

# **EIGHTH**

# **ANNUAL REPORT**

## **1999-2000**

*Certified True Copy*

**FOR ADI RASAYAN LIMITED**

*Shri. M. J. J.*

**DIRECTOR**



**Adi**

**Rasayan Limited**

**Regd. Office : 9, 'Suryarath', Gr. Floor,**  
**Panchwati, Ahmedabad-380 006.**

**ADI RASAYAN LIMITED**

---

**BOARD OF DIRECTORS**

SHRI SHASHIKANT GANDHI

SHRI SANJAY ADANI

SHRI DINESH DESAI

SHRI CHANDRAKANT PATEL

SHRI MITESH ADANI

DR. PREM NATH PANDIT

SHRI DAHYABHAI PATEL

SHRI VIKRAM SHAH

**A U D I T O R S**

M/s. SHAH & SHAH ASSOCIATES  
CHARTERED ACCOUNTANTS  
501, ANIKET, NEAR MUNICIPAL MARKET,  
NAVRANGPURA, AHMEDABAD- 380 009.

**REGISTERED OFFICE**

9, "Suryarath", Ground Floor,  
Panchwati, Ahmedabad - 380 006.

**Eighth Annual General Meeting**  
on Thursday, 14th December, 2000 at  
9, "Suryarath", Ground Floor,  
Panchwati, Ahmedabad - 380 006.  
at 11.00 a.m.

**WORKS:**

Plot No. 408/7, GIDC Estate,  
Phase -I, PANOLI- 394 115.  
Ankleshwar.

**ADI RASAYAN LIMITED**

---

**:: N O T I C E ::**

**NOTICE** is hereby given that the **EIGHTH ANNUAL GENERAL MEETING** of the Members of the Company will be held on Thursday, the 14th day of December, 2000 at the Registered Office of the Company situated at 9, "Suryarath", Ground Floor, Panchwati, Ahmedabad-380 006 at 11.00 a.m. to transact the following business.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance sheet as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date together with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Prem Nath Pandit, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Chandrakant Patel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Vikram Shah, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**Regd. Office :**  
9, "Suryarath", Ground Floor,  
Panchwati, Ahmedabad - 380 006

**By order of the Board of Directors,  
For ADI RASAYAN LIMITED**

**PLACE : AHMEDABAD**  
**DATE : November 13, 2000.**

  
**SANJAY ADANI**  
**DIRECTOR**

NOTES

1. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ALSO ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy Form(s), in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 13th December, 2000 to 14th December, 2000 (both days inclusive).
4. Members are requested to notify immediately change in their addresses to the Company at its Registered Office.
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Shareholders requiring any information regarding Accounts are requested to write to the Company in advance so as to enable the management to keep the information ready.
7. Members/Proxies are requested to bring the Attendance slip duly filled in alongwith them for attending the Meeting.

Regd. Office :  
9, "Suryarath", Ground Floor,  
Panchwati, Ahmedabad - 380 006

PLACE : AHMEDABAD  
DATE : November 13, 2000.

By order of the Board of Directors,  
For ADI RASAYAN LIMITED

  
SANJAY ADANI  
DIRECTOR

**ADI RASAYAN LIMITED****DIRECTORS' REPORT**

=====

TO  
The Members,  
Adi Rasayan Limited,  
Ahmedabad.

Your Directors present herewith the 8th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2000.

FINANCIAL RESULTS :	(Amt. in Rs.) 31st March, 2000	(Amt. in Rs.) 31st March, 1999
Sales	2,66,58,964	76,14,931
Interest (Income)	—	7,99,697
Less Expenses	4,37,13,272	1,23,12,990
Operating Profit (Loss)	(1,70,54,308)	(43,98,367)
Less Depreciation	55,10,861	24,04,774
Amortisation of Preliminary Exp	1,60,560	1,60,560
Profit (Loss) before Tax	(2,27,25,729)	(69,63,701)
Less Taxation	—	—
Net Profit (Loss) After Tax	(2,27,25,729)	(69,63,701)
Balance Brought Forward	(69,37,904)	25,797
Balance Carried to Balance Sheet	(2,96,63,633)	(69,37,904)

**OPERATIONS:**

The year ended 31st March, 2000 was the seventh full year of Operations for the Company. This year, the Company has incurred net loss of Rs. 2,27,25,729.

