

33

**SOMAIYA
ORGANO-
CHEMICALS
LIMITED**

**ANNUAL REPORT & ACCOUNTS
1993-94**

SOMAIYA ORGANO-CHEMICALS LIMITED

(Incorporated under Companies Act, 1956)

BOARD OF DIRECTORS :

DR. S. K. SOMAIYA - *Chairman*

DR. T. P. S. RAJAN

SHRI B. N. NARULA

DR.(MISS) U. H. MEHTA

SHRI R. S. MHATRE

SHRI Y. S. MUZUMDAR

SHRI S. R. KHATOD

SHRI S. S. SOMAIYA

SHRI P. K. R. NAIR - *Director (Works)*

SHRI V. B. SAXENA

Secretary

BANKERS :

BANK OF BARODA

SOLICITORS :

MULLA & MULLA AND CRAIGIE BLUNT AND CAROE

AUDITORS :

AMBALAL THAKKAR & CO.

REGISTERED OFFICE :

FAZALBHOY BUILDING,
45/47, MAHATMA GANDHI ROAD,
FORT, BOMBAY-400 023.

SOMAIYA ORGANO-CHEMICALS LIMITED

NOTICE

Notice is hereby given that Thirty-third Annual General Meeting of Somaiya Organo-Chemicals Limited, will be held on Friday the 30th September, 1994 at 3.00 p.m. at the Registered Office of the Company at Fazalbhoj Building, 45-47, Mahatma Gandhi Road, Bombay-400 023 to transact the following business:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 1994 and the Profit and Loss Account for the year ended on that date, and the Directors' and Auditors' Report thereon.
2. To declare dividend on Equity and Preference Shares.
3. To appoint a Director in place of Shri. R. S. Mhatre who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. (Miss) U. H. Mehta who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint Auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT consent/approval be and is hereby accorded under Section 269 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 for the re-appointment of Shri P. K. R. Nair as Director (Works) of the Company for a period of 3 years from 1st October, 1994 on the terms and conditions including remuneration as are set out in the Agreement to be entered into between the Company and Shri P. K. R. Nair. (a copy whereof initialled by the Chairman for identification is placed before the meeting)."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, to give effect to this Resolution."

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

"RESOLVED THAT Dr. S. K. Somaiya be and he is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT Shri Samir S. Somaiya be and he is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT consent of the Company be and is hereby accorded under Section 314 and other applicable provisions, if any, of the Companies Act, 1956 to Shri Samir S. Somaiya, a relative of Dr. S. K. Somaiya holding and continuing to hold office or place of profit in the Company and receiving such sums of money, as may be decided by the Board of Directors within the limits prescribed under the Act."

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Govt. in the applicability of the provisions of Section 314 of the Companies Act, the Board of Directors be and is hereby authorised to vary or increase the amount payable to Shri Samir S. Somaiya within such revised limit or ceiling without any further reference to the Company in General Meeting."

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

"RESOLVED THAT in accordance with the provisions of Section 16, 94 and all other applicable provisions, if any of the Companies Act, 1956 the Authorised Equity Share Capital of the Company be and is hereby sub-divided from 9,75,000 equity shares of Rs. 100/- each to 97,50,000 equity shares of Rs. 10/-each and consequently the existing clause V of the Memorandum of Association of the Company relating to Share Capital, be and is hereby altered by deleting the same and substituting in its place the following as new Clause V :

V. The Share Capital of the Company is Rs. 10,00,00,000/- divided into 97,50,000 Equity Shares of Rs. 10/- (Rupees Ten) each and 25,000 7% Free of Income-tax Cumulative Preference Shares of Rs. 100/- (Rupees One Hundred) each with all privileges and conditions attached thereto as are provided by the Articles of Association of the Company and with power to increase or reduce and repay the Capital or any portion thereof at

any time and from time to time in accordance with the Regulations of the Company and the Legislative provisions for the time being in that behalf. The shares in the Capital of the Company for the time being whether original or increased may be divided, consolidated and sub-divided into several classes by any issue or any class of new issue of any value with such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

- 11 To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions if any, of the Companies Act, 1956 Article 7 of the Articles of Association of the Company be and are hereby altered by deleting the same and substituting in its place the following new Article.

- 7 The Capital of the Company shall be Rs. 10,00,00,000/- divided into 97,50,000 Equity Shares of Rs. 10/- each and 25,000 7% Free of Income-tax Cumulative Preference Shares of Rs. 100/- each capable of being increased, and with power to reduce and repay the capital for time being or any portion thereof, in accordance with the Company's Regulations and the Legislative provisions for the time being in force in that behalf.

By Order of the Board of Directors,

S. K. SOMAIYA
Chairman

BOMBAY : Dated 2nd September, 1994.

- NOTES : 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act 1956 is annexed hereto.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NOS :

6. Shri P. K. R. Nair was re-appointed as Director (Works) of the Company for a period of 3 years from 1st October, 1991 to 30th September, 1994.

The Board of Directors in their Meeting held on 2nd September, 1994 have re-appointed him as Director (Works) for a further period of 3 years from 1st October, 1994 to 30th September, 1997 on the remuneration and perquisites stated below :

1. Salary : Rs. 15,000 - 750 - 16,500 p.m.
2. Commission : 1% of Net Profits subject to a limit of Rs. 40,000/-.
3. Housing : Furnished Quarters at factory.
4. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962, subject to a ceiling of 10% of the salary.
5. Medical : As per Company's Rules.
Reimbursement.
6. Leave Travel : For self and family once in a year incurred in accordance with the rules specified by the Company.
Reimbursement.
7. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
8. Gratuity payable : as per Company's rules.
9. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
10. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Shri P. K. R. Nair.

The Board recommends the re-appointment of Shri P. K. R. Nair as Director (Works) as during his present appointment, the company has progressed well. As his re-appointment falls well within the Provisions of Schedule XIII of the Companies Act, 1956 the approval of Central Government is not necessary. The Board commends the resolution for approval.

Shri P. K. R. Nair may be deemed to be interested in this resolution.

7, 8 & 9 Dr. Shantilal Karamshi Somaiya and Shri Samir Shantilal Somaiya were appointed by the Board of Directors of your Company as Additional Directors with effect from 2nd September, 1994. Pursuant to the provisions of Section 260 of the Companies Act, 1956 they will hold office of Directors upto the date of this Annual General Meeting. Dr. S. K. Somaiya was also designated as Chairman of the Company. Due Notices under Section 257 of the Companies Act have been received from members proposing the appointment of Dr. S. K. Somaiya and Shri Samir S. Somaiya as Directors of the Company.

