

Aditya Mills Limited

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**48th
ANNUAL REPORT
2008-2009**

ANNUAL REPORT

YEAR ENDED MARCH 31, 2009

BOARD OF DIRECTORS

Shri A. K. Kanoria
(Chairman)

Shri D. Kanoria
(Vice-Chairman & Managing Director)

Shri Bimal Kumar Jhunjhunwala

Smt. Hansa Singh
(Nominee : Govt. of Rajasthan)

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AUDITORS
G. P. Kejriwal & Co., Jaipur

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REGISTERED OFFICE
Madanganj-Kishangarh 305 801
(Rajasthan)

Aditya Mills Limited

NOTICE

TO THE SHAREHOLDERS

NOTICE is hereby given that the 49th Annual General Meeting of the members of ADITYA MILLS LIMITED will be held at its Registered Office at **Madanganj-Kishangarh** (Rajasthan) on Thursday, the 2nd day of July, 2009 at 4.00 P.M. to transact the following business:

As Ordinary Business

1. To consider and adopt the audited Balance Sheet as at 31st March, 2009 and Profit & Loss Account of the Company for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Bimal Kumar Jhunjhunwala, who retires by rotation and being eligible, offers himself for re-election.
3. To appoint Auditors and to fix their remuneration and for this purpose, to pass with or without modification, the following as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 224 A of the Companies Act, 1956, M/s G. P. Kejriwal & Company, Chartered Accountants, Jaipur, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors plus reimbursement of travelling and other incidental expenses incurred in connection with audit.”

Mumbai

Dated: 4th June, 2009

Registered Office:

Madanganj-Kishangarh
(Rajasthan) 305 801

By Order of the Board

(N.C. Patni)

Manager (Finance)

Aditya Mills Limited

Notes:

1. A member entitled to attend and vote in the above meeting is entitled to appoint one or more proxies to attend and vote instead of himself and proxy need not be a member of the Company.
2. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item No.3 is annexed hereto.
3. For sake of convenience, the shareholders are requested to bring their own copy of accounts when attending this meeting.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM No.3

Since more than 25% of the subscribed share capital of the Company is held by a State Government, Financial Institutions, Nationalised Banks and Insurance Companies, re appointment of M/s. G.P.Kejriwal & Company as Auditor of the Company has to be made by a Special Resolution as required Under Section 224 of the Companies Act, 1956.

None of the directors is concerned or interested in the resolution.

Mumbai

Dated: 4th June, 2009

Registered Office:
Madanganj-Kishangarh
(Rajasthan) 305 801

By Order of the Board

(N.C. Patni)
Manager (Finance)

Aditya Mills Limited

DIRECTORS' REPORT

TO THE MEMBERS,

The Directors present their Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS

The financial results of the operation for the year are given below:

	<u>2008-2009</u>	<u>2007-2008</u>
		(Rs. in lacs)
Loss for the year before tax	21.33	22.04
Add/(Less) : Provision for Taxation	<u>2.54</u>	<u>(7.46)</u>
Loss for the year	23.87	14.58
Add/(Less):		
(a) Deficit balance brought forward from previous year	1543.09	1528.51
Deficit carried to next year	<u>1566.96</u>	<u>1543.09</u>

Auditors Report :

Most of the notes referred to by the Auditors in their Report, being self-explanatory and/or suitably explained/clarified in the notes to Accounts, require no further explanation.

The company has already complied with the Accounting Standards prescribed by the Institute of Chartered Accountants of India and is constantly endeavouring to ensure adherence to the same and their norms as may be prescribed from time to time.

As informed in the previous year the Company had already cleared all dues of secured creditors and almost all statutory dues. However, some statutory dues and unsecured loans are yet to be paid. The company is looking into the same.

Regarding valuation of stock-in-trade, it was already informed in past that the land in question was converted into stock-in-trade in the financial year 2001-02 when the company commenced Real Estate Business and continues as such. The company has consistently sold this land at a higher prices than this.

Business Activities:

Like last year the company has further purchased 10 Bigha, 14 Biswa