The Commercial Production has started with effect from 14th December, 1998. Also, the turnover (Sales) has commenced with effect from 25th January, 1999. The commissioning of the project has been delayed because of the stringent requirements of Gujarat Pollution Control Board. All that requirements/norms fixed by GPCB have been satisfied/completed. All the required plant and machineries have been installed now. During the year, the company had to face an unprecedented situation. The Company has to face stiff competition. The main reason for the huge loss is the purchases for resale. Your Directors expect to come out of the bitter situation in the next year.

## **ADI RASAYAN LIMITED**

---

### **DIVIDEND:**

Since the Company has incurred the Net loss of Rs. 2,27,25,729 during the financial year 1999-2000, the question for recommendation of dividend does not arise.

### **DIRECTORS:**

Dr. Premnath Pandit, Shri Chandrakant Patel and Shri Vikram Shah retire from the Board by rotation in accordance with the Provisions of Article 57 of the Articles of Association of the Company and being eligible, offer themselves for re-appointment. Necessary Resolutions to this effect are to be considered by the Members at the ensuing Annual General Meeting. Your Directors recommend their re-appointments.

During the year under review, the term of the appointments of Shri Sanjay J. Adani as a Managing Director, Shri Dinesh H. Desai as a Whole-time Director and Shri Chandrakant P. Patel as a Whole-time Director expired on 1st January, 2000 and the term of their appointments as such are not further extended thereafter. Thus, all these three Directors ceases to hold office as Managing Director or Whole-time Directors but they continue to hold office as Directors of the Company.

During the year under review, Shri Vaghjibhai B. Vora and Shri Prakash K. Desai have tendered their resignations from continuing to hold office as Directors of the Company. Your Directors wish to convey felicitation to both of them for the unstinted faith and co-operation received from them during the tenure of their Directorship.

### **FIXED DEPOSITS :**

The Company has not accepted any deposits coming under the purview of the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975, as amended.

### **AUDITORS :**

M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad, the Auditors of the Company, retire at the conclusion of the ensuing Eighth Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment. The Auditors have also furnished a Certificate to the effect that their re-appointment, if made, will be within the limit specified in sub-section (1B) of Section 224 of the Companies Act, 1956.

### **AUDITORS' REPORT:**

The Auditors' Report and Notes on Accounts are self-explanatory and hence no further explanation is necessary.

✓  
• **ADI RASAYAN LIMITED**

---

**INSURANCE :**

The Company has made adequate arrangements to cover insurance for factory building, plant & machineries.

**PERSONNEL :**

The Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956. Hence, no information is required to be appended to the Report in this regard.

**Y2K PREPAREDNESS**

The Company has actively worked during last year on Y2K related problems.

- (a) It has been ascertained that all the electronic instrumentation system such as controllers, transmitters etc., installed in the plant have no Y2K problem.
- (b) Most of the hardware and software used for financial accounting and other data processing are Y2K compliant.
- (c) The cost of the Y2K compliance is not significant.

**DISCLOSURE OF INFORMATION PURSUANT TO SECTION 217(1) (e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988. :**

Particulars required to be furnished in this Report under Section 217(1) (e) of the Companies Act, 1956 relating to conservation of energy and technology absorption are not applicable for the year under review, and hence not furnished.

The Company has not carried on during the year, any activities relating to exports and has not used or earned any Foreign Exchange.

**ACKNOWLEDGEMENT :**

Your Directors wish to place on record their appreciation of the devoted services of all employees during the year.

Your Directors also express their sincere thanks to the Company's Bankers Bank of Baroda for their continued support and various Government Departments for their support and co-operation. The Directors also acknowledge the support from the Shareholders.

For and on behalf of the Board of Directors.



