

ADITYA INTERNATIONAL LTD.

Director / Auth. Signatory

7TH  
ANNUAL REPORT  
1996-97

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ADITYA INTRNATIONAL LIMITED  
S T A M P   O F   Q U A L I T Y ,   W O V E N   I N   S I L



## ADITYA INTRNATIONAL LIMITED

### BOARD OF DIRECTORS

Shri Ramsingh M. Agarwal	—	Chairman and Managing Director
Smt Gunjan A. Agarwal	—	Director
Shri Madusudhan Laadiwala	—	Director
Shri Kantilal Vakharia	—	Director
Shri Adish Agarwala	—	Director
Shri Sunil Singhania	—	Director

### AUDITORS

B. Maheshwari & Associates  
Chartered Accountants

### BANKERS

The Vysya Bank Ltd.  
Indian Overseas Bank  
Oriental Bank of Commerce  
Central Bank of India  
State Bank of Mysore  
Indusind Bank Limited

### REGISTERED OFFICE

401, Vyapar Bhavan,  
368/70, Narsinatha Street,  
Mumbai - 400 009.

**ADITYA INTERNATIONAL LIMITED****NOTICE**

**NOTICE** is hereby given that the Seventh Annual General Meeting of Aditya International Limited will be held on 14th August, 1997 at 10:00 a.m. at Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018, to consider the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Profit & Loss Account for the period ended 31st March, 1997 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend on Ordinary Equity Shares.
3. To appoint a Director in place of Mrs. Gunjan Agarwal who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Sunil Singhania who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS :**

6. To consider and, if thought fit, with or without modifications as a Special Resolution :

**"RESOLVED THAT** pursuant to Section 80, 81 and other applicable provisions of the Companies Act, 1956 or any statutory amendment or re-enactment and thereof and subject to such approvals, permissions and/or sanctions as may be necessary of appropriate authorities or Institutions under any law, regulations or under the covenants of agreements, consent of the Company be and is hereby accorded to the Board of the Directors of the Company (herein referred to as the 'Board') to create, issue, offer and allot time to time in one or more tranches, preference shares of the aggregate not exceeding Rs. 5,00,00,000/- (Rupees Five Crores only) on such terms as to nominal amounts, date of preferential dividends, schedule and manner of redemption thereof and particularly on the terms and conditions that the aforesaid shares will carry a fixed cumulative preferential dividend on the capital paid up thereon and payable out of the profits of the year the preference shares will rank in priority to the equity shares for the repayment of share capital and arrears of dividend on such terms as the board may consider proper to any person or persons (whether institutions, banks, mutual funds, foreign institutional investors, body corporate and/or individual) whether or not they are members of the company in such number of shares as may be agreed to between the company and the said persons and on such other terms as may be agreed upon between them."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to agree to such conditions and modifications, if any in terms of issue as may be required by the appropriate authorities while according approval to the proposed issue of preference shares or by persons agreeing to subscribe to the said shares and to settle any question or difficulty whatsoever as may arise with regard to the issue and allotment of preference shares as aforesaid."

7. To consider and, if thought fit, to pass with or without modifications, as an Ordinary Resolution :

**"RESOLVED THAT** in supersession of earlier resolutions passed and pursuant to Section 293(1)(d) of the Companies Act, 1956 and all other enabling provisions, if any the Consent of the

**ADITYA INTRNATIONAL LIMITED**

Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time any sum or sums of monies which together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from Company's bankers in the ordinary course of business) exceed the aggregate paid up capital of the Company and its free reserves, that is to say, reserves not set for any specific purpose provided that the total amount so borrowed by the Board shall not any time exceed the limit of Rs. 10,00,00,000/- (Rupees Ten Crores only)"

8. To consider and if thought fit, with or without modifications, as an Ordinary Resolution :

"**RESOLVED THAT** in supersession of earlier resolutions passed and pursuant to Section 293(1)(a) of the Companies Act, 1956 and all other enabling provisions, if any the Consent of the Company be and is hereby accorded to mortgage and/or charge, by the Board of Directors or any one Director authorised by the Board, of all the immovable properties of the Company wheresoever situated at the present time and in the future, and the whole of undertaking of the Company and/or conferring power to enter upon and take possession of the assets of the Company in favour of any lending Institution/Banks to obtain secured loans not exceeding Rs. 10,00,00,000/- (Rupees Ten Crores only)."

