

ADI RASAYAN LIMITED

**20TH ANNUAL REPORT
2011-12**

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Directors	Dinesh Harchand Desai (Upto 10.02.2012)	- Executive Director
	Vikram Ramanlal Shah (Upto 10.02.2012)	- Executive Director
	Dahyabhai Bhagubhai Patel (Upto 10.08.2012)	- Executive Director
	Ashish S Pandare	- Independent Director
	Lalji Ramraj Yadav	- Independent Director
	Mandar Subhash Palav	- Independent Director
	Sanjiv Ramniklal Joshi	- Executive Director

Auditors	M/S. Padam Chand Jain & Associates M V House, Hajipura Garden Shahibaug, Ahmedabad - 380 009.
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Bankers	Allahabad Bank Borivali (West), Branch
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Registered Office	23, Sarvopari Mall, Opp. Utsav Party Plot, Sola Road, Ahmedabad 380 050
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Registrar and Share Transfer Agent	System Support Services 209, Shivai Ind Estate, 89, Andheri Kurla Road, Saki Naka, Andheri E, Mumbai – 400 072.
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NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the members of **Adi Rasayan Limited** will be held on Saturday, 29th September, 2012, at 11.00 A.M. at 23, Sarvopari Mall, Opp. Utsav Party Plot, Sola Road, Ahmedabad 380 063 to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 2012 and Balance Sheet as at that date, Cash Flow statement for the year ended 31st March, 2012 and Report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Ashish S Pandare- Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 3) To consider and if thought fit to pass the following Resolution with or without modification if any, as a Ordinary Resolution:

“RESOLVED THAT Pursuant to provisions of Section 260 and all other applicable provisions of the Companies Act, 1956 (including all such statutory modifications and amendments made thereof) Mr. Sanjiv Joshi, who was appointed as an Additional Director be and is hereby appointed as a Director of the Company and in respect of whom notice under section 257 of the Companies Act, 1956 have been received from a Director eligible to retire by rotation.”

“RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

- 4) “To consider and if thought fit, to pass with or without modification, the following resolution as ordinary Resolution”;

Appointment of M/s. Gupta Saharia & Co., Chartered Accountants as Statutory Auditor:

“RESOLVED THAT pursuant to provision of Section 224 and other applicable provision if any of the Companies Act, 1956 and further subject to such approval as may be necessary, consent and approval of the Company be and is hereby accorded for the appointment of M/s. Gupta Saharia & Co, Chartered Accountants, as Statutory Auditor of the Company, to fill the casual vacancy arising on account of the resignation received from the existing Auditor M/s Padam Chand Jain & Associates, Chartered accountants, until the conclusion of the next Annual General Meeting of the Company on such remuneration as maybe fixed in this behalf by the Board of Directors of the Company in consultation with the Auditor and Audit Committee thereof.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS

Item No. 3

Mr. Sanjiv Joshi, was appointed as an Additional Director. Pursuant to provisions of Section 260 of the Companies Act, 1956 a Director appointed to fill the casual vacancy holds office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been so vacated.

A Company has received a notice in writing from the member of the Company in terms of section 257 of the Companies Act, 1956 proposing the candidature of Mr. Sanjiv Joshi to act as a Director."

The Board recommends his appointment as a Director. None of the Directors of the Company except Mr. Sanjiv Joshi, is interested or concerned in passing of this resolution.

Item No.4

M/S. Padam Chand Jain & Associates, Chartered Accountants were appointed as Auditor of the Company at the last Annual General Meeting held on 23rd September, 2011 to hold the office till the conclusion of the forthcoming Annual General Meeting. The Company has received a letter stating their resignation as Auditor of the Company, therefore creating casual vacancy in the office of the Auditor.

In terms of Proviso of Section 224 (6) (A) of the Companies Act, 1956 the casual vacancy caused by the resignation of Auditors, shall only filled by the company in general Meeting therefore ordinary resolution to appoint M/S. Gupta Saharia & Co, Chartered Accountants, as Statutory Auditor of the Company, to fill the casual vacancy caused by the aforesaid resignation and to hold the office till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company in constitution with the Audit Committee thereof.

A certificate has been received from M/S. Gupta Saharia & Co, Chartered Accountants, to effect that they are qualified for appointment as Auditors of the Company and the proposed appointment if made by the Company will be within the limits specified u/s 224 (1B), of the Companies Act, 1956.

A copy of the resignation tender by the Auditors and eligibility letters as referred elsewhere are available at registered office of the Company for inspection to the members till the date of meeting during the business hours.

None of the Directors are in any way consent or interested in the said resolution.

The Board recommends the resolution set forth in the item No.4 for the approval of the members.