PLACE : AHMEDABAD.  
DATE : November 13, 2000.

[SHASHIKANT M. GANDHI]  
CHAIRMAN

# ADI RASAYAN LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2000

PARTICULARS	SCHEDULE	Rupees	As at 31/03/2000 Rupees	As at 31/03/99 Rupees
<b>SOURCES OF FUNDS:</b>				
Share Capital	1		6,46,78,000	6,06,45,000
Secured Loans	2		8,86,44,904	7,22,43,890
		<b>TOTAL</b>	<b>15,33,22,904</b>	<b>13,28,88,890</b>
<b>APPLICATION OF FUNDS:</b>				
<b>Fixed Assets :</b>	<b>3</b>			
Gross Block		12,88,24,083		12,48,73,646
Less Depreciation		87,55,997		32,45,136
Net Block			12,00,68,086	12,16,28,510
<b>Current Assets, Loans &amp; Advances :</b>				
Inventories	4	61,03,706		59,52,025
Sundry Debtors	5	1,79,12,195		28,79,532
Cash & Bank Balances	6	17,875		4,45,906
Loans & Advances	7	27,76,286		59,87,045
		2,68,10,062		1,52,64,508
Less: <b>Current Liabilities &amp; Provisions</b>	<b>8</b>	2,43,42,800		1,22,26,515
Net Current Assets			24,67,262	30,37,993
<b>Miscellaneous Expenditure</b>				
(To the extent not written off or adjusted)	9		11,23,923	12,84,483
<b>Profit &amp; Loss Account</b>				
Balance as per annexed account			7,96,63,633	69,37,904
		<b>TOTAL</b>	<b>15,33,22,904</b>	<b>13,28,88,890</b>

### NOTES ON ACCOUNTS 16

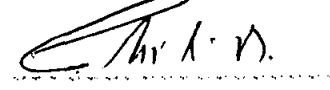
AS PER OUR REPORT OF EVEN DATE.

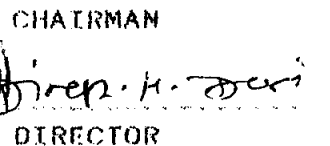
For SHAH & SHAH ASSOCIATES,  
Chartered Accountants

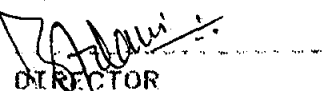
  
PARTNER



For ADI RASAYAN LIMITED

  
CHAIRMAN

  
DIRECTOR

  
DIRECTOR

PLACE: AHMEDABAD  
DATE : 13th November, 2000

PLACE: AHMEDABAD  
DATE : 13th November 2000



**ADI RASAYAN LIMITED**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2000**

PARTICULARS	SCHEDULE	1999-2000 Rupees	1998-99 Rupees
<b>INCOME:</b>			
Sales		2,51,72,875	25,08,000
Water Treatment Charges		10,02,101	-----
Interest Income (Gross)		-----	2,99,692
Misc. Income		1,167	8,842
Increase/(Decrease) in 10 Stocks		4,82,821	50,98,089
		-----	-----
<b>TOTAL INCOME :-</b>		<b>2,66,58,964</b>	<b>79,14,623</b>
		=====	=====
<b>EXPENDITURE:</b>			
Purchases for Resale		1,55,88,350	-----
Raw-Materials Consumed 11		65,44,820	61,87,845
Emolpyees Remuneration 12		14,30,571	9,25,126
Manufacturing & 13		63,13,652	6,64,715
Operating Expenses		-----	-----
Administrative Expenses 14		16,20,858	12,09,819
Interest Expenses 15		1,22,15,021	33,25,485
Depreciation		55,10,861	24,04,774
Priliminary & Public Issue Expenses (W/off)		1,60,560	1,60,560
		-----	-----
<b>TOTAL EXPENSES :</b>		<b>4,93,84,693</b>	<b>1,48,78,324</b>
		=====	=====
Profit/(Loss) before Tax		(2,27,25,729)	(69,63,701)
Provision for Tax		-----	-----
Profit after Tax		(2,27,25,729)	(69,63,701)
Balance Brought Forward		(69,37,904)	25,797
		-----	-----
<b>Balance carried to Balance Sheet</b>		<b>(2,96,63,633)</b>	<b>(69,37,904)</b>
		=====	=====

**NOTES ON ACCOUNTS**

16

AS PER OUR REPORT OF EVEN DATE.

