

# ADESHWAR COTTON INDUSTRIES LIMITED

MD	✓		BKC	NA
CS	NA		DPY	NA
RO	✓		DIV	NA
TR	NA		AC	✓
AGS	✓		SH	✓
YE	✓			

**ANNUAL**

**REPORT**

**1996-97**

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## **THIRD ANNUAL REPORT 1995-96**

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### **BOARD OF DIRECTORS**

Shri Indrasinh Parmar  
Shri Mahendra Sanghvi  
Shri Mahendrasinh Parmar  
Shri Mitesh Sanghvi

### **ANNUAL GENERAL MEETING**

Day : Tuesday  
Date : 11th November, 97  
Time : 11-00 A. M.  
Venue : Nr. Cotton Hall, Main Road,  
Surendranagar-363 001.

### **BANKERS**

Rajkot Nagrik Sahakari Bank Limited  
State Bank of Travancore  
Surendra Nagar Peoples Co-op. Bank Ltd.

### **AUDITORS**

Natarajan T. Gnanaskandan & Co.  
Chartered Accountants  
Ahmedabad.

1. Members are requested to bring their copy of the Annual Report to the Meeting.
2. Shareholders seeking information on accounts published herein are kindly requested to furnish their queries to the company at its Registered office at least TEN days before the date of the Meeting.

### **REGISTERED OFFICE**

Nr. Cotton Hall, Main Road,  
Surendranagar - 363 001.

### **FACTORY**

Village Godavari,  
Taluka Muli  
District Surendranagar

**ADESHWAR COTTON INDUSTRIES LIMITED****NOTICE**

Notice is hereby given that the Third Annual General Meeting of the Members of the Company will be held on Tuesday, 11th November 1997 at 11.00 A.M. at the registered office of the Company to consider and transact the following business :

**ORDINARY BUSINESS :**

1. To consider and adopt the audited Profit and Loss account for the year ended 31st March, 1997 and the Balance Sheet as on that date, along with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Shri Indrasinh Parmar and Shri Mahendra G. Sanghvi, who retire by rotation, but being eligible offers themselves for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting and fix their remuneration.

**SPECIAL BUSINESS**

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

4. "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 314 and other applicable provisions, if any of the companies Act, 1956, approval of the Company be and is hereby accorded to the Payment of Rs. 15,000/- p.m. + perquisites". remuneration to be paid to Shri Indrasinh Parmar, Shri Mahendra G. Sanghavi, Shri Mahendrasinh Parmar and Shri Mitesh Sanghavi, the Directors, of the Company.

**EXPLANATORY STATEMENT**

Pursuant to Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out all the material facts relating to item no. 4 of the accompanying notice of the Annual General Meeting to be held on 11th November, 1997

**ITEM NO. 4**

The Board of Directors at the meeting held on 30/08/97 considered the remuneration payable to Shri Indrasinh Parmar, Shri Mahendra G. Sanghavi, Shri Mahendrasinh Parmar and Shri Mitesh Sanghavi, the Directors of the company to the payment of Rs. 15,000/- p.m. + perquisites w.e.f. 01/04/97 subject to approval of the members of the company.

- I. **Salary** : Rs. 15,000/- p.m.
- II. **Perquisites** : In addition to salary, the perquisites not exceeding the overall ceiling prescribed under Schedule XIII will be provided to the Director upto Rs. 7,500/- p.m.

So long as Shri Indrasinh Parmar, Shri Mahendra G. Sanghavi, Shri Mahendrasinh Parmar and Shri Mitesh Sanghavi, functions as Director, they shall not be paid any sitting fees for attending the meeting of the Board or any Committee thereof.

In the event of the absence or inadequacy of profit in any financial year, the remuneration including perquisites shall not exceed the ceiling laid down in this behalf in Schedule XIII of the Companies Act, 1956.

The particulars set out above may be treated as an abstract of the terms of the agreement between the Company and Shri Indrasinh Parmar, Shri Mahendra G. Sanghavi, Shri Mahendrasinh Parmar and Shri Mitesh Sanghavi, which requires to be given to every member under the provisions of Section 302 of the Companies Act, 1956.