Dr. S. K. Somaiya was a Director of the Company since its inception upto March 1974. Though he resigned as Director, he was closely associated with the developments and progress of the Company. In the changed scenario today due to decontrol of molasses and also in view of his long and close association with the Company and his intimate knowledge & practical experience the Board is of the opinion that Dr. S.K. Somaiya is a befitting choice to hold office as Chairman of the Company.

Shri Samir Somaiya is M.S. (Chem) M. B. A. (U. S. A.) from Cornell University, Ithaca, U. S. A. He is young &

dynamic & possesses requisite qualifications. The Board is of the opinion that it will be in the interest of the Company that Shri Samir Somaiya be appointed as Director of the Company.

It is further proposed that an amount not exceeding the limits as prescribed under Section 314 and other provisions of the Companies Act as amended from time to time be paid to Shri Samir Somaiya as technocrat and management consultant. Shri Samir Somaiya is the son of the Dr. S. K. Somaiya. Necessary consent is required to be taken pursuant to Section 314 of the Act for payment to Shri Samir S. Somaiya. The Board recommends the resolutions at Item Nos. 7, 8 & 9 for your approval. Dr. S. K. Somaiya and Shri Samir S. Somaiya are interested individually in the Resolutions so far as they relate to their respective appointments and also in each other's appointment as they are related.

10 & 11 It is proposed to sub-divide the Authorised Equity Share Capital of the Company from Rs. 100/- fully paid-up to Rs. 10/-fully paid-up. Resolution No. 10 authorises for sub-dividing the Equity Share Capital.

Alterations to Memorandum and Articles of Association are proposed to be made to reflect the sub-division of Authorised Equity Share Capital. Resolution No. 10 and 11 provide for these alterations.

By Order of the Board of Directors,

S. K. SOMAIYA
Chairman

Bombay : Dated 2nd September, 1994.

SOMAIYA ORGANO-CHEMICALS LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Thirty-third Annual Report and the Audited Accounts of the Company for the year ended 31st March, 1994.

(A) FINANCIAL RESULTS :

	(Rs.in lacs)	(Rs.in lacs)
Gross Operating Profit		438.20
Less: Interest	197.13	
Depreciation	117.73	
Provision for Taxation	—	
		<u>314.86</u>
Net Profit for the year		<u>123.34</u>
Add : Brought forward balance		0.86
Amount available for appropriation		<u>124.20</u>

APPROPRIATIONS :

Transfer to Debenture			
Redemption Reserve		30.00	
Transfer to General Reserve		40.00	
Proposed Dividend :			
On Preference Shares @ 9.1%	0.91		
On Equity Shares @ 15%	51.60	52.51	122.51
Balance carried to Balance Sheet.			1.69
			<u>124.20</u>

(B) OPERATIONS :

(i) CHEMICAL PLANT AT SAKARWADI :

The comparative figures of Production at Sakarwadi were as under :

	<u>1992-93</u>	<u>1993-94</u>
Rectified Spirit (H. L.)	148961	83142
Acetic Acid (M. T.)	11319	10764
Ethyl Acetate (M. T.)	1574	1893

The Distillery & Plant could not run to full capacity due to non availability of molasses/alcohol at reasonable prices.

(ii) SAMEERWADI DISTILLERY :

The Distillery continued to be leased out to M/s. Saphthagiri Enterprises.

(iii) FINE CHEMICAL DIVISION IN GUJARAT :

M/S. Alex & Rogers, Company's bulk drug unit did not fare well due to stiff competition.

(iv) EXPORTS :

During the year under report, the Company exported 250 Kgs. of Dicyclomine hydrochloride valuing Rs. 4.97 lacs from its Bulk Drug Division, Alex & Rogers.

(C) EFFLUENT TREATMENT PLANTS AT SAKARWADI AND SAMEERWADI DISTILLERIES :

Biogas-cum-Effluent Treatment Plants at both the distilleries were installed during the 2nd half of the year under report.

(D) CURRENT YEAR'S WORKING :

The Decontrol Policy of Govt. of India for Molasses and Alcohol announced in the Parliament on 29.4.1993 continued during the current year. U.P. Govt. however, relaxed decontrol in Dec' 1993, by ensuring Molasses at administered prices for industrial use in the State.

The Alcohol based Chemical Industry in Maharashtra continued to suffer, due to decontrol both as regards inadequate availability as well as high prices for these feed stocks.

(E) DIVIDEND :

The Directors recommend for consideration of shareholders at the Annual General Meeting, payment of Preference dividend @ 9.1% per share and Equity dividend @ 15% per share totalling to Rs. 52.51 Lacs for the year ended 31st March, 1994 subject to deduction of tax.

(F) FIXED DEPOSITS :

Deposits of Rs. 25,76,000 which became due for payment on or before 31st March, 1994 were not claimed by the depositors as on that date. Of these, deposits of Rs. 13,40,000 have since been repaid / renewed.

(G) SUB-DIVISION OF SHARES :

The Directors propose to sub-divide the face value of the Equity shares of your Company from Rs. 100/- to Rs. 10/- fully paid up. Necessary steps will be taken in this regard for issuing new share certificates in lieu of the old share certificates of the face value of Rs. 100/-.

(H) OTHER MATTERS :

(i) PARTICULARS OF EMPLOYEES :

Particulars required under Section 217(2A) of the Companies Act, 1956, as amended are given in the annexure forming part of this Report.

(ii) CONSERVATION OF ENERGY ETC. :

The particulars in respect of conservation of energy etc. pursuant to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are set out in the statement annexed hereto which is forming part of this Report.

(I) DIRECTORS :

Dr. S. K. Somaiya and Shri Samir S. Somaiya were appointed as Additional Directors of the Company on 2nd September,

1994. Dr.S. K. Somaiya was also designated as Chairman of the Company. They will hold office of Directors up to the date of this Annual General Meeting and are eligible for re-appointment. The Directors recommend their re-appointment. Two of your Directors viz. Shri R. S. Mhatre and Dr. (Miss) U. H. Mehta retire from the Board by rotation and being eligible offer themselves for re-appointment.

