800/- previous year Rs. 23,300/- ..)		20,96,349	
2,45,139	As per Contra .. ..		3,31,444	
2,04,758	Deposits .. ..		1,51,227	
2,28,63,596				2,81,42,698
3,33,92,637	TOTAL RUPEES: .. ..			3,82,12,411

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 provisions for all known liabilities and depreciation is adequate and not in excess of the amount reasonably necessary.

K. J. SOMAIYA  
MAYA S. SOMAIYA  
U. H. MEHTA  
S. R. KHATOD  
BANARSILAL NARULA

Directors

BOMBAY : Dated 31st March, 1983



# SOMAIYA ORGANO- PROFIT AND LOSS ACCOUNT FOR

For the year ending 31st Oct. 1981											
Rupees										Rupees	Rupees
	To Opening Stock as on 1-11-1981										
40,253	..	Acetic Acid	..	..	..	..	..	..	..	1,07,206	
5,24,428	..	Rectified Spirit	..	..	..	..	..	..	..	5,48,013	
15,542	..	Ordinary Denatured Spirit	..	..	..	..	..	..	..	1,400	
1,20,442	..	Acetal Dehyde	..	..	..	..	..	..	..	4,66,936	
86,756	..	Timber	..	..	..	..	..	..	..	86,756	
7,84,421											12,10,311
72,72,742	..	Molasses Consumed (Purchased Rs. 1,01,14,383/-)	..	..	..	..	..	..	..		96,19,858
20,63,422	..	Stores & Chemicals Consumed	..	..	..	..	..	..	..		24,36,146
55,30,044	..	Power and Fuel	..	..	..	..	..	..	..		84,74,743
33,52,288	..	Salaries and Wages	..	..	..	..	..	..	..	39,86,481	
4,66,316	..	Bonus of Previous Years	..	..	..	..	..	..	..	12,496	
210	..	Workmen's Compensation	..	..	..	..	..	..	..	—	
3,00,000	..	Provision for Bonus	..	..	..	..	..	..	..	4,00,000	
74,956	..	Workmen and Staff Welfare Expenses	..	..	..	..	..	..	..	1,10,177	
63,641	..	Gratuity	..	..	..	..	..	..	..	28,907	
87,181	..	Company's Contribution to The Godavari Sugar Mills Limited Employees Provident Fund & Employees Family Pension Fund Scheme	..	..	..	..	..	..	..	92,201	
1,36,656	..	Company's Contribution to Government Provident Fund and Administrative Charges & Family Pension Scheme	..	..	..	..	..	..	..	1,67,346	
14,793	..	Company's Contribution to Link Insurance Deposit Scheme and Administrative Charges	..	..	..	..	..	..	..	17,161	
44,96,041											48,14,769
	..	Repairs									
3,38,923	..	Plant and Machinery	..	..	..	..	..	..	..	3,41,736	
8,479	..	Buildings	..	..	..	..	..	..	..	13,413	
1,14,195	..	Other Repairs	..	..	..	..	..	..	..	1,49,556	
4,61,597											5,04,705
1,93,329	..	Rent (Net)	..	..	..	..	..	..	..	1,84,923	
1,07,969	..	Excise Establishment Charges	..	..	..	..	..	..	..	1,40,538	
8,79,098	..	Excise Duty	..	..	..	..	..	..	..	71,61,704	
1,46,219	..	Insurance Premium	..	..	..	..	..	..	..	2,07,492	
1,650	..	Director's Fees	..	..	..	..	..	..	..	975	
1,38,267	..	Legal Expenses	..	..	..	..	..	..	..	1,46,540	
2,20,74,799		Carried Over	..	..	..	..	..	..	..		3,49,02,704

