

## DIRECTORS

**MR. MUKESH D. PATEL**

Chairman

**MR. PRADEEP P. DAVE**

Managing director

**MR. ASHIT P. DAVE**

Executive Director

**DR. SAMIR P. DAVE**

Executive Director

**DR. MAHESH PANDYA**

Independent Director (upto 30.07.2007)

**MR. RAMGOPAL KAJA**

Independent Director

## REGISTERED OFFICE :

B-1/1, MIDC Industrial Area, Lote Parshuram,  
Village Awashi, Taluka Khed, District Ratnagiri,  
Maharashtra 415 707

## HEAD OFFICE :

Akhand Jyoti, 8th Road,  
Santacruz (East), Mumbai - 400 055.  
Tel. No. : 2616 3744/45/46  
Fax No. 91-22-2611 6736 / 2611 7761  
Internet : [www.aimcopesticides.com](http://www.aimcopesticides.com)  
Email : [aimco@vsnl.com](mailto:aimco@vsnl.com)

## FACTORIES :

LOTE PARSHURAM

## COMPLIANCE OFFICER

MR. JITENDRA N. SHAH

## BANKERS

State Bank of India

## AUDITORS

M/s Contractor Nayak & Kishnadwala  
1B, Pushpam,  
K. D. Road, Vile Parle (West)  
Mumbai 400 056.

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# AIMCO PESTICIDES LIMITED

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## NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of AIMCO PESTICIDES LIMITED will be held at the Registered Office of the Company at B-1/1, MIDC Industrial Area, Lote Parshuram, Village Awashi, Taluka Khed, District Ratnagiri, Maharashtra 415 707 on Tuesday, 30th September, 2008, at 12.00 P.M. to transact the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2008 and the Profit & loss Account for the Year ended on that date together with report of Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Mukesh D. Patel who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ashit P. Dave who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Registered Office:  
B1/1, MIDC Indl. Area,  
Lote Parshuram, Vill:Awashi  
Taluka:Khed, Dist: Ratnagiri,  
Maharashtra 415 707.

BY ORDER OF THE BOARD OF DIRECTORS  
For AIMCO PESTICIDES LIMITED

Place : MUMBAI  
Date :30.06.2008

MUKESH D.PATEL  
(CHAIRMAN)

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS 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. Proxies, in order to be effective, must be lodged with the Company not less than 48 hours before the time of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2008 to 30th September, 2008(both days inclusive).
4. The Equity Shares of the Company are mandated for trading in the compulsory demat mode. The ISIN No. Allotted for the Company's shares is INE008B01013.
5. Members are requested to notify any change in their address to the Company's R & T Agents, Intime Spectrum Registry Limited, C-13, Pannalal Silk mills Compound, BS Road, Bhandup (W), Mumbai-400078. (Tel. Nos. 25963837, Fax No 25672693, Email-isrl@intimespectrum.com).
6. Members / Proxies are requested to bring the copies of Annual Report and attendance slip duly filled while attending the Meeting.
7. Queries and information on the accounts and operations of the company, if any, may be sent by the Members to the Head Office of the Company at Mumbai at least 10 days in advance so as to enable the management to keep the information ready.
8. Members holding shares in physical form are requested to advise any change of address immediately to the Secretarial Department at the Head Office of the Company.
9. Reappointment of Director

At the ensuing Annual General Meeting, Mr. Mukesh D. Patel, Chairman and Mr. Ashit P. Dave of the Company retires by rotation and being eligible offers themselves for re-appointment. The details pertaining to the Director required to be provided pursuant to clause 49 of listing agreement is furnished in the statement on Corporate Governance published elsewhere in the Annual Report ( page No. 11)

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Twenty First Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2008.

### FINANCIAL RESULTS

	2007-08 Rs. In lacs	2006-07 Rs. In lacs
Gross Sales and other Income	1289	1935
Gross Profit	(199)	45
Finance Charges	275	263
Depreciation	73	74
Loss before Tax	(547)	(292)
Add: Provision for deferred tax	98	21
Less Provision for Fringe benefit Tax	3	4
Loss after Tax	(451)	(275)
Add: Short Provision of Expenses of Earlier Years	3	5
Add: Short provision of tax of earlier years	NIL	(53)
Add Transfer from General Reserve	17	323
Balance	(431)	NIL
Balance Brought Forward	NIL	NIL
Balance carried to Balance Sheet	(431)	NIL

### OPERATIONS

Due to the shift in the manufacturing of Agrochemicals for Job work during the financial year 2007-2008, your Company's sales have declined and resulted in lower turnover for the year compared to the previous year. Your company remains focused on Exports, local sale of Branded products and focus on improving manufacturing efficiencies and Quality of products.

### CURRENT YEAR OUTLOOK

The normal rain forecast for Current Year in all major markets of your company will increase the sale of agro chemicals. The Management is confident that with major new registrations obtained this year, export will increase.

### EXPORT

Export sale during the year was Rs.272.25 Lacs, as compared to Rs. 531.47 Lacs during the previous year. Your Company expects reasonable growth in the overall export sales in the current year ..

### NEW PROJECTS/PRODUCTS

Your company is working on new Herbicide & is expected to be commercialized this year.

### DIVIDEND

In view of the inadequate profit & prevailing situation in the pesticides Industry, the Board of Directors do not recommend payment of dividend on equity shares for the financial year ended March 31,2008.

### CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Corporate Governance Practices followed by the Company together with a certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this report.

### DIRECTOR

Dr. Mahesh B. Pandya has resigned from office of Director. The Board while accepting his resignation with

## **AIMCO PESTICIDES LIMITED**

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effect from 30th July, 2008 placed on record with gratitude and appreciation on contribution made by him during his tenure as Non - Executive Director of the Company.

Mr. Mukesh D. Patel and Mr. Ashit P. Dave retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanatory statement relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments 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 on 31st March, 2008 and of the Profit & Loss Account of the company for the year under review;
- iii) 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;
- iv) These accounts have been prepared on a going concern basis.

### **FIXED DEPOSITS**

The amount of Fixed Deposit held as on 31st March, 2008 was Rs314.89 Lacs. There were no overdue deposits except deposits of Rs.95.80 Lacs that fell due for repayment before the close of the financial year, remained unclaimed by the depositors at the close of the accounting year.

### **GENERAL :**

The Management Discussion and analysis Report discusses the operations of the Company in detail and forms part of this Annual Report.

### **AUDITORS**

M/S. Contractor, Nayak and Kishnadwala, Charter Accountants, Mumbai, the Statutory Auditors, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made will be within the limits as stipulated under section 224(1B) of the Companies Act, 1956. The members are requested to consider appointment M/S. Contractor, Nayak and Kishnadwala, as statutory Auditors at the ensuing Annual General Meeting

The comments made by the Auditors in their report are self-explanatory and do not call for further explanation

### **QUALIFICATION OF AUDITORS**

1. The company could not obtain confirmation from the balances from Sundry Debtors and Sundry Creditors and advances before signing of Accounts despite of best of efforts made by the company to get the same. Management of the company confirms that Balance shown in the books is true and correct as per their knowledge.
2. The company has not made any provisions for debtors outstanding for more than 3 years, which are doubtful of recovery as the company is optimistic in recovering its dues. The company is expecting the recovery of some of the dues in the current year.
3. Loans and Advances include Rs. 21581905 being value of Export Benefits receivable by the company. The Management hereby states that all the licenses are under process of renewal and shall be renewed by concerned authorities over a period of time.
4. The Applications to the Central Government for the approval of the Reappointment and Remuneration for the Managing Director and Whole - Time Directors of the Company has been made in prescribe time limit and which is awaited. Auditor comment the self explanatory statement.

5. The post of Company Secretary was vacant for a part of the year. The company is searching a full time Company Secretary as required U/s 383A of the Companies Act, 1956. Auditor comment the self explanatory statement.
6. The Auditors remarks at clause (g) of its report is self explanatory and for which the clarification is being given in point no. 2 and 3 as above.
7. The Company is not regular in deposit with appropriate authorities' undisputed statutory dues. However subsequently the company has paid part of the dues.
8. The company has for a temporary period failed to maintain liquid assets required under Rule 3A of the Rules. The company is going through the recession period and having huge losses. The funds were not available at the relevant time to be kept in the liquid funds as required under the Rule 3A. But the company is committed to comply with all provisions of the Act and Rules.
9. The remarks of auditors regarding enlargement of scope of internal audit is self explanatory and the company is taking steps to enlarge the scope of internal audit.
10. During the year company has defaulted in repayment of dues to financial institution and banks. The company has applied for restructuring and re- schedulement of installment payable for the outstanding loan with the IDBI and is awaiting its approval.

#### **ENVIRONMENT**

It is the Company's policy to give top priority to the environment and is committed to conserve it by using the best available technology for effluent treatment and pollution control. We are the member of the Lote Common Effluent Treatment Plant & our effluent discharge is always confirming to the CETP norms.

#### **HUMAN RESOURCES**

Your Directors wish to place on record their deep appreciation to employees at all levels for their all-round efforts, dedication, commitment and loyal services which helped in achieving satisfactory performance during the year.

#### **PARTICULARS OF EMPLOYEES**

During the year under review, the company has no employee who was in receipt of Remuneration higher than the sum prescribed under the Section 217 (2A) of the Companies Act, 1956 read together with the Companies (Particulars of Employees) Rules, 1975

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

The information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed hereto and forms part of this Report. To conserve energy, an energy saving team had been constituted, which routinely checks all energy intensive operations and implements suitable measures wherever necessary.

#### **ACKNOWLEDGEMENT**

The Board is also grateful to Financial Institutions, Banks, Shareholders and Fixed Deposit Holders for their co-operation and assistance. Your Directors take this opportunity to thank State Bank of India, IDBI Ltd. & Department of Agriculture, and Government of Maharashtra for their continued assistance and co-operation. We would also like to acknowledge with gratitude the co-operation extended by our Suppliers, Customers, Distributors and Investors.

**Registered Office:**  
B1/1, MIDC Indl. Area,  
Lote Parshuram, Vill:Awashi  
Taluka:Khed, Dist: Ratnagiri,  
Maharashtra 415 707.

BY ORDER OF THE BOARD OF DIRECTORS  
**For AIMCO PESTICIDES LIMITED**

MUMBAI  
30.06.2008

**MUKESH D.PATEL**  
(CHAIRMAN)

# AIMCO PESTICIDES LIMITED

## ANNEXURE TO THE DIRECTORS' REPORT:

### 1. CONSERVATION OF ENERGY

A) Energy Conservation Measures taken:

By continuous monitoring all power consuming activities, the power factor of 1.00, which is the best possible, was ensured. The Condensate Recovery system was installed & recovered hot water was used in feed for boiler feed water tank.

B) Additional Investments:

As per the recommendation of company's energy saving team, Effective steps will be taken. The replacement of large cooling & chilled water pump & pipelines are planned for the current year.

C) Measures at (A) above have proved useful in reducing Fuel consumption of the Boiler.

Measures at (B) above will bring down the Power consumption.

D) Total energy Consumption

l) Power & Fuel Consumption

1) Electricity

	2007-2008	2006-2007
a) Purchase		
Units	3.48 Lacs	4.30 Lacs
Total Amount	Rs.18.21 Lacs	Rs.20.89lacs
Rate / Unit	Rs.5.23	Rs.4.85
b) Own Generation		
Diesel	NIL	6.80 KL
Total Amount	NIL	Rs.1.48 Lacs
Cost / Unit	NIL	Rs. 21.80

2) Furnace Oil

Quantity	NIL	145 KL
Total Amount	NIL	Rs. 20.61 Lacs
Average Rate	NIL	Rs. 14.25

3) Solid fuel

Quantity	1429 MT	447MT
Total Amount	Rs.16.62 lacs	Rs.10.35lacs
Average Rate	Rs.1.16	Rs.2.32

### 2. TECHNOLOGY ABSORPTION

A) R & D:

1] Specific areas in which R&D carried out by the company:

It is mainly carried out in the field of process developments / modification for Agrochemical, Fine chemicals & Pharmaceutical intermediates.

