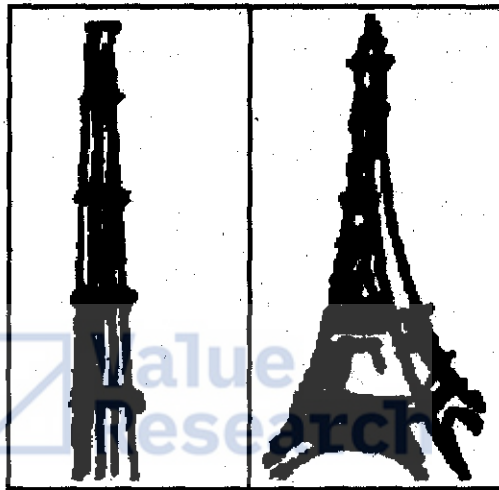


1999-2000



*Indo-French Bio-tech  
Enterprises Ltd.*

## BOARD OF DIRECTORS

Maj. Kumudchandra J. Bodiwala	Chairman and Director
Mr. Prafullakumar R. Ranadive	Whole Time Director
Mr. Kishore V. Deshmukh	Director

## AUDITORS

M/s. Rao Srinivasan & Associate  
Chartered Accountants

## REGISTERED OFFICE

D/9 Garden Co-Operative Society  
Soonawala Agairy Lane,  
Mahim - West,  
Mumbai- 400 016.

## BANKERS

Union Bank of India  
Bank of Maharashtra  
Bank of India  
Dena Bank  
Federal Bank  
State Bank of India  
HDFC Bank Ltd.  
Development Credit Bank Ltd.

## SITE

- 1) Village Nalwadpada, Taluka Dindori,  
District Nasik, Maharashtra State.
- 2) Village Amnori, District Raigad,  
Maharashtra State.

## CONTENTS

NOTICE .....	1
DIRECTORS REPORT .....	3
REPORT OF THE AUDITORS .....	5
BALANCE SHEET .....	6
PROFIT & LOSS ACCOUNT .....	7
SCHEDULES TO BALANCE SHEET .....	8
SCHEDULES TO THE PROFIT & LOSS ACCOUNT .....	10

**NOTICE**

NOTICE is hereby given that the Eighth Annual General Meeting of the Shareholders of the Company will be held on Tuesday, the 29th August, 2000 at 10.30 a.m. AT KARNATAKA SANGH HALL, VISVESVERAYA SMARAK MANDIR, MOGUL LANE, OFF. T.H.KATARIA MARG, MAHIM (NEAR MATUNGA STATION WESTERN RAILWAY) MUMBAI - 400 016 to transact the following business:

**ORDINARY BUSINESS:**

- 1 To receive, consider and adopt the Audited Statement of Accounts for the period ended 31st March, 2000 and the Reports of Directors and Auditors thereon.
- 2 To appoint a Director in place of Mr. Kishore V. Deshmukh, who retires by rotation and being eligible, offers himself for reappointment.
- 3 To appoint auditors and to fix remuneration.

**SPECIAL BUSINESS:**

- 4 To consider and if thought fit, to pass with or without modifications, the following Resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 198, 269 and 309 read with Scheduled XIII and other applicable provisions, if any of the Companies Act, 1956, the consent of the Members of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Shri Prafullakumar R. Ranadive as a Whole time Director of the Company for a period of one year w.e.f. 3rd December, 2000 on the terms & conditions as contained in agreement dated 3rd December, 1999 placed before the Meeting and initialed by the Chairman for identification.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary and/or alter and/or modify the terms and conditions relating to the re-appointment of Shri Prafullakumar R. Ranadive as Whole time Director of the Company in accordance with the changes that may be effected from time to time in Schedule XIII to the Companies Act, 1956, if any and/or any amendments and/or modifications, including any guidelines or notifications as may be made by the Central Government from time to time."

5. To consider and if thought fit, to pass with or without modifications, 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, (including any amendment thereto or any re-enactment thereof), the Articles of Association of the Company be and are hereby altered inserting the following new article 60A, after the Existing Article 60:  
ARTICLE 60A - Nomination for shares and debentures-

"Notwithstanding anything contained in Article 58, 59 and 60 every holder(s) of shares or holder(s) of debenture of the Company holding either singly or jointly, may, at any time, nominate a person in the prescribed manner to whom the shares and/or the interest of the member in the shares of the Company or debentures of the Company shall vest in the event of his/her death. Such member may revoke or vary his/her nomination, at any time, by notifying the same to the Company to that effect. Such nomination shall be governed by the provisions of section 109 A and 109 B of the Act or such other regulation governing the matter from time to time."

By Order of the Board of Directors  
for INDO-FRENCH BIO-TECH ENTERPRISES LTD.

Maj. K. J. Bodiwala  
Chairman

**Registered Office:**

D/9 GARDEN CO-OP SOCIETY,  
SOONAWALA AGIARY LANE,  
MAHIM (WEST),  
MUMBAI-400 016.

Dated: 29-06-2000

**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. A PROXY FORM TO BE EFFECTIVE, MUST BE LODGED DULY SIGNED WITH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2 Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
- 3 An explanatory Statement as required pursuant to Section 173(2) of the Companies Act, 1956, in respect of item no 4 & 5 is annexed to this Notice.
- 4 The Register of Members and the Share Transfer Books of the Company will remain closed from 18th August, 2000 to 25th August, 2000 (both days inclusive).
- 5 All documents, referred to in the Notice and accompanying Explanatory Statement are open for inspection at the Registered Office of the Company during Company's business hours on any working day from Monday to Friday from the date hereof to the date of the Annual General Meeting.
- 6 Members desirous of obtaining information in respect of the Accounts of the Company are requested to send their queries in writing to the Company at the Registered Office, so as to reach at least seven days before the date of the Annual General Meeting.