# CHEMICALS LIMITED, BOMBAY

THE YEAR ENDED, 31ST OCTOBER, 1982

For the year ending 31st Oct. 1981			
Rupees		Rupees	Rupees
3,09,90,985	By Sales .. .. .	4,18,57,460	
33,819	Less: Transferred to Storage fund for Molasses and Alcohol ..	39,075	
42,742	.. Transferred to Effluent Fund .. .. .	41,680	
76,561		80,755	
3,09,14,424			4,17,76,705
2,68,462	.. Miscellaneous Receipts .. .. .		3,00,915
15,120	.. Dividend (Gross) .. .. .		15,240
	.. Interest:		
45	On Government Loan (Net) .. .. .	45	
1,224	On Other Loans .. .. .	3,599	
2,385	On Deposits .. .. .	21,953	
3,654			25,597
—	.. Provision for accrued Gratuity Written back .. .. .		3,87,831
21,922	.. Refund of Sales Tax .. .. .		17,012
551	.. Claims and Refund .. .. .		20,166
27,512	.. Rent .. .. .		28,282
3,00,000	.. Provision for Bonus for earlier years written back .. .. .		—
14,880	.. Profit on Sales on Shares .. .. .		—
6,59,908	.. Profit on Sales of National Defence Gold Bonds 1980 .. .. .		—
	.. Closing Stock in Trade (As valued and Certified by a Director) .. .. .		
1,07,206	.. Acetic Acid at Market Rate .. .. .	30,50,790	
5,48,013	.. Rectified Spirit at Market Rate .. .. .	12,80,643	
1,400	.. Ordinary Denatured Spirit at Market Rate .. .. .	23,359	
4,66,936	.. Acetal Dehyde at Market Rate .. .. .	44,498	
86,756	.. Timber at Cost .. .. .	86,756	
12,10,311			44,86,046
3,34,36,744	Carried Over .. .. .		4,70,57,794



# SOMAIYA ORGANO- PROFIT AND LOSS ACCOUNT FOR

For the year ending 31st Oct. 1981			
Rupees			Rupees
2,20,74,799	Brought Forward		Rupees
6,00,000	To Contribution to Scientific Research Institution		3,49,02,704
50,000	" Expenditure by way of Contribution to an Institution for Programme of Rural Development		6,50,000
1,50,000	" Contribution to Company's Employees Welfare Trust		3,40,001
23,261	" Directors' Travelling Expenses		—
31,800	" Acetic Acid Conversion Charges		6,853
	" Interest:		—
4,30,701	" Bank		
1,32,500	" Debentures	3,20,143	
—	" Public Deposits	1,32,500	
21,41,167	" Deferred Payments	2,25,199	
7,08,261	" Others	—	
34,12,629		5,09,136	
50,621	" Acetal Dehyde Transport & Handling Charges		11,86,978
17,35,162	" Miscellaneous Expenses including Printing and Stationery, Postage and Telegrams Travelling, Subscription, Motor Car Maintenance etc.		53,285
17,331	" Rates and Taxes		21,33,286
	" Remuneration to Auditors:		22,294
7,500	Audit Fees		
514	For Others	7,500	
8,014		1,069	
5,352	" Charity and Donation		8,569
693	" Loose Tools Written off		27,500
	" Depreciation:		623
18,45,439	On Fixed Assets		
1,970	On Investments	26,14,308	
18,47,409		1,920	
—	" Water Transport Charges		26,16,228
2,275	" Research & Development Expenditure		8,45,684
7,76,162	" Brokerage & Commission (Including Guarantee Commission to Bank Rs. NIL Previous year Rs. 1,74,966/-)		15,916
71,475	" Additional Tax on Sales Tax		9,74,078
21,81,528	" Investment Allowance Reserve		1,04,955
7,446	" Share of Loss in Partnership firm M/s. Vashi Automobiles		1,68,998
—	" Provision for Taxation		—
3,90,787	" Balance being Profit for the year		6,75,000
3,34,36,744	TOTAL RUPEES		23,24,842
			4,70,57,794

**THE YEAR ENDED, 31ST OCTOBER, 1982**

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### SOMAIYA ORGANO- PROFIT AND LOSS ACCOUNT FOR

<i>For the year ending 31st Oct. 1981</i>									
<i>Rupees</i>								<i>Rupees</i>	<i>Rupees</i>
39,669	To Short Provision for Taxation .. .. .								—
60,000	" Transfer to General Reserve .. .. .								21,54,000
	" Proposed Dividend:								
91,000	On Preference Shares .. .. .							91,000	
2,00,000	On Equity Shares @ Rs. 20/- per share .. .. .							2,00,000	
2,91,000									2,91,000
713	" Balance Carried to Balance Sheet .. .. .								122
3,91,382								TOTAL RUPEES .. .. .	24,45,122