For SHAH & SHAH ASSOCIATES,  
Chartered Accountants

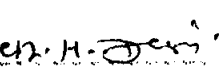
  
PARTNER



For ADI RASAYAN LIMITED



CHAIRMAN

  
DIRECTOR

  
DIRECTOR

PLACE: AHMEDABAD  
DATE : 13th November, 2000

PLACE: AHMEDABAD  
DATE : 13th November 2000

**ADI RASAYAN LIMITED**

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31/03/2000 Rupees	As at 31/03/99 Rupees
--	-------------------------------	-----------------------------

**SCHEDULE -1**

**SHARE CAPITAL:**

**Authorised:**

7000000 Equity Shares  
of Rs. 10/- each.

7,00,000,000

7,00,00,000

**Issued, Subscribed &  
Paid-up Capital**

65,19,700 Equity Shares  
of Rs. 10/- each

6,51,97,000

6,51,97,000

Less : Calls in arrears

5,19,000

45,52,000

**TOTAL --->>>**

**6,46,78,000**

**6,06,45,000**

**SCHEDULE - 2**

**SECURED LOANS:**

**Term Loans:**

**From Bank of Baroda:**

(Secured by a charge on company's  
land, Buildings, Plant & Machinery  
and other fixed assets)

7,29,59,413

6,49,99,771

**Cash Credit:**

**From Bank of Baroda**

(Secured by Hypothecation of  
entire stock of raw materials,  
stock in process, finished goods  
& Book Debts)

1,56,85,491

72,44,119

**TOTAL --->>>**

**8,86,44,904**

**7,22,43,890**



SCHEDULE - 3

FIXED ASSETS

SR. NO.	FIXED ASSETS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
		AS AT	ADDITIONS	AS AT	UPTO	FOR THE	UPTO	AS AT	AS AT
		1.4.99 Rs.	Rs.	31.3.2000 Rs.	1.4.99 Rs.	YEAR Rs.	31.3.00 Rs.	31.3.00 Rs.	31.3.99 Rs.
1	Land (Lease Hold)	3209463	--	3209463	--	--	--	3209463	3209463
2	Buildings	31895764	--	31895764	365387	1065319	1430706	30465058	31530377
3	Plant & Machinery	83314431	3945837	87260268	1617555	3973055	5590610	81669658	81696876
4	Lab. Equipments	905771	--	905771	53914	43024	96938	808833	851857
5	Furniture, Fixtures & Office Equipments	4262352	4600	4266952	794464	307306	1101770	3165182	3467888
6	Vehicles	1285865	--	1285865	413816	122157	535973	749892	872049
TOTAL		124873646	3950437	128824083	3245136	5510861	8755997	120068086	121628510
Previous Year		10686093	114187553	124873646	840382	2404774	3245136	121628510	

SCHEDULE - 4

INVENTORIES:

(As Valued & Certified  
By the Management)

-Raw Materials (At cost)	5,22,796	8,53,936
Process Stock (At cost)	38,49,000	45,22,514
Finished Goods (cost or market price whichever is less)	17,31,910	5,75,575
TOTAL --->>>	61,03,706	59,52,025
	=====	=====



**SCHEDULE-5****SUNDRY DEBTORS:**

(Unsecured, considered good)

(i) Debts outstanding for a period exceeding six months	85,62,575	10,131
(ii) Other debts	93,49,620	28,69,401
<b>TOTAL ----&gt;&gt;&gt;</b>	<b>1,79,12,195</b>	<b>28,79,532</b>

**SCHEDULE-6****CASH & BANK BALANCES:**

Cash on hand	14,921	4,07,407
Balance with Scheduled Banks in: Current Accounts	2,954	38,499
<b>TOTAL ----&gt;&gt;&gt;</b>	<b>17,875</b>	<b>4,45,906</b>

