

20th
Annual Report
2009-2010



ASHIANA AGRO INDUSTRIES LTD.



BOARD OF DIRECTORS

Shri Radesh Rangarajan
Shri Pavan Kumar Reddy
Shri Nirmal Kumar Dash

COMPANY SECRETARY

Shri E.D.M. Menon

REGISTERED OFFICE

No.792/5, Eswari Hotel Complex, Bangalore High Road, Sunguvarchatram,
Sriperumbudur Taluk, Kancheepuram District, Pincode - 602106, Tamil Nadu
Phone : 044-43502623, 28344820
Fax : 044-42606623

CORPORATE OFFICE

Old No. 5. New No. 9, II Floor, Chinniah Street
T. Nagar, Chennai – 600 017
Phone No. : 044-4350 2623
Fax No. : 044-4260 6623

AUDITORS

M/s Vikram Kumar & Co.
Chartered Accountants
Jagdish Bhawan, 1st Floor
Exhibition Road, Patna – 800 001

REGISTRAR & SHARE TRANSFER AGENTS

M/s Link Intime India Pvt. Ltd.
A-40, 2nd Floor, Naraina Industrial Area
Phase – II, Near Batra Banquet Hall
New Delhi – 110 028
Phone No. : 011 4141 0592, 93 & 94
Telefax : 011 – 4141 0591



NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of the Company will be held on Friday, the 24th September 2010 at 10 a.m. at 792/5, Eswari Hotel Complex, Bangalore High Road, Sunguvarchatram, Sriperumbudur Taluk, Kancheepuram District, Pincode – 602106, Tamil Nadu to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st march, 2010 and the Profit & Loss Account for the year ended on that date together with Reports of Auditors and Directors thereon.
2. To appoint statutory Auditors of the Company and to fix their remuneration. M/s Vikram Kumar & Co. Chartered Accountants, Patna retires at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.
3. To appoint a Director in place of Shri Radesh Rangarajan who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

4. To Consider and if thought fit to pass, with or without modifications(s), the following Resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 269, 198, 309 and other applicable provisions, if any, of the Companies’ Act, 1956, read with Schedule XIII thereto and subject to such approvals, as may be necessary, Shri Pavan Kumar Reddy, Director of the Company be and is hereby appointed as Wholetime Director for a period of five years w.e.f. 1st July, 2010 on the terms and conditions as set out in the Explanatory Statement attached to this notice and hereby approved, with liberty to the Board of Directors to revise the terms as to remuneration, from time to time within the limits provided for in the said schedule XIII or any amendments thereof for the time being in force.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution”.

By order of the Board of Directors

Sd/-
(E.D.M. Menon)
Company Secretary

Place: Chennai
Date: 10/8/2010



NOTES

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956, in respect of Special Business is annexed hereto and forms an integral part of the notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. The Register of Members and Share Transfer Register shall remain closed for a day, i.e., on 22nd September, 2010.
4. The Shareholders are requested to communicate to the Registrar & Share Transfer Agent change in address, if any, at the address given in the Annual Report.
5. Members are requested to preferably send their queries to the Registered Office seven days before the date of AGM.
6. Shareholders are requested to bring their copy of annual Report to the meeting.
7. Members/Proxies should fill in attendance slip for attending the meeting.
8. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM No. 4

Mr. Pavan Kumar Reddy has been the Director of the Company since 24/12/08. He is a qualified engineer (B.E. Mechanical Engineering) with a specialization in the field of automotive engineering, automotive modeling and simulation techniques. Since the date of appointment, he has been making all out efforts to revive the company. The Board of Directors in their meeting held on 26/7/2010 has appointed Shri Pavan Kumar Reddy as Whole Time Director for a period of Five years w.e.f. 1/7/2010 subject to approval of shareholders in the forthcoming Annual General Meeting on the following terms and conditions:-

1. Salary : Rs. 50,000/- per month in the grade of 50000-5000-70000
2. Perquisites:-
 - a) Telephone : Provision of a telephone at residence will not be considered as perquisite. Personal Long distance calls on telephone shall be billed by the Company.
 - b) Car with driver : Provision of a Car for use on company's business will not be considered as perquisite. Use of car for private purposes shall be billed by the Company.
 - c) Medical reimbursement : Expenses actually incurred for self and family subject to ceiling of one month's salary in a year or three months' salary over a period of 3 years.
 - d) Leave : One month's leave on full pay and allowance for every 11 months' service with liberty to accumulate such leave for a period of three months and leave encashment for a maximum period of 3 months at the end of the tenure.



- e) Club Membership : Fees of clubs subject to a maximum of two clubs. Payment of admission fee and life membership fees will not be permissible.
- f) Reimbursement of entertainment expenses : Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company. This will not be considered as perquisite.

Explanation :

'Family' shall mean spouse, dependent children and dependent parents.

The remuneration and perquisites shall be subject to the overall ceiling under Section 198 and 309 of the Act.

In the event of absence or inadequacy of profit in any financial year during the tenure of the Wholetime Director, salary and perquisites would be paid as above, subject to ceiling limit specified in Schedule XIII of the Companies' Act 1956 as modified from time to time.

Termination : The appointment may be terminated by either party giving to the other party a notice of not less than three months of such termination or by payment of an amount equivalent to 3 months salary in lieu of notice of such termination.