2] Benefits derived as a result of the above R&D:

New combination Herbicide formulation was commercialized.

Production Efficiency are improved substantially

3] Future Plan of Action:

Contract R & D & Toll manufacturing for foreign companies is actively pursued.

4] Expenditure on R&D:

a) Capital	Rs.	NIL
b) Recurring	Rs.	NIL
c) Total	Rs.	NIL
d) Total R&D expenditure as a percentage of total turnover :-		NIL

### 3. FOREIGN EXCHANGE EARNING & OUTGO.

A) Your company is Government registered Export House & has been taking keen interest for developing new export markets for its products.

B) Total Foreign Exchange used & earned.

During the year foreign exchange outgo was Rs 3.47 lacs. The foreign exchange earned on export was Rs. 272.25 lacs.

FOR AND BEHALF OF THE BOARD OF DIRECTORS

MUMBAI  
30.06.2008

**MUKESH D.PATEL**  
(CHAIRMAN)

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## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

### **INDUSTRY STRUCTURE & DEVELOPMENT:**

The Company is engaged in the business of agrochemicals. The performance of the Agrochemical Industry is largely dependent on Farming sector & Timely Rains. Pesticide Industry is characterized by numerous companies making the same products and engaging in unhealthy competition.

The year under review saw the healthy growth of the Indian Agrochemical market due to the higher commodity prices.

The competition in Export market has increased & strengthening of Rupee was a major concern for exports.

### **OPPORTUNITIES AND THREATS:**

The consumption of Pesticides in India is still the one of the lowest in the world. The increased focus of the Indian farmers for the crops for exports, growth in irrigation, growth in food processing facilities are positive indicators for the long term potential of the Pesticides Industry. The increase in production & use of Bio Fuels remains one of the most promising factors for future Pesticides business growth.

The unfavorable climatic conditions, large inventory maintenance and extended credit due to seasonal nature of the agri-business, high raw material and energy costs due to high crude prices and cultivation of genetically modified crop remain major threats for the Pesticides Business.

### **OUTLOOK:**

The business outlook for the current year is optimistic as the monsoon forecast for all the major markets of your company except Australia is near normal. Sales from the many new exports markets are expected this year due to the new Registrations, Approvals obtained. As most of the Raw materials are indigenously manufactured, Depreciation of Rupee will help the Export Business.

### **RISKS & CONCERNS:**

The changes in weather conditions with erratic monsoon remain the major Risk & concern of the pesticides Industry. The benefits of the genetically modified crops to the farmers are not proved convincingly, so its effect to the pesticides industry is yet to be fully studied and understood but it has already started to reduce the Cotton Insecticides sales. High energy & Transportation costs due to unusually high crude prices will increase the manufacturing costs.

### **INTERNAL CONTROL SYSTEM:**

The Company maintains an adequate and effective internal control systems commensurate with its size and nature of business. These internal policies ensure efficient use and protection of company's assets and resources, compliance with policies and statues as well as promptness of financial and operational report.

### **ENVIRONMENT AND SAFETY:**

The company's environment policy follows strict compliance with the environmental legislations for prevention of pollution of air and water and to make continuous efforts for improvement in such environmental friendly performance. The company believes that its resources are conserved by minimization of process wastes and also by having an efficient environmental management system for treatment and safe disposal of such wastes. The company provides safe work place within the organization and ensures that safety consciousness is spread amongst all the employees

# **AIMCO PESTICIDES LIMITED**

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## **INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT:**

The Company considers that its relationship with its employees as vital and ensures that employees feel valued and is endeavoring to create an environment and culture within which every employees can put his best efforts and maximize his contribution

The company ensures that all its employees remain competent through education, skills, training and experience as necessary. The initiatives taken by the management in this direction will help in attaining professional and productive culture by a blend of technology and highly skilled manpower.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

The financial performance of the company has been steady throughout the year. During the year there has been a slight decrease in sales from 1798 Lacs to 1136 Lacs. The company suffered loss after tax of Rs 451 Lacs during the year as compared to the last year's Rs. 275 Lacs.

The total income of the company has decreased from Rs. 19.77 Lacs in 2006-07 to Rs 11.34 lacs 2007-08as compared to the expenditure which has also decreased from Rs. 22.69 Lacs in 2006-07 to Rs.16.81 lacs 2007-08.

The EPS of the company during the year is Rs (4.85) per Equity Share as compared to last year's Rs. (3.50) per Equity Share.

The key objectives of future financial strategy of the company are

1. To raise cost efficient funds for the growth plans of the company
2. To provide financial flexibility in the Balance sheet for Contingencies
3. To manage Foreign Exchange exposure effectively
4. To develop strategy to focus on EPS accretion.

## **OPERATIONAL PERFORMANCE**

The new fine chemical production plant has not reached the desired level of operation due to quality stabilization, which will reach its full capacity by year end. With the infusion of new technology the company expects to have growth in manufacturing and marketing its products during the current year.

## **CAUTIONARY STATEMENT:**

Statement in the "Management's Discussion & Analysis Report" section describes the Company's objectives, projections, estimates, expectations or prediction may be " forward looking statements " within the meaning of the applicable securities, laws and regulations. Annual results can differ materially from those expressed or implied, depending on the economic and climatic conditions, government policies and other incidental factors.

MUMBAI

**MUKES H D.PATEL**  
(CHAIRMAN)

## CORPORATE GOVERNANCE REPORT

(Pursuant to the Clause 49 of the Listing Agreement)

### 1 CORPORATE GOVERNANCE PHILOSOPHY

- \* The Philosophy of the Company in relation to corporate governance is to ensure transparency, disclosures and reporting that conforms fully with law, regulations and guidelines, and to promote ethical conduct through out the organization, with primary objective of enhancing shareholders' value while being a responsible corporate citizen. Aimco Pesticides Limited believes that transparency in operations strengthens investors' confidence.

### 2 BOARD OF DIRECTORS

#### A) COMPOSITION:(AS ON MARCH 31, 2008)

- \* The Company has 6 directors with Non Executive Chairman and Independent Director, 1 Managing Director, 3 Non- Executive and Independent Directors and 2 Whole-Time Executive Directors.

#### B) NUMBER OF BOARD MEETINGS HELD, DATES ON WHICH HELD:

- \* During the year 6 Board Meetings were held on 27th April, 2007 21st June, 2007, 31st July, 2007, 21st September, 2007, 31st October, 2007 and 31st January, 2008

#### C) ATTENDANCE OF EACH DIRECTORS AT THE BOARD MEETING AND LAST AGM, NUMBER OF OTHER BOARDS OR BOARD COMMITTEES IN WHICH HE/SHE IS A MEMBER OR CHAIRPERSON.

Name	Category	No. of Board Meetings Attended during 2007-08	Whether attended last AGM	No. of directorships held in other Companies	No. of Committee Positions held in other Public Companies	
					Chair -Person	Member
Shri. Pradeep P. Dave	Managing Director Promoter Executive	6	Yes	3	NIL	NIL
Dr. Samir P. Dave	Promoter Executive	5	Yes	4	NIL	NIL
Shri. Ashit P. Dave	Promoter Executive	5	Yes	4	NIL	NIL
Shri. Mukesh D. Patel	Chairman Independent Non -Executive	1	Yes	8	3	6
Shri. K. Ramgopal	Independent Non -Executive	1	No	NIL	NIL	NIL
Dr. Mahesh B. Pandya**	Independent Non -Executive	5	Yes	Nil	Nil	Nil
Mr. Dipesh Shroff*	Non-Executive Director,	1	Yes	17	1	2
Mr . Ashok Jain*	Non -Executive Director	2	Yes	NIL	NIL	NIL

\* since resigned from directorship w.e.f. 31st July 2007

\*\* since resigned from directorship w.e.f. 30th July 2008

# AIMCO PESTICIDES LIMITED

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## BOARD COMMITTEES:

### 3 AUDIT COMMITTEE:

#### 1) BRIEF DISCUSSION OF TERMS OF REFERENCE:-

The Company has an Audit Committee with scope of activities as set out in clause 49(II) of the Listing Agreement with the Stock Exchanges read with section 292A of the Companies Act, 1956. the Committee acts as a link between the Statutory/internal Auditors and the Board of Directors of the company. The broad terms of reference of the Audit Committee are as under:

- A To hold periodic discussion with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors / Internal Auditors;
- B To review compliance with internal control systems;
- C To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- D To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report;
- E Recommending the appointment of statutory auditors and fixation of their remuneration.

#### 2) COMPOSITION, NAME OF MEMBERS AND CHAIRMAN.

\* The Audit Committee is presently comprised of 3 Independent and Non-Executive Directors, 1 Executive Director. Statutory Auditors and Internal Auditors of the Company attend the meetings.

#### 3) MEETINGS AND ATTENDANCE DURING THE YEAR

During the year on the following dates viz. 25th April, 2007, 21st June, 2007, 31st July, 2007, 31st October, 2007 and 31st January, 2008.

SR. NO.	NAME OF THE MEMBER	No. of Meeting Held	No. of Meeting attended
01	Shri. Mukesh D. Patel	5	5
02	Mr. Ramgopal Kaja	5	1
03	Dr. Mahesh B. Pandya*	5	5
04	Mr. Ashit P. Dave	5	4

\* since resigned from directorship w.e.f. 30th July 2008

### 4 REMUNERATION COMMITTEE

#### 1) BRIEF DESCRIPTION OF TERMS OF REFERENCE, COMPOSITION, NAME OF MEMBERS AND CHAIRMAN AND MEETINGS AND ATTENDANCE DURING THE YEAR.

- \* The Remuneration Committee was constituted on 1st April 2001 and consisted of 3 Non-Executive & Independent Directors, Shri. Mukesh D. Patel, Shri. K. Ramgopal, Dr. Mahesh B. Pandya.
- \* The Remuneration Committee met once during the year on 27th April 2007 and 31st October, 2007 reviewed and recommended to the Board salary, perquisites, commission, retirement benefits to be paid to Managing Director and Executive Directors.
- \* The Remuneration Committee while approving remuneration of Managing Director/ Executive Directors takes into account the financial position of the company, qualification, experience,

performance and past remuneration of the concerned managerial person.

2) REMUNERATION POLICY AND DETAILS OF REMUNERATION TO ALL DIRECTORS, AS PER FORMAT IN MAIN REPORT.

\* Details of remuneration paid to the Executive Directors during the year ended 31-03-2008 is:

\* Executive Directors

Name	Salary (Rs.)	Commission (Rs.)	Contribution to PF and other Funds(Rs.)	Perquisite	Stock Option
Shri. Pradeep P. Dave (Managing Director)	5,34,000	NIL	NIL	3,20,400	NIL
Dr. Samir P. Dave	4,20,000	NIL	9360	2,52,000	NIL
Shri. Ashit P. Dave	4,20,000	NIL	9360	2,52,000	NIL

\* Non-Executive Directors

\* The Company has paid sitting fees to its Non-Executive Directors, for Board attended aggregating to Rs. 10,000 for the year 2007- 2008.