**SCHEDULE-7****Loans & Advances:**

(Unsecured, considered good)

Advances recoverable in cash or in kind or for value to be received	7,17,808	34,97,080
Sundry Deposits	4,97,406	3,98,450
Tax Deducted at Source	67,982	67,982
Balance with Excise Authorities	14,93,090	20,23,533
<b>TOTAL ----&gt;&gt;&gt;</b>	<b>27,76,286</b>	<b>59,87,045</b>

**SCHEDULE-8****CURRENT LIABILITIES & PROVISIONS:**

Current Liabilities: Sundry Creditors	2,43,41,100	1,21,35,131
Bank overdraft as per books		89,684
Provisions:		

1,700 1,700

**TOTAL ---->>>****2,43,42,800 1,22,26,515**



### SCHEDULE - 13

#### MANUFACTURING AND OPERATING EXPENSES:

Insurance		4,22,951	---
Power & Fuel		30,48,869	3,73,685
Water Charges		4,34,299	1,56,218
Stores, Spares & Packing			
Material Consumed		88,890	71,219
Laboratory Expenses		85,844	---
Repairs & Maintenance to			
Building	61,922		22,056
Machinery	6,63,489		26,222
Others	33,074		15,315
		7,58,485	63,593
Excise Duty Expenses		10,30,544	---
Labour Charges		4,43,770	---
		-----	-----
TOTAL ---->>>		63,13,652	6,64,715
		=====	=====

### SCHEDULE - 14

#### ADMINISTRATION & GENERAL EXPENSES:

Rent, Rates & Taxes		---	65,471
Printing, Stationery, Postage			
& Telephone		2,87,907	1,24,713
Vehicle running & maintenance		83,385	80,905
Travelling and Conveyance		1,68,181	1,95,154
Legal & Professional charges		1,44,980	2,53,300
General Charges		6,19,208	4,90,276
Fright Outward		3,17,197	---
		-----	-----
TOTAL ---->>>		16,20,858	12,09,819
		-----	-----

### SCHEDULE - 15

#### INTEREST EXPENSES:

##### Interest to Bank

Term loan	1,04,83,888		29,69,383
Cash Credit	16,71,094		2,23,430
			-----
		1,21,54,982	31,92,813
Interest to Others		60,039	1,32,672
		-----	-----
TOTAL ---->>>		1,22,15,021	33,25,485
		=====	=====



ADI RASAYAN LIMITED

SCHEDULE-16 :

NOTES ON ACCOUNTS:

(1) SIGNIFICANT ACCOUNTING POLICIES

- (a) Financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.
  - (b) Fixed Assets are stated at cost of acquisition inclusive of freight, duties and taxes and incidental expenses and is net off modvet credit availed.
  - (c) Depreciation on Fixed Assets has been provided on Straight Line Method on pro-rata basis as per the classification and on the basis of Schedule-XIV of the Companies Act, 1956.
  - (d) Preliminary and public issue expenses are written off over a period of 10 years.
  - (e) Raw materials and stores are valued at cost. Work in process is valued at cost. Finish goods are valued at cost or market value which ever is lower.
- (2) Corresponding figures of the previous year have been re-grouped or re-arranged to make them comparable with this year's figure, wherever necessary.
- (3) Profit & Loss account includes payment made to auditors as under :-

	<u>For the year</u> <u>ended on</u> <u>31.03.2000</u> <u>Rs.</u>	<u>For the year</u> <u>ended on</u> <u>31.03.1999</u> <u>Rs.</u>
For Audit fees	50,000	50,000
For Taxation Matters	22,500	22,500
For Expenses (including Service tax)	6,000	Nil
	-----	-----
	78,500	72,500
	=====	=====

- (4) No Provision has been made in respect of disputed Municipal Tax liability amounting Rs. 3,18,107 (Previous Year Rs. 2,05,041.)