None of the Directors of the Company is in any way concerned or interested in the aforesaid Resolutions except himself.

The Board of Directors of the Company recommends passing of the resolution for the Payment of remuneration of Directors.

By the Order of the Board of Directors

**Mahendra G. Sanghvi**  
Director

Registered office  
Nr. Cotton Hall  
Main Road  
Surendra Nagar - 363 001.  
Dated : 25th September 1997

**NOTES :**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) Members are requested to notify the change in their address immediately.

By the Order of the Board of Directors

**Mahendra G. Sanghvi**  
Director

Registered office  
Nr. Cotton Hall  
Main Road  
Surendra Nagar 363 001.  
Dated : 25th September 1997

**ADESHWAR COTTON INDUSTRIES LIMITED****DIRECTOR'S REPORT**

Dear Members,

Your Directors have pleasure in placing before you the Third Annual Report and Audited Accounts for the financial year ended on 31st March, 1997.

**FINANCIAL RESULTS**

Your company has been able to improve upon its turnover in the current year. The summarised financial results are as under :

	Rs. in Lacs	
	1996-97	1995-96
Turnover	3552.13	2379.79
Miscellaneous Income	19.62	12.83
Profit before Interest, Depreciation and Tax	74.57	72.41
Depreciation	19.20	16.50
P & P Expenses written off	4.25	4.44
Profit / Loss before Tax	14.89	13.34
Profit/Loss After Tax	13.11	13.34
Profit of Earlier Years	31.00	37.66
Balance Carried to Balance Sheet.	44.11	31.00

**DIVIDEND**

With a view to conserve resources and augment the financial resources of the company, the directors do not recommend any dividend.

**OPERATIONS**

During the year under review the company was able to improve upon its previous year's sales. However, it was not able to achieve the targetted figures of the prospectus on account of spiralling cotton prices, restrictions in availability of credit and general downward trend in the industry, despite a good cotton crop during the year. The Company continued to develop more clientele and has been successful in establishing itself as a quality cotton supplier and is confident of posting an improved operational results in the ensuing year.

**DEPOSITS**

The Company has not accepted any deposits within the meaning of the provisions of Section 58-A of the Companies Act, 1956.

**ACCOUNTS**

The notes referred to by Auditors in the report are self explanatory and hence do not require any explanation.

**DIRECTORS**

Shri Indrasinh Parmar and Shri Mahendra G. Sanghvi, Directors of the company retire by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for the appointment.

**AUDITORS**

M/s. Natarajan T. Gnanaskandan & co., Chartered Accountants, Ahmedabad, the Statutory Auditors of the company retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

**PERSONNEL**

The Employee relation remained cordial throughout the year. Your Directors wish to place on record their appreciation of the committed service rendered by all the staff members of the Company.

None of the employees of the Company were in receipt of remuneration in excess of Rs. 25,000/- per month and hence, information pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not furnished.

**Information pursuant to Section 217 (1) (e) of the Companies Act, 1956.****A. Conservation of Energy**

In house study was made for identifying areas for optimum utilisation of power and fuel. No additional investment has been made or proposed to for reduction of consumption of energy.

**B. Research, Development and Technology Absorption**

The company did not carry any activity of Research and Development (R & D) programme and also no effort has been made towards technology absorption, adaptation and innovation.

**C. Foreign Exchange Earning & Outgo**

The Company did not have any Foreign Exchange earning/outgo during the year under review.

**Acknowledgements**

The Board of Directors convey their sincere appreciation and gratitude to their Employees, Bankers, Shareholders, Customers and various agencies for their continued support and co-operation to the company.

For and on behalf of the Board

Indrasinh Parmar  
Director

Mahendra Sanghvi  
Director

Registered Office  
Nr. Cotton Hall  
Main Road,  
Surendra Nagar 363 001  
Dated : 25th September, 1997