Name of Director	No. of meetings Attended	Amount paid Rs.
Mr. Mukesh D. Patel	1	1000
Mr. Ramgopal Kaja	1	1000
Dr. Mahesh Pandya**	5	5000
Mr. Dipesh Shroff*	1	1000
Mr. Ashok Jain*	2	2000

\* since resigned from directorship w.e.f. 31st July 2007

\*\* since resigned from directorship w.e.f. 30th July 2008

3) DISCLOSURE OF SHAREHOLDING BY NON - EXECUTIVE DIRECTORS

Sr. no	Name of Director	No. of shares held
01	Mr. Mukesh D. Patel	NIL
02	Mr. Ramgopal Kaja	3235
03	Dr. Mahesh Pandya**	9462
04	Mr. Dipesh Shroff *	NIL
05	Mr. Ashok Jain*	NIL

\* since resigned from directorship w.e.f. 31st July 2007

\*\* since resigned from directorship w.e.f. 30th July 2008

4) DETAILS OF DIRECTORS SEEKING RE - ELECTION

Mr. Mukesh D. Patel and Mr. Ashit P. Dave retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re - election. The Additional information and experience relating to

## AIMCO PESTICIDES LIMITED

these Directors as required under Clause 49VI (A) of the Listing Agreement with the Stock Exchange is furnished below

Name of the Director	Mr. Mukesh D. Patel	Mr. Ashit P. Dave
Date of Birth	12.12.1949	06-01-1971
Date of Appointment	07.12.1991	20-08-1996
Qualification	B.S. (Chemical Engineer)	B.Com, IIM
Expertise in specific Functional areas	Company Director	Business Executive with wide expertise in chemicals and Agro chemicals Industry
Name(s) of other Public companies in which Directorship held	Transpek Finance Limited Universal Esters Limited Infinity Consultants Limited Punjab Chemcals & Crop Protection Limited Shilchar Electronics Limited Gujarat Automotive Gears Limited Torrential Investments Pvt Limited Transpek Industry Limited	Amisco Agro - Chem Limited
Name(s) of Companies in which Committee Membership(s) / Chairmanship(s) held (as per Clause 49 of the Listing Agreement with the Stocks Exchanges)	Audit Committee Chairman Aimco Pesticides Limited Punjab Chemicals & Crop Protection Limited Member Transpek Industries Limited Shilchar Electronics Limited Shareholders & Investors Grievances Committee Chairman Aimco Pesticides Limited Shilchar Electronics Limited Member Trnaspek Financial Limited Punjab Chemicals & Crop Protection Limited Transpek Industry Limited Remuneration Committee Chaiman Aimco Pesticides Limited Member Transpek Industries Limited	Aimco Pesticides Limited. 1) Audit Committee - Member 2)Share Transfer Committee - Member

### 5. SHAREHOLDERS GRIEVANCES COMMITTEE:

#### 1) BRIEF DESCRIPTION OF TERMS OF REFERENCE

- \* The Company has an Shareholders' Grievances Committee to specifically look into the redressing of shareholders and investors complaints, non-receipt of Balance Sheet etc.

## 2) NAME AND DESIGNATION OF COMPLIANCE OFFICER

- \* Mr. Bharat Pandya+, Accounts Manager is the Compliance Officer of the Company for the remaining part of the year w.e.f 31.01.2006.
- + since resigned from Compliance Officer w.e.f. from 14th April, 2008
- ++ appointed Mr. Jitendra N. Shah, Administrative Manager as compliance Officer of the Company w.e.f. 15th April, 2008

## 3) NAME OF NON - EXECUTIVE DIRECTOR HEADING THE COMMITTEE

- \* The Shareholders' Grievance Committee is headed by Mr. Mukesh D. Patel, Non-Executive & Independent Director.

## 4) NUMBER OF MEETINGS HELD DURING THE YEAR

- \* Four meetings of the Shareholder's Grievance Committee were held during the year 2007-2008. The dated on which the said meetings were held are as follows:  
27th April, 2007, 21st June, 2007, 31st July, 2007, 31st October, 2007 and 31st January, 2008.

## 5) COMPOSITION AND ATTENDANCE OF MEMBERS

- \* The composition of the Shareholders Grievance Committee and the details of the meetings attended by the Directors are given below:

Name of Director	Category	No. of Meeting attended
Shri Mukesh D. Patel	Independent and Non Executive	5
Shri K. Ramgopal	Independent and Non Executive	1
Dr. Mahesh B. Pandya*	Independent and Non Executive	5

- \* since resigned from directorship w.e.f. 30th July 2008

## 6) DETAIL OF SHAREHOLDERS COMPLAINTS RECEIVED, SOLVED, NOT SOLVED AND PENDING SHARE TRANSFERS:

- \* During the year, the total number of complaints received and attended to the satisfaction of shareholders were 21 There were no complaints outstanding as on March 31, 2008. All the valid share transfer requests received during the year were duly attended to and processed in time. There were no valid requests pending for share transfer as on March 31, 2008.

## 6. GENERAL BODY MEETINGS

### 1) LOCATION AND TIME WHERE LAST THREE ANNUAL GENERAL MEETINGS (AGMS) WERE HELD:

- \* The last three AGMs were held on - 30th September, 2005, 28th August, 2006 and 26th September, 2007
- \* All the Annual General Meetings were held at B-1/1, MIDC Industrial Area, Lote Parshuram, Village Awashi, Taluka Khed, District Ratnagiri, Maharashtra 415707, at 12.00 P.M.

### 2) DETAILS OF ANY SPECIAL RESOLUTIONS PASSED DURING THE LAST 3 A.G.M.s OR ANY SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT.

- \* The Company has neither passed any Special resolution at A.G.M. held on September 30, 2005 nor has passed any resolution through postal ballot.
- \* The Company has passed the Special resolution at A.G.M. held on August. 28, 2006 RESOLVED THAT, Pursuant to section 309(4) of the Companies Act, 1956, and subject to Approval of the Central Government, the Company do hereby approve the payment to Mrs. Elizabeth Srivastava, Executive Director of the company, of commission of 2% on Domestic Sales and 5% on Exports( on at such rate as they may ,from time to time, determine), for a period of 1 year commencing from 01.04.2005 provided that, within the period covered by this resolution, the

## AIMCO PESTICIDES LIMITED

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total amount received shall not exceed the amount prescribed in Schedule XIII of the Companies Act, 1956

- \* The Company has passed the Special resolution at A.G.M. held on August. 28, 2006 RESOLVED THAT pursuant to section 314(1) (b) , and all other applicable provisions, if any, of the companies Act, 1956 and further to the resolutions passed by the company at the Board Meeting held on 26th June 2006, consent of the company be and is hereby accorded to Mr. Jayendra P. Dave to hold an office or place of profit as Sales Manager in the company w.e.f 01.04.2006 on a gross salary of not exceeding 50,000 P. M.. including perquisites/ benefits as per company's Rules, as may be decided by the Board of Directors from time to time.
- \* The company has neither passed any special resolutions at the A.G.M. held on 26th September 2007 nor has passed any resolution through postal Ballot.
- \* During the year, the Company do not propose to pass any special resolution through Postal Ballot.

### 7. CODE OF CONDUCT

- \* The Board of Directors has approved Code of Conduct applicable to Directors, Officers and Designated Employees. The Code of Conduct has been made effective from 01st April, 2007 and is posted on the Company's website. The company has obtained declarations from the Directors, Senior Management Personnels affirming their compliances with the applicable Code of Conduct.
- \* The Certificate of compliance of code of conduct, by Directors, Senior Management Personnels, certified by the Chief Executive Officer and Managing Director is annexed to the Corporate Governance Report.

### 8. DISCLOSURES.

- a) Disclosures of Related party transactions as required by Accounting Standard - 18 have been given in the Note no: 20 of schedule no. 18 attached to the Accounts.
- b) There has been no non-compliance by the Company or penalty or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.
- c) It is hereby affirmed that no personnel has been denied the access to the Audit Committee of the Board.
- d) The Company has complied with all the mandatory requirements. As regards the non - mandatory requirements they are complied with to the maximum extent.

### 9. MEANS OF COMMUNICATION:.

Quarterly Results	Quarter ended	Board Meeting in which approved
1st Quarter	30.06.2007	31.07.2007
2nd Quarter	30.09.2007	31.10.2007
3rd Quarter	31.12.2007	31.01.2008

The company has, in compliance with clause 41 of the Listing Agreement, approved the audited Annual Results for the year ended 31st March 2008 before 30th June 2008. Hence, the last quarter Unaudited Results has not been taken on record.

Which newspaper normally published in	Free Press Journals Navshakti
Any Website, where displayed	www.aimcopesticides.com
Whether it also display official news releases,	No
The presentations made to institutional investors or to analysts	No

## 10. GENERAL SHAREHOLDER INFORMATION

1. Date, time and the venue of 21st AGM Tuesday, 30th September 2008, 12.00P.M.  
B-1/1, MIDC Industrial Area, Lote Parshuram, Village Awashi, Taluka Khed, District Ratnagiri, Maharashtra 415707.
2. Financial Calendar Approval of results for quarter ending June 30, 2007; September 30, 2007; and December 31, 2007 In following months of the end of the quarter  
Annual Audited results for year ended March 31, 2008  
Before June 30, 2008.
3. Date of Book Closure 24.09.2008 to 30.09.2008(both days inclusive)
4. Dividend Payment Date N.A.
5. Listing on Stock Exchanges The Mumbai Stock Exchange Limited
6. ISIN No. INE008B01013
7. BSE Stock code 524288
8. Stock market price data for the last financial year ended March 31, 2008 on The Stock Exchange, Mumbai is as under:

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares
April 2007	11.34	12.25	10.90	11.05	58377
May 2007	11.21	15.75	11.05	14.23	128882
June 2007	14.50	15.00	11.60	12.06	125700
July 2007	12.50	13.90	10.00	12.13	146247
August 2007	12.40	12.49	09.32	11.25	97679
September 2007	11.75	15.24	11.10	12.35	256944
October 2007	12.50	12.50	8.78	9.19	125992
November 2007	09.90	12.20	08.35	10.20	118260
December 2007	10.60	22.80	10.02	20.83	903322
January 2008	21.45	22.30	10.20	10.85	272301
February 2008	10.32	11.65	08.70	09.05	64132
March 2008	08.80	08.95	06.62	08.95	82618

### 9 Registrar & Share Transfer Agent

**Intime Spectrum Registry Limited**, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078

Tel. no: +91-22-5963838, Fax no: +91-22-25946821, E-mail- isrl@intimespectrum.com

### 10 Share Transfer System

The Company's shares are traded in the Stock Exchange compulsorily in demat mode. Shares sent for physical transfer or dematerialization requests are registered promptly within stipulated time from the date of receipt of completed and validly executed documents.

### 11 Compliance Officer

**Mr. Jitendra N. Shah**

Akhand Jyoti, 8th Road, Santacruz (East), Mumbai -400 055

Tel. Nos. 26163744/45/46, Fax no-26116736, E-mail- jns@aimcopesticides.com

## AIMCO PESTICIDES LIMITED

### 12. Dematerialization of Shares and liquidity

As on 31-03-2008 39.35% of the company's shares representing 3634527 shares were held in dematerialized form with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

The Company does not have outstanding GDRS / ADRS / Warrants or any Convertible instruments

### 13 Secretarial Audit

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### 14. Shareholding pattern as on March 31, 2008

Category	No. of Shares	% of total
Promoter's holding	4579998	49.5858
Mutual Funds and UTI	3000	0.0325
Financial Institution / Banks	100	0.0011
Foreign Institutional Investors	3600	0.0390
NRIs / OCBs	100965	1.0931
Companies / Bodies Corporate	253631	2.7460
Clearing Members	34316	0.3715
General Public	4260903	46.1310
Total	9236513	100

### 15. Distribution of Shareholding as on March 31, 2008

No. of Shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of Shareholding
1 to 500	9985	88.5590	1450475	15.7040
501 to 1000	626	5.5520	526672	5.7020
1001 to 2000	274	2.4300	416647	4.5110
2001 to 3000	109	0.9670	288353	3.1220
3001 to 4000	66	0.5850	240305	2.6020
4001 to 5000	49	0.4350	232126	2.5130
5001 to 10000	76	0.6740	578251	6.2600
10001 and above	90	.07980	5503684	59.5860
Total	100.00	9236513	100.00	

16 Outstanding GDRs / ADRs /Warrants or any convertible instruments, conversion date and likely impact on equity.

N.A.

17. Plant Location

Lote Parshuram, Hyderabad,.

18 Registered Office

B-1/1, MIDC Industrial Area, Lote Parshuram, Village Awashi, Taluka Khed, District Ratnagiri, Maharashtra 415707.