- (5) Salaries & Wages in Schedule - 12 Includes Managerial remuneration as under:

	1999-2000 Rs.	1998-1999 Rs.
To Managing Director	90,000	90,000
To Wholetime Director	---	1,44,000
<b>TOTAL :</b>	<b>90,000</b>	<b>2,34,000</b>
	=====	=====

- (6) As there is no Secretary appointed by the company, the accounts have not been signed by the Company Secretary.
- (7) Sundry creditors in schedule-8 includes Rs.1.43 lacs due to small scale industrial undertakings to the extent such parties have been identified from available information. There are no small scale industrial undertaking to whom the company owes a sum exceeding Rs. 1.00 lac and which are outstanding for more then 30 days.
- (8) Additional information pursuant to the provisions of paragraphs 3,4c,4d of part II of schedule VI of the Companies Act, 1956

#### Quantitative Information

Details of Licensed and installed Capacity. Production, Purchase Stock & Turnover : ( As certified by the Managemnet)

	Unit	1999-2000 Rupees	1998-1999 Rupees
I Licensed capacity Pigment Violet-23	Mts.	120	120
II Installed capacity Pigment Violet-23	Mts.	72	72
III Production Pigment Violet-23	Kgs.	5242	1540
IV Stock of Finished Goods at Close Pigment Violet-23	Kgs.	838 17,31,910	299 5,75,575
V Stock of Finished Goods at Begining Pigment Violet-23	Kgs.	299 5,75,575	Nil Nil
VI Sales Pigment Violet-23	Kgs.	4703 83,43,513	1241 25,08,000

#### IV Raw Material Consumed

Value of Imported & Indigeneous and its Percentage

Imported	---	---	18%	11,12,938
Indigenous	100%	65,44,820	82%	50,74,907
<b>Total</b>	<b>100%</b>	<b>65,44,820</b>	<b>100%</b>	<b>61,87,845</b>
	-----	-----	-----	-----

Entire stores consumption is out of indienous purchases.





# VII CONSUMPTION OF RAW MATERIALS

Particulars	Unit	Quantity	Value (RS.)	Quantity	Value
		1999-2000		1998-1999	
Carbazol	Kgs.	8851	22,76,123.00	5000	13,83,250.00
Di Ethyal Sulphate	Ltr.	5746	3,50,563.00	5966	5,67,129.00
M.C.B.	Ltr.	15236	3,39,458.00	---	---
O.D.C.B.	Ltr.	40830	15,59,298.00	39090	24,23,580.00
Chloronil	Kgs.	6353	7,87,264.00	5813	8,20,446.00
Di Ethyal Glyacol	Ltr.	10626	3,91,462.00	---	---
Methanol	Kgs.	12834	1,38,607.00	---	---
Acetic Acid	Ltr.	---	---	5180	1,33,903.00
Acetone	Kgs.	---	---	2925	93,600.00
Others	---	---	7,02,045.00	---	7,65,937.00
		-----		-----	
TOTAL	-->>	65,44,820.00		61,87,845.00	
		=====		=====	

# VIII PURCHASES FOR RESALE

Particulars	Unit	Quantity 1999-2000	Value (RS.)
C.P.C. GREEN	KGS.	18500	42,30,500.00
METANICIC ACID	KGS.	25050	10,12,800.00
PIGMENT VIOLET-23	KGS.	4000	72,00,000.00
DEMAP	KGS.	8000	20,15,800.00
C.P.C. CRUDE	KGS.	10650	11,29,250.00
		TOTAL --->>	1,55,88,350.00

(9) Value of Imports on CIF Basis.

	1999-2000	1998-1999
Raw Material	Nil	Rs. 8,06,265

(10) There are no other particulars required to be submitted under Part II of Schedule VI of the Companies Act, 1956.