OR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place: Ahmedabad
Date: 10th August 2012

Sd/-
Director

Sd/-
Director

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on a poll instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not later 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday 25th September, 2012 to Saturday 29th September, 2012 (both days inclusive).
3. Members are requested to notify immediately any change in their addresses to the Company's Registered Office, 23, Sarvopari Mall, Opp. Utsav Party Plot, Sola Road, Ahmedabad 380 063.
4. Members who wish to attend the meeting are requested to bring duly filled attendance sheet and their copy of the Annual Report at the Meeting.
5. In case of physical shares, the instrument of Share Transfer complete in all respect should be sent so as to reach to the Registered Office of the Company prior to closure of the Register of Members as stated above.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place: Ahmedabad
Date: 10th August 2012

Sd/-
Director

Sd/-
Director

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING 20th ANNUAL GENERAL MEETING (Pursuant to clause 49 of the Listing Agreement)

1.	Name	Mr. Ashish S. Pandare	Mr. Sanjiv Joshi
2.	Brief Resume		
	Age	27 Years	36 Years
	Qualification	B. Com	B.Com
	Date of appointment on the Board of the company	22.04.2009	10.08.2010
3.	Nature of expertise in specific functional Areas	Vast and varied experience in the field of accountancy	Vast and varied experience in the field of administration
4.	Name(s) of other Companies in which Directorship held	1. VHCL Industries Limited	NIL
5.	Name(s) of other companies in which he is Chairman / Member of the *Committee(s)	VHCL Industries Limited Member in Audit Committee and Shareholders'/Investor Grievance Committee	NIL
6.	No. of shares held of Rs.10/- each	-	
7.	Relationship between Directors inter se (As per Section 6 and Schedule 1A of the Companies Act,1956)	-	

By order of the Board,

**Place: Ahmedabad
Date: 10th August 2012**

**Sd/-
Director**

DIRECTORS' REPORT

The Directors have pleasure in presenting their 20th Annual Report on the business and operations of the Company for the year ended 31st March, 2012.

1. FINANCIAL RESULTS & OPERATIONS:

Accounting year 2011-2012 is the 20th year of operation of the Company. During the year under review, Company continued to do the business only in single segment. i.e. trading activities. Despite this, the company still incurs the losses. The management is putting every effort to come out of the red.

2. DIVIDEND:

During the year under review, owing to the accumulated lossess, the Directors do not recommend any dividend.

3. FIXED DEPOSITS:

During the year under review, the Company has not invited or accepted any Fixed Deposits from the public.

4. DIRECTORS :

Mr. Ashish S. Pandare, Directors of the Company who retires by rotation under Article 104 of Articles of Association of the Company and being eligible offers themselves for re-appointment as directors of the Company.

5. AUDITORS:

M/s. Padam Chand Jain & Associates, Chartered Accountants has expressed their unwillingness to be re-appointed as Statutory Auditors of the Company for the year 2012-13 in the forth coming Annual General Meeting. The Company has received consent letter from Gupta Saharia & Co, Chartered Accountants for their appointment as Statutory Auditor of the Company provided their appointment is approved by the shareholders at the forth coming Annual General Meeting M/S Gupta Saharia & Co., have also confirmed their appointment, if made, will be with in the limits prescribed u/s 224 of the Companies Act, 1956.

6. AUDITOR'S REPORT:

There are no adverse observations made by the Auditors in their Report.

7. AUDIT COMMITTEE:

Audit Committee is consisting of Mr. Ashish S. Pandare - Chairman, Mr. Lalji Ramraj Yadav and Mr. Mandar Palav as Members of the Audit Committee.

8. SHAREHOLDERS AND INVESTOR GRIEVANCE COMMITTEE:

Shareholders and Investor Grievance Committee is consisting of Mr. Lalji Yadav – Chairman, Mr. Mandar Palav and Mr. Ashish Pandare as Members of the Shareholders and Investors Grievance Committee.

9. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, The Directors confirm that:

- a) In the presentation of the Annual Accounts, the applicable Accounting Standards except revised AS 15 applicable for Accounting Treatment for Gratuity, Leave Encashment and other Retirement Benefits have been followed and that no material departures except to the extent disclosed have been made from the same;
- b) The Directors had selected such Accounting policies and applied them consistently and 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 at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and,
- d) The Directors had prepared the Annual Accounts on a going concern basis.

10. STATEMENTS OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:

Information in accordance with the provisions of Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is not applicable in case of your Company.

11. STOCK EXCHANGES:

The Company's shares are listed on the following Stock Exchanges:

- a) Bombay Stock Exchange Limited.
- b) Ahmedabad Stock Exchange Limited.

The Trading in equity shares are voluntarily suspended at Ahmedabad Stock Exchange. However, the Company has paid the necessary listing fees to both the Stock Exchanges and has applied for the revocation of suspension of trading in equity shares of the Company.

12. PARTICULARS OF EMPLOYEES:

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956.

13. FOREIGN EXCHANGE:

During the year under review, there were no foreign exchanges Earnings or outgo.

14. CORPORATE GOVERNANCE:

The Corporate Governance Report forms an integral part of this Report and is set out as separately in this Report. The Certificate of the Auditors of the Company certifying compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges is annexed with the Report on Corporate Governance.

15. HUMAN RESOURCES:

Progressive policies to encourage excellence both in individual and team spirit are in place.

16. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation for the assistance and co-operation received from the Company's Bankers, Government Agencies, Financial Institutions, Customers, Investors and Business constituents and look forward to maintain the same in future.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Ahmedabad

Date : 10th August 2012

**Sd/-
Director**

**Sd/-
Director**

ANNEXURE 'A' TO DIRECTORS' REPORT

RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

A. Research & Development

1. Future plan of action

The Company is taking necessary steps for the revival of operations.

B. Technology absorption:

1. Efforts in brief made towards technology absorption, adoption and innovation.

No new technology was introduced during the Year ended 2011 -12.

2. Benefits derived as a result of the above efforts.

None

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year):

C. Foreign Exchange Earnings and Outgo

Nil

1. Earning- FOB value of Exports

Nil

2. Outgo- CIF Value of Imports

Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Ahmedabad
Date : 10th August 2012

Sd/-
Director

Sd/-
Director