

**ANNUAL REPORT**  
**2011-2012**

**BOARD OF DIRECTORS**

ASHOK KUMAR HARLALKA,  
*Chairman & Managing Director*  
RAMESH MISHRA, *Director*  
SATYAJIT MISHRA, *Independent Director*  
NITIN OZA, *Independent Director*

**BANKERS**

INDIAN BANK  
AXIS BANK

**AUDITORS**

M/s. BHATTACHARYA SENGUPTA & CO.  
*Chartered Accountants*

**COMPLIANCE OFFICER**

LOKNATH MISHRA

**REGISTERED OFFICE**

21, PRINCEP STREET  
1ST FLOOR  
KOLKATA - 700 072

**REGISTRARS & SHARE  
TRANSFER AGENT**

MAHESHWARI DATAMATICS PVT. LTD.  
6, MANGOE LANE, 2ND FLOOR  
KOLKATA - 700 001

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## NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Members of ADITYA GEARS LTD. will be held at 21, Princep Street, Kolkata - 700 072 on Wednesday, the 29th day of August, 2012 at 03.00 .P.M. to transact the following business :

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date and Reports of Auditors and Directors thereon.
2. To appoint a Director in the place of Mr. Ashok Kumar Harlaka, who retires by rotation and being eligible, offers him for reappointment.
3. To appoint M/s. K. M. Tapuria & Co., Chartered Accountants, as Statutory Auditor of the Company, as the present Auditors of the company resigned due to pre-occupation, to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

### **Special Resolutions**

4. To consider and if thought fit, to pass with or without modification(s) if any, the following Ordinary RESOLUTION:

RESOLVED THAT Mr. Satyajit Mishra, who was appointed an Additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retirement by rotation.

5. To consider and if thought fit, to pass with or without modification(s) if any, the following Ordinary RESOLUTION:

RESOLVED THAT Mr. Nitin Oza, who was appointed an Additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retirement by rotation.

6. To consider and if thought fit, to pass with or without modification(s) if any, the following Ordinary RESOLUTION:

RESOLVED THAT Mr. Ramesh Mishra, who was appointed an Additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing proposing his

candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retirement by rotation.

7. To consider and if thought fit, to pass with or without modification(s) if any, the following SPECIAL RESOLUTION:

RESOLVED THAT subject to the provisions of the Companies Act, 1956, securities Contracts (Regulation) Act, 1956 and the rules framed thereunder, Listing Agreement, Securities and Exchange Board of India (Delisting of Securities Guidelines, 2003 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and all other applicable laws, rules, regulations and guidelines and subject to all such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed with granting such approvals, permissions and sanctions, which may be agreed to , by the Board of Directors of the Company , consent is hereby accorded to the Board to delist the company's equity shares from:

1. The Calcutta Stock Exchange Limited,
2. Jaipur Stock Exchange; and
3. Ahmedabad Stock Exchange Limited

Place : Kolkata  
The 20th July, 2012

For and on behalf of the Board  
ASHOK KUMAR HARLALKA  
*Chairman*

**NOTES :**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll vote instead of him and the proxy need not be a member of the Company. Proxy should reach the registered office of the Company at least 48 hours before the time of the meeting.
2. The Register of Members and share transfer books will remain closed from 20th August 2012 to 24th August 2012 (both days inclusive).
3. Members desiring to seek any information on the annual Accounts/ operations are requested to write to the Company at least Seven days before the date of the meeting so as to enable the management to keep the information ready.
4. Members /Proxies attending the meeting are requested to bring copy of their Annual Report with them in meeting. Entry will be strictly on production of Attendance Slip.
5. All communications relating to shares are to be addressed to the Company or the Company's Share Transfer Agent/ M/s. Maheswari Datamatics Pvt. Ltd, 6, Mangoe Lane, (Surendra Mohan Ghosh Sarani) 2nd Floor Kolkata - 700001.