(11) Information pursuant to Part IV of Schedule VI of the Companies Act, 1956

# BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(i) Registration Details

Registration No : 18572

State Code : 04

31

03

2000

Balance Sheet Date : Date Month Year

(ii) Capital Raised during the year (Amount in Rs. Thousand)

Public Issue : ---

Right Issue : --

Bonus Issue : --

Private Placement: --

(iii) Position of Mobilisation and deployment of funds  
(Amount in Rs. Thousand)

Total Liabilities: 153323

Total Assets : 153323

Sources of Funds :

Paid-up Capital : 64678

Reserves & Surplus: Nil

Secured Loans : 88645

Unsecured Loans: Nil



Application of Funds:

Net Fixed Assets : 170068	Investment : Nil
Net Current Assets: 2467	Miscellaneous Expenditure : 1174
Accumulated Losses: 29664	

(iv) Performance of Company (Amount in Rs. Thousand)

Turnover : 26659	Total Expenditure : 49385
Profit/(Loss) Before tax : (22726)	Profit/(Loss) After Tax : (22726)
Earning per share (In Rs.) : N.A.	Dividend rate(%) : Nil

(v) Generic Names of three principal products of company (As per monetary terms).

<u>Item</u>	<u>Code No.</u> <u>(ITC Code)</u>
i. Metanilic Acid	29214214
ii. Pathalo Cyanine Green	32041751
iii. Dye Ethyl Meta Amino Phenol	29222905
iv. Pigment Violets	32041731
v. Aluminium Chloride	2818

Signatures to Schedule-1 to 16

For SHAH & SHAH ASSOCIATES,  
Chartered Accountants

PARTNER



PLACE: AHMEDABAD  
DATE : 13th November, 2000

For ADI RASAYAN LIMITED

CHAIRMAN

DIRECTOR

DIRECTOR

PLACE: AHMEDABAD  
DATE : 13th November, 2000

**AUDITORS'REPORT**

To,  
The Members of

**ADI RASAYAN LIMITED**

We have audited the attached Balance Sheet of M/s. **ADI RASAYAN LIMITED** as at 31st March, 2000 and Profit & Loss Account of the Company for the year ended on that date annexed thereto and report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet complies with the mandatory accounting standards referred to in sub section (3C) of section 211 of the companies act, 1956.
5. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with and subject to notes thereon of Schedule-16 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
  - (i) In the case of Balance sheet, of the state of affairs of the company as at 31st March, 2000

and

- (ii) In the case of Profit & Loss Account, of the Loss for the year ended on that date.

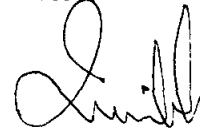
As required by Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Central Government and on the basis of such checks as we considered appropriate and as per the information and explanations given to us, we further report that :



1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. We are informed that the fixed assets have been physically verified during the year by the management and no discrepancy was found on such verification as compared to the books of accounts.
2. None of the fixed assets of the Company has been revalued during the year under review.
3. The stocks of finished goods and raw materials of the company have been physically verified by the management at the end of the year.
4. In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
5. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
6. In our opinion, the valuation of the stocks of finished goods and raw materials is fair and proper in accordance with the normally accepted accounting principles.
7. The Company has not taken any loans secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956.
8. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
9. In respect of loans or advances in the nature of loans given to employees and others, recovery of principal amounts and interest, wherever applicable, has been as stipulated.
10. In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of raw materials, stores, plant & machinery and equipments in as much as that they are under the direct control and supervision of the Directors of the Company.
11. As explained to us, and certified by the Management there is no unserviceable or damaged stores, raw materials and finished goods during the year.
12. As informed to us, the Company has not accepted any deposit from the public during the year under review.
13. The Company did not have any formal internal audit system during the year under review.

14. As informed to us, there are no undisputed amounts payable in respect of Income-tax, Wealth-tax, Sales-tax, Custom-duty and Excise-duty outstanding as at 31st March, 2000 for a period of more than six month from the date they became payable, except tax deducted at source of Rs. 5,943.
15. According to the information and explanations given to us, no personal expenses of employees or Directors have been charged to revenue accounts, other than those payable under contractual obligations or in accordance with generally accepted business practices.
16. According to the information and explanations given to us, there were no damaged goods in respect of goods purchased for resale.
17. The company is not a sick industrial company within the meaning of clause (o) of sub section (1) of the section 3 of The Sick Industrial Companies (Special Provisions) Act, 1985.
18. The other clauses of the said Order are not applicable to the Company during the year under review.