19 Correspondence Address

Akhand Jyoti, 8th Road, Santacruz (East), Mumbai -400 055  
Tel. Nos. 26163744/45/46, Fax no-26116736, E-mail- aimco@vsnl.com

ON BEHALF OF BOARD

Mumbai  
30th June, 2008

**MUKESH D. PATEL**  
CHAIRMAN

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## CERTIFICATE OF COMPLIANCE TO BE GIVEN BY THE CEO/CFO OF THE COMPANY

We Mr. Pradeep Dave, Chief Executive Officer and Managing Director and Ashit Dave Chief Officer and Whole Time Director of Aimco Pesticides Limited, hereby certify on behalf of the Board of Directors.

We have reviewed the financial statements and the cash flow the year ended 31st March 2008 and that the best of their knowledge and belief

These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.

Statements present a true a fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

To the best our knowledge and belief, no transitions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, Deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee

The Significant Changes in internal control over financial reporting during the year

Significant changes in accounting policies during the year and that the same have been disclosed in the notes to Financial Statements and

Instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control systems over financial reporting.

ON BEHALF OF BOARD OF DIRECTORS

Mumbai  
30th June 2008

**Mr. Ashit P. Dave (CFO)**  
*Executive Director*

**Mr. Pradeep P. Dave(CEO)**  
*Managing Director*

To,  
The Members of Aimco Pesticides Limited

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## DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMNT

I, Pradeep Dave, managing Director of Aimco Pesticides Limited to the best of my knowledge and belief, declare that all the members of Board of Directors, senior Management Personnel, Designated Employees have affirmed Compliance with the Code of Conduct for the year ended 31st March'2008

Mumbai  
30th June 2008

**Pradeep P. Dave**  
*Managing Directo*

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## AUDITORS' REPORT ON CORPORATE GOVERNANCE

To the Members of  
**AIMCO PESTICIDES LIMITED.**

We have examined the compliance of conditions of corporate governance by Aimco Pesticides Limited for the year ended on 31st March 2008 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of  
**Contractor Nayak & Kishnadwala**  
*Chartered Accountants*

**H. V. Kishnadwala**  
*Partner*  
Membership No. 37391

Mumbai  
June 30, 2008

# AIMCO PESTICIDES LIMITED

## AUDITORS' REPORT

The Members of

### AIMCO PESTICIDES LIMITED

1. We have audited the attached Balance Sheet of **AIMCO PESTICIDES LIMITED** as at 31st March 2008, the related Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in above paragraph, we report that:
  - a) We have obtained all the information and explanations except as mentioned in f(i), which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books of the Company;
  - c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by the report are in agreement with the books of account of the Company;
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement comply with the mandatory Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors of the Company as on 31st March 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2008, from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.
    - f (i) *The Company has not obtained confirmations for balances for Sundry Debtors, Sundry Creditors and Advances. The balances are therefore as per the books and subject to reconciliations and write-offs or write back, if any. Our audit report on the financial statements for the year ended 31st March 2007 was also modified accordingly;*
    - f (ii) *No provision is made for debtors outstanding for more than 3 years, which are doubtful of recovery Rs. 3,79,06,368;*
    - f (iii) *No provision is made for non-realizability of Export Benefits which are considered recoverable and included in Loans and Advances Rs. 2,15,81,905;*
    - f (iv) *The Company has paid remuneration to directors and ex- director and commission to ex - director for the various periods, for which the Company has applied to the Central Government for approval u/s 309 of the Companies Act, 1956, which is still awaited. (Refer Note 9(B) and 9(C) of Schedule 18).*
    - f (v) *The Company does not have a whole-time secretary as required under section 383A of the Companies Act, 1956;*
  - g) *We further report that without considering items f(i) above the effect of which is not possible to quantify, had the observations made by us in f(ii) and f(iii) considered, the loss for the year would have been Rs. 10,45,97,527 (as against the reported loss of Rs. 4,51,09,254), the accumulated losses would have been Rs. 10,26,01,260 (as against the reported figure of Rs. 4,31,12,987), sundry debtors would have been Rs. 20,54,92,609 (as against the reported figure of Rs. 24,33,98,977) and loans and advances would have been Rs. 2,23,17,589 (as against the reported figure of Rs. 4,38,99,495).*
  - h) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Notes to Accounts in Schedule 18 give the information required by the Companies Act, 1956 in the manner so required and *subject to f(i) to f(iii) above and its impact on the loss for the year and on certain assets as per (g) above*, give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2008;
    - b. In the case of the Profit and Loss Account, of the loss for the year ended on that date;
    - c. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For Contractor Nayak & Kishnadwala**  
Chartered Accountants

**H. V. Kishnadwala**  
Partner  
Membership No. 37391

Mumbai  
June 30th, 2008

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**Statement referred to in paragraph 3 of the Auditors' Report of even date to the Members of AIMCO PESTICIDES LIMITED on the accounts for the year ended 31st March, 2008.**

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- 1 (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
- 1 (b) As per the information and explanations given to us, the management at reasonable intervals carries out the physical verification of the fixed assets. The discrepancies noticed on such verification, which were not material, have been appropriately dealt with in the accounts.
- 1 (c) During the year the Company has not disposed off any substantial part of fixed assets.
- 2 (a) As per the information furnished, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- 2 (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 2 (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- 3 (a) As per the information and explanations given to us, the Company has granted interest free unsecured loans / advances to one party covered in the register maintained under section 301 of the Companies Act, 1956. The balance outstanding at the year end for the same was Rs. 70,02,068 and the maximum amount outstanding during the year was Rs. 74,70,468.
- 3 (b) In case of the aforesaid unsecured loans/advances granted to a party covered in the register maintained under Section 301 of the Companies Act, 1956, the terms and conditions are not prima-facie prejudicial to the interests of the Company.
- 3 (c) In case of the aforesaid unsecured loans/advances granted to a party covered in the register maintained under Section 301 of the Companies Act, 1956, the same is repayable on demand.
- 3 (d) In case of the aforesaid unsecured loans/advances granted to a party covered in the register maintained under Section 301 of the Companies Act, 1956, since there is no default by the party, the question of taking reasonable steps for the recovery of the principal amount does not arise.
- 3 (e) As per the information and explanations given to us, the Company has taken interest free unsecured loans from six parties covered in the register maintained under section 301 of the Companies Act, 1956. The balance outstanding at the year end for the same was Rs. 3,28,69,819.64 and the maximum amount outstanding during the year was Rs. 3,35,09,352.56.
- 3 (f) In case of the aforesaid unsecured loans taken from parties covered in the register maintained under Section 301 of the Companies Act, 1956, the terms and conditions are not prima-facie prejudicial to the interests of the Company.
- 3 (g) In case of the aforesaid unsecured loan taken from parties covered in the register maintained under Section 301 of the Companies Act, 1956, the loan is repayable on demand. .
- 4 In our opinion and as explained to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls and there is no continuing failure for the same.

## AIMCO PESTICIDES LIMITED

- 5 (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- 5 (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 In our opinion and according to the explanations given to us, the Company has complied with the provisions of Section 58A and 58AA or any other relevant provision of the Companies Act, 1956 and rules made there under for the deposits accepted from the public, *except that the Company has for a temporary period failed to maintain liquid assets required under Rule 3A of the Rules*. According to the information and explanation given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Tribunal on the Company in respect of the aforesaid deposits.
- 7 The Company has appointed a firm of Chartered Accountants to conduct the internal audit. In our opinion, *the scope of such internal audit needs to be enlarged to cover additional areas to make it commensurate with the size and nature of business and the activities of the Company*.
- 8 On the basis of the records produced, we are of the opinion that prima facie, the cost records and accounts prescribed by the Government of India under section 209(1)(d) of the Act have been made and maintained by the Company. However, we are not required to carry out and have not carried out any detailed examination of such records and accounts.
- 9 (a) According to the information and explanations given to us and the records examined by us, *there is a delay by the Company in depositing with the appropriate authorities undisputed statutory dues on account of Provident Fund, employees' state insurance, income-tax, sales-tax, wealth-tax and service tax*. According to the information and explanations given to us, following undisputed arrears of statutory dues were outstanding as at 31st March 2008, for a period of more than six months from the date they became payable.

Nature of the Statute	Nature of the Dues	Amount (Rs.)	Period to which amount relates
Bombay Sales Tax Act	Bombay Sales Tax	1,21,767	2004-05
Central Sales Tax Act	Central Sales Tax	61,628	2004-05
Employees Provident Fund Act	Employees Provident Fund	2,82,283	2006-07
Employees Provident Fund Act	Employees Provident Fund	4,07,458	2007-08
Employees State Insurance Corporation Act	ESIC	21,479	2006-07
Employees State Insurance Corporation Act	ESIC	20,943	2007-08
Profession Tax Act	Profession Tax	76,035	2006-07
Profession Tax Act	Profession Tax	57,140	2007-08
Service Tax Act	Service Tax	3,686	2005-06
Service Tax Act	Service Tax	87,315	2006-07
Service Tax Act	Service Tax	23,733	2007-08
Income Tax Act	Income tax	48,25,286	1999-2000
Income Tax Act	Tax deducted at Source	3,54,154	2005-06
Income Tax Act	Tax deducted at Source	2,87,803	2006-07
Income Tax Act	Tax deducted at Source	5,57,647	2007-08
Wealth Tax Act	Wealth Tax	31,500	2003-04
Wealth Tax Act	Wealth Tax	25,000	2004-05
Wealth Tax Act	Wealth Tax	22,000	2005-06
Wealth Tax Act	Wealth Tax	15,500	2006-07

- 9 (b) According to the records of the Company, there are no dues of Income Tax, sales tax, wealth-tax, service tax, custom duty, excise duty, cess which have not been deposited on account of disputes.
- 10 The Company does not have any accumulated losses as on 31st March 2007. The Company has incurred cash losses during the financial year as well as in the preceding year.

- 11 Based on our audit procedures and the information and explanations given by the management, the Company has defaulted in repayment of dues to a financial institution and banks during the year. The details of dues which were unpaid till 31st March, 2008 are as under:

Name	Amount (Rs.)	Overdue period
Industrial Development Bank of India Ltd. (Principal)	1,74,60,562	Various dates from 1st July, 2006 to 1st January, 2008
State Bank of India (Principal)	1,90,00,000	Various dates from 1st April, 2007 to 31st March, 2008
Industrial Development Bank of India Ltd. (Interest)	45,96,549	Various dates from 1st January, 2007 to 1st December, 2008
State Bank of India (Interest)	11,25,66,621	Various dates 30th September, 2007 to 31st March, 2008

- 12 Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit fund Company or nidhi/mutual benefit fund/society.
- 14 During the year, the Company has no transactions in respect of dealing and trading in shares, securities, debentures and other investments. All shares, debentures and other securities have been held by the Company in its own name.
- 15 According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
- 16 According to the information and explanations given to us, the term loan raised during the year was used for the purpose for which it was raised.
- 17 Based on our examination of the Balance Sheet of the Company as at 31st March 2008, we report that no funds raised on short term basis have been used for long term purposes.
- 18 The Company has not made any preferential allotment of shares during the year.
- 19 During the year covered by our audit report the Company has not issued any secured debentures.
- 20 The Company has not raised any money by public issues during the year covered by our report.
- 21 As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For and on behalf of  
**Contractor Nayak & Kishnadwala**  
*Chartered Accountants*