**6. Information required to be furnished under the Listing Agreement.**

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed/reappointed are given below :

- 1) Name : Mr. Satyajit Mishra  
Date of Birth : 11th June 1964  
Qualification : FCS  
Directorship : 1. Asia HR Technologies Limited  
Expertise : Corporate Laws, Corporate Accounts, Acquisition, Merger, takeover and Finance
- 2) Name : Mr. Nitin Oza  
Date of Birth : 22nd June 1964  
Qualification : Chartered Accountant  
Directorship : N.A  
Expertise : Corporate Finance, Accounts & Taxation
- 3) Name : Mr. Ramesh Chandra Mishra  
Date of Birth : 15th October 1968  
Qualification : FCS, LL.B, PGDCA  
Directorship : 1. M/s. Sumita Management & Constancy Pvt. Ltd  
2. M/s. India Home Loans Limited  
3. M/s. Ira Arrna Online Paintings Pvt. Ltd.  
4. M/s. Ira Aarna Realty Pvt. Ltd  
5. M/s. Ira Aarna Securities Pvt. Ltd.  
6. M/s. Red Twigs Consultancy Pvt. Ltd.  
Expertise : Corporate Laws, Acquisition, Merger, takeover and Finance

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**EXPLANATORY STATEMENT PURSUANT TO SUB SECTION (2) OF SECTION 173 OF THE COMPANIES ACT,1956 IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING**

- 4) Mr. Satyajit Mishra was appointed an Additional Director of the Company on 13th February 2012 by the Board of Directors of the Company as an Independent Director of the Company. According to the provision of the Section 260 of the Companies Act, 1956, he holds office as Director only up to date of the ensuing Annual General Meeting. As required by Section 257 of the Act, a notice has been received from member signifying his intention to propose appointment of Mr Satyajit Mishra as a Director along with a deposit of Rupees five hundred. The Board considers it desirable that the Company should continue to avail itself of his services.

None of the directors are concerned or interested in the above said resolution, except, as a member of the Company.

- 5) Mr. Nitin Oza was appointed an Additional Director of the Company on 13th February 2012 by the Board of Directors of the Company as an Independent Director of the Company. According to the provision of the Section 260 of the Companies Act, 1956, he holds office as Director only up to date of the ensuing Annual General Meeting. As required by Section 257 of the Act, a notice has been received from member signifying his intention to propose appointment of Mr Nitin Oza as a Director along with a deposit of Rupees five hundred. The Board considers it desirable that the Company should continue to avail itself of his services.

None of the directors are concerned or interested in the above said resolution, except, as a member of the Company.

- 6) Mr. Ramesh Mishra was appointed an Additional Director of the Company on 20th July 2012 by the Board of Directors of the Company. According to the provision of the Section 260 of the Companies Act, 1956, he holds office as Director only up to date of the ensuing Annual General Meeting. As required by Section 257 of the Act, a notice has been received from member signifying his intention to propose appointment of Mr Ramesh Mishra as a Director along with a deposit of Rupees five hundred. The Board considers it desirable that the Company should continue to avail itself of his services.

None of the directors are concerned or interested in the above said resolution, except, as a member of the Company.

7. Delisting of Shares :

Consequent to the recent rapid changes in the Capital Market and with the availability of Nationwide Trading facility coupled with and extensive Networking of centers on BSE, the Investors have access to online dealings in the Company's equity shares across the Country.

As specified by Securities and Exchange Board of India (SEBI), the Company's equity shares are settled only in dematerialized form by all investors. The Bulk of the trading in the Company's equity shares will be transacted on BSE after revocation of suspension. For the past years there were no trading of the Company's equity shares on ASE, JSE & CSE. The Company believes that the continued listing on such stock exchanges neither serves the interest of the members/ Investors nor that of the Company. The voluntary delisting of the equity shares of the Company will not in any way affect the interest of the shareholders. The said delisting will also contribute to the cost reduction measures of the company.

Place : Kolkata  
The 20th July, 2012

For and on behalf of the Board  
ASHOK KUMAR HARLALKA  
*Chairman*

**DIRECTOR'S REPORT**

To The Members  
ADITYA GEARS LTD.