- 7 Members are requested to notify immediately change in their address, if any, to the Registered office of the company at, D/9 Garden Co-op Society, Soonawala Agiary Lane, Mahim (West), Mumbai-400 016.
- 8 Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company at the Registered Office to enable the Company to consolidate their holdings in one folio.
- 9 Members are requested to bring their copies of annual report at the time of attending the annual general meeting.

By Order of the Board of Directors  
FOR INDO- FRENCH BIO-TECH ENTERPRISES LTD.

**Maj. K. J. Bodiwala**  
Chairman

**Registered Office:**  
D/9 Garden Co-op Society,  
Soonawala Agiary Lane,  
Mahim (West),  
Mumbai-400 016.

Dated : 29-06-2000

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

**ITEM NO.4**

The Board of Directors in its meeting held on 29th June, 2000 proposed the re-appointment of Mr.Prafullakumar R. Ranadive as the Whole time Director for a further period of 1 year with effect from 3rd December, 2000, subject to approval of the Shareholders.

Mr. Prafullakumar R.Ranadive, had a vast technical experience in a multinational corporation in the Middle East. On his return to India, he has since last seven years been actively associated in developing horticultural and forestry projects in Raigad District of Maharashtra and has gained tremendous insight of the entire gamut of activities of the forestry fields. He is in charge on a day-to-day basis of the company's high value forestry project of teakwood and rosewood plantation in Raigad District. The re-appointment of Mr.Prafullakumar R.Ranadive would be appropriate, and in the best interest of the Company. The Directors recommend his re-appointment to the shareholders on the terms of remuneration indicated hereinbelow:

Salary Rs.10,000/- per month.

**OTHER TERMS AND CONDITIONS:**

Mr.Prafullakumar R.Ranadive shall,

- a) Subject to the Superintendence, control and directions of the Board, manage, conduct, and devote his whole time to the business and affairs of the Company.
- b) So long as he functions as the Whole Time Director,

he shall not become interested or otherwise concerned directly or indirectly through his relatives, in any transaction with the Company without prior approval of the Board and such other approvals, if any, as may be applicable.

- c) Keep the secrets of the Company.

In view of the provisions of Section 309 of the Companies Act, 1956, an Ordinary Resolution as set out in the accompanying Notice is placed before the Members for the consideration and approval of members.

A Copy of the draft agreement referred to in the Resolution is available for inspection by the Members at the Registered Office of the Company during the business hours on any working day excluding Saturday, and holidays upto the date of the Meeting.

This Explanatory Statement together with the accompanying notice may also be regarded as an abstract and memorandum under Section 302 of the Companies Act, 1956.

None of the Directors except Mr.Prafullakumar R.Ranadive is considered interested or concerned in the Resolution at item No.4.

**ITEM NO.5**

The Companies (Amendment)Act, 1999 has interalia, made a provision by insertion of section 109A and 109B whereby a holder/jointholder of shares or debentures can nominate a person to whom the right in the shares or debentures of the Company shall vest in the event of death of such holder(s).It is therefore, proposed to incorporate a new Article 60 A in the Article of Association of the Company ,providing for nomination facility,as set out under Item no 5 of the Notice.

A copy of the existing Article of Association of the Company together with the proposed amendments is available for inspection by the members during business hours on any working day,at the registered office of the Company,upto the date of the Meeting.The board of Directors recommends passing of the resolution at item no. 5 of the Notice. The Directors of the Company are deemed to be interested in the resolution to the extent of the shares held by them in the Company.

FOR INDO- FRENCH BIO-TECH ENTERPRISES LTD.

**MAJ. K. J. BODIWALA**  
CHAIRMAN

**Registered Office:**  
D/9 Garden Co-op Society,  
Soonawala Agiary Lane,  
Mahim (West),  
Mumbai-400 016.

Dated: 29-06-2000

**DIRECTORS' REPORT**

To  
The Members,  
Indo-French Bio-Tech Enterprises Limited.

Your Directors present before you the Eighth Annual Report together with the Audited Statement of Accounts of the business and operation of the Company for the period ended 31st March 2000.

**FINANCIAL RESULTS:**

	(Amount in Rs.)	
	1999-2000 (For 9 months)	1998-99 (For 12 months)
Total sales	9,45,496	20,42,367
Net Profit / (Loss)	(1,36,13,235)	(32,53,91,518)
Profit & Loss Account Bal. B/f.	(41,75,06,914)	(9,21,15,396)
	(43,11,20,149)	(41,75,06,914)
Transferred to Reserves	0	0
Balance Carried Forward	(43,11,20,149)	(41,75,06,914)

**DIVIDEND:**

In view of the loss during the period your Directors expressed their inability to declare any Dividend for the year under review.

**OPERATIONS:**

During the period ended 31st March 2000 the Company achieved turnover of Rs.9,45,496/- as compared to Rs.20,42,367/- in the previous accounting year ended 30th June 1999. The figures are not comparable as the current period has been reduced to 9 months. However the business growth during the period was constrained by the industrial recession. Due to slow down in business, the company has taken effective steps in reducing the cost and thereby reducing the operational loss.

**APPLICATION TO BIFR UNDER SICA, 1985:**

During the year ended 30th June, 1999 the net worth of the company was totally eroded. Taking the same into consideration the company has filed a reference in October 1999 before the Board for Industrial & Financial Reconstruction (BIFR), in New Delhi and has been registered by BIFR. In view of this a scheme of revival will be prepared by the company and will submit the same to the BIFR as and when they order for the same. Your Directors are confident about reviving your Company. However your directors solicit your co-operation and support to bring back your Company to its normal functioning.