(J) AUDITORS :

The members are requested to appoint M/s. Ambalal Thakkar & Co., Chartered Accountants as Auditors, who retire but being eligible offer themselves for re-appointment for the period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

(K) GENERAL :

Relations between Management and Staff and workers continued to be satisfactory during the year under Report.

Your Directors place on record their sincere appreciation of the Co-operation and assistance extended by Company's Bankers - Bank of Baroda, Can Bank Mutual Fund, Unit Trust of India and IREDA, New Delhi for the financial support given to the Company.

By Order of the Board of Directors,

S. K. SOMAIYA
Chairman

BOMBAY : Dated 2nd September, 1994.

SOMAIYA ORGANO-CHEMICALS LIMITED

ANNEXURE TO DIRECTOR'S REPORT

Information in accordance with the Companies (Disclosure of Particulars, in the Report of the Board of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March, 1994.

CONSERVATION OF ENERGY / TECHNOLOGY / ABSORPTION / FOREIGN EXCHANGE EARNINGS AND OUT GO AT SAKARWADI.

A) CONSERVATION OF ENERGY :

a) Energy conservation measures taken :

Methane gas recovery plant from spent wash of Distillery, commissioned on 15th February 1994 and under trial till 31st March 1994.

b) Additional investment proposals, if any, being implemented for reduction in consumption of energy :

We propose to install - Economiser, Fluidised Bed System in B & W Boiler and Plate Heat Exchangers.

c) Impact of the measures at (a) and (b) above - improved generation of steam per tonne of coal, smoother operation of the Plant with reduced steam consumption, alternate fuel and captive power generation.

d) Total energy consumption and energy consumption per unit of production is as shown below.

FORM 'A'

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.

		<i>Current Year</i>	<i>Previous Year</i>
		1993-94	1992-93
A) POWER & FUEL CONSUMPTION			
1. a) ELECTRICITY :			
A) Purchased			
Unit	KWH	6475600	7076496
Total Amount	Rs.	15294259	14692303
Rate	Rs/KWH	2.36	2.08
B) OWN GENERATION			
i) Through Diesel Generator			
(Skoda & Kirloskar D. G. Set)			
Unit	KWH	336325	466983
Unit per ltr. of diesel oil	KWH	2.28	1.97
Cost per unit	Rs/KWH	3.11	2.32

		Current Year 1993-94	Previous Year 1992-93
--	--	-------------------------	--------------------------

ii) Through Steam Engine

(BM Engine and Turbine)

Unit

Unit per kg. }
Cost per unit

KWH

Rs./

KWH

1226980

925520

After generation of power, the steam is consumed fully in the process.

So, there is no appreciable cost for power generation. In practice, we get power as a by-product with nominal/low cost per unit.

2. COAL (B/C/D GRADE)

Quantity

Total Cost

Average rate

Total steam generation

Steam generation per MT of coal

MT

Rs.

Rs. / MT

MT

MT

20418

22941734

1124

80097

3.92

24448

29895407

1223

94487

3.86

3. FURNACE OIL

Furnace oil not used since Boilers are coal fired.

4. OTHER / INTERNAL GENERATIONS :

Fire-wood

Quantity

Total cost

Rate per MT

MT

Rs.

Rs./MT

NIL

—

—

NIL

—

—

B) CONSUMPTION PER UNIT OF PRODUCTION :

a) ALCOHOL

Production

Electricity

Rate

Coal

Rate }
Coal

Coal

Steam

KL

KWH

KWH/KL

MT

MT/KL

MT/KL

8314

869225

104.55

5897

0.71

2.99

14895

1270349

85.29

11815

0.79

3.05

		Current Year 1993-94	Previous Year 1992-93
b) ACETALDEHYDE :			
Production		9438	9966
Electricity		3197238	3175875
Rate		338.76	318.67
Coal		5853	5233
Rate	Coal	0.62	0.53
	Steam	2.31	2.05
c) ACETIC ACID			
Production		10764	11319
Electricity		3197238	3175875
Rate		297.03	280.58
Coal		6095	5545
Rate	Coal	0.57	0.49
	Steam	2.16	1.89
d) ETHYL ACETATE			
Production		1893	1574
Electricity		775204	846900
Rate		409.51	538.06
Coal		2573	1855
Rate	Coal	1.36	1.18
	Steam	5.33	4.55

C) TECHNOLOGY ABSORPTION :

FORM 'B'

(Disclosure of Particulars with respect to Technology Absorption)

Research & Development (R & D) - NIL

D) FOREIGN EXCHANGE EARNINGS AND OUT GO :

The total foreign exchange earned by the Company during the year under review amounted to Rs. 4,97,477/- and total foreign exchange outgoings amounted to Rs. 64,018/-.

By Order of the Board of Directors,

S. K. SOMAIYA

Chairman

BOMBAY : Dated 2nd September, 1994.

SOMAIYA ORGANO-CHEMICALS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1994

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, 1988 in our opinion, and on the basis of such checks of books and records as we considered appropriate, and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:-

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 material discrepancies were noticed.
2. The Fixed Assets of the Company have not been revalued during the year.
3. Physical verification has been conducted by the Management at reasonable intervals in respect of finished goods, stores, spare parts and raw materials and no material discrepancies have been noticed on such physical verification as compared to book records. The procedure followed by the Management for such physical verification are in our opinion reasonable and adequate in relation to the size of the Company and the nature of its business. On the basis of our examination we are satisfied that the valuation of these stocks is fair and proper in accordance with normally accepted accounting principles applied on the same basis in the previous year.
4. The Company has not taken any loans from Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 or covered by the definition of Companies under the same Management under Section 370 (1B) 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 interest whenever 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, Equipments and other Assets and for the sale of goods.
7. According to information and explanations given to us, there have been no transaction of purchases of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register(s) maintained under Section 301 of the Companies Act, 1956, and aggregating during the year to Rs.50,000/- or more in respect of each party.
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 the provisions of Section 58-A of Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 framed thereunder.
10. Company has maintained reasonable records for the sale and disposal of by-products and scrap.
11. In our opinion, Company has an adequate internal Audit system commensurate with the size and nature of its business.
12. According to the records produced and information given to us, we are of the opinion, that the 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 has been carried out by us.
13. The Company is regular in depositing Provident Fund dues with the appropriate authorities.
14. According to information and explanation given to us and records examined by us, there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Custom Duty and Excise Duty outstanding for a period exceeding six months from the date they become payable.
15. No personal expenses have been charged to revenue account.