Accompanying our Report of even date.  
For **AMBALAL THAKKAR & COMPANY,**  
*CHARTERED ACCOUNTANTS*

**G. P. BHATT**  
*Partner*

Bombay : Dated 31st March, 1983

THE YEAR ENDED, 31ST OCTOBER, 1982

K. J. SOMAIYA  
MAYA S. SOMAIYA  
U. H. MEHTA  
S. R. KHATOD  
BANARSILAL NARULA

} *Directors*

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# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

SCHEDULE ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST OCTOBER, 1982

## SCHEDULE "A"

Particulars (1)	Gross Block at Cost except otherwise stated as at 1-1-1981 (2)	Additions During the Year (3)	Gross Block as at 31-10-1982 (4)	Deprecia- tion Written off Upto 31-10-1981 (5)	Deprecia- tion Written off this Year (6)	Total Depreciation Upto 31-10-1982 (7)	Net Deprecia- ted Block as at 31-10-1982 (8)	Net Deprecia- ted Block as at 31-10-1981 (9)
1. Land .. ..	37,180	—	37,180	—	—	—	37,180	37,180
2. Distillery Building ..	8,11,705	—	8,11,705	4,79,491	16,611	4,96,102	3,15,603	3,32,214
3. Distillery Machinery (Book Value) ..	36,86,755	11,144	36,97,899	34,37,649	51,978	34,89,627	2,08,272	2,49,106
4. Acetic Acid Building ..	2,61,550	—	2,61,550	1,59,928	5,081	1,65,009	96,541	1,01,622
5. Electric Machinery ..	5,14,115	—	5,14,115	3,71,184	28,712	3,99,896	1,14,219	1,42,931
6. Acetic Acid Plant ..	1,32,06,869	54,776	1,32,61,645	57,64,346	22,15,986	79,80,332	52,81,313	74,42,523
7. General Machinery ..	9,97,000	—	9,97,000	3,58,920	1,27,616	4,86,536	5,10,464	6,38,080
8. Laboratory Apparatus ..	4,756	18,678	23,434	4,149	1,929	6,078	17,356	607
9. Furniture and Office Equipments ..	1,38,565	16,389	1,54,954	74,379	10,451	84,830	70,124	64,186
10. Motor Cars, Lorries and Tankers ..	3,20,750	2,17,332	5,38,082	2,31,086	70,432	3,01,518	2,36,564	89,664
11. Scales and Weigh Bridges ..	7,557	3,23,188	3,30,745	4,674	32,607	37,281	2,93,464	2,883
12. Storage Vats and Tanks ..	7,71,335	2,68,207	10,39,542	5,73,281	51,037	6,24,318	4,15,224	1,98,054
13. Electric Installation ..	79,174	—	79,174	60,490	1,868	62,358	16,816	18,684
Total Rupees .. ..	2,08,37,311	9,09,714	2,17,47,025	1,15,19,577	26,14,308	1,41,33,885	76,13,140	93,17,734

Accompanying our Report of even date.  
For **AMBALAL THAKKAR & COMPANY,**  
CHARTERED ACCOUNTANTS

**G. P. BHATT**  
Partner

**K. J. SOMAIYA**  
**MAYA S. SOMAIYA**  
**U. H. MEHTA**  
**S. R. KHATOD**  
**BANARSILAL NARULA**

Directors

Bombay : Dated 31st March, 1983

BOMBAY : Dated 31st March, 1983



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

## SCHEDULE "B" FOR NOTES FORMING PART OF BALANCE SHEET AS AT 31ST OCTOBER, 1982

1. Total liability for accrued gratuity to employees under Payment of Gratuity Act, 1972 up to 31st October, 1982 as per actuary's certificate is Rs. 8,27,336/- against which no provision for Accrued gratuity has been made.

2. Expenditure on employees in receipt of Remuneration of not less than Rs. 36,000/- per year or Rs. 3000/- per month if employed for a part of the year.