**CHANGE IN FINANCIAL YEAR:**

As the financial year of the company which ends on 30th June every year, it was inconvenient for Company since the Company needs to have another closing of Books of accounts on 31st March, every year for Income Tax purpose. In view of the same it was decided that the financial year of the company for 1999-2000 will be from 1st July, 1999 to 31st March, 2000 and subsequently the company will follow the financial year from 1st April to 31st March every year.

**PUBLIC DEPOSITS:**

During the year under review, the company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956, read together with the companies (Acceptance of Deposits) Rules, 1975.

**DIRECTORS:**

Pursuant to provisions of Companies Act 1956 and Articles of Association Mr. Kishore V. Deshmukh, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Prafullakumar R. Ranadive Whole Time Director whose tenure of appointment is up to 2nd December 2000 has expressed his willingness to continue for the further period of one year and will be re-appointed as Whole Time Director of the company w.e.f 3rd December, 2000.

**AUDITORS & THEIR REPORT:**

The Company's Statutory Auditors M/s. Rao Srinivasan & Associates, Chartered Accountants, Mumbai retire at the forthcoming Annual General Meeting and are eligible for reappointment. The company had received a letter from them intimating that if they are re-appointed then that will be within the limit as prescribed u/s. 224(1B) of the Companies Act, 1956. The Members are requested to appoint the Auditors for the current year and fix their remuneration.

The observation made by the Auditors in their report is self-explanatory. The non-provision of interest due to Inter Corporate Deposit and Project Grapes and others is due to pending settlement of the same. In view of Fund crunch payment of P.F. dues has been delayed. The explanation as above doesn't call for further comments.

**DEMATERIALISATION OF SHARES**

As Directed by SEBI it will be compulsory for Members to deal in the Company's Equity Shares in Dematerialised form on and from 25th September 2000. The Company will take appropriate steps as directed by SEBI in the matter. The members will be kept informed on the same.

**PARTICULARS OF EMPLOYEES:**

There are no employees employed during the year or part of the year drawing the remuneration as prescribed under Particulars of Employees within the meaning of the section 217 (2A) of the Companies Act, 1956 read with (particulars of employees) Rule, 1975. Hence the details are not provided.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:**

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure forming part of this report.

**PERSONNEL:**

The employee relations during the year under review remained cordial. We would like to acknowledge our appreciation for the efforts and contribution made by our sincere and motivated employees at all levels, which has enabled your company to meet the severe challenges faced by the industry.

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to place on record their appreciation of the valuable support and co-operation received from the Agents, Dealers, Customers, Suppliers, Distributors and Business Associates as well as the Bankers of the Company and Investing Institutions, Depositors and Shareholders of the Company.

For and on behalf of the Board,  
for **INDO-FRENCH BIO-TECH ENTERPRISES LTD.**

**Maj. K. J. Bodiwala**  
Chairman

Place: Mumbai  
Date: 29-06-2000

**ANNEXURE TO THE DIRECTOR'S REPORT**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988.

**CONSERVATION OF ENERGY:**

FORM A

(See Rule 2)

Form for Disclosure of particulars with Respect to Conservation of Energy.

a. Power and Fuel Consumption:

1. Electricity:

(a) Purchased:	Current Period	Previous Year
Unit	20643	64752
Total Amount	65645	152760
Average Rate		
Per unit	3.18	2.36

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION: N.A.**

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Total Foreign Exchange used and earned. :

(AMOUNT IN RUPEE'S)

	Current Period	Previous Year
Foreign Exchange earned.	—	—
Foreign Exchange Used	—	—

For and on behalf of the Board,  
for **INDO-FRENCH BIO-TECH ENTERPRISES LTD.**

**Maj. K. J. Bodiwala**  
Chairman

Place: Mumbai  
Date: 29-06-2000



## REPORT OF THE AUDITORS TO THE SHARE HOLDERS

We have audited the attached Balance Sheet as on and Profit & Loss Account for the period ended on 31st March, 2000 of Indo-French Bio-tech Enterprises Limited and report that :-

1. We have obtained all the information and explanations which to the best of our knowledge and belief, are necessary for the purpose of our audit.
2. In our opinion, proper books of accounts, as required by law have been kept by the Company so far it appears from our examination of such books.
3. The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
4. The Cash Flow Statement forming part of Annual Report has been prepared in accordance with the requirements of clause 32 of the listing agreement of the Bombay Stock Exchange.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view, subject to the following comments :-
  - (A) Note 2(b) of Schedule 16 regarding Non Provision of Interest on Inter Corporate Deposits and Project Grape Investors, Note 12 of Schedule 16 regarding non provision for Bad and Doubtful Debts and other notes there on.
    - (i) In case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 2000 and  
AND
    - (ii) In the case of the Profit & Loss Account, of the loss for the year ended on that date.
6. As required by the Manufacturing and Other Companies (Auditors Report) Order 1988, issued by the Central Government and on the basis of such checks as we considered appropriate, we further state that :-
  - i) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets. As explained to us, all the assets have been physically verified by the management at reasonable intervals and no material discrepancies between book records and physical inventory were noticed. In our opinion the frequency of verification is reasonable having regards to the size of the Company and the nature of its assets.
  - ii) None of the fixed assets have been revalued during the year.
  - iii) The stock of finished goods, stores and spare and raw materials have been physically verified by the management at reasonable intervals during the year.
  - iv) The procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - v) The discrepancies noticed on physical verification of stock as compared to Books of Accounts were not material and have been properly dealt with in the books of accounts.
  - vi) In our opinion the valuation of stocks is fair and proper and in accordance with normally