9. To consider and if thought fit, with or without modifications, as a Special Resolution :

"**RESOLVED THAT** pursuant to the provisions of Section 370 and other applicable provisions, if any of the Companies Act, 1956 the Board of Directors of the Company be and is hereby authorised to give any guarantee or provide any securities or to give loans to any body corporate provided the aggregate of the guarantees or loans given or securities so provided shall not any time exceed the sum of Rs. 7,00,00,000/- (Rupees Seven Crores only)".

For and on behalf of the Board of Directors

Place : Mumbai

Date : 22/07/97

**RAMSINGH M. AGARWAL**

Chairman

**NOTES :**

1. The relative explanatory statement pursuant to Section 173 of the Companies Act, 1956 is enclosed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
3. The Register of members and Share Transfer Books of the Company will be closed from 12th August, 1997 to 14th August, 1997 (both days inclusive).
4. The Dividend, if sanctioned, will be paid on or after 14th August, 1997 to those Shareholders whose names appear in the Company's Register of Members on 14th August, 1997.

**ADITYA INTERNATIONAL LIMITED****EXPLANATORY STATEMENT**

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statements sets out material facts relating.

**ITEM NO. 6 :**

In order to augment resources for working capital and other financial needs of the company it is proposed to issue redeemable cumulative preference shares of the company.

Special resolution in terms of Section 81 of the Companies Act, 1956 is therefore proposed at item no. 6 of the accompanying notice.

The directors may be deemed to be interested in the said resolution to the extent of the shares if any, that may be allotted to them.

**ITEM NO. 7 & 8 :**

To meet the requirements of the funds of business operations, the company started tying up funds from banks and other sources. The borrowings of the company are in general required to be secured by suitable mortgage or charged on all or any of the movable or immovable properties of the company.

Hence it is necessary for the members to pass a resolution under Sections 293 (1) (d) and 293 (1) (a) of the Companies Act, 1956.

None of the Directors are concerned or interested in said resolutions.

**ITEM NO. 9 :**

In the course of the company's business, it may be necessary for the Board to make loans, give guarantees or provide securities in connection with Loans made by any other persons to, or to any other persons by, other bodies corporate in excess of the limits prescribed in Section 370 of the Companies Act, 1956. It is considered advisable and in the Company's interest to obtain the consent of the members by a Special Resolution and of the Central Government where required as set out at item no. 9 of the accompanying Notice.

The Directors of the Company may be regarded as concerned or interested in the said resolution to the extent of loans that may be made or guaranteed that may be given in the respect of loans made to the bodies corporate in which the Directors as interested.

The Directors recommend the approvals by the members of the said resolution.

For and on behalf of the Board of Directors

Place : Mumbai  
Date : 22/07/97

**RAMSINGH M. AGARWAL**  
Chairman

**ADITYA INTRNATIONAL LIMITED****DIRECTORS' REPORT**

At the close of yet another satisfying year, your Directors have pleasure in presenting their Seventh Annual Report and Audited Accounts for the period ended 31st March, 1997.

Summary of the Results	Period ended 31st March, 1997 (15 months) Rs. in lacs	Year ended 31st December, 1995 Rs. in lacs
Total Income	4103.36	1551.58
Profit before depreciation and tax	96.95	309.52
Profit after Tax	87.74	308.50
Balance brought forward from previous year	113.45	10.21
Amount available for appropriation		
Appropriation :		
Proposed Dividend	65.00	5.26
Transfer to General Reserve	100.00	200.00
Surplus carried to Balance Sheet	46.18	113.45
Rate of Proposed Dividend	10%	22%

**DIVIDEND :**

Your Directors are pleased to recommend a dividend (subject to the deduction of tax at source, if applicable) at the rate of 10% for the period ended 31st March, 1997 (previous year 22%) on the paid up equity share capital.

**OPERATIONS :**

During the year under review, company's sales have been substantially increased. But due to liquidity crunch in corporate sectors and increasing overheads, company's profitability has affected. Further liberalization of Import/Export Policy and encouraging Financial Budget 1997-98, Your Company is expecting good scope in Import/Export business in coming years.

**DIRECTORS :**

Mrs. Gunjan Agarwal and Mr. Sunil Singhania retire by rotation but being eligible themselves for re-appointment.