	Current Year			Previous Year	
	Employed for full year Rs.	Employed for part of the year Rs.	Employed for part of the year Rs.	Employed for full year Rs.	Employed for part of the year Rs.
(i) Salaries, Allowances and Perquisites	3,97,356	5,367		4,25,506	NIL
(ii) Contribution to Provident Fund	32,697	—		30,977	NIL
(iii) Number of Employees Covered	10	1		10	NIL

### 3. (a) Quantitative information in respect of Goods Manufactured :

Class of Goods Manufactured	Unit	Licenced Capacity (Annual)	Installed Capacity (as certified by works Manager) (Annual)	Actual Production (Excluding Normal Loss)	Opening Stock		Closing Stock		Sales	
					Quantity	Value Rs.	Quantity	Value Rs.	Quantity	Value Rs.
Rectified Spirit	H.L.	1,20,000	1,20,000	1,60,084.86	5,074.19	5,48,013	11,857.81	12,80,643	10,170.00	16,86,050
	H.L.	(1,20,000)	(1,20,000)	(1,24,471.75)	(5,826.98)	(5,24,428)	(5,074.19)	(5,48,013)	(6,705.00)	(10,58,625)
Acetaldehyde/Acetic Acid	M.T.	5,000/5,000	5,000/3,600	5,648.930/4,570.900	91.556/19.492	4,66,936/1,07,206	9,368/744.095	44,498/30,50,790	1,401.712/3,652.315	78,02,028/2,11,26,228
	M.T.	(5,000/5,000)	(5,000/3,600)	(4,367.507/2,120.500)	(28,507/8.215)	(1,20,442/40,253)	(91,556/19,492)	(4,66,936/1,07,206)	(1,995.927/1,978.423)	(1,01,79,111/1,04,06,955)
Denatured Spirit	H.L.	—	—	55,113.94	10.150	1,400	169.27	23,359	54,954.82	1,00,57,043
	H.L.	(—)	(—)	(49,534.79)	(134.86)	(12,542)	(10.150)	(1,400)	(49,659.50)	(79,14,288)
Dilute Acetic Acid	M.T.	—	—	365.265	—	—	—	—	365.265	8,40,101
	M.T.	(—)	(—)	(470.620)	(—)	(—)	(—)	(—)	(470.620)	(9,67,333)
Ethyl Acetate	M.T.	3,000 NEW PLANT UNDER IMPLEMENTATION	—	—	—	—	—	—	—	—
	M.T.	(3,000)	—	—	—	—	—	—	—	—
Other	M.T.	1,800	—	R & D WORK IN HAND	—	—	—	—	—	—
Acetates	M.T.	(1,800)	—	—	—	—	—	—	—	—
Others	M.T.	—	—	69.241	—	—	—	—	69.241	3,45,410
	M.T.	(—)	(—)	(130.062)	(—)	(—)	(—)	(—)	(130.062)	(4,64,673)

Notes: 1. Acetal Dehyde is intermediary product for the manufacture of Acetic Acid.

2. Figures shown in the brackets are of previous year.



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

## SCHEDULE "B" FOR NOTES FORMING PART OF BALANCE SHEET AS AT 31ST OCTOBER, 1982

### (b) Consumption of Raw Materials :

	Unit	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
Molasses .....	M.T.	69,887.953	96,19,858	54,660.485	72,72,742
Rectified Spirit (Own Manufactured) for manufacturing Acetic Acid and Denatured Spirit .....	H.L.	1,43,131.24	—	1,18,519.54	—
Acetic Acid (Own Manufactured) .....	M.T.	193.982	—	130.800	—
Acetal Dehyde (Own Manufactured) .....	M.T.	4,329.406	—	2,287.331	—
(c) C.I.F. Value of Imports :			NIL		NIL
(d) Value of Raw Materials Consumed :		Amount	%	Amount	%
(i) Indigenous .....		96,19,858	100	72,72,742	100
(ii) Imported .....		NIL	NIL	NIL	NIL
(e) Value of Stores and Spare Parts Consumed :					
(i) Indigenous .....		23,68,994	97.24	20,39,129	98.82
(ii) Imported .....		67,152	2.76	24,293	1.18

Accompanying our Report of even date.