- accepted accounting principles and the basis of valuation of stocks is same as in the previous year.
- vii) The company has not taken any loans from companies, firms or to the parties listed in the register maintained under section 301 of the Companies Act, 1956 or from Companies under the same management as defined under section 370(1B) of the Companies Act, 1956.
- viii) Except for advances in the course of regular trade, the Company has not granted any loans to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or from Companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956.
- ix) The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of stores, raw material, plant and machinery, equipment and other assets and for sale of products.
- x) As explained to us, the Company has a regular procedure for the determination of unserviceable or damaged stores and raw materials and finished products. Adequate provision has been made in the accounts for the loss arising on the items so determined.
- xi) The Company has not accepted any deposit from the public within the meaning of section 58-A of Company's Act 1956 and the Companies (Acceptance of Deposits) rule 1975.
- xii) The Company is maintaining reasonable records for the sale and disposal of realisable by product.
- xiii) The Company does not have an internal audit system commensurate with the size and nature of its business.
- xiv) According to the records of the company, PF dues have not been paid regularly during the year with the appropriate Authorities. The Arrears as at the end of the year amounts to Rs. 84528/-
- xv) There are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty as at 31st March, 2000 which were outstanding for a period more than 6 months from the date they became payable.
- xvi) According to the information and explanation given to us no personal expense have been charged to the revenue account other than those payable under contractual obligations or in accordance with generally accepted business practices.
- xvii) The damaged goods arising out of trading activities has been determined and adequate provision has been made for the loss arising therefrom.
- xviii) Clauses ix, xi, xvi and xx of para 4(A) of the said order are not applicable to the Company.

For RAO SRINIVASAN & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE: MUMBAI  
DATED: 29.06.2000

Ramesh Iyer  
(Partner)

**BALANCE SHEET AS AT 31ST MARCH, 2000.**

		AMOUNT IN RUPEES	
		AS ON 31.03.2000	AS ON 30-06.1999
<b>I. SOURCES OF FUNDS</b>			
1. Shareholders Funds			
Share Capital	1	32,11,83,000	32,11,83,000
Reserves & Surplus	2	5,95,65,958	5,95,65,958
		<u>38,07,48,958</u>	<u>38,07,48,958</u>
2. Loan Funds			
Secured Loans	3	13,87,00,638	13,03,55,285
Unsecured Loans	4	5,99,12,611	5,98,75,873
		<u>19,86,13,249</u>	<u>19,02,31,158</u>
<b>TOTAL FUNDS EMPLOYED</b>		<u><u>57,93,62,207</u></u>	<u><u>57,09,80,116</u></u>
<b>II. APPLICATION OF FUNDS</b>			
1. Fixed Assets			
Gross Block	5	14,91,57,868	55,33,83,779
Less: Depreciation		3,61,10,505	3,25,78,144
Plantation Work In Progress Written off		0	40,42,81,961
		<u>11,30,47,363</u>	<u>11,65,23,674</u>
2. Investments			
		500	500
3. Current Assets, Loans & Advances			
Stock in Trade	6	74,163	1,61,395
Sundry Debtors	7	2,68,65,728	2,68,65,728
Cash & Bank Balance	8	7,57,953	7,94,360
Loans & Advances	9	4,48,57,776	4,48,67,006
		<u>7,25,55,620</u>	<u>7,26,88,489</u>
Less: Current Liabilities & Provisions			
Liabilities	10	3,73,61,425	3,57,39,461
		<u>3,51,94,195</u>	<u>3,69,49,028</u>
Net Current Assets			
Miscellaneous Expenditure			
(To the extent not written off or adjusted)			
Plantation Expenses Written off		0	0
Profit and Loss Account		43,11,20,149	41,75,06,914
		<u>43,11,20,149</u>	<u>41,75,06,914</u>
Total		<u><u>57,93,62,207</u></u>	<u><u>57,09,80,116</u></u>

Notes to Accounts 16

As per our Report of even date  
For Rao Srinivasan & Associates  
Chartered Accountants

For and on behalf of Board of Directors  
For Indo-French Biotech Enterprises Limited

(Ramesh Iyer)  
Partner

K. J. Bodiwala P. R. Ranadive  
(Chairman/Director) (Whole time Director)

Santosh Kumar Patra  
(Company Secretary)

K. V. Deshmukh  
(Director)

Place: Mumbai  
Dated: 29.06.2000



**PROFIT & LOSS ACCOUNT FOR PERIOD ENDED 31ST MARCH, 2000**

AMOUNT IN RUPEES

	SCHEDULE	AS ON 31.03.2000	AS ON 30.06.1999
<b>INCOME</b>			
Sales		9,45,496	20,42,367
Other income	11	0	14,11,470
Increase/(Decrease) in Stock	12	(87,232)	(1,13,406)
<b>Total</b>		<b>8,58,264</b>	<b>33,40,431</b>
<b>EXPENDITURE</b>			
Purchases & Consumption of Raw Material	13	0	411
Selling & Distribution Expenses	14	2,800	2,000
Administrative & Other Expenses	15	1,09,36,338	4,21,43,119
Depreciation		35,32,361	54,49,340
Plantation Work-In-Progress Written off		0	28,11,37,079
<b>Total</b>		<b>1,44,71,499</b>	<b>32,87,31,949</b>
Net Profit / (Loss)		(1,36,13,235)	(32,53,91,518)
Add: Balance Brought Forward		(41,75,06,914)	(9,21,15,396)
Profit Available for Appropriation		0	0
<b>Total:</b>		<b>(43,11,20,149)</b>	<b>(41,75,06,914)</b>
<b>APPROPRIATIONS:</b>			
Transferred to General Reserve		0	0
Balance Carried to Balance Sheet		(43,11,20,149)	(41,75,06,914)
<b>Total:</b>		<b>(43,11,20,149)</b>	<b>(41,75,06,914)</b>