Your Directors present the 17th Annual Report of your Company along with the Audited Statement of Accounts for the Financial Year ended March 31, 2012.

**FINANCIAL RESULTS**

The Financial Results are stated as under :

<u>PARTICULARS</u>	<u>Year Ended 31.03.2012</u> (Rs. in Lacs)
Sales & Operating Income	Nil
Other Income	12.33
Gross Income/ (Loss) before Interest, Depreciation and Taxation	(0.34)
Interest & Finance Charges	(0.01)
Gross Loss after Interest but before Depreciation and Taxation	(0.35)
Depreciation	Nil
Provision for Taxation	Nil
Net Loss	(0.35)

**OPERATIONAL PERFORMANCE AND FUTURE OUTLOOK**

We are pleased to report that we have undertaken the process of getting the revocation of suspension of the company's share at BSE. We have received the inprinciple approval for revocation of suspension from BSE. The due formalities for relisting are under process and very soon the shares will start trading at BSE.

Going forward the reconstituted board will bring new vision and we will now be able to undertake new venture with renewed vigour and proper ease. The renewed activities will be undertaken after due diligence after reviving the future prospects of the company.

**DIVIDEND**

Your Directors did not recommend any dividend for the year under review.

**EXPORTS**

The export markets will be explored as the future opportunities emerges.

**CALL MONEY ARREARS**

We request the Share Holders to clear the Call Money who have not done so yet. The Company urgently needs Capital at this point to achieve the growth emerging from the forthcoming opportunities.

The Company will now have to initiate forfeiture steps if the money will not come finally.

#### **FINANCE**

The Company needs fresh inflow of fund to meet the capital requirement.

#### **CONSERVATION OF ENERGY**

The thrust on energy conservation continues and necessary measures for optimization of energy consumption have been taken.

#### **PARTICULARS OF EMPLOYEES**

None of the employees are covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

#### **DIRECTORS**

The following have been appointed w.e.f. 13/02/2012 as Independent and Additional Directors:

1. Mr. S. Basu
2. Mr. Satyajit Mishra
3. Mr. Nitin Oza

On 20th July 2012 Mr. Ramesh Mishra has been appointed Additional Director of the Company, as co-promoter of the Company. Mr. Anant Veer Harlalka, Ms. Sunita Harlalka & Mr. S. Basu resigned on 20th July, 2012 as Director of the Company.

Mr. Ashok Kumar Harlalka whose term as Managing Director comes to an end at the forthcoming AGM of 2012. He has expressed his un-willingness to continue as Managing Director of the company from that date.

#### **DE-LISTING OF THE SHARES**

Pursuant to clause 5.2 of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, ("Delisting Guidelines"), the company is in the process of making applications for voluntary delisting of its equity shares from the CalCutta Stock Exchange, Jaipur Stock Exchange & Ahmedabad Stock Exchange.

The Listing of shares will continue at The Stock Exchange, Mumbai, (BSE) who has national presence. The Company already made an application for revocation of suspension of trading at BSE and for connectivity to NSDL & CDSL.

#### **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE :**

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

##### **A) CONSERVATION OF ENERGY :**

The Company continues its policy of encouraging energy conservation measures. The regular review of energy consumption and the systems installed to control utilization of energy is

undertaken.

**B) RESEARCH DEVELOPMENT ACTIVITIES :**

Continuous efforts are being made to improve reliability and quality through in-house R&D efforts.

**C) TECHNOLOGY ABSORPTION :**

The Company will equip with technologies from world's leading technology providers.

**D) FOREIGN EXCHANGE EARNINGS & OUTGO :**

There are no foreign exchange earnings and outgo during the year under review.

**AUDITORS**

M/s. Bhattacharya Sengupta & Co resigned as Statutory Auditor of the company due to pre-occupation and the Board has re-commended the appointment of M/s. K.M. Tapuriah & Co. as statutory Auditor of the company for the financial year 2012 -13.

**DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of section 217 (2AA) of the Companies Act, 1956;

- a) That in the preparation of the Annual Accounts for the year ended 31st March'2012, the applicable accounting standards have been followed;
- b) That such accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March'2012, and of the profit of the Company for the year ;
- c) That 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 preventing and detecting fraud and other irregularities;
- d) That the Annual accounts for the year ended 31st March, 2012 have been prepared on a going concern basis.

**ACKNOWLEDGEMENTS**

The Board of Directors expressed their sincere gratitude to its employees, suppliers, share holders, bankers and other government agencies for their continued support.

Place : Kolkata  
The 20th July, 2012

For and on behalf of the Board  
ASHOK KUMAR HARLALKA  
*Chairman*

**CORPORATE GOVERNANCE REPORT**

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

**1. Company's Philosophy on Code of Governance**

The Company' Philosophy on Code of Governance envisages attainment of highest level of transparency, accountability, empowerment and ethical business conduct across all facets of its operations. The Company aspires to be a responsible partner acting with integrity towards its shareholders, customers, employees, the government and its business associates.

**2. Board of Directors****Composition**

The Board of Directors of the Company as on 31st March, 2012 is as follows :

Name of Directors	Category	Attendance Particulars		Other Board Representation Directorship *
		Board Meetings	Last AGM	
Sri Ashok Kumar Harlalka Chairman and M. D.	Executive	10	Yes	Nil
Smt. Sunita Harlalka	Non-Executive	10	Yes	Nil
Sri Anant Veer Harlalka	Non-Executive	10	Yes	Nil
Sri Nitin Oza w.e.f 13.02.2012	Independent	1	No	Nil
Sri Satyajit Basu w.e.f 13.02.2012	Independent	1	No	Nil
Sri Satyajit Mishra w.e.f 13.02.2012	Independent	1	No	Nil

\* Directorship in private limited company is not considered.

Ten Board Meetings were held during the financial year 2011-2012. They were held on 29/04/2011, 31/05/2011, 27/06/2011, 30/06/2011, 12/08/2011, 16/09/2011, 28/10/2011, 03/01/2012, 13/02/2012, 30/03/2012. The maximum time gap between any two meetings was not more than four calendar months.

Mr. Ashok Kumar Haralka who is the Managing Director of the company and his term of appointment come to an end at the forthcoming AGM of 2012. He has not offered himself for re-appointment. His term will automatically come to an end on that date.

**3. AUDIT COMMITTEE**

The term of reference of this committee cover the matter specified for Audit Committee under clause 49 of the Listing Agreement.

**COMPOSITION**

The current Audit Committee of the Company comprises three Directors, who possess knowledge of the corporate finance & accounts.

The constitution of the Audit Committee is as follows :-

1. Mr. Satyajit Basu : Chairman
2. Mr. Satyajit Mishra : Member
3. Mr. Ashok Kumar Harlalka : Member

Mrs. Sunita Harlalka & Mr. Anant Veer Harlalka served in the committee till 21st February, 2012.

**MEETINGS AND ATTENDANCE**

During the financial year ended 31st March, 2012, 4 Audit Committee Meetings were held and all the four meeting were attended by standing Chairman.

**4. REMUNERATION COMMITTEE****Terms of Reference**

The Managing Director on the Board of the Company, whose appointment and remuneration had been fixed in terms of resolution passed by the members. The Managing Director and the other Directors on the Board are presently not even drawing the remuneration which was fixed in view of the losses of the Company. Remuneration Committee was constituted on 21/02/2012. The constitution of the Remuneration Committee is as follows :-

1. Mr. Nitin Oza : Chairman
2. Mr. Ashok Kumar Harlalka : Member
3. Mr. Satyajit Basu : Member

**Details of Remuneration / Sitting Fees paid to all Directors**

The Remuneration / Sitting Fees payable to the Executive / Non-Executive Directors for the year 2011-2012 are as under :

<u>Name of the Directors</u>	<u>Remuneration</u>	<u>Sitting Fees</u>	<u>Commission</u>
1. Sri Ashok Kumar Harlalka	60,000	-	-
2. Smt. Sunita Harlalka	-	15,000.00	-
3. Sri Anant Veer Harlalka	-	15,000.00	-