16. The Company is not a Sick Industrial Company within the meaning of Section 3(1) (o) of the Sick Industrial Companies (Special Provisions), Act, 1985.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 these 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 notes thereon give 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 the above accounting year and of PROFIT for the year ended on that date.

For **AMBALAL THAKKAR & CO.**
CHARTERED ACCOUNTANTS

G.P.BHATT

BOMBAY : Dated 3rd September, 1994. *Partner*

SOMAIYA ORGANO-CHEMICALS LIMITED

Balance Sheet as at 31st March, 1994

		Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS :			
(a) Share Capital	1	354.00	354.00
(b) Reserves & Surplus	2	386.33	315.50
		740.33	669.50
LOANS :			
(a) Secured Loans	3	1,101.15	1,139.33
(b) Unsecured Loans	4	254.59	98.51
		1,355.74	1,237.84
TOTAL FUNDS EMPLOYED		2,096.07	1,907.34
APPLICATION OF FUNDS :			
FIXED ASSETS :			
(a) Gross Block		2,402.61	1,849.48
(b) Less: Depreciation		1,031.92	926.32
		1,370.69	923.16
(c) Net Block		25.40	384.51
(d) Work in Progress			
		1,396.09	1,307.67
INVESTMENTS			
	6	44.70	29.76
CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories	7	414.07	387.58
(b) Debtors	8	169.21	160.35
(c) Cash/Bank Balances	9	88.19	86.00
(d) Loans and Advances	10	572.91	668.26
		1,244.38*	1,302.19
LESS : CURRENT LIABILITIES AND PROVISIONS			
(a) Current Liabilities	11	380.60	539.66
(b) Provisions	12	208.51	192.62
		589.11	732.28
Net Current Assets		655.28	569.91
TOTAL ASSETS		2,096.07	1,907.34
CONTINGENT LIABILITIES			
	13		
NOTES ON ACCOUNTS			
	20		

Accompanying to our Report of even date
For **AMBALAL THAKKAR & CO.**
CHARTERED ACCOUNTANTS

G. P. BHATT
Partner

V. B. SAXENA
Secretary

S. K. SOMAIYA
B. N. NARULA
U. H. MEHTA
R. S. MHATRE
Y. S. MUZUMDAR

Chairman

Directors

BOMBAY : Dated 3rd September, 1994.

BOMBAY : Dated 2nd September, 1994.

SOMAIYA ORGANO-CHEMICALS LIMITED

Profit and Loss Account for the year ended 31st March, 1994

		Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
INCOME	SCHEDULES		
Sales		3,133.31	2,228.72
Other Income	14	246.62	177.13
Agricultural Income		3.33	5.62
Increase/ (Decrease) in Stock	15	(8.85)	91.90
		3,374.41	2,503.37
EXPENDITURE			
Agricultural Expenses		2.67	5.35
Raw Materials Consumed	16	1,546.83	523.76
Manufacturing and Other Expenses	17	971.45	1,127.10
Excise Duty		415.26	319.43
Interest & Financial Charges	18	197.13	210.32
Depreciation	5	117.73	192.67
		3,251.07	2,378.63
PROFIT BEFORE TAX		123.34	124.74
Provision for Taxation		0.00	81.00
NET PROFIT FOR THE YEAR		123.34	43.74
Balance Profit brought forward from last year		0.86	0.97
Excess Provision for Taxation Written back		0.00	13.30
PROFIT AVAILABLE FOR APPROPRIATIONS		124.20	58.01
APPROPRIATIONS :			
Proposed Dividend			
(a) On Preference Shares @9.1%		0.91	0.91
(b) On Equity Shares @15%		51.60	12.24
General Reserve		40.00	14.00
Debenture Redemption Reserve		30.00	30.00
Balance Carried to Balance Sheet		1.69	0.86
		124.20	58.01
COMPUTATION OF COMMISSION TO DIRECTOR (WORKS)	19		
NOTES ON ACCOUNTS	20		

Accompanying to our Report of even date
For **AMBALAL THAKKAR & CO.**
CHARTERED ACCOUNTANTS

G. P. BHATT
Partner

V. B. SAXENA
Secretary

S. K. SOMAIYA Chairman
B. N. NARULA
U. H. MEHTA
R. S. MHATRE
Y. S. MUZUMDAR } Directors

BOMBAY : Dated 3rd September, 1994.

BOMBAY : Dated 2nd September, 1994.

SOMAIYA ORGANO-CHEMICALS LIMITED

Rs. in lacs	Rs. in lacs
31-03-94	31-03-93

Schedules 1 to 20 annexed to and forming part of the Balance Sheet as at 31st March, 1994 and Profit & Loss Account for the year ended on that date :

SCHEDULE 1 - SHARE CAPITAL

AUTHORISED :

9,75,000	Equity Shares of Rs.100/- each	975.00	975.00
25,000	7% Free of Income Tax Redeemable Cumulative Preference Shares of Rs.100/- each liable to be redeemed at the option of the Company	25.00	25.00
		1,000.00	1,000.00
		1,000.00	1,000.00

ISSUED AND SUBSCRIBED SHARE CAPITAL :

3,44,000	Equity Shares of Rs.100/- each fully paid up. Of the above shares 3,39,000 equity shares of Rs. 100/- each are allotted as fully paid-up Bonus Shares by Capitalisation of General Reserve.	344.00	344.00
10,000	7% Free of Income Tax Cumulative Redeemable Preference Shares of Rs.100/- each fully paid-up liable to be redeemed at the option of Company.	10.00	10.00
		354.00	354.00
		354.00	354.00