Notes to Accounts

16

As per our Report of even date  
For Rao Srinivasan & Associates  
Chartered Accountants

(Ramesh Iyer)  
Partner

Place: Mumbai  
Dated: 29.06.2000

For and on behalf of Board of Directors  
For Indo-French Biotech Enterprises Limited

K. J. Bodiwala      P. R. Ranadive  
(Chairman/Director)      (Whole time Director)

Santosh Kumar Patra  
(Company Secretary)

K. V. Deshmukh  
(Director)

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET**

	AMOUNT IN RUPEES	
	AS ON 31.03.2000	AS ON 30.06.1999
<b>SCHEDULE 1:</b>		
<b>SHARE CAPITAL:</b>		
<b>AUTHORISED:</b>		
33,000,000 (33,000,000) Equity Share of Rs.10/- each.	33,00,00,000	33,00,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
32,118,300 (32,118,300) Equity shares of Rs. 10 /- each fully paid up	32,11,83,000	32,11,83,000
	<u>32,11,83,000</u>	<u>32,11,83,000</u>
<b>SCHEDULE 2:</b>		
<b>RESERVES &amp; SURPLUS</b>		
a) Share Premium Account	2,44,28,252	2,44,28,252
b) General Reserve As per last Balance Sheet	3,25,87,706	3,25,87,706
c) Capital Reserve	25,50,000	25,50,000
	<u>5,95,65,958</u>	<u>5,95,65,958</u>
<b>SCHEDULE 3:</b>		
<b>SECURED LOANS:</b> (Including Interest accrued & due)		
a) State Bank of India (E.P.C.) (Secured against Hypothecation of specified book Debts and Stocks & pari passu charge on Movable Assets)	1,86,13,410	1,74,61,683
b) The Federal Bank Limited (Secured by a bank guarantee to National Horticulture Board)	58,53,936	58,53,936
c) The Federal Bank Limited (Secured against Hypothecation of Fixed & Current assets and third party security.)		
(i) Term Loan	7,96,22,438	7,52,04,938
(ii) Cash Credit	1,61,89,765	1,49,52,265
d) The Federal Bank Limited (Export bill discounting loan A/c) (Secured against hypothecation of specified book debts)	40,97,936	37,35,738
e) The Federal Bank Limited (Cash Credit Loan A/c - Export Bill) (Secured against hypothecation of specified book debts)	1,33,10,193	1,21,33,765
f) National Horticulture Board (Secured by a bank guarantee of The Federal Bank Limited)	10,12,960	10,12,960
	<u>13,87,00,638</u>	<u>13,03,55,285</u>

## 8TH ANNUAL REPORT 1999-2000

	AMOUNT IN RUPEES	
	AS ON 31.03.2000	AS ON 30.06.1999
<b>SCHEDULE 4:</b>		
<b>UNSECURED LOANS:</b>		
Inter-Corporate Deposits	4,03,90,000	4,04,00,000
Refundable Trade Deposit- Advance from Subscribers	1,72,04,313	1,73,04,313
Development Credit Bank Ltd.	23,18,298	21,71,560
	5,99,12,611	5,98,75,873

### SCHEDULE 5:

#### Fixed Assets

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON	ADDITIONS	WITHDRAWAL	AS ON	AS ON	ADDITIONS	WITHDRAWAL	AS ON	AS ON	AS ON
	1-7-1999		ADJUSTMENT	31-3-2000	1-7-1999		ADJUSTMENT	31-3-2000	31-3-2000	30-6-1999
OFFICE PREMISES	7,32,880	0	0	7,32,880	3,41,833	29,462	0	3,71,295	3,61,585	3,91,047
BUILDINGS	2,53,08,372	0	0	2,53,08,372	87,78,193	12,45,424	0	1,00,23,617	1,52,84,755	1,65,30,179
PLANT & MACHINERY	2,76,50,549	0	0	2,76,50,549	1,35,45,760	14,78,201	0	1,50,23,961	1,26,26,588	1,41,04,789
ELECTRICAL INSTALLATION	70,37,057	0	0	70,37,057	41,24,657	3,95,189	0	45,19,846	25,17,211	29,12,400
OFFICE EQUIPMENTS	18,89,480	0	0	18,89,480	9,11,139	1,02,532	0	10,13,671	8,75,809	9,78,341
FURNITURE & FIXTURES	13,63,691	0	0	13,63,691	8,56,616	68,806	0	9,25,422	4,38,269	5,07,075
VEHICLES	51,10,612	0	0	51,10,612	40,19,946	2,12,747	0	42,32,693	8,77,919	10,90,666
<b>TOTAL A:</b>	6,90,92,641	0	0	6,90,92,641	3,25,78,144	35,32,361	0	3,61,10,505	3,29,82,136	3,65,14,497
PREVIOUS YEAR	6,90,92,641	0	0	6,90,92,641	2,71,28,804	54,49,340	0	3,25,78,144	3,65,14,497	4,19,63,837

