

# **ARI CONSOLIDATED INVESTMENTS LIMITED**

**ANNUAL REPORT 2007-2008**

**ARI CONSOLIDATED INVESTMENTS LIMITED**

**DIRECTORS**

**MR.C.K.THANAWALA (CHAIRMAN)**  
**MR. HEMRAJ C. ASHER**  
**MR.H.F.MEHTA**  
**MR.KAVAS D.PATEL**

**AUDITORS**

**M/S K.S.AIYAR & CO.**  
**CHARTERED ACCOUNTANTS**

**Report Junction.com**

**BANKERS**

**UNION BANK OF INDIA**  
**STATE BANK OF INDIA**

**REGISTERED OFFICE**

**UNION BANK BUILDING**  
**70, BOMBAY SAMACHAR MARG,**  
**FORT, MUMBAI – 400 023.**

**Members are requested to bring their copy of Annual Report at the Annual General Meeting. Additional copies will not be distributed at the Annual General Meeting.**

**ARI CONSOLIDATED INVESTMENTS LIMITED****NOTICE**

NOTICE is hereby given that the 65<sup>th</sup> Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at Union Bank Building, 4<sup>th</sup> Floor, 70, Bombay Samachar Marg, Fort, Mumbai – 400 023 on Thursday, the September 04, 2008 at 3.00.p.m. for the purpose of transacting the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2008 and Profit and Loss Account for the year ended on March 31, 2008 and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend for the year ended on March 31, 2008.
3. To appoint a Director in place of Mr. Kavas Patel who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and, if thought fit, to pass the following Resolution , with or without modification, as an Ordinary Resolution:  
**“ RESOLVED THAT** the vacancy caused in the Board of Directors by the retirement by rotation of Mr.H.C.Asher, who is not seeking re-election, be not filled up at this meeting.”
5. To appoint Auditors 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.

For and behalf of the Board of Directors  
**ARI CONSOLIDATED INVESTMENTS LIMITED**

**C.K.TIANAWALA**  
**CHAIRMAN**

Mumbai  
 Date: July 30, 2008.

**NOTES:**

- A. 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 and a proxy so appointed need not be a member. The proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.*
- B. The Register of Members and the share Transfer Books will remain closed from Saturday, 30th August 2008 to Thursday, 04<sup>th</sup> September 2008 (both days inclusive) for the purpose of the payment of dividend to be declared.*
- C. Members desirous of getting any information in respect of accounts of the Company are requested to send their queries in writing to the Company at the Registered Office so as to reach the Company at least seven days before the date of the meeting so that the required information can be made available at the meeting.*

**ARI CONSOLIDATED INVESTMENTS LIMITED****DIRECTORS' REPORT**

To,  
The Members of  
ARI Consolidated Investments Limited.

Your Directors present their 65th Report with the Audited Accounts of the Company for the year ended March 31, 2008.

**1.FINACIAL PERFORMANCE**

<b>PARTICULARS</b>	<b>2007-08 Rs.</b>	<b>2006-07 Rs.</b>
Profit Before Depreciation and Income Tax	16,836,855	9,218,311
Depreciation	64,519	74,212
Profit Before Income Tax	16,772,336	9,144,099
Provision for Income Tax, Deferred Tax and Fringe Benefit Tax	556,538	1,406,283
Excess Provision of Income Tax of prior years	(215,677)	(67,264)
Profit after Income Tax	16,431,475	7,805,080
Balance Brought Forward	30,744,173	25,186,047
Available for Appropriation	47,175,648	32,991,127
<b>Appropriation:</b>		
Proposed Dividend	1,237,620	1,237,620
Tax on Distributed Profits	210,334	210,334
Transfer to General Reserve	1,650,000	799,000
Transfer to Reserve Fund u/s 45-IC of RBI Act, 1934	3,286,295	-
Balance carried to Balance Sheet	40,791,399	30,744,173

**2. REVIEW OF OPERATIONS**

The Company registered pre tax profit of Rs. 167.72 lacs for the current year.