SOMAIYA ORGANO-CHEMICALS LIMITED

	Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
SCHEDULE 2 - RESERVES AND SURPLUS :		
(A) GENERAL RESERVE :		
As per last Balance Sheet	178.22	428.22
Add : Set aside during the year	40.00	14.00
Add : Transferred from		
i) Investment Allowance		
Reserves Utilised Account	3.31	---
ii) Storage fund for Molasses and		
Alcohol Account	4.83	---
iii) Effluent Fund Account	3.08	---
	229.44	442.22
Less : Utilised for Equity Bonus Issue	---	264.00
	229.44	178.22
(B) INVESTMENT ALLOWANCE RESERVE UTILISED A/C. :		
As per last Balance Sheet	80.01	80.01
Less : Transferred to General Reserve	3.31	---
	76.70	80.01
(C) DEBENTURE REDEMPTION RESERVE :		
As per last Balance Sheet	48.50	18.50
Set aside during the year	30.00	30.00
	78.50	48.50
(D) STORAGE FUND FOR MOLASSES AND ALCOHOL ACCOUNT :		
As per last Balance Sheet	4.83	4.83
Less : Transferred to General Reserve	4.83	---
	---	4.83
(E) EFFLUENT FUND ACCOUNT :		
As per last Balance Sheet	3.08	3.07
Add : Adjusted from sale of Rectified and		
Denatured spirit during the year	---	0.01
	3.08	3.08
Less : Transferred to General Reserve	3.08	---
	---	3.08
(F) PROFIT AND LOSS ACCOUNT :		
Balance as per last Balance Sheet	---	0.86
Add : Profit & Loss A/c.	1.69	---
	1.69	0.86
	386.33	315.50

SOMAIYA ORGANO-CHEMICALS LIMITED

	Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
SCHEDULE 3 - SECURED LOANS:		
(a) Cash Credit Account with Bank of Baroda against Hypothecation of Raw Materials, Stock-in-process, Finished goods, Chemicals, Stores, Spares (including coal & silver catalyst etc.) & collateral security of Book Debts, extension of equitable mortgage of Fixed Assets at Sakarwadi and extension of Hypothecation charge on movable machinery both present and future	205.58	135.63
(b) Debentures :		
(1) (Secured by negative lien on fixed assets of the Company's Sakarwadi Factory as per Agreement)		
(i) 15,000 6% Non-Convertible Debentures of Rs. 100 each fully paid-up redeemable at the Company's option at any time after expiry of twenty years from the date of issue	15.00	15.00
(ii) 5,000 8.5% Non-Convertible Debentures of Rs. 100 each fully paid-up redeemable after twenty years and before twenty-five years from the date of issue	5.00	5.00
	20.00	20.00
(2) 14% 1,75,000/- Secured Redeemable Non-Convertible Debentures of Rs. 100 each secured by 1st charge on Company's fixed assets at Sameerwadi, redeemable in equal instalment from 5th to 9th year from the date of allotment.	175.00	175.00
(3) 18.5% Partly Convertible secured Debentures of Rs. 100/- each secured by Pari Passu charge by way of Equitable Mortgage on Company's movable and immovable assets at Sakarwadi out of which Rs. 50 lacs to be converted into 10000 shares of Rs. 100/- each at a premium of Rs. 400/- per share.	200.00	---
(4) Interest on above	10.96	8.33
(c) Due for Purchase of Machineries on deferred payments for which Usance Bills are Guaranteed by Bank of Baroda which guarantee is secured against equitable mortgage by way of deposit 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)	307.88	391.14
(d) Loan from Indian Renewable Energy Development Agency secured by an unconditional and irrevocable guarantee by Bank of Baroda for Rs. 1,28,00,000/- (Including Interest of Rs. 41,00,000/-)	60.90	69.60
(e) Instalments due for purchase of Assets under Hire Purchase Finance	67.60	157.19
(f) Term Loan from SICOM against hypothecation of Specific Machinery at Sakarwadi	44.00	---
(g) Interest Accrued but not due	4.08	2.44
(h) Deposit Received from Unit Trust of India towards partly Convertible Debentures	---	180.00
(i) Term Loan from Citibank Secured by Hypothecation of Flat at Bombay	5.15	---
	1,101.15	1,139.33
SCHEDULE 4 - UNSECURED LOANS :		
(1) Public Deposits	55.77	53.93
(2) Public Loans (Guaranteed by a Director)	0.05	0.05
(3) From Ex-Selling Agents	4.92	4.59
(4) Interest Free Sales Tax Loan from SICOM	77.95	11.15
(5) Inter Corporate Deposits	6.94	---
(6) Bridge Loan from SICOM against Capital Incentive	15.00	---
(7) Others	93.96	28.79
	254.59	98.51

SOMAIYA ORGANO-CHEMICALS LIMITED

SCHEDULE - 5 FIXED ASSETS :

Rs. in Lacs

PARTICULARS	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Gross Block as at 01-04-1993	Additions during the year	Deductions during the year	Gross Block as at 31-03-1994	Depreciation written off upto 31-03-1993	Depreciation provided during the year	Depreciation written back	Total Depreciation upto 31-03-1994	Net Depreciated Block as at 31-03-1994	Net Depreciated Block as at 31-03-1993
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
SAKARWADI & H.O.										
1. Land	0.13	0.00	0.00	0.13	0.00	0.00	0.00	0.00	0.13	0.13
2. Buildings	51.92	13.59	0.00	65.51	12.46	0.81	0.00	13.27	52.24	39.46
3. Plant & Machinery	1,117.08	295.24	10.16	1,402.16	583.87	59.34	11.91	631.30	770.86	532.89
4. Furniture & Office Equipments	11.90	0.68	0.00	12.58	3.74	0.90	0.00	4.64	7.94	8.48
5. Vehicles	25.42	2.62	0.22	27.82	14.29	2.80	0.22	16.87	10.95	11.13
6. Electric Installation	3.38	1.49	0.00	4.87	2.61	0.20	0.00	2.81	2.06	0.77
7. Computers (given on Lease)	250.56	0.00	0.00	250.56	165.13	33.85	0.00	198.98	51.58	85.43
TOTAL (A) :	1,460.39	313.62	10.38	1,763.63	782.10	97.90	12.13	867.87	895.76	678.29
SAMEERWADI										
1. Land	0.74	0.00	0.00	0.74	0.00	0.00	0.00	0.00	0.74	0.74
2. Buildings	41.20	0.00	0.00	41.20	8.10	1.09	0.00	9.20	32.00	33.10
3. Plant & Machinery	201.56	242.96	0.00	444.52	108.11	11.70	0.00	119.81	324.71	93.45
4. Furniture & Office Equipments	0.76	0.00	0.00	0.76	0.21	0.06	0.00	0.26	0.50	0.55
5. Electric Installation	2.70	0.00	0.00	2.70	0.90	0.14	0.00	1.04	1.66	1.80
TOTAL (B) :	246.96	242.96	0.00	489.92	117.32	12.99	0.00	130.31	359.61	129.64
FINE CHEMICAL DIVISION (A & R)										
1. Land	8.99	0.00	0.00	8.99	0.00	0.00	0.00	0.00	8.99	8.99
2. Buildings	21.70	0.00	0.00	21.70	1.57	0.71	0.00	2.29	19.41	20.13
3. Plant & Machinery	106.80	6.60	0.00	113.40	24.84	5.76	0.00	30.60	82.80	81.96
4. Furniture & Office Equipments	0.45	0.01	0.00	0.46	0.02	0.02	0.00	0.03	0.43	0.43
5. Vehicles	3.08	0.00	0.00	3.08	0.34	0.22	0.00	0.56	2.52	2.74
6. Electric Installation	1.11	0.32	0.00	1.43	0.13	0.13	0.00	0.26	1.17	0.98
TOTAL (C) :	142.13	6.93	0.00	149.06	26.90	6.84	0.00	33.74	115.32	115.23
TOTAL RUPEES (A+B+C)	1,849.48	563.51	10.38	2,402.61	926.32	117.73	12.13	1,031.92	1,370.69	923.16

