

# Maharashtra Safe Chemists & Distributors Alliance Ltd.



**MSCDA**

**3rd Annual Report  
2008 - 2009**

## COMPANY INFORMATION

### BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE	CHAIRMAN
MR. ANIL H. NAVANDAR	VICE – CHAIRMAN
MR. VAIJANATH E. JAGUSHTE	MANAGING DIRECTOR
MR. VINAY S. SHROFF	DIRECTOR
MR. AMARJEET H. SOBTI	DIRECTOR
MR. PRAMOD H. LELE	DIRECTOR
MR. RAVINDRAM. SAVANT	DIRECTOR
MR. SUDHIR W. DESHPANDE	DIRECTOR
MR. HUKAMRAJ M. MEHTA	DIRECTOR
MR. MAHESH M. PAREKH	DIRECTOR

## CORPORATE INFORMATION

### AUDITORS

**P.H. SANGHAVI & CO.**  
*Chartered Accountants*  
4/95, Nityanand Nagar No. IV,  
Swami Nityanand Marg,  
Opp. Andheri Station (East),  
Mumbai – 400 069.

### SOLICITORS & ADVOCATES

**YUSUFS & ASSOCIATES**

### PRINCIPAL BANKERS

**BANK OF INDIA**  
**UNION BANK OF INDIA**  
**HDFC BANK**

### REGISTERED & CORPORATE OFFICE

6th Floor, Corporate Park – II,  
V. N. Purav Marg, Chembur,  
Mumbai – 400 071.  
Tel : +91 022 67730000  
Fax : +91 022 25273473

### REGISTRAR AND SHARE TRANSFER AGENT

**Link Intime India Pvt. Ltd.**  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai – 400 078.  
Tel. (022) – 2565 3838  
Email : [www.linkintime.co.in](http://www.linkintime.co.in)

### COMPANY SECRETARY

Ms. Sangeeta Ajithan

**NOTICE**

NOTICE is hereby given that the Third Annual General Meeting of MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED will be held on Tuesday, the 29th day of September, 2009 at 3.30 p.m. at Kohinoor Mangal Karyalay, Kohinoor Park, Opp. Dadar Railway Station, Dadar (East), Mumbai – 400 014, to transact the following business:

**I. ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended March 31, 2009 and the Reports of the Directors and the Auditors thereon.
2. To declare Dividend on Preference Shares.
3. To declare Dividend on Equity Shares.
4. To appoint a Director in place of Mr. Amarjeet H. Sobti, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Vinay S. Shroff, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Pramod H. Lele who retires by rotation and being eligible, offers himself for re-appointment.
7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to section 224 of the Companies Act, 1956, M/s P.H. Sanghavi & Co., Chartered Accountants, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors of the Company.”

**II. Special Business:**

8. To consider and if thought to pass with or without modification(s), following resolution as a Special Resolution:  
**“RESOLVED THAT** the consent of the Company be and is, hereby accorded pursuant to section 149(2A) and other provisions applicable, if any of the Companies Act, 1956 to the commencement of all or any of the business specified in sub clause 92 of clause III C (other objects) of the Memorandum of Association of the Company.”

By Order of the Board of Directors

**Registered Office:**

6th Floor, Corporate Park – II,  
V.N. Purav Marg,  
Chembur, Mumbai – 400 071.

Sd/-  
(Jagannath S. Shinde)  
CHAIRMAN

Place : Mumbai

Date : 2nd September, 2009

**NOTES:**

1. The relative Explanatory statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. Members/proxies are requested to bring their Attendance Slip along with their copy of Annual Report to attend the Annual General Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificate to the Company at 6th Floor, Corporate Park – II, V.N. Purav Marg, Chembur, Mumbai – 400 071 for consolidation into a single folio.
7. Subject to the provisions of Section 206A of the Companies Act, 1956, dividend as recommended by the Board of Directors, if approved at the Annual General Meeting, will be paid to those Members whose names shall appear on the Company's Register of Members as on the close of business hours on 29th September, 2009.
8. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days in advance of Annual General Meeting so as to enable the management to keep the information available at the Meeting.
9. Members are requested to immediately intimate the change, if any, to the registered office.

**Explanatory statement pursuant to the provisions of section 173(2) of the Companies Act, 1956.**

**ITEM NO. 8**

As you are aware, insertion of new object in the Memorandum of Association of the Company was approved by the Members at the Extra-Ordinary General Meeting held on 20th August, 2009.

In order to commence the aforesaid business, your approval by Special resolution pursuant to section 149(2A) of the Companies Act, 1956 would be necessary.

Hence, your Directors solicit your approval to the resolution as set out in the item no. 8 of accompanying notice by way of Special Resolution.