For **AMBALAL THAKKAR & COMPANY,**  
CHARTERED ACCOUNTANTS

**G. P. BHATT**  
Partner

Bombay : Dated 31st March, 1983

**K. J. SOMAIYA**  
**MAYA S. SOMAIYA**  
**U. H. MEHTA**  
**S. R. KHATOD**  
**BANARSILAL NARULA**

Directors

BOMBAY : Dated 31st March, 1983



# SOMAIYA ORGANO-CHEMICALS LIMITED, BOMBAY

ATTACHMENT TO THE DIRECTORS' REPORT FOR THE YEAR ENDING  
31ST OCTOBER, 1982

## SCHEDULE "C"

Statement under Section 217(2A) (b) (ii) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 in regard to :

- (a) Employees of the Company who were employed throughout the Year under review and were in receipt of remuneration for that Year in aggregate of not less than Rs. 36,000/-.
- (b) Employees of the Company who were employed for part of the Year under review and were in receipt of remuneration at a rate which in the aggregate was not less than Rs. 3,000/- per month.

### (a) EMPLOYED THROUGHOUT THE YEAR UNDER REVIEW

Sr. No.	Name of Employee	Designation	Remuneration Rs.	Nature of Employment (Whether Contractual or Otherwise)	Other Terms and Conditions	Qualifications and Experience (Years)	Date of Commencement of Employment	Age of Employee	Last Employment held
1.	Shri M. N. Joshi	General Manager	41,600/-	Permanent, subject to termination by three month's notice on either side.	As per Company's Rules	Matric 41 years	15th May, 1979	71	Controller, Indore University Press.
2.	Shri S. S. Sathe	Dy General Manager	41,136/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	S.S.C. 28 years	1st March, 1978	48	Technical Sales Executive, Kores India Ltd.
3.	Shri P. K. R. Nair	Works Manager	67,362/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	Inter Science 2 years technical training in General Engineering & Air Craft Instrumentation 22 years.	25th May, 1961	49	Erection Engineer in Air conditioning Corporation.
4.	Shri B. T. Lavingia	Sales Executive	41,600/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	B.Com. LL.B. 18 years	1st February, 1966	56	Manager, Indian Sugar Mills Association.
5.	Shri V. Bodaji	Officer on Special Duty	48,750/-	Permanent, subject to termination by three month's notice on either side.	As per Company's Rules	B.Com. F.C.A. 29 years	2nd October, 1979	54	Financial Controller, Parle (Export) Pvt. Ltd.



# SCHEDULE "C" (Contd.)

Sr. No.	Name of Employee	Designation	Remu- neration	Nature of Employment (Whether Contractual or Otherwise)	Other Terms and Conditions	Qualifications and Experience (Years)	Date of Commence- ment of Employment	Age of Employee	Last Employment held
6.	Shri C. G. Matrawadia	Executive	42,250/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	B.E. (Civil) M.I.E. 15 years	1st April, 1978	47	Sr. Supdtg. Engineer, Stone & Wibster (I) Ltd. (NOCIL).
7.	Shri V. M. Shah	Chief Accountant	37,700/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	B.Com. A.C.A. 13 years	10th January, 1973	40	Accountant, B. M. Mehta & Co.
8.	Shri D. D. Mehta	Senior Accountant	41,600/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	I.C.W.A. 24 years	1st April, 1978	53	Accountant, Godavari Sugar Mills Ltd.
9.	Shri OM. N. Nijhavan	Project Manager	36,465/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	B.Sc. M.I.E. 24 years	27th June, 1981	50	Production Supdt., Hyderabad Construction Co.
10.	Shri W. H. Patwardhan	Officer on Special Duty	31,590/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	M.Sc. 14 years	2nd June, 1980	56	Chief Editor, Allied Publishers Pvt. Ltd.
(b) EMPLOYED FOR PART OF THE YEAR UNDER REVIEW									
1.	Dr. N. K. Venkat Subramanian	R & D Manager	5,367/-	Permanent, subject to termination by one month's notice on either side.	As per Company's Rules	M.Sc. Ph.D. 20 years	15th Sept., 1982	43	R & D Manager, S. D. Fine Chemicals Pvt. Ltd.

By Order of the Board of Directors  
**K. J. SOMAIYA**  
 Chairman.

BOMBAY: Dated 31st March, 1983