SOMAIYA ORGANO-CHEMICALS LIMITED

Rs. in lacs
31-03-94

Rs. in lacs
31-03-93

SCHEDULE 6 - INVESTMENTS : (At Cost)

OTHER INVESTMENTS :

(1) 1,500 Equity Shares of Rs. 100/-each of Oriental Power Cables Limited fully paid-up.	1.50	1.50
(2) 500 Equity Shares of Rs. 10/- each of Kutch Salt & Allied Industries Ltd. fully paid-up.	0.01	0.01
(3) 450 Equity Shares of Rs. 100/- each of Somaiya Organics (India) Limited fully paid-up.	0.45	0.45
(4) 4% 1967 Maharashtra State Loan (Face Value Rs. 1000/-) Deposited with Excise Department	0.01	0.01
(5) a) 210 Equity Shares of Rs. 100 each of The Book Centre Ltd. fully paid-up.	0.21	0.21
b) 60, 7.5% Preference Shares of Rs. 100/- each of The Book Centre Ltd.	---	0.06
	0.21	0.27
(6) 4,000 Cancigos of Rs. 1000/- each of Canbank Mutual Fund, fully paid up.	40.00	25.00
(7) 80 Shares of Rs. 25/- each of Raghuvanshi Co-operative Bank Ltd.	0.02	0.02
(8) Kisan Vikas Patra	0.10	0.10

	Cost	Market Value
Aggregate Quoted Investments	45,000	31,575.00
Aggregate Unquoted Investments	191,566	0.00
	236,566	31,575.00

Immovable Property (including value of land Rs. 1,65,000/- for which Agreements for sale has already been executed)

2.40

44.70

2.40

29.76

SCHEDULE 7 - INVENTORIES :

(i) Stores, Chemicals & Spares at Cost (as per Inventory valued and certified by a Director)		
(a) On Hand	110.91	102.80
(b) In Transit	3.51	13.07
	114.42	115.87
(ii) Loose Tools and Implements (as per Inventory valued and certified by a Director)	0.01	0.02
(iii) Raw Materials	79.57	42.77
(iv) Stock-in-trade (as valued and certified by a Director) (At Cost or Market Price whichever is less)	220.07	228.92
	414.07	387.58

SOMAIYA ORGANO-CHEMICALS LIMITED

	Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
SCHEDULE 8 - SUNDRY DEBTORS :		
Sundry Debtors (Unsecured and Considered good except otherwise stated)		
(a) Debts outstanding for more than six months (Including Doubtful Debts of Rs. 2,11,637/- Previous Year Rs. 2,11,637)	9.70	12.86
(b) Other Debts	159.51	147.49
	169.21	160.35
SCHEDULE 9 - CASH AND BANK BALANCES :		
Cash on Hand	9.12	3.19
In Current Account with Scheduled Banks	10.86	14.25
In Fixed Deposits with Scheduled Bank (Including Rs. 45,10,000/- as lien for Guarantees)	52.81	51.77
Interest Accrued on above	7.55	5.53
Demand Drafts on Hand	2.85	2.50
Remittance in Transit	5.00	8.76
	88.19	86.00
SCHEDULE 10 - LOANS AND ADVANCES :		
(Unsecured and considered good except otherwise stated)		
Loans to others	20.62	31.28
Interest accrued on above	16.90	18.06
	37.52	49.34
Interest on Deferred payments under D.P.G. facilities and Hire Purchase Finance	113.30	184.94
Advances recoverable in cash or kind for value to be received	219.78	230.93
Advance Income Tax (Including Income Tax Deducted at Source Rs. 1,52,335/-)	162.42	160.68
Deposits	39.89	42.37
	572.91	668.26

SOMAIYA ORGANO-CHEMICALS LIMITED

	Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
SCHEDULE 11 - CURRENT LIABILITIES :		
(1) Sundry Creditors	324.63	490.97
(2) Deposits and Advance from Customers	49.26	44.26
(3) Liability for Income & Wealth Tax	0.55	0.48
(4) Advance against Sale of Immovable Property	0.30	0.30
(5) Temporary Overdraft with Bank	5.86	3.65
	380.60	539.66
SCHEDULE 12 - PROVISIONS :		
(1) Provision for Taxation	156.00	156.00
(2) Provision for Bonus	---	23.46
(3) Proposed Dividend	52.51	13.16
	208.51	192.62
SCHEDULE 13 - CONTINGENT LIABILITIES : (Not Provided For)		
(1) In respect of counter guarantee in favour of Bank of Baroda in lieu of Guarantee given by Bank in favour of Central Railway	10.00	10.00
(2) In respect of Bills Discounted with Bank	100.10	115.30
	110.10	125.30
SCHEDULE 14 - OTHER INCOME :		
Profit on Sale of Assets	6.83	---
Provision for Bonus for earlier year written back	23.46	18.60
Interest	66.06	11.34
Service Charges & Lease Rent	128.84	121.34
Sundry Receipts	21.43	25.85
	246.62	177.13
SCHEDULE 15 - INCREASE / (DECREASE) IN STOCK		
Closing Stock	220.07	228.92
Less : Opening Stock	228.92	137.02
	(8.85)	91.90
SCHEDULE 16 - CONSUMPTION OF RAW MATERIALS		
Molasses	724.91	293.20
Alcohol	679.36	123.23
Chemicals	126.44	107.33
Others	16.12	---
	1,546.83	523.76