No Director shall be deemed to be interested or concerned in the resolution.

**By Order of the Board of Directors**

Registered Office:  
6th Floor, Corporate Park – II,  
V.N. Purav Marg,  
Chembur, Mumbai – 400 071.

Sd/-  
(Jagannath S. Shinde)  
CHAIRMAN

**Place : Mumbai**  
**Date : 2nd September, 2009**

**DIRECTORS' REPORT**

To,

Dear Members,

Your Directors are pleased to present the 3rd Annual Report together with the audited accounts of the Company for the year ended 31st March, 2009.

**Financial Results**

The financial performance of the Company for the financial year ended March 31, 2009 is summarized below:

(Rs. In Lacs)

	2008-2009	2007-2008
<b>Total Income</b>	<b>734.52</b>	<b>609.65</b>
Total Expenditure	353.47	93.66
<b>Profit/ (Loss) Before Tax</b>	<b>381.05</b>	<b>515.99</b>
Less: Provision for Taxation	125.00	171.00
Less: Provision for FBT	2.80	1.05
Less: Deferred tax expense	5.28	11.99
<b>Profit/(Loss) After Tax</b>	<b>247.97</b>	<b>331.95</b>
Add: Amount b/f from previous year	51.98	35.92
Less: Prior period adjustment	0	0.90
<b>Amount available for appropriation</b>	<b>299.95</b>	<b>366.97</b>
General Reserve	7.00	9.00
Dividend on Equity Shares	70.09	140.18
Dividend on Preference Shares	121.36	121.36
Dividend Distribution Tax	32.54	44.45
<b>Balance carried to Balance Sheet</b>	<b>68.96</b>	<b>51.98</b>

**Dividend**

Your Directors have recommended a dividend of 8% on Preference Shares i.e. Rs. 121.36 Lacs and 2 % on Equity shares i.e. Rs. 70.09 Lacs (last year 8% on Preference Shares and 4% on Equity Shares ) for the financial year ended 31st March, 2009, total amounting to Rs. 223.99 Lacs including tax on distributable profits. The dividend will be paid to members whose names appear in the Register of Members as on 29th September, 2009.

The dividend pay out for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term performance.

**Business Operations :**

During the year the turnover of the Company increased from Rs. 609.65 Lacs to Rs. 734.52 Lacs. However, the profit before tax has decreased from Rs. 515.99 Lacs to Rs. 381.05 Lacs in the Current Year.

Your Company is the logistic facilitator for a reputed large pharma Company. In addition, Company has taken C & F Agency and Consignee agencies for other pharma manufacturers.

Your Company has taken initiatives in giving systematic training to retailers at various levels in order to facilitate Company's organized Pharma retail chain.

Considering the market situation and various initiatives taken by the management, your Directors expect substantial improvement in the business and in profitability of the Company for the Current year.

**Acquisition of Freehold Agricultural Land:**

The Company has acquired 79.38 acres of Agricultural land at Village Pimpoli, Taluka Karjat, Dist. Raigad, Maharashtra. The year 2009 witnessed global economic meltdown hitting realty market negatively. Your Company has taken the opportunity in acquiring in land required for all its future projects of building logistic park, processing unit for agro products and cultivation of medicinal plants.

**Subsidiaries**

The Company has one subsidiary Company – Guardian Remedies Pvt. Ltd.

**Deposits**

During the financial year 2008-09, your Company has not accepted any deposits from the public.

**Directors**

In accordance with the provisions of the Companies Act, 1956, and the terms of Articles of Association of the Company, Mr. Amarjeet H. Sobti, Mr. Vinay S. Shroff, and Mr. Pramod H. Lele, Directors retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards read with requirements set out under Schedule VI of the Companies Act, 1956 have been followed and that no material departure has been made from the same;
- b) The Directors have selected such accounting policies and applied consistently, and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and ;
- d) The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

**Audit Committee**

Audit Committee comprises of Mr. Ravindra M. Savant as a Chairman including other members viz. Mr. Pramod H. Lele and Mr. Vajjanath E. Jagushte, Managing Director.

**Auditors**

M/s. P.H. Sanghavi & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letters from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 224 & 226 of the said Act, as also indicated their willingness to be re-appointed.

The Notes on Accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

**Auditors' Report**

Pursuant to the requirement under Section 217(3) of the Companies Act, 1956, the Directors state with reference to Auditors' Remarks as follows:

Refer Point no. ix (a) to the Annexure to the Auditor's report:

As the Company was in its initial stages and was not manned by adequate personnel, the Company was not so regular in depositing the statutory dues.

Refer Point no. (vii) to the Annexure to the Auditor's Report:

The Company is in the process of appointing internal auditor for internal audit system.