**AUDITORS :**

Your Company's auditors, M/s. B. Maheshwari & Associates, retire at the conclusion of the forthcoming Annual General Meeting, and have offered themselves for re-appointment.

**DEPOSITS :**

The Company has not accepted any deposits from Public and Shareholders during the period under review.

**ADITYA INTERNATIONAL LIMITED****SUBSIDIARY :**

In compliance with the provisions of Section 212 of the Companies Act, 1956 the Audited Statements of Account alongwith Directors Report for the year ended 31/03/1997, the wholly owned subsidiary of the company, namely, MOTISONS SECURITIES PVT. LTD., is annexed hereto.

**HUMAN RESOURCES :**

The Company had no employees drawing remuneration in excess of the limits prescribed by the provisions of Section 217 (2A) of the Companies Act, 1956, and as such the particulars of employees required to be furnished under Section 217 (2A) read with the Companies (Particulars of Employees) Rules 1975, as amended, is not annexed herewith.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE :**

Your Company is not engaged in any manufacturing activity and as such has no particulars to disclose under the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, as regards conservation of energy and Technology Absorption. Further during the year under review, your company as earned Rs. 6,73,77,239 (FOB) and made payment of Rs. 23,74,35,052 (CIF) in foreign Exchange.

**ACKNOWLEDGMENTS :**

Your Directors wish to thank the Company's bankers, business associates, Government Authorities and employees for their continued support and valuable co-operation. The Directors also wish to express their gratitude to investors for the faith that they have reposed in the Company.

For and on behalf of the Board of Directors

Place : Mumbai

Date : 24/06/97

**RAMSINGH M. AGARWAL**  
Chairman



**ADITYA INTRNATIONAL LIMITED****AUDITORS' REPORT**

**THE MEMBERS**  
**ADITYA INTERNATIONAL LIMITED**  
**MUMBAI.**

We have audited the attached Balance Sheet of ADITYA INTERNATIONAL LIMITED as at 31st March, 1997 and also Profit and Loss Account of the Company for the period ended on that date annexed thereto and report that :

1. As required by the Manufacturing & other Companies (Auditor's report) order, 1988 issued by Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such books and records as we considered appropriate and according to the information and explanation given to us during the course of audit, we give our comments in the Annexure 'A' attached herewith.
2. Further to our comment in Paragraph 1 above :
  - (a) 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.
  - (b) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of the books.
  - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
  - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with notes thereon give the information required by the Companies Act, 1956, in manner so required and give a true and fair view :
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1997
    - and
    - (ii) in the case of the Profit and Loss Account, of the Profit for the period ended on that date.

**For B. MAHESHWARI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Place : Mumbai  
 Date : June 24, 1997

**(B. L. MAHESHWARI)**  
**PARTNER**

## ADITYA INTRNATIONAL LIMITED

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANIES INTEREST IN THE SUBSIDIARY COMPANY :

- 1 Name of the subsidiary company : M/s. Motisons Securities Pvt. Ltd.
- 2 Date from which it became subsidiary : 26th May, 1994.
- 3 Financial Year of the Subsidiary Company ended on : 31st March, 1997
- 4 (a) No. of Equity Shares held by Aditya International Ltd. : 12,79,800 Equity Shares of Rs. 10/- each
- (b) Capital and Reserves of the Subsidiary as at the end of Financial Year of the subsidiary :
  - i) Capital : Rs. 1,28,00,000/-
  - ii) Reserves and Surplus : Rs. 2,63,424/-
- (c) Extend of Interest of Aditya International Ltd. in the capital of the subsidiary at the year end of the financial year of the subsidiary company : 99.98%
- 5 The net aggregate amount of the subsidiaries profits so far as they concern the member of the Aditya International Limited

Not dealt with in the accounts of Aditya International Limited

- a) For the subsidiaries Financial year ended on 31st March, 1997 : Rs. 2,63,424/-
- b) For the Previous Financial Years of the subsidiary since it has become a subsidiary of the Aditya International Limited : NIL

Dealt with in the accounts of Aditya International Limited

- a) For the subsidiaries Financial year ended on 31st March, 1997 : NIL
- b) For the Previous Financial Years of the subsidiary since it has become a subsidiary of the Aditya International Limited : NIL