**H. V. Kishnadwala**  
*Partner*

Membership No. 37391

Mumbai, June 30, 2008

# AIMCO PESTICIDES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedule	As on 31.03.2008 (Rupees)	As on 31.03.2007 (Rupees)
<b>SOURCES OF FUNDS</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
Share Capital	1	92,365,130.00	92,365,130.00
Reserves and Surplus	2	82,967,789.85	84,674,319.88
<b>2 LOAN FUNDS</b>			
Secured Loans	3	233,404,890.56	190,043,123.10
Unsecured Loans	4	71,163,760.69	82,016,422.04
TOTAL (1+2)		<u>479,901,570.40</u>	<u>449,098,995.02</u>
<b>APPLICATION OF FUNDS</b>			
<b>1 FIXED ASSETS</b>			
a) Gross Block		159,110,686.08	162,197,622.44
b) Less: Depreciation		94,407,500.57	94,707,873.79
c) Net Block		64,703,185.51	67,489,748.65
Capital Work in Progress		-	8,393,644.29
<b>2 CURRENT ASSETS, LOANS AND ADVANCES</b>			
a) Inventories	6	160,451,243.10	172,793,707.33
b) Sundry Debtors	7	243,398,977.33	241,249,872.57
c) Cash and bank balances	8	5,084,095.56	1,852,594.81
d) Loans and Advances	9	43,899,494.98	51,347,613.28
	(A)	<u>452,833,810.97</u>	<u>467,243,787.99</u>
Less: Current Liabilities and Provisions			
a) Liabilities	10	86,291,556.89	87,191,877.91
b) Provisions	11	7,482,552.00	10,066,192.00
	(B)	<u>93,774,108.89</u>	<u>97,258,069.91</u>
Net Current Assets	(A)-(B)	<u>359,059,702.08</u>	<u>369,985,718.08</u>
<b>3 DEFERRED TAX ASSET (Net)</b>		<b>13,025,697.00</b>	3,229,884.00
<b>4 MISCELLANEOUS EXPENDITURE</b>			
Profit & Loss Account		43,112,986.51	-
TOTAL (1+2+3+4)		<u>479,901,570.40</u>	<u>449,098,995.02</u>
Notes to Accounts	18		

For and on behalf of  
**For CONTRACTOR NAYAK & KISHNADWALA**  
*Chartered Accountants*

**H V KISHNADWALA**  
*Partner*  
 Membership No 37391

Mumbai  
 Dated:30/06/2008

For and on behalf of the Board

**Pradeep P Dave**  
*(Managing Director)*

**Ashit P Dave**  
*(Executive Director)*

**Samir P Dave**  
*(Executive Director)*

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	Schedule	Year Ended 31.03.2008 (Rupees)	Year Ended 31.03.2007 (Rupees)
<b>INCOME</b>			
Sale of products (Gross)		<b>120,309,483.04</b>	188,193,384.12
Less:Excise Duty recovered on sales		<b>6,714,133.27</b>	8,295,947.99
Net Sales		<b>113,595,349.77</b>	179,897,436.13
Increase in Stocks	12	<b>(8,735,831.36)</b>	12,527,685.69
Job Work Charges Received		<b>3,410,000.00</b>	-
Incentive on exports		<b>307,448.34</b>	1,425,558.08
Royalty received		<b>1,543,716.00</b>	2,492,559.27
Other Income	13	<b>3,316,231.92</b>	1,376,485.32
		<b>113,436,914.67</b>	197,719,724.49
<b>EXPENDITURE</b>			
Materials consumed	14	<b>64,230,952.13</b>	90,605,002.38
Purchase of Traded Goods		<b>25,721,248.92</b>	30,750,793.00
Employee costs and benefits	15	<b>7,076,723.50</b>	8,451,413.98
Other Expenses	16	<b>36,269,717.11</b>	63,411,091.50
Finance charges	17	<b>27,527,159.69</b>	26,342,999.10
Depreciation		<b>7,264,430.32</b>	7,378,989.99
		<b>168,090,231.67</b>	226,940,289.95
Loss before Tax		<b>(54,653,317.00)</b>	(29,220,565.46)
Less:Provision for Current Tax		-	-
Less:Provision for Deferred Tax		<b>(9,795,813.00)</b>	(2,060,405.00)
Less:Provision for Fringe Benefit Tax		<b>240,000.00</b>	400,000.00
Less:Provision for Wealth Tax		<b>11,750.00</b>	15,500.00
<b>Loss after Tax</b>		<b>(45,109,254.00)</b>	(27,575,660.46)
Prior Period items		<b>291,719.46</b>	(527,067.50)
Short Provision of Tax for earlier years		<b>(1,982)</b>	5,325,000.00
Add: Transfer from General Reserve		<b>1,706,530.03</b>	32,373,592.96
Balance carried to Balance Sheet		<b>(43,112,986.51)</b>	-
Earnings per Share ( Basic & Diluted)		<b>(4.85)</b>	(3.50)
Notes to Accounts	18		

For and on behalf of  
**For CONTRACTOR NAYAK & KISHNADWALA**  
*Chartered Accountants*

**H V KISHNADWALA**  
*Partner*  
Membership No 37391

Mumbai  
Dated:30/06/2008

For and on behalf of the Board

**Pradeep P Dave**  
*(Managing Director)*

**Ashit P Dave**  
*(Executive Director)*

**Samir P Dave**  
*(Executive Director)*

# AIMCO PESTICIDES LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As on 31.03.2008 (Rupees)	As on 31.03.2007 (Rupees)
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
100,00,000 Equity Shares of Rs. 10/- each	<b>100,000,000.00</b>	100,000,000.00
<b>Issued, Subscribed and Paid up</b>		
92,36,513 Equity Shares of Rs.10/-each	<b>92,365,130.00</b>	92,365,130.00
	<b>92,365,130.00</b>	92,365,130.00
<b>SCHEDULE 2</b>		
<b>RESERVES AND SURPLUS</b>		
Share Premium As per last year	<b>79,967,789.85</b>	79,967,789.85
	<b>79,967,789.85</b>	79,967,789.85
Capital Reserve		
Special Capital Incentive (as per last year)	<b>3,000,000.00</b>	3,000,000.00
General Reserve As per last year	<b>1,706,530.03</b>	34,080,122.99
Less Transfer to profit & loss account	<b>1,706,530.03</b>	32,373,592.96
	-	1,706,530.03
	<b>82,967,789.85</b>	84,674,319.88
<b>SCHEDULE 3</b>		
<b>SECURED LOANS</b>		
Term Loans from Financial Institutions	<b>30,516,654.11</b>	27,834,285.11
Term Loans from State Bank of India	<b>93,082,427.00</b>	90,415,524.00
Cash Credit from State Bank of India	<b>109,384,694.14</b>	70,983,898.14
Loan from Bank	<b>421,115.31</b>	809,415.85
1. Term Loans from Financial Institutions and Bank are secured by a first mortgage on all the Companys' immoveable properties both present and future and a first charge by way of hypothecation of all the Company's moveables '(save and except book debts) including moveable machinery, machinery spares, tools and accessories, present and future, subject to prior charge to be created in favour of Companys' bankers on specified moveables		
2. Cash Credit from Bank is secured by hypothecation of raw materials, packing materials, work-in-process, finished goods and Debtors and first charge on all tangible movable assets and second charge on all the fixed assets of the Company		

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As on 31.03.2008 (Rupees)	As on 31.03.2007 (Rupees)
3. Cash Credit/Term loan from Bank are secured by mortgage of immovable property of sister concerns and pledge of 20,80,969 equity shares of the company held by some of the promoters.		
4. Term Loans from Financial Institutions and Cash Credit from Bank are also secured by a personal guarantee of Chairman and Managing Director, Executive Directors and a Ex-Director.		
5. As per the restructuring scheme, State Bank of India has a right to convert entire or part of it's term loan in to equity shares in the event of default by the company.		
6. Loan from Banks are secured by hypothecation of specified Vehicles		
	<b>233,404,890.56</b>	<b>190,043,123.10</b>

### SCHEDULE 4

#### UNSECURED LOANS

Fixed Deposits (Repayable within one year Rs.263.61 lacs, Previous Year Rs 334.85 Lacs)	<b>36,522,663.05</b>	49,829,316.08
From Companies & Others Repayable on demand)	<b>34,641,097.64</b>	32,187,105.96
	<b>71,163,760.69</b>	<b>82,016,422.04</b>

### SCHEDULE 5: FIXED ASSETS

ITEM	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.2007	Additions during the year	Deductions during the year	As on 31.03.2008	Upto 01.04.2007	For the year	Recouped during the year	Upto 31.03.2008	As on 31.03.2008	As on 31.03.2007
1 FREEHOLDLAND	3,300,923.00	0.00	100,000.00	3,200,923.00	0.00	0.00	0.00	0.00	3,200,923.00	3,300,923.00
2 LEASEHOLDLAND	888,390.00	0.00	0.00	888,390.00	125,403.89	9,353.65	0.00	134,757.54	753,632.46	762,986.11
3 BUILDINGS	22,312,998.38	0.00	499,646.00	21,813,352.38	7,686,417.62	741,397.93	154,034.18	8,273,781.37	13,539,571.01	14,626,580.76
4 PLANT&MACHINERY	118,262,778.63	9,107,326.00	8,458,766.94	118,911,337.69	75,704,332.82	5,500,318.37	4,325,062.29	76,879,588.90	42,031,748.79	42,558,445.81
5 FURNITURE&FXTURE	2,138,693.97	0.00	252,965.00	1,885,728.97	1,515,381.82	123,640.39	153,838.46	1,485,183.75	400,545.22	623,312.15
6 EQUIPMENTS	6,637,968.75	298,800.02	1,226,619.60	5,710,149.17	4,999,751.65	278,542.17	1,223,970.41	4,054,323.41	1,655,825.76	1,638,217.10
7 VEHICLES	8,655,869.71	0.00	1,955,064.84	6,700,804.87	4,676,586.00	611,177.81	1,707,898.17	3,579,865.64	3,120,939.23	3,979,283.71
TOTAL:	162,197,622.44	9,406,126.02	12,493,062.38	159,110,686.08	94,707,873.80	7,264,430.32	7,564,803.51	94,407,500.57	64,703,185.51	67,489,748.64
Previous Year	(161,380,412.23)	(3,988,518.12)	(3,171,307.91)	(162,197,622.44)	(88,451,297.50)	(7,378,989.76)	(1,122,413.48)	(94,707,873.79)	(67,489,748.65)	(72,929,114.99)

# AIMCO PESTICIDES LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As on 31.03.2008 (Rupees)	As on 31.03.2007 (Rupees)
<b>SCHEDULE 6</b>		
<b>INVENTORIES</b>		
(As taken, valued & certified by a director)		
Raw Materials & Packing Materials	18,826,822.38	22,492,401.90
Stores & Spares	450,758.56	391,811.91
Work in process	68,661,785.21	69,363,174.72
Finished Goods	55,868,454.65	62,376,590.30
Trading Goods	16,643,422.30	18,169,728.50
	<u>160,451,243.10</u>	<u>172,793,707.33</u>
<b>SCHEDULE 7</b>		
<b>SUNDRY DEBTORS (Unsecured, considered good)</b>		
a) Debts outstanding for a period exceeding six months	222,707,284.57	211,950,845.36
b) Other Debts	20,691,692.76	29,299,027.21
	<u>243,398,977.33</u>	<u>241,249,872.57</u>
<b>SCHEDULE 8</b>		
<b>CASH AND BANK BALANCES</b>		
Cash and Cheques in hand	130,111.00	42,810.05
Balances with Scheduled Banks in		
a) Current Accounts	3,693,690.56	779,689.76
b) Margin Deposits	1,260,294.00	1,030,095.00
	<u>5,084,095.56</u>	<u>1,852,594.81</u>
<b>SCHEDULE 9</b>		
<b>LOANS AND ADVANCES</b>		
(Unsecured Considered good)		
a) Advances recoverable in cash or kind or for value to be received	34,542,161.85	42,574,203.85
b) Balance with Central Excise	2,920,331.89	3,133,766.89
c) Advance Payments of Income-Tax	592,766.00	521,689.00
d) Advances to Employees	329,050.00	536,285.50
e) Advances to Suppliers	4,436,321.24	3,503,804.04
f) Other Deposits	1,078,864.00	1,077,864.00
	<u>43,899,494.98</u>	<u>51,347,613.28</u>
<b>SCHEDULE 10</b>		
<b>CURRENT LIABILITIES</b>		
a) Sundry Creditors (See Note 5)	34,257,539.80	50,543,080.40
b) Advances from Customers	31,888,612.03	18,410,110.07
c) Security Deposits	2,438,512.45	2,455,574.45
d) Book overdraft from schedule bank	850,528.22	723,744.97
d) Other liabilities	16,856,364.39	15,059,368.02
	<u>86,291,556.89</u>	<u>87,191,877.91</u>
<b>SCHEDULE 11</b>		
<b>PROVISIONS</b>		
a) For taxation	6,145,750.00	5,894,000.00
b) For Gratuity & Leave Encashment	1,336,802.00	4,172,192.00
	<u>7,482,552.00</u>	<u>10,066,192.00</u>