For SHAH & SHAH ASSOCIATES,  
Chartered Accountants



PARTNER

PLACE : AHMEDABAD

DATE : 13th November, 2000

**BARODA OFFICE :**  
815, SIDDHARTH COMPLEX,  
NEAR EXPRESS HOTEL  
R. C. DUTT ROAD,  
BARODA - 390 005.  
PHONE : (O) 335373

**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

501, ANIKET,  
NEAR MUNICIPAL MARKET,  
NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE : 6465433  
FAX : 079 - 6406983

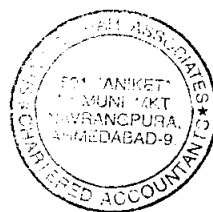
**CERTIFICATE**

We have examined the attached Cash Flow Statement of **ADI RASAYAN LIMITED** for the year ended on 31<sup>st</sup> March, 2000. The statement has been prepared by the company in accordance with the requirements of clause 32 of Listing Agreements with the stock exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the company covered by our report of 13<sup>th</sup> November, 2000 to the members of the company.

**PLACE : AHMEDABAD**

**DATE : 13<sup>TH</sup> November, 2000**

  
**CHARTERED ACCOUNTANTS**



**ADI BASAYAN LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2000**

	For the year ended on March 31, 2000 Rs.	March 31 1999 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX	(2,27,25,729)	(69,63,701)
<b>ADJUSTMENTS FOR :</b>		
DEPRECIATION	55,10,861	24,04,774
INTEREST CHARGED	1,22,15,021	33,25,485
PUBLIC ISSUE EXPENSES & PRELIMINARY EXPENSES WRITTEN OFF	1,60,560	1,60,560
INTEREST INCOME	--	(2,99,692)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	(48,39,287)	(13,72,574)
<b>ADJUSTMENTS FOR :</b>		
INVENTORIES	(1,51,681)	(59,52,025)
TRADE RECEIVABLES	(1,50,32,663)	(28,54,401)
LOANS & ADVANCES	32,10,759	(46,18,804)
CURRENT LIABILITIES	1,21,16,285	1,01,45,969
(INCREASE)/DECREASE IN NET CURRENT ASSETS	1,42,700)	(32,79,261)
CASH GENERATED FROM OPERATIONS	(46,96,587)	(46,51,835)
INTEREST PAID	(1,22,15,021)	(33,25,485)
NET CASH FLOW FROM OPERATING ACTIVITIES	(1,69,11,608)	(79,77,320)
	=====	=====



**B. CASH FLOW FROM INVESTING ACTIVITIES**

PURCHASE OF FIXED ASSETS (INCLUDING CAPITAL WORK IN PROGRESS AND PRE-OPERATIVE EXPENSES CAPITALISED)	(39,50,437)	(3,26,53,573)
SALES OF INVESTMENTS	--	1,31,76,768
INTEREST RECEIVED	--	2,99,692

NET CASH USED IN INVESTING ACTIVITIES	(39,50,437)	(1,91,77,113)
---------------------------------------	-------------	---------------

**C. CASH FLOW FROM FINANCING ACTIVITIES**

INCREASE IN SHARE CAPITAL	40,33,000	--
TERM LOAN FROM BANK OF BARODA	79,59,642	1,95,76,901
WORKING CAPITAL LOANS FROM A BANK (INCLUDING SHORT TERM LOAN)	84,41,372	72,44,119

NET CASH FLOW FROM FINANCING ACTIVITIES	2,04,34,014	2,68,21,020
---	-------------	-------------

NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(4,28,031)	(3,33,413)
---	------------	------------

CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,45,906	7,79,319
---	----------	----------

CASH AND CASH EQUIVALENTS AS AT THE CLOSE OF THE YEAR	17,875	4,45,906
--	--------	----------



FOR ADI RASAYAN LIMITED

  
DIRECTOR