PARTICULAR	GROSS BLOCK			WRITTEN OFF			NET BLOCK			
PLANTATION										
RAIGAD	8,00,09,177	56,050	0	8,00,65,227	0	0	0	8,00,65,227	8,00,09,177	0
NALWADAPADA PHASE I	5,93,83,689	0	0	5,93,83,689	5,93,83,689	0	0	5,93,83,689	0	0
NALWADAPADA PHASE II (WORK-IN-PROGRESS)	34,48,98,272	0	0	34,48,98,272	34,48,98,272	0	0	34,48,98,272	0	0
<b>TOTAL B:</b>	48,42,91,138	56,050	0	48,43,47,188	40,42,81,961	0	0	40,42,81,961	8,00,65,227	8,00,09,177
PREVIOUS YEAR	48,41,49,032	1,42,106	0	48,42,91,138	20,68,10,677	19,74,71,284	0	40,42,81,961	8,00,09,177	27,73,38,355
<b>TOTAL A + B:</b>	55,33,83,779	56,050	0	55,34,39,829	43,68,60,105	35,32,361	0	44,03,92,466	11,30,47,363	11,85,23,674

### SCHEDULE 6:

#### Inventories (At Cost)

(As Valued, Verified and  
Certified by Management)

Packing Materials	43,735	95,834
Fertilizers, Manures, Pesticides	30,428	65,561
	74,163	1,61,395

### SCHEDULE 7:

#### Sundry Debtors

(Unsecured Considered Good)  
Debts Outstanding for a period  
exceeding 6 months

	2,68,65,728	2,68,65,728
	2,68,65,728	2,68,65,728

*Indo-French Bio-tech Enterprises Ltd.*

	AMOUNT IN RUPEES	
	AS ON 31.03.2000	AS ON 30.06.1999
<b>SCHEDULE 8:</b>		
<b>Cash &amp; Bank Balances:</b>		
a) Cash on Hand	11,630	47,040
b) With Scheduled Banks:-		
i) In Current Account	38,555	39,552
ii) In Fixed Deposits (including accrued interest)	7,07,768	7,07,768
	<u>7,57,953</u>	<u>7,94,360</u>
<b>SCHEDULE 9:</b>		
<b>Loans &amp; Advances:</b>		
(Unsecured considered good)		
a) Advances Recoverable in cash or kind or for value to be received	21,39,625	21,48,855
b) Deposits & Advances for Lands on Licence	4,17,78,522	4,17,78,522
c) Other deposits	9,39,629	9,39,629
	<u>4,48,57,776</u>	<u>4,48,67,006</u>
<b>SCHEDULE 10:</b>		
<b>Liabilities:</b>		
Sundry Creditors	2,17,16,068	2,12,70,416
Outstanding Liabilities	1,38,95,357	1,32,09,045
Security Deposit from Customer	12,50,000	12,60,000
Advance from customer	5,00,000	0
	<u>3,73,61,425</u>	<u>3,57,39,461</u>
<b>SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT</b>		
	AMOUNT IN RUPEES	
	AS ON 31.03.2000	AS ON 30.06.1999
<b>SCHEDULE 11:</b>		
<b>OTHER INCOME</b>		
Insurance Claim Received	0	1,78,093
Sundry Balances Written off	0	12,33,377
	<u>0</u>	<u>14,11,470</u>
<b>SCHEDULE 12:</b>		
Increase / (Decrease) in Stocks		
Packing Materials	(52,099)	(53,286)
Fertilizers & Pesticides	(35,133)	(60,120)
	<u>(87,232)</u>	<u>(1,13,406)</u>
<b>SCHEDULE 13:</b>		
<b>Consumption of Materials</b>		
Packing Materials	0	411
	<u>0</u>	<u>411</u>

	AMOUNT IN RUPEES	
	AS ON 31.03.2000	AS ON 30.06.1999
<b>SCHEDULE 14:</b>		
<b>Selling &amp; Distribution Expenses</b>		
Freight & Transportation	2,800	0
Brokerage, Commission & Discount	0	2,000
	<u>2,800</u>	<u>2,000</u>
<b>SCHEDULE 15:</b>		
<b>Administrative &amp; Other Expenses</b>		
Telephone & Fax Expenses	10,179	10,648
Travelling	12,292	29,100
Directors' Remuneration	90,000	1,10,000
Office Expenses	8,478	60,167
Provident Fund (Admin Exp.)	3,604	1,856
Provident Fund (employer's)	74,341	19,206
Electricity Expenses	65,645	1,52,760
Bank Charges	1,168	2,472
Licence Fees	6,26,678	20,88,926
Legal, Professional & Consultancy	1,77,260	14,39,535
Insurance	0	7,485
Miscellaneous Expenses	8,044	11,870
Conveyance	17,393	1,97,084
Printing & Stationery	18,020	13,231
Salaries	2,83,640	4,22,776
Staff Welfare	14,240	18,766
Vehicle Expenses	0	21,687
Repairs & Maintenance		
Building	0	23,687
Plant & Machinery	2,385	44,487
Others	2,344	25,768
Advertising & Marketing Expenses	8,680	9,000
Postage & Telegram	29,856	45,208
Interest	85,08,091	3,65,62,392
Annual General Meeting /Board Meeting Exps.	3,43,565	2,12,111
Auditors Remuneration		
Statutory Audit	25,000	25,000
Tax Audit	0	0
Oil & Fuel Expenses	0	11,674
Filing & Registration Fees	10,500	2,910
Rates & Taxes	65,300	3,481
Office Rent	99,000	1,33,800
Factory licence fees	4,350	0
	<u>1,05,10,053</u>	<u>4,17,07,087</u>
<b>Add : Plantation &amp; Site Expenses</b>	<b>4,26,285</b>	<b>4,36,032</b>
	<u>1,09,36,338</u>	<u>4,21,43,119</u>





**SCHEDULE - 16**

**NOTES TO FINANCIAL ACCOUNTS FORMING AN INTEGRAL PART OF THE BALANCE SHEET AND THE PROFIT & LOSS ACCOUNT FOR PERIOD ENDED ON 31ST MARCH, 2000.**

**1. SIGNIFICANT ACCOUNTING POLICIES :**

**A) BASIS OF ACCOUNTING:**

The financial statements are prepared under historic cost convention, income and expenditure are recognised on an accrual basis and are in accordance with the requirements of The Companies Act, 1956 and Generally Accepted Accounting Principles except in the case of insurance claims, subsidies, commission payable on export entitlements which are accounted for as and when realised / paid.