SOMAIYA ORGANO-CHEMICALS LIMITED

	Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
SCHEDULE 17 - MANUFACTURING AND OTHER EXPENSES		
Manufacturing Expenses :		
Power and Fuel	412.67	467.21
Stores, Chemicals and Spare Parts	57.39	72.99
Lease Rent	60.15	46.68
Insurance Premium	11.91	16.30
Transport / Administrative fees on Rectified Spirit	25.56	42.05
Excise Establishment Charges	4.30	4.96
	571.98	650.19
Repairs and Maintenance :		
Plant and Machinery	15.00	20.60
Buildings	4.65	7.78
Other Repairs	5.71	10.99
	25.36	39.37
Employees Remuneration and Benefits :		
Salaries, Wages and Bonus	160.88	223.86
Contribution to Provident Fund & Other Fund	13.60	14.36
Gratuity	---	0.68
Welfare Expenses	13.38	15.14
Group Gratuity Insurance Premium	5.74	9.01
	193.60	263.05
Office and Establishment Expenses :		
Rent	4.40	3.85
Rates and Taxes	6.01	4.02
Miscellaneous Expenses	69.62	83.15
Legal and Professional Charges	7.64	7.05
Brokerage & Commission	4.65	11.98
Charity and Donation	0.32	1.02
Sundry Debit Balance Written off	0.01	0.36
Motor Car Maintenance	21.02	23.06
Travelling Expenses	5.95	9.39
Foreign Travelling Expenses	0.64	0.41
	120.26	144.29
Auditors' Remuneration :		
Audit Fees	0.12	0.12
Tax Audit Fees	0.04	0.04
Auditors' Travelling Expenses & Certification fee	0.01	0.16
Cost Audit Fees	0.05	---
	0.22	0.32
Directors' Fees and Travelling Expenses and Remuneration :		
Fees	0.05	0.05
Travelling	0.73	3.28
Remuneration	4.48	2.08
	5.26	5.41
Sales Tax :		
Additional Tax on Sales Tax	10.09	5.01
Turnover Tax	44.43	18.24
Sales Tax	0.25	1.22
	54.77	24.47
	971.45	1,127.10

SOMAIYA ORGANO-CHEMICALS LIMITED

	Rs. in lacs 31-03-94	Rs. in lacs 31-03-93
SCHEDULE 18 - INTEREST :		
Bank and Deferred payment	78.37	117.76
Debentures	40.81	26.36
Public Deposits	7.10	---
Others & Ex-selling Agents	22.94	21.71
Financial Institutions	11.29	---
Financial Charges	36.62	44.49
	197.13	210.32
	197.13	210.32
SCHEDULE 19 - COMPUTATION OF COMMISSION TO DIRECTOR (WORKS) :		
Net Profit as per Profit and Loss Account	123.34	43.73
Add :		
i) Director's Remuneration	4.66	2.25
ii) Provision for Taxation	---	81.00
iii) Provision for Bonus	---	23.46
iv) Depreciation	117.73	192.67
	122.39	299.38
	245.73	343.11
Less :		
i) Depreciation to the extent specified in Section 350 of Companies Act, 1956	117.73	192.67
ii) Provision for Bonus Written Back	23.46	18.60
	141.19	211.27
Net Profit for calculating Director's Commission	104.54	131.84
Commission @ 1% on the Net Profit	1.05	1.32
As per Agreement Limited to	0.40	0.40
Total Remuneration to Director (Works) :		
Remuneration	1.78	1.68
Commission on Net Profit	0.40	0.40
Company's Contribution to Provident Fund	0.18	0.17
Perquisites	2.30	---
	4.66	2.25
	4.66	2.25

SOMAIYA ORGANO-CHEMICALS LIMITED

SCHEDULE 20 NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 1994

1) ACCOUNTING POLICIES

- a) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis.
- b) INVENTORIES :
- i) Finished and semi-finished products are valued at cost or market price whichever is lower.
 - ii) Work-in progress is valued at cost.
 - iii) Stores and spare parts, tools, raw materials and goods in transit are valued at cost.
- c) All fixed assets are valued at cost less depreciation except capital work-in progress.
- d) DEPRECIATION on Fixed Assets of Sakarwadi Factory and Head Office, capitalised upto 1984-85 and on Assets capitalised after 1-11-1985 onwards, has been provided on Written Down Value basis and on Straight Line method, respectively. Depreciation on Fixed Assets of Sameerwadi and Fine Chemical Division has been provided on Straight Line Method
- e) Investments are valued at cost of acquisition.
- f) Gratuity liability to employees, is made on the basis of actuarial valuation. The same is covered under Cash Accumulation Scheme of Group Gratuity Insurance with Life Insurance Corpn. of India. Total liability for accrued gratuity to employees under payment of Gratuity Act, 1972 upto 31st March, 1994 as per actuary's certificate is Rs. 49,63,589/-.
- 2) The Excise Appellate Tribunal at Bombay has stayed demand for Excise Duty of Rs. 10.57 Lacs and penalty of Rs. 15 Lacs raised by Collector of the Central Excise, Aurangabad with a stipulation to deposit Rs. 2 Lacs and furnishing bank guarantee for Rs. 3 Lacs. These conditions have been complied with by the company. No Provision has been made for this disputed demand. Matter is pending before the Tribunal.
- 3) Expenditure on employees in receipt of Remuneration of not less than Rs. 1,44,000 per annum or Rs. 12,000/- per month if employed for a part of the year.