## SCHEDULE FORMING PART OF PROFIT & LOSS ACCOUNT

	Year Ended 31.03.2008	Year Ended 31.03.2007
<b>SCHEDULE 12</b>		
<b>INCREASE IN STOCKS</b>		
Opening Stocks: Finished Goods	62,376,590.30	61,363,494.81
Work in Process	69,363,174.72	57,470,949.70
Trading Goods	18,169,728.50	18,547,363.32
	149,909,493.52	137,381,807.83
Less: Closing Stocks: Finished Goods	55,868,454.65	62,376,590.30
Work in Process	68,661,785.21	69,363,174.72
Trading Goods	16,643,422.30	18,169,728.50
	141,173,662.16	149,909,493.52
Increase in Stock	(8,735,831.36)	12,527,685.69
<b>SCHEDULE 13</b>		
<b>OTHER INCOME</b>		
a) Interest from Banks (Gross, Tax Deducted at Source Rs.21,877/-, Previous Year Rs.60,154/-)	106,434.00	178,554.85
b) Interest from Others (Gross, Tax Deducted at Source Rs.Nil/-, Previous Year Rs.6,338/- )	82,326.00	29,931.00
c) Gain/(Loss) on foreign exchange fluctuations(Net)	(26,878.67)	226,974.07
d) Excess Provision of Gratuity & Leave Salary Written Back	1,327,010	-
e) Commission Received	189,431	-
f) Miscellaneous Income	399,399.00	941,025.40
g) Profit on sale of assets (net)	1,238,510.24	-
	3,316,231.92	1,376,485.32
<b>SCHEDULE 14</b>		
<b>MATERIAL CONSUMED</b>		
Opening Stock	22,492,401.90	28,170,997.98
Purchases	60,565,372.61	84,926,406.30
	83,057,774.51	113,097,404.28
Less: Closing Stock	18,826,822.38	22,492,401.90
Cost of materials consumed	64,230,952.13	90,605,002.38
<b>SCHEDULE 15</b>		
<b>EMPLOYEE'S COST</b>		
Salaries, Wages, Bonus, Allowances etc.	6,157,568.00	6,776,427.00
Separation Costs	-	663,128.00
Contribution to Provident and Other Funds	555,197.00	564,559.00
Staff Welfare Expenses	363,958.50	447,299.98
	7,076,723.50	8,451,413.98

# AIMCO PESTICIDES LIMITED

## SCHEDULE FORMING PART OF PROFIT & LOSS ACCOUNT

	Year Ended 31.03.2008	Year Ended 31.03.2007
<b>SCHEDULE 16</b>		
<b>OTHER EXPENSES</b>		
Rent, Rates & Taxes	277,174.75	1,079,001.75
Insurance	1,098,446.73	1,091,442.25
Power and Fuel	3,773,171.65	5,923,344.55
Stores and Spares Consumed	283,281.67	1,395,956.72
Repairs to Buildings	41,016.00	215,677.55
Repairs to Plant & Machinery	908,465.78	967,768.81
Repairs Others	164,947.05	148,281.86
Freight and Forwarding	4,550,491.50	9,132,227.18
Travelling and Conveyance	1,428,583.81	1,563,751.54
Advertisement and Sales Promotion	949,318.97	1,615,340.08
Managerial Remuneration	2,198,400.00	2,198,400.00
Payment to Auditors	217,000.00	217,000.00
Professional Charges	1,332,033.29	1,483,156.00
Loss on sale of assets (Net)	-	212,109.54
Communication Expenses	750,817.78	850,939.49
Commission on Sales	878,653.94	1,201,488.06
Sales Tax	2,480,731.00	3,881,187.34
Excise Duty on Stock (Net)	133,226.50	490,146.31
Labour Charges	1,397,670.15	1,761,566.35
Baddebts and other balances written off	8,592,188.37	22,085,615.85
Assets scraped written off	48,239.08	221,784.93
Brokerage /Commission	543,293.75	656,602.34
Miscellaneous Expenses	4,222,565.00	5,018,303.00
	<b>36,269,717.11</b>	<b>63,411,091.50</b>
<b>SCHEDULE 17</b>		
Interest on Fixed Deposits and Term Loans	12,722,770.85	13,961,083.90
Interest paid to bank & others	13,364,618.17	8,993,399.42
Bank Charges and Commission	1,439,770.67	3,388,515.78
	<b>27,527,159.69</b>	<b>26,342,999.10</b>

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## SCHEDULE 18- NOTES TO ACCOUNTS

### 1. Background:

Aimco Pesticides Limited was incorporated on August 12, 1987. Effective April 1, 1995, pursuant to the Scheme of Amalgamation, the assets and liabilities of Savitri Pesticides & Agrochem Limited and Vayaz Indian Pesticides Private Limited were transferred to and merged into the Company. Savitri Pesticides & Agrochem Limited had earlier taken over the running business of M/s All India Medical Corporation, a partnership firm, with effect from April 1, 1994.

### 2. Significant Accounting Policies:

- a. The Company maintains accounts on historical cost basis. The Current Assets, Loans and Advances and Liabilities are approximately of the value stated, if realized in the ordinary course of business.
- b. The Company follows the accrual method of accounting and all claims, receivables and liabilities are provided on that basis. The accrued income where they are of doubtful nature or uncertain of realization are not accounted.
- c. The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results may differ from the estimates.
- d. Fixed assets are recorded at cost of acquisition including incidental & installation expenses.
- e. Depreciation is provided on the Straight Line Method at rates and in the manner as provided Schedule XIV to the Companies Act, 1956. Leasehold land is amortized over the period of lease.
- f. All expenditure during the acquisition period of fixed assets, are accumulated and shown under the head Capital Work In Progress until the fixed asset is put to commercial use.
- g. Inventories are valued as under:
  - i) Rawmaterials, PackingMaterials, Stores and Spares : At lower of cost or net realisable value ( Cost arrived at on FIFO basis)
  - ii) Finished Goods and Work in progress At cost plus all manufacturing overheads OR net realisable value which ever is less
  - iii) Excise Duty is included in valuation of Finished Goods.
- h. Employees Benefits
  - a) Short – term employee benefits
 

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives, etc. are recognised at actual amounts due in the period in which the employee renders the related service.
  - b) Post – employment benefits
    - > Defined Contribution Plans
 

Payments made to defined contribution plans such as Provident Fund are charged as an expense as they fall due.
    - > Defined Benefit Plans
 

The cost of providing benefit i.e. gratuity is determined using the Projected Unit Credit Method, with actuarial valuation carried out as at the balance sheet date. Actuarial gains and losses are recognised immediately in the Profit and Loss Account.
  - c) Other Long – term employee benefits
 

Other Long – term employee benefit viz. leave encashment is recognised as an expenses in the profit and loss account as and when it accrues .The company determines the liability using the Projected Unit Credit Method, with actuarial valuation carried out as at the balance sheet date. The Actuarial gains and losses in respect of such benefit are charged to the profit and loss

## AIMCO PESTICIDES LIMITED

account.

- i. Research and Development Costs in the nature of revenue expenses are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Research and Development Costs being Capital Expenditure is reflected under the appropriate head of fixed asset.
- j. Monetary Current assets and liabilities denominated in foreign currency outstanding at the end of the year are valued at the rates prevalent on that date.
- k. Duty free imports of raw materials under Advance License Scheme and benefit under Duty Entitlement Pass Book as per the Import and Export policy are matched with the exports made and the benefit/obligation is accounted as "Incentives on Exports"
- l. Current tax is determined as the amount of tax payable to the taxation authorities in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence, on timing difference being differences between taxable and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carried forward of losses unless there is a virtual certainty that sufficient taxable profit will be available against which such deferred tax assets can be realized.
- m. The company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard – 20. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The diluted EPS have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.
- n. The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each balance sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.
- o. Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

### 3. Contingent Liabilities:

- i) Contingent liabilities not provided for in respect of Counter Guarantees given to Scheduled bank Rs . NIL (Previous year Rs. 0.10 lacs)
  - ii) Claims against the company not acknowledge as debts Rs.4.60 Lacs (Previous Year Rs.4.60 Lacs)
  - iii) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) as on 31st March 2008 is Rs.NIL (Previous year Rs. NIL).
4. Balance with Central Excise (Schedule 9, item b) includes Rs 18.20 on account of balance in Modvat Account before amalgamation of the erst while of Savitri Pesticides & Agrochemicals Ltd. which was to be transferred to the Company on amalgamation. The matter is still pending with excise department as they have not accepted the claim. The company is contesting the same.
5. Payment to Auditors:

	<b>2007-2008</b>	2006-2007
Audit Fees	<b>90,000</b>	90,000
For Taxation matters	<b>35,000</b>	35,000
For Tax Audit	<b>25,000</b>	25,000
For Certification	<b>67,000</b>	25,000
For other matters	<b>NIL</b>	42,000
	<b>2,17,000</b>	2,17,000

6. The Company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said Act have not been made.

7. Unsecured Loans includes Rs.99,32,776/- (Previous year Rs.31,31,000/-) received from directors of the Company.
8. (a) Balances in the accounts of sundry debtors /sundry creditors and advances are subject to confirmation and subsequent adjustments, if any, on reconciliation.
8. (b) Balances in the loan accounts of Industrial Bank Of India & State Bank Of India are subject to confirmation by the respective parties and consequent reconciliation, if any
9. (A) Computation of net profits in accordance with section 349 and 309(5) of the Companies Act, 1956

	<b>F Y 2007-2008</b>	F Y 2006-2007
Profit/(Loss) as per Profit and Loss account	(45,109,254)	(27,575,660)
Add: Depreciation as per Profit and Loss account	7,264,430	7,378,990
Provision for Deferred Tax	(9,795,813)	(2,060,405)
Provision for Fringe Benefit Tax	240,000	400,000
Directors Remuneration	2,198,400	2,198,400
Directors Fees	10,000	-
	<u>(45,192,237)</u>	<u>(19,658,675)</u>
Less Depreciation u/s 350 of the Companies Act, 1956	7,264,430	7,378,990
Prior period adjustments (Net)	291,719	(527,068)
Assets Discarded	48,239	221,785
Profit/(Loss) on Sale of assets (Net)	1,238,510	(212,110)
	<u>(54,035,136)</u>	<u>(26,520,273)</u>
Less: Losses of earlier years	(55,443,060)	(28,922,787)
Net profit / (loss) in accordance with Section 309(3) of the Companies Act, 1956	(109,478,196)	(55,443,060)
Commission Payable @ 1% of net profits to the Managing Director	NIL	NIL
Managerial Remuneration under section 198 of the Companies Act, 1956		
Salary	1,374,000	1,374,000
Perquisites	824,400	824,400
Sitting Fees	10,000	16,000
Commission	-	-
	<u>2,208,400</u>	<u>2,214,400</u>

Note : Amount Provided towards Gratuity Payable to the Directors is not available separately. Hence, the same is not shown above

- 9 (B). The Company has applied for the Central Government approval for the remuneration paid to Mrs. E.P. Shrivastava Rs.7,43,580/- for the period from 29.07.03 to 31.03.05 and commission of Rs.4,38,356/- for the period from 01.04.2005 to 31.12.05. However approval for the same is not yet received.
- 9 ('C). Directors' remuneration paid as under is subject to approval of the Central Government under section 309 of the Companies Act, 1956