**B) ACCOUNTING POLICIES:**

**1) Fixed Assets, Depreciation and Plantation Work in Progress and Advances for lands on licence:**

- a) Depreciation for the year is provided on "Written Down Value" method at the rates specified in Schedule XIV of Companies Act, 1956.
- b) The Administrative and Indirect Expenses are directly debited to Profit and Loss Account.
- c) As per the policy of the Company all development and other expenses in respect of Teak Plantation will be carried forward in the Balance Sheet as Plantation Work in progress and will be written off proportionately to the Profit and Loss account in the year in which the project yields revenue.

**2) Revenue Recognition:**

Revenue is recognised on completion of sale in case of local sales of strawberry, grapes, strawberry runners where as in case of exports of fruits etc., revenue is recognised on completion of delivery.

**3) Foreign Currency Transaction:**

Transaction in foreign currency are booked at the existing conversion rates at the time at which such transaction takes place except in case of export which are designated at each foreign exchange rate prevailing at the time of actual sale. The profit/loss if any arising out of such actual realisation will be booked in the year of such realisation.

**4) Capital Incentive:**

Incentive received from SICOM has been created to the Capital Reserve and not written off from Fixed Assets as it has been only partly received during the year and will be adjusted against the value of the Assets in the ensuing year upon receipt of the balance sheets amounts.

**2. CONTINGENT LIABILITIES:**

- a) There is a demand of Rs.99.95 lacs raised by the Income Tax Department for the assessment year 1995-96. The Company has contested the same with the Income Tax Appellate Tribunal & Rs.58 lakhs for the Assessment year 1996-97. The Company has contested the same with the Commissioner of Income Tax (Appeals).
- b) Interest due to Project Grapes Investors Rs 1,47,81,687/- and Due on Inter Corporate Deposits Rs. 5,32,40,678/- not provided for.
- c) The Company Law Board ( C.L.B.) vide its order dated 21.09.99 has directed the Company in para 20 of its order to make provision for payment of dividend for year ended 31.03.1995 to M.M.T.C. Ltd. Since your Company has already paid the dividend for the year 1994-95 to M.M.T.C. Ltd. alongwith the other share holders therefore your Company has filed an appeal against the order of C.L.B. in Mumbai High Court and the same has been admitted.
- d) The Chairman / Ex-Managing Director Maj. K.J. Bodiwala is not drawing any remuneration and perks since the year 1995-96 and no provision has been made for the same from the year 1995-96. The Chairman is of the opinion that he will draw the remuneration and perks only when the company will turn around and make the profits.

**3. VALUE OF IMPORTS ON C.I.F. BASIS:**

	AMOUNT IN RUPEES	
	Current Period	Previous Period
a. Capital Goods:		
Plantation Material	NIL	NIL
Plant & Machinery	NIL	NIL
b. Consumables:		
Packing Material	NIL	NIL
<b>4. EXPENDITURE IN FOREIGN CURRENCY :</b>		
Technical Know-how Fees	NIL	NIL
Traveling	NIL	NIL
<b>5. EARNING IN FOREIGN CURRENCY :</b>		
FOB value of exports	NIL	NIL
<b>6. QUANTITATIVE INFORMATION:</b>		
a. Sale of Class of goods		

Item	Unit	Opening Stock		Production/Purchases		Sales/Transfer		Closing Stock	
		Quantity	Rupees	Quantity	Rupees	Quantity	Rupees	Quantity	Rupees
<b>STRAWBERRY</b>									
i) Produced	M.Tonnes	NIL (NIL)	NIL (NIL)	- (-)	- (-)	NIL (3.84)	NIL (345250)	NIL (NIL)	NIL (NIL)
<b>GRAPES</b>									
i) Produced	M.Tonnes	NIL (NIL)	NIL (NIL)	- (-)	- (-)	NIL (6.17)	NIL (154260)	NIL (NIL)	NIL (NIL)
<b>PLANTLETS</b>									
	Nos. in Thousand	NIL (NIL)	NIL (NIL)	- (-)	- (-)	NIL (100.47) <sup>1</sup>	NIL (502350)	NIL (NIL)	NIL (NIL)
<b>VEGETABLES</b>									
Produced	M.Tonnes	- (NIL)	- (NIL)	- (NIL)	- (NIL)	227.43 <sup>1</sup> (250.28) <sup>1</sup>	945496 (1040508)	- (NIL)	- (NIL)
			NIL				945496		

**Notes :**

1. Sale of Vegetables includes Cucumber, bitterguard, tomatoes, Brinjals, etc.
- b. Consumption of indigenous and imported material :

	AMOUNT IN RUPEES			
	Current Period		Previous Period	
	Rs.	%	Rs.	%
Packing materials				
Imported	NIL	NIL	NIL	NIL
Indigenous	NIL	NIL	0.54	100
Total	NIL	NIL	0.54	100

c. Licenced and Installed Capacity :

	Licenced	Installed
Pre-cooling	N.A.	70 Tonnes
Cold Storage	N.A.	200 Tonnes
Processing	N.A.	600 Tonnes

d. Since the other activities of the Company are agricultural in nature, it is not possible to disclose consumption of raw materials and licenced and installed capacity.