The Board recommends passing the resolution. Shri Pavan Kumar Reddy, being the appointee, is interested in the Resolution. No other director is interested or concerned in the Resolution.

This may also be treated as an abstract of the terms of the contract and memorandum of interest in relation to appointment of Shri Pavan Kumar Reddy as Wholetime Director pursuant to section 302 of the Companies' Act, 1956.

By order of the Board of Directors

Sd/-
(E.D.M. Menon)
Company Secretary

Place: Chennai

Date: 10/8/2010

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 20TH ANNUAL GENERAL MEETING AS REQUIRED IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT.

At the ensuing AGM Shri Radesh Rangarajan retires by rotation and is eligible for re-election. Approval of shareholders is also sought for the appointment of Shri Pavan Kumar Reddy as Whole Time Director for a period of five years w.e.f. 1/7/10 on terms and conditions as contained in the explanatory statement. Brief profiles of these directors under Corporate Governance code are as under:-



1. Shri Radesh Rangarajan

Radesh Rangarajan holds PG Diploma in Business Management from IIM Ahmedabad, (PGP-1988-90) and is a first generation entrepreneur. He has a Bachelor degree in physics from Loyola College, Chennai.

His work experience started with the Eicher Group and Blowplast, where he did the hardcore grind of dealer management and sales across 4 states for consumer and industrial products.

Radesh started off in business with a DSA ship for GE-Countrywide and added ANZ grindlays bank products to his portfolio. The product range included car finance, credit cards and other retail financial products. His firm was rated the top performer in South India and one of the best in the country in the field in the years 1996 - 1997 at GE Countrywide.

Radesh successfully set up a website dealwala.com in 2000, for a top industrial group, leading a crack team of graduates from IIMA and XLRI. It was one of the very few websites to register sales revenues from scratch. With dotcoms floundering for capital, dealwala.com managed to morph into a non-voice BPO, that now has over 700 employees. Radesh put together the CXO level team before moving on.

In 2002, Radesh and Govind founded Mindspace HR consulting Services, later to become a Pvt. Ltd. Company. This pioneering venture was focussed on 'soft skill' training for non-metro graduates' to increase their employability. The company charted out the road map for IT companies and others, to source and develop talent, before there was a crunch. With five centres across the country, Mindspace went on to do contact programs for over 15,000 students within 3 years. Over time, Mindspace shifted focus to placement, where it worked with clients such as the ITC group, Xansa and Wipro. Radesh continues on the board of directors of Mindspace, even as the company has diversified beyond HR to finance.

Since 2007, Radesh has been active in the Investment advisory sphere. He and his partners have been involved in successful private equity deals, CXO level appointments and strategic alliances for a string of SMES (between Rs. 20-100 crores). Investments and mentoring in SMES are his areas of business interest.

Radesh is an Executive Committee member in the IIM Ahmedabad Alumni Association, Chennai. He has delivered lectures or addresses at IIT Chennai, ICFAI, NIT - Surathkal and Manipal Institutes of Technology and Management, besides many other colleges, on various topics.

2. Shri Pavan Kumar Reddy

Mr. Pavan Kumar Reddy is a qualified engineer (B.E. Mechanical Engineering) with a specialization in the field of automotive engineering, automotive modeling and simulation techniques. He understands modern vehicle design and can contribute to improve operational efficiency of vehicles.



He is also a very practical, and is a quick learner of emerging trends, even besides his field of specialization. Mr. Pavan hails from an agricultural background. He can contribute in increase in better quality of agricultural produce and increase in production by introducing modern technology.

**DIRECTOR'S REPORT**

To the Members

Your Directors take pleasure in presenting their Twentieth Annual Report and Audited Accounts of the Company for the year ended 31st March 2010.

FINANCIAL HIGHLIGHTS

The summarized financial results for the year ended 31st March 2010 are as follows:-

	(Rupees in Lacs) 2008-2009	(Rupees in Lacs) 2009-2010
Total Income	22.33	23.46
Profit(+) Loss(-) before Interest & Depreciation	(+) 8.26	(+) 15.39
Interest:	0.10	0.08
Depreciation:	0.10	0.10
	(-)0.20	(-)0.18
Profit (+) Loss(-) for the year	8.06	15.21
Less: Fringe Benefit Tax:	(-)0.01	0.06
Profit (Loss) after Tax	8.05	15.15
Balance Loss(-) brought forward from previous year	(-)261.94	(-)253.89
Balance carried to Balance Sheet (Loss)	<u>(253.89)</u>	<u>(238.74)</u>

The relevant notes on the Account of the Company referred to in the Auditor's Report are self-explanatory.

DIVIDEND

Keeping in view the accumulated losses, the directors are unable to recommend payment of any dividend for the year under review.

OPERATIONS

Commercial operations of the Company remained suspended during the year under review. After take over by new management, the company is exploring new avenues of growth.

TAKEOVER

Your Company has been taken over M/s Serengeti Holdings Pvt. Ltd., 16/3, Vidyodaya First Cross Street, T. Nagar, Chennai-600 017, a Chennai based Company by acquisition of 10,68,780 Equity Shares from the Promoters and 1,06,900 Equity Shares from Public through open offer aggregating to 1175680 Equity Shares.