		For the period 1.4.2007 to 31.03.2008	For the period 1.1.2007 to 31.03.2007
Shri Pradeep P.Dave -	Managing Director	854,400	213,600
Shri Samir P.Dave	Executive Director	672,000	168,000
Shri Ashit P.Dave	Executive Director	672,000	168,000
		<u>2,198,400</u>	<u>549,600</u>

## AIMCO PESTICIDES LIMITED

10 Advances recoverable in cash or in kind or for value to be received includes debts due from All India Medical Corp. a partnership Firm in which Directors of the company are partner Rs.70,02,068 (Previous Year 69,92,635)

11 Sales by class of goods.

	Unit	Year ended 31.3.2008		Year ended 31.3.2007	
		Quantity	Amount Rs in lacs	Quantity	Amount Rs in lacs
Agrochemicals					
Technical Grade	MT	121*	739.07	147*	698.96
Formulations	KL ) MT)	120		369	
		107	152.10	446	833.62
			<b>891.17</b>		<b>1,532.58</b>

\*Excluding 2 MT captive consumption (Previous Year 10 MT)

12 Break-up of raw materials consumed

	Unit	Year ended 31.3.2008		Year ended 31.3.2007	
		Quantity	Amount Rs in lacs	Quantity	Amount Rs in lacs
Organic chemicals	MT	429	491.00	661	806.00
Others			151.31		100.05
			<b>642.31</b>		<b>906.05</b>

(A) Value of imported and indigenous raw materials consumed and the percentage of each to the total:

	Year ended 31.3.2008		Year ended 31.3.2007	
	Rs in lacs	%	Rs in lacs	%
Imported by the Company	-	-	-	-
Purchased Indigenously	642.31	100.00	906.05	100.00
	<b>642.31</b>	<b>100.00</b>	<b>906.05</b>	<b>100.00</b>

(B) Stores and spare parts and components consumed are 100% purchased indigenously.

13 Value of imports calculated on CIF basis:

	Year ended 31.3.2008 Rs in lacs	Year ended 31.3.2007 Rs in lacs
	<b>NIL</b>	<b>NIL</b>
14 Expenditure in foreign currencies		
Travelling, advertisement & other matters	3.47	4.36
15 Earnings in foreign exchange		
Exports of goods calculated on FOB basis	272.25	531.47

16 A) Opening and closing stocks of finished packed stocks:

Class of Goods	Unit	Opening Stocks				Closing Stocks			
		As at 1-Apr-07		As at 1-Apr-06		As at 31-Mar-08		As at 31-Mar-07	
		Quantity	Rs in lacs	Quantity	Rs in lacs	Quantity	Rs in lacs	Quantity	Rs in lacs
Agrochemicals									
Technical Grade	MT	45	306.28	37	162.69	49	272.93	45	306.28
Formulations	KL )	36		89		36		36	
	MT )	11	317.49	23	450.94	5	4.41	11	317.49
		<u>623.77</u>		<u>613.63</u>				<u>623.77</u>	

B) Trading Activities (Agrochemicals):

		Year ended 31.3.2008		Year ended 31.3.2007	
		Quantity	Amount Rs in lacs	Quantity	Amount Rs in lacs
Opening Stock	MT	3	181.70	3	185.47
Purchases	MT	552	257.21	858	307.51
Sales	MT	552	311.93	858	349
Closing Stock	MT	2	166.43	3	181.70

17 Licensed capacity, installed capacity and actual production in respect of each class of goods manufactured

		Annual Capacity				Actual production of goods for sale	
		Licensed		Installed		(see note (II) below)	
		As at 2008	As at 2007	As at 2008	As at 2007	As at 2008	As at 2007
Agrochemicals							
Technical Grade	MT	see note (I)		900	900	117	165
Formulations	KL	see note (I)		1,750	1,750	120	316
	MT			3,000	3,000	101	434

(I) Under the liberalised policy of the Government, vide notification No. SO-477(E) dated 25-7-1991 and as amended vide Press Release Note No. 4 of the 1994 series dated 25-10-1994, these products are exempted from licensing procedures under the Industries (Development and Regulation) Act, 1951.

(II) Production figure includes quantities captively used.

(III) Installed capacity is as certified by the Managing Director, but being a technical matter this has not been verified by the Auditors.

(IV) Since the Company manufactures several formulations in its plants, capacity varies depending on product mix. Hence installed capacities stated are only indicative.

## AIMCO PESTICIDES LIMITED

18 The break up of deferred tax assets and liabilities and the effect on the reserves and the loss is as under:

Nature of timing difference	Deferred Tax Assets/Liability as at 1.4.2007	Charge/ (Credit) for the current year	Deferred Tax Assets/Liability as at 31.03.08
a) Deferred Tax Liabilities			
I) Depreciation	15,219,483	(3,265,837)	11,953,646
	<u>15,219,483</u>	<u>(3,265,837)</u>	<u>11,953,646</u>
b) Deferred tax assets			
I) Items covered u/s 43B	13,341,284	5,612,380	18,953,664
ii) Gratuity	999,453	(623,912)	375,541
III) Other Items	4,108,630	1,541,507	5,650,137
	<u>18,449,367</u>	<u>6,529,975</u>	<u>24,979,342</u>
Deferred Tax Liability ( Net)	<u>(3,229,884)</u>	<u>(9,795,812)</u>	<u>(13,025,696)</u>

19 Earning Per Share ( EPS)

The basic and diluted EPS is calculated as under:

	F Y 2007-2008	F Y 2006-2007
Profit/(Loss) attributed to Equity Shareholders(Rs)	(44,819,517)	(32,373,593)
No of Equity Shares (of Rs 10 each)	9,236,513	9,236,513
Earning per Share	(4.85)	(3.50)

20 Related Party Disclosures

Related party disclosure as required by AS 18 of the Institute of Chartered Accountants of India is as follows:

A Related Parties and Relationship

a) Companies/ Firms in which the directors' have substantial interest ( i.e. more than 20% in voting power directly or indirectly).

- i) Amisco Agrochem Ltd.
- ii) Aimco Investment Pvt LTd.
- iii) Aurnagabad Oil Extraction Co Pvt Ltd.
- iv) All India Medical Corporation

b) Others

- i) Excel Crop Care Limited

c) Directors of the Company

- i) Shri Pradeep P Dave (Managing Director)
- ii) Dr. Samir P Dave ( Executive Director)
- iii) Shri Ashit P Dave ( Executive Director)
- iv) Shri Mukesh D Patel (Independent Director, Chairman)
- v) Shri Kaja Ramgopal ( Independent Director)
- vi) Dr. M.B.Pandya (Independent Director)
- vii) Shri.Ashok Kumar Kundanmal Jain ( Director upto 31.07.07)
- viii) Shri Dipesh Kantisen Shroff ( Director upto 31.07.07)

c) Key Management Personnel

None otherthan i,ii & iii above

**B Details of Transaction with above Parties**

Particulars	Companies/ firms in which the Directors have substantial interest	Others	Directors of the Company & their relatives	Key Mangment Personnel	Total
Rent Paid	156,000 (660,000)	- -	- -	- -	156,000 (660,000)
Brokerage on FD	-	-	-	-	-
	-	-	(18,000)	-	(18,000)
Sitting Fees	-	-	10,000	-	10,000
	-	-	(16,000)	-	(16,000)
Salary Paid	-	-	100,548	-	100,548
	-	-	(114,000)	-	(114,000)
Conveyance	-	-	55,300	-	55,300
	-	-	(43,500)	-	(43,500)
Interest paid on Deposits taken	-	-	335,685	-	335,685
	-	-	(175,950)	(380,126)	(556,076)
Purchases	1,512,329 (27,613,776)	-	-	-	1,512,329 (27,613,776)
Sales	35,599,629 (23,300,712)	-	-	-	35,599,629 (23,300,712)
Asset Sold	-	(1,500,000)	-	-	(1,500,000)
Asset Purchased	231,750 -	(1,966,400)	-	-	231,750 (1,966,400)
Commission received	-	(46,479)	-	-	(46,479)
Outstanding Loan Payable	22,937,044 (23,491,072)	- -	- -	9,932,776 (3,131,000)	32,869,820 (26,622,072)
Outstanding Advances Receivable	7,002,068 (6,992,635)	- -	- -	- -	7,002,068 (6,992,635)
Loan Repaid	986,028 (7,458,237)	- -	- -	562,265 (455,310)	1,548,293 (7,913,547)
Loan Received	432,000 (27,451,615)	- -	- -	7,364,041 (3,459,310)	7,796,041 (30,910,925)
Advances Recoverable Received	2,194,737 (1,348,736)	- -	- -	- -	2,194,737 (1,348,736)
Outstanding Deposits Receivable	1,500,000 (1,500,000)	- -	- -	- -	1,500,000 (1,500,000)
Outstanding Deposits Payable	-	-	2,588,000	-	2,588,000
	-	-	(3,868,000)	(5,065,000)	(8,933,000)

**C i) Details of Remuneration paid to Chairman, Managing Director and Executive Directors as per Note 8 above:**

## AIMCO PESTICIDES LIMITED

### II) Details of Transactions with related parties having 10% or more of the above :

Particulars	Companies/Firm in which the directors has substantial interest	Others	Directors of Key Management the company and their relatives	Management Personnel	Total
<b>Expenses Charged</b>					
Rent					
Amisco Agrochem Ltd.	96,000	-	-	-	96,000
All India Medical Corpn.	60,000	-	-	-	60,000
<b>Sitting Fees</b>					
Dr. M.B.Pandya		-	5,000	-	5,000
Mukesh D Patel		-	1,000	-	1,000
Dipesh Shroff		-	1,000	-	1,000
K.Ramgoal		-	1,000	-	1,000
Ashok Jain		-	2,000	-	2,000
<b>Salary paid</b>					
J P Dave		-	100,548	-	100,548
<b>Conveyance Paid</b>					
J P Dave		-	55,300	-	55,300
					-
<b>Interest Paid on Deposit taken</b>					
Kritidaben M.Patel			252,813		252,813
Ramaben S Dave			45,080		45,080
<b>Purchase /Service chrg</b>					
Excel Crop Care LTD	1,512,329				1,512,329
<b>Sales</b>					
Excel Crop Care LTD	35,599,629				35,599,629
<b>Asset Purchased</b>					
Oneiro Chemicals Ltd.	231,750				231,750
<b>O/S Loan Payable</b>					
Amisco Agrochem Ltd	21,486,686				21,486,686
Aurangabad Oil Extraction Co Pvt Ltd	1,449,536				1,449,536
					-
Ashit P Dave				2,888,495	2,888,495
Samir P Dave				5,483,456	5,483,456
Pradeep P.Dave				1,560,825	1,560,825

### 21 Disclosures in accordance with Revised Accounting Standard (AS) -15 on "Employee Benefits":

AS – 15 (Revised 2005) on "Employee Benefits" has been adopted by the Company effective from April 1, 2007. The disclosures are as required by the said AS are given hereunder.

#### (A) Defined Contribution Plans:

The Company has recognized the following amounts in the Profit and Loss Account for the year:

Particulars	For the year ended March 31, 2008
(i) Contribution to Employees' Provident Fund	3,99,090
(ii) Contribution to Employees' Family Pension Fund	NIL
(iii) Contribution to Employees' Superannuation Fund	NIL
Total	3,99,090

(B) Defined Benefit Plans:

Gratuity is payable to all members at the rate of 15 days salary for each year of service.