7. Estimated capital commitment not provided for in accounts and pertaining to the unpaid portion of consideration for the purchase aggregates to Rs. Nil. (Previous year figure Rs. Nil)
8. No provision is made for Gratuity. The Company's employment rules do not permit encashment of leave.
9. Remuneration to Whole-time Directors during the period under section 198 of the Companies Act, 1956 is Rs. 90,000/- (Rs.1,10,000/-)
10. Current Assets and Loans & Advances are approximately of the value stated, if realised in the ordinary course of business. Advances recoverable in cash or in kind includes an amount of Rs. 15.00 Lacs recoverable from M/s Surajmukhi Market Media Private Limited against whom litigation for recovery is still in progress and the Company is of the opinion that this amount is good and recoverable from the said party.
11. Debit and Credit balances in respect of parties and bank balances are subject to confirmation and reconciliation.
12. No provision has been made for Doubtful Debts amounting to Rs.2,68,65,728/-. The Management does not deem it necessary since they are actively persuing with the said Debtors for recovery.
13. The Current period figures are for nine months from July 1999 to March 2000 and hence they are not comparable with the previous year figours.

As per our Report of even date  
For Rao Srinivasan & Associates  
Chartered Accountants

(Ramesh Iyer)  
Partner

Place: Mumbai  
Dated: 29.06.2000

For and on behalf of Board of Directors  
For Indo-French Biotech Enterprises Limited

K. J. Bodiwala  
(Chairman/Director)

P. R. Ranadive  
(Whole time Director)

Santosh Kumar Patra  
(Company Secretary)

K. V. Deshmukh  
(Director)



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. Registration Details**

Registration No. : 69330 State Code: 11  
 Balance Sheet Date 31 03 2000  
 Date Month Year

**II. Capital raised during the year (Amount in Rupees)**

Public Issue NIL	Rights Issue NIL
Bonus Issue NIL	Private Placement NIL

**III. Position of Mobilisation and Deployment of Funds (Amount in Rupees)**

Total Liabilities 57,93,62,207	Total Assets 57,93,62,207
-----------------------------------	------------------------------

**Sources of Funds**

Paid-up Capital 32,11,83,000	Reserves & Surplus 5,95,65,958
Secured Loans 13,87,00,638	Unsecured Loans 5,99,12,611

**Application of Funds**

Net Fixed Assets 11,30,47,363	Investments 500
Net Current Assets 3,51,94,195	Misc. Expenditure —
Accumulated Losses 43,11,20,149	

**IV. Performance of Company (Amount in Rupees)**

Turnover 9,45,496	Total Expenditure 1,45,58,731
Profit/(Loss) before Tax (1,36,13,235)	Profit/(Loss) after Tax (1,36,13,235)
Earning per Share in Rs. (0.42)	Dividend Rate % NIL

**V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)**

Item Code No. (ITC Code)	060210.00
Product Description	Runners (Plantlets)
Item Code No. (ITC Code)	081010.00
Product Description	Strawberry (Fruit)
Item Code No. (ITC Code)	080610.00
Product Description	Grape (Fruit)

As per our Report of even date  
**For Rao Srinivasan & Associates**  
 Chartered Accountants

**(Ramesh Iyer)**  
 Partner

For and on behalf of Board of Directors  
**For Indo-French Biotech Enterprises Limited**

**K. J. Bodiwala**      **P. R. Ranadive**  
 (Chairman/Director)      (Whole time Director)

**Santosh Kumar Patra**  
 (Company Secretary)

**K. V. Deshmukh**  
 (Director)

Place: Mumbai  
 Dated: 29.06.2000

*Indo-French Bio-tech Enterprises Ltd.*

CASH FLOW STATEMENT AS AT 31ST MARCH, 2000

(Amount in Rupees.)

PARTICULARS	1999-2000	1998-1999
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit/(Loss) before tax & extraordinary items.	(1,36,13,235)	(32,53,91,518)
Adjustments for non-cash expenses:		
Depreciation (Net)	+ 35,32,361	+ 20,29,20,624
Dividend	—	—
	+ 35,32,361	20,29,20,624
Operating profits before Working Capital changes	(1,00,80,874)	(12,24,70,894)
Adjustments for :		
Investments	—	—
Trade & other receivables	—	+ 1,69,506
Inventories	+ 87,232	+ 1,13,406
Trade Payables	+ 16,21,964	+ 38,30,313
Loans & Advances	+ 9,230	+ 8,418
Misc. expenses	—	+ 8,36,65,795
	17,18,426	8,77,87,438
Cash generated from operations	(83,62,448)	(3,46,83,456)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assests	- 56,050	- 1,42,106
Sale of Fixed Assests	—	—
	(56,050)	(1,42,106)
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES :</b>		
Share Capital		
Share Premium		
General Reserve		
SICOM Incentive		
Secured Loans	+ 83,45,353	+ 3,65,41,392
Unsecured Loans(Net of accrued interest)	+ 36,738	- 17,19,589
	+ 83,82,091	3,48,21,803
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(36,407)</b>	<b>(3,759)</b>
Opening balance of cash and cash equivalents	7,94,360	7,98,119
Closing balance of cash and cash equivalents	7,57,953	7,94,360
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(36,407)</b>	<b>(3,759)</b>
As per our Report of even date attached For Rao Srinivasan & Associates Chartered Accountants		For and on behalf of Board of Directors For Indo-French Biotech Enterprises Limited
(Ramesh Iyer) Partner		K. J. Bodiwala (Chairman/Director) P. R. Ranadive (Whole time Director)
Place: Mumbai Dated: 29.06.2000	Santosh Kumar Patra (Company Secretary)	K. V. Deshmukh (Director)