	Current Year		Previous Year	
	Employed for Full Year	Employed for Part of the Year	Employed for Full Year	Employed for Part of the Year
	Rs.	Rs.	Rs.	Rs.
i) Salaries, Allowances and Perquisites	9,36,544	—	3,90,383	—
ii) Contribution to Provident Fund	53,150	—	30,200	—
iii) Number of Employees Covered	4	—	2	—
4) a) Quantitative Information in respect of Goods Manufactured :				
<i>Class of Goods Manufactured</i>	Unit	Licensed Capacity (Annual)	Installed Capacity (Annual)	(As Certified by Director, (Works))
AT SAKARWADI :				
Rectified Spirit	H.L.	1,85,000	2,40,000	
Acetal Dehyde / Acetic Acid	M.T.	15,000	15,000	
Ethyl Acetate	M.T.	3,000	3,000	
Other Acetates	M.T.	1,800	1,800	
AT SAMEERWADI :				
Rectified Spirit	H.L.	1,20,450	1,20,450	
AT ALEX & ROGERS : At Karannagar				
Bulk Drugs	M.T.	192	96	

Class of Goods Manufactured	Unit	Actual Production (Excluding Normal Loss)	Opening Stock		Closing Stock		Sales	
			Quantity	Value Rs.	Quantity	Value Rs.	Quantity	Value Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a) AT SAKARWADI :								
Rectified Spirit	H.L.	83,142.04	4,884.320	22,32,133	920.06	1,10,472	—	—
		(1,48,961.334)	(5,461.080)	(20,80,670)	(4,884.320)	(22,32,133)	(—)	(—)
Acetal Dehyde / Acetic Acid	M.T.	9,438.086/10,763.80	40,570/744.969	4,39,170/87,44,446	— / 541.105	— / 1,12,54,984	230,180/9,583.610	50,69,617/19,13,47,046
		(9,966.148/11,319.000)	(14,613/411.913)	(1,34,249/39,17,630)	(40,570/744.969)	(4,39,170/87,44,446)	(149,610/9,782.730)	(20,23,975/14,98,57,193)
Ethyl Acetate	M.T.	1,892.900	230.423	34,88,604	151,503	42,42,084	1,971.820	5,35,26,883
		(1,573.600)	(—)	(—)	(230.423)	(34,88,604)	(1,343.177)	(2,61,99,601)
Other Acetates	M.T.	R & D Work in Hand	—	—	—	—	—	—
(b) AT SAMEERWADI :								
Rectified Spirit	H.L.	Distillery given on lease	—	—	—	—	—	—
(c) FINE CHEMICAL DIVISION - At Karannagar :								
Bulk Drugs	M.T.	5,617	2,672	46,54,795	0.282	5,81,865	8.007	1,76,93,499
		(5.842)	(2.216)	(45,83,250)	(2.672)	(46,54,795)	(5.386)	(96,34,615)

- Notes :
1. Acetal Dehyde is intermediary product for the manufacture of Acetic Acid.
 2. Figures shown in the brackets are of Previous Year.
 3. The Sales figures in value are shown net of Central Excise Duties.

SOMAIYA ORGANO-CHEMICALS LIMITED
SCHEDULE 'B' FOR NOTES FORMING PART OF BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH, 1994

(b) Consumption of Raw Materials	Unit	Current Year		Previous Year	
		Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
Molasses	M.T.	38,662.246	7,24,90,917	67,575.452	2,93,20,553
Rectified Spirit (Own Manufactured)	H.L.	87,106.300	—	149,538.094	—
Rectified Spirit Purchased	H.L.	75,780.000	6,79,35,661	23,850.000	1,23,22,944
Acetal Dehyde (Own Manufactured)	M.T.	9,248.476	—	9,790.581	—
Acetic Acid (Own Manufactured)	M.T.	1,384.054	—	1,203.214	—
Others			1,42,56,263	—	1,07,32,723
			15,46,82,841		5,23,76,220
(c) C. I. F. Value of Imports :			NIL		NIL
(d) Value of Raw-Materials Consumed :		Amount (Rs.)	%	Amount (Rs.)	%
(i) Indigenous		15,24,88,121	98.57	5,23,76,220	100
(ii) Imported		21,94,720	1.43	NIL	NIL
(e) Value of Stores and Spare Parts Consumed :					
(i) Indigenous		57,38,145	99.98	72,97,568	99.98
(ii) Imported		1,446	0.02	1,898	0.02
(f) Earning in foreign currency		4,97,477	—	14,75,418	—
(g) Expenditure in foreign currency		64,018	—	—	—

Note : Figures of previous year have been recasted wherever necessary.

Accompanying to our Report of Even Date
FOR AMBALAL THAKKAR & COMPANY
CHARTERED ACCOUNTANTS

G. P. BHATT
Partner

V. B. SAXENA
Secretary

S. K. SOMAIYA
B. N. NARULA
U. H. MEHTA
R. S. MHATRE
Y. S. MUZUMDAR

Chairman

Directors

Bombay : Dated 3rd September, 1994

Bombay : Dated 2nd September, 1994

SOMAIYA ORGANO-CHEMICALS LIMITED

ATTACHMENT TO THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 1994.

SCHEDULE 'A'

Statement under Section 217 (2A) of the Companies Act, 1956 read with Rules of the 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. 1,44,000/-.
- (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. 12,000/-per month.

(A) EMPLOYED THROUGHOUT THE YEAR UNDER REVIEW

Sr. No.	Name of Employee	Designation	Remuneration Rs.	Qualifications and Experience (years)	Date of Commencement of Employment	Age of Employee	Last Employment Held
1.	Shri Kajaria G. M.	Commercial Manager	1,72,255/-	B.Sc., M.B.A. 23 years	10th January, 1980	45	Executive, The Godavari Sugar Mills Limited.
2.	Shri Nair P.K.R.	Director (Works)	4,66,335/-	Inter Science. 2 Years Technical Training in General Engineering & Air Craft Instrumentation. 41 Years.	25th May, 1961	60	Erection Engineer, Air Conditioning Corporation.
3.	Shri Shah V. M.	Chief Accountant	1,45,379/-	B.Com., A.C.A. 24 Years.	10th January, 1973	52	Accountant, B. M. Mehta & Co.
4.	Dr. Vyas R.G.	Chief Executive	2,05,725/--	M.Sc., Ph.D. 21 Years.	1st June, 1988	44	Works Manager, Kopran Chem.Co.Ltd.

(B) EMPLOYED FOR PART OF THE YEAR UNDER REVIEW

*** NIL ***

- NOTES : 1. Gross Remuneration includes Salary, Bonus, Allowances, Commission (if any), Leave encashment, L.T.A., Medical, Contribution to Provident Fund and Value of Perquisites as applicable.
2. Nature of employment : The above employees are on a contractual basis and subject to termination of service on one month's notice on either side.
3. Other terms and conditions as per rules and regulations of the Company.
4. None of the employees mentioned above is a relative of any Director of the Company.

By Order of the Board of Directors.

S. K. SOMAIYA
Chairman

Bombay Dated : 2nd September, 1994