(i) Changes in the Present Value of Obligation

Particulars	For the Year Ended March 31, 2008		
	Gratuity	Leave Encashment	Total
(a) Present Value of Obligation as at April 1, 2007	32,34,477	9,37,715	41,72,192
(b) Interest cost	2,58,758	75,017	3,33,775
(c) Past Service Cost	NIL	NIL	NIL
(d) Current Service Cost	84,833	58,606	1,43,439
(e) Curtailment Cost/ (Credit)	NIL	NIL	NIL
(f) Settlement Cost/ (Credit)	NIL	NIL	NIL
(g) Benefits Paid	12,93,685	2,14,695	15,08,380
(h) Actuarial (Gain)/ Loss	(10,69,038)	(7,35,186)	(18,04,224)
(i) Present Value of Obligation as at March 31, 2008	12,15,345	1,21,457	13,36,802

(ii) Expenses/(Income) recognized in the Profit and Loss Account

Particulars	For the Year Ended March 31, 2008		
	Gratuity	Leave Encashment	Total
(a) Current Service Cost	84,833	58,606	1,43,439
(b) Past Service Cost	NIL	NIL	NIL
(c) Interest cost	2,58,758	75,017	3,33,775
(d) Curtailment Cost/ (Credit)	NIL	NIL	NIL
(e) Settlement Cost/ (Credit)	NIL	NIL	NIL
(f) Net Actuarial (Gain)/ Loss	(10,69,038)	(7,35,186)	(18,04,224)
(g) Employees' Contribution	NIL	NIL	NIL
(h) Total (Income)/Expenses recognized in Profit and Loss A/c	(7,25,447)	(6,01,563)	(13,27,010)

(iii) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Particulars	Gratuity	Leave Encashment
(a) Discount Rate	8%	8%
(b) Salary Escalation Rate – Management Staff	5%	5%
(c) Staff	10%	10%
(d) Turnover Rate	LIC (1994-96)	LIC (1994-96)
Mortality Table	Ultimate	Ultimate

The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors.

(iv) This being the first year of implementation of AS-15 (Revised) previous year figures have not been given.

22. As the company's business activity falls within single segment viz. Pesticides, under the companies (Accounting Standard ) Rules ,2006 the disclosure requirements of Accounting Standard 17 " Segment Reporting " issued is not applicable

## AIMCO PESTICIDES LIMITED

### 23 Disclosure in respect of operating lease (as Lessee):

	Year Ended 31st March, 2008	Year ended 31st March, 2007
(a) Operating Leases Disclosures in respect of cancelable agreements for office and residential premises taken on lease		
(i) Lease payments recognized in the Profit and Loss Account	156,000	6,60,000
(ii) Significant leasing arrangements The Company has given refundable interest free security deposits under the agreements. The lease agreements are for a period of sixty months. These agreements also provided for increase in rent. These agreements are non-cancelable by both the parties except in certain exceptional circumstances.		
(iii) Future minimum lease payments under non-cancelable agreements		
Not later than one year	1,56,000	1,56,000
Later than one year and not later than five years	2,16,000	96,000
Later than five years	NIL	NIL

### 24 Disclosure in respect of operating lease (as Lessor):

	Year Ended 31st March, 2008	Year ended 31st March, 2007
(a) Operating Leases Disclosures in respect of cancelable agreements for office and residential premises given on lease		
(i) Lease receipts recognized in the Profit and Loss Account	60,000	NIL
(ii) Significant leasing arrangements The Company has taken refundable interest free security deposits under the agreements. The lease agreements are for a period of ninety months. These agreements are non cancelable by both the parties for 12 months except in certain exceptional circumstances.	- NIL	NIL
(iii) Future minimum lease receipts under non-cancelable agreements		
Not later than one year	6,60,000	NIL
Later than one year and not later than five years	NIL	NIL
Later than five years	NIL	NIL

25. The Company does not enter into any forward contract or derivatives to cover its expenses in foreign currency .As at the year end, the exposures in foreign currency for the company is as under :

Particulars	2007-2008		2006-2007	
	Foreign Currency	Amount (Rs.)	Foreign Currency	Amount (Rs.)
Accounts Receivable	USD 1,39,810	55,88,206	UDS 67.250	29,01,165
Advance Payable	USD 62,501	24,98,165	USD 62,501	26,96,293

26. Previous years figures have been regrouped/rearranged wherever necessary

For and on behalf of  
**For CONTRACTOR NAYAK & KISHNADWALA**  
Chartered Accountants

**H V KISHNADWALA**  
Partner  
Membership No.37391  
Mumbai  
Dated :

For and on behalf of the Board

**Pradeep P Dave**      **Ashit P Dave**  
(Managing Director)      (Executive Director)

**Samir P Dave**  
(Executive Director)

## CASH FLOW FOR THE YEAR ENDED MARCH, 2008

	YEAR ENDED As on 31.03.2008		YEAR ENDED As on 31.03.2007	
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) before tax and extraordinary items		(54,653,317)		(29,220,565)
Adjustment for:				
Depreciation	7,264,430		7,378,990	
Deferred Revenue Expenditure	-		-	
Assets Scrap	48,239		221,785.00	
Interest Charged	27,527,160		26,342,999	
	<b>34,839,829</b>		<b>33,943,774</b>	
Less: Profit / (loss) on sale of fixed assets (Net)	1,238,510		(212,110)	
Interest from Banks & Dividend received	106,434	33,494,885	178,555	33,977,329
Operating Profit/(Loss) before working capital changes		(21,158,432)		4,756,763
Adjustment for:				
Trade and other receivables	15,165,904		13,503,158	
Inventories	12,342,464		(6,731,577)	
Trade payables	(3,735,711)	23,772,657	27,040,399	33,811,980
Cash generated from operations		2,614,225		38,568,743
Interest paid		(27,527,160)		(26,342,999)
Taxes paid (Net)		(73,059)		(360,773)
Deferred Tax Assets		(9,795,813)		(2,060,405)
Cash flow before extraordinary items		(34,781,807)		9,804,566
Extraordinary Items		291,719		527,068
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(34,490,088)</b>		<b>10,331,634</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets		(1,012,482)		(9,046,822)
Sale of fixed assets/Asset Scrap		6,118,530		1,615,000
Purchase of Investment		-		-
Sale of Investment/Investment write off		-		-
Interest and dividend received		106,434		178,555
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>5,212,482</b>		<b>(7,253,267)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital raised on private placement		-		-
Proceeds from long term borrowings		4,960,971		(23,684,840)
Proceeds from short term borrowings		(10,852,661)		22,810,805
Dividend paid		-		-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(5,891,690)</b>		<b>(874,036)</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS</b>		<b>(35,169,295)</b>		<b>2,204,331</b>
<b>CASH &amp; CASH EQUIVALENTS - OPENING BALANCE</b>				
Cash & Bank balances	1,852,595		6,156,744	
Cash Credit Accounts	(70,983,898)	(69,131,303)	(77,492,378)	(71,335,634)
<b>CASH &amp; CASH EQUIVALENTS - CLOSING BALANCE</b>				
Cash & Bank balances	5,084,096		1,852,595	
Cash Credit Accounts	(109,384,694)	(104,300,599)	(70,983,898)	(69,131,303)

This is the cash flow statement refer to in our report of even date.

For and on behalf of  
**For CONTRACTOR NAYAK & KISHNADWALA**  
*Chartered Accountants*

**H V KISHNADWALA**  
*Partner*  
 Membership No 37391

Mumbai  
 Dated:30/06/2008

For and on behalf of the Board

**Pradeep P Dave**  
*(Managing Director)*

**Samir P Dave**  
*(Executive Director)*

**Ashit P Dave**  
*(Executive Director)*

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I Registration Details

Registration No  State Code   
Balance Sheet Date     
Date Month Year

### II Capital raised during the year (Amount in Rs. Thousands)

Public Issue	<input type="text" value="Nil"/>	Rights Issue	<input type="text" value="Nil"/>
Bonus Issue	<input type="text" value="Nil"/>	Private Placement	<input type="text" value="-"/>

### III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	<input type="text" value="479,901.57"/>	Total Assets	<input type="text" value="479,901.57"/>
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#### Sources of Funds

Paid up Capital	<input type="text" value="92,365.13"/>	Reserves & Surplus	<input type="text" value="82,967.79"/>
Secured Loans	<input type="text" value="233,404.89"/>	Unsecured Loans	<input type="text" value="71,163.76"/>
Deferred Tax Liability	<input type="text" value="-"/>		

#### Application of Funds

Net Fixed Assets	<input type="text" value="64,703.19"/>	Investments	<input type="text" value="Nil"/>
Net Current Assets	<input type="text" value="359,059.70"/>	Miscellaneous Expenditure	<input type="text" value="Nil"/>
Accumulated Losses	<input type="text" value="Nil"/>		

### IV Performance of the Company (Amount in Rs. Thousands)

Turnover	<input type="text" value="111,893.20"/>	Total Expenditure	<input type="text" value="168,090.23"/>
Profit / (Loss) before Tax	<input type="text" value="(54,653.32)"/>	Profit / (Loss) after Tax	<input type="text" value="(45,109.25)"/>
Earnings Per Share in Rs.	<input type="text" value="(4.85)"/>	Dividend Rate %	<input type="text" value="Nil"/>

### V Generic Names of Three Principal Products/Services of Company

Item Code No (ITC Code)	<input type="text" value="3,808"/>
Product Description	<input type="text" value="Pesticides/Insecticides"/>

For and on behalf of the Board

**Pradeep P Dave**  
(Managing Director)

**Samir P Dave**  
(Executive Director)

**Ashit P Dave**  
(Executive Director)

Mumbai  
Dated:30/06/2008

# AIMCO PESTICIDES LIMITED

**Regd. Office;-** B – 1/1, MIDC Industrial Area, Lote Parshuram, Village Awashi, Taluka – Khed, District Ratnagiri, Maharashtra 415 707.

## ADMISSION SLIP

Full Name of the Shareholder:

(In Block Letters)

Ledger Folio No. / Client ID No.:

No. of Share(s) Held:

Name of Proxy:

(In Block Letters)

I certify that I am a registered Shareholder/proxy for the registered shareholder of the company .I hereby record my presence at the Twenty First Annual General Meeting of the company at B – 1/1, MIDC Industrial Area, Lote Parshuram, Village Awashi, Taluka – Khed, District Ratnagiri, Maharashtra 415 707, on Tuesday, the 30th September 2008 at 12.00 p.m.

\_\_\_\_\_  
Member's or Proxy's Signature

-----  
**AIMCO PESTICIDES LIMITED**  
-----

**Regd. Office;-** B – 1/1, MIDC Industrial Area, Lote Parshuram, Village Awashi, Taluka – Khed, District Ratnagiri, Maharashtra 415 707.

## FORM OF PROXY

Reg, Folio No. / Client ID No. & Name of the shareholder to be furnished above

I/We ..... of

..... in the District of

..... being a member/members of AIMCO PESTICIDES LIMITED hereby appoint

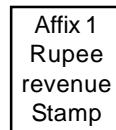
.....of ..... in the District of

..... or failing him .....

of in the district of .....

As my/our proxy for me/us and on my/our behalf at the Twenty First Annual General Meeting of the company to be held on 30th September,2008 at 12.00 P.M.and at any adjournment thereof.

Signed this..... day of..... 2008



Signature \_\_\_\_\_

- NOTE :**
- 1 The form should be signed across the stamp as per specimen signature registered with the company.
  - 2 The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
  3. A proxy need not be a member.

**BOOK-POST**

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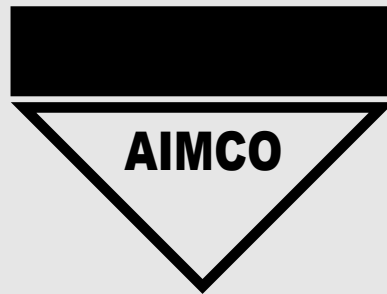
To.

*If undelivered, please return to :*

**AIMCO PESTICIDES LIMITED**

B1/1, MIDC Indl. Area,  
Lote Parshuram, Vill:Awashi,  
Taluka:Khed, Dist: Ratnagiri,  
Maharashtra 415 707.

**AIMCO PESTICIDES**



# **AIMCO PESTICIDES LIMITED**

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