During the year under consideration the Company continued earning rent income from its assets at Bhavnagar and income from investments.

The Company's Accounts under consideration are being presented along with the Consolidated Accounts after receiving the Annual accounts of its wholly owned Subsidiary Company -Inarco Limited on June 27, 2008.

**3. DIVIDEND**

The Directors recommend a dividend of 20 % i.e. Rs20/- per Equity Share of Rs.100/- each.

**4.SUBSIDIARY COMPANY**

The Report and Annual Accounts of the subsidiary company are annexed to this report along with the statement pursuant to Section 212 of the Companies Act, 1956.

## **ARI CONSOLIDATED INVESTMENTS LIMITED**

### **5. STATUTORY INFORMATION**

- (i) there are no employees covered under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) rules, 1975.
- (ii) Since the Company does not have any manufacturing activity the provisions of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

### **6. DIRECTORS**

Mr. K.D. Patel retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. H.C. Asher retires by rotation but has shown his unwillingness for reappointment on retirement. The Company does not intend to fill the vacancy caused by the retirement of Mr. Asher. The Board places on records its sincere appreciation for the valuable services rendered by Mr. Asher during his tenure as a Director.

### **7. AUDITORS**

Messrs. K.S. Aiyar & Company, Chartered Accountants retire as Auditors of the Company and are eligible for re-appointment.

### **8. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, your Directors confirm that to the best of their knowledge and belief and according to the information and explanations made available to them:

- (a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
  - (b) appropriate accounting policies have been selected and applied consistently, and have 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 at March 31, 2008 and the profit of the Company for the year ended March 31, 2008.
  - (c) Proper and sufficient care has been taken 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 the preventing and detecting fraud and other irregularities; and
  - (d) the Annual Accounts have been prepared on a going concern basis.
9. Secretarial Compliance Certificate issued by a practicing Company Secretary as required under Section 383 A of the Companies Act, 1956 is attached as Annexure I to this report.

For and behalf of the Board of Directors  
ARI CONSOLIDATED INVESTMENTS LIMITED

Mumbai  
Date: 30<sup>th</sup> July, 2008

C.K. THANAWALA  
CHAIRMAN

**ARI CONSOLIDATED INVESTMENTS LIMITED****ANNEXURE I TO THE DIRECTORS' REPORT****FORM****[SEE RULE 3]****Secretarial Compliance Certificate**

CIN No.: L17110MH1943PLC010052

Paid up Capital: Rs.61,88,100/-

To,  
The Members  
**ARI Consolidated Investments Limited**

We have examined the registers, records, books and papers of **ARI Consolidated Investments Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2008. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder, except DIN 3 of Mr. Kawas Patel.
3. The company being a public limited company, comments are not required.
4. The Board of Directors duly met four times on 23<sup>rd</sup> May, 2007, 30<sup>th</sup> July, 2007, 24<sup>th</sup> October, 2007 and 29<sup>th</sup> January, 2008 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 31<sup>st</sup> August, 2007 to 5<sup>th</sup> September, 2007 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March, 2007 was held on 5<sup>th</sup> September, 2007.
7. No extra ordinary general meeting was held during the financial year ended on March 31, 2008.
8. The company has not advanced any loans to its Directors or persons or Firms or companies referred in the section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act

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10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has issued duplicate Share Certificates during the financial year.
13.
  - (i) The company has delivered all the certificates on lodgment thereof for transfer / transmission in accordance with the provisions of the Act. There was no allotment of shares during the financial year ended on March 31, 2008.
  - (ii) The company has declared dividend of 20% at the AGM held on 5<sup>th</sup> September, 2007 and deposited the amount of dividend declared in a separate Bank account with HDFC Bank on 7<sup>th</sup> September, 2007 which is within 5 days from the date of declaration of such dividend.
  - (iii) The company has paid / posted cheques for dividends to all the members within a period 30 (thirty) days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to unpaid dividend account of the company with HDFC Bank.
  - (iv) No amount is lying with the company in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years which require transfer to Investor Education and Protection Fund.
  - (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year ended on March 31, 2008.
15. The provisions of section 269 of the Act with regard to appointment of Managing Director / Whole-time Director / Manager are not applicable hence the Company has no Managing Director.
16. The company has not appointed any sole-selling agents during the financial year ended on March 31, 2008.
17. The company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and/ or such other authorities prescribed under the various provisions of the Act during the financial year ended on March 31, 2008.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year ended on March 31, 2008.
20. The company has not bought back any shares during the financial year ended on March 31, 2008.
21. There was no redemption of preference shares or debentures during the financial year ended on March 31, 2008.
22. There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

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23. The company has not invited / accepted any deposits including any unsecured loans falling with the purview of sections 58A during the financial year ended on March 31, 2008.
24. During the financial year ended on March 31, 2008, the Company has borrowed from Deutsche Bank a loan of Rs.70.00 lacs and from DSP Merrill Lynch Ltd a loan of Rs. 20.00 Lacs. Total borrowings of the Company is within the borrowing limits of the Company and the necessary resolution as per section 293 (1)(d) of the Act has been passed in duly convened Annual General Meeting held on 27<sup>th</sup> June, 1985 authorising to borrow Rs.300.00 lacs.
25. The company is registered as NBFC having registration number N-1301879 and the company has made loans and investments to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose during the financial year ended on March 31, 2008.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the financial year
31. There was no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment imposed on the company during the financial year ended on March 31, 2008 for offences under the Act.
32. The company has not received any money as security from its employees during the financial year ended on March 31, 2008.
33. The company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Place: Mumbai  
Date: 28<sup>th</sup> May, 2008

For N. L. Bhatia & Associates  
Company Secretaries

Bharat R. Upadhyay  
CP No.4457



**ARI CONSOLIDATED INVESTMENTS LIMITED****Annexure A****Registers as maintained by the Company**

1. Registers of Members u/s 150
2. Minutes book of General meeting and Board meeting
3. Register of Directors u/s 303
4. Register of Directors Shareholding u/s 307
5. Register of Investment u/s 372A
6. Register of Share Transfer
7. Attendance Register for Board Meeting
8. Register of Charges
9. Register of Duplicate Share Certificate issued

**Annexure B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on March 31, 2008

Sr. No	Form No./ Return	Filed under section	For	Date of Filing	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee paid yes/no
1.	Annual Return	159	Annual General Meeting held on 5 <sup>th</sup> September, 2007.	29/02/2008	No	Yes
2.	Balance Sheet	220	Balance Sheet as on 31 <sup>st</sup> March, 2007	07/03/2008	No	Yes
3.	Compliance certificate	383A	Financial year ended 31 <sup>st</sup> March, 2007	07/03/2008	No	Yes
4.	DIN 3	266E	Intimation of allotment of DIN by Company to the Registrar of Mr. Chandrakant Thanawala Mr. Homi Mchta. Mr. Hemraj Asher. SRN : A19878321	11/08/2007	Yes	NA

## ARI CONSOLIDATED INVESTMENTS LIMITED

### Auditor's Report

To,  
The Members of ARI Consolidated Investments Limited.

1. We have audited the attached Balance Sheet of ARI Consolidated Investments Limited, as at 31<sup>st</sup> March, 2008 and also the Profit and Loss Account and the Cash Flow Statement 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex 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 paragraph 3 above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) 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 those books.
  - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 *except for compliance of AS – 21, "Consolidated Financial Statements", which requires consolidation of accounts with subsidiary companies. The company has not presented Consolidated Financial Statements with its single Subsidiary Company – Inarco Limited.*
  - (v) On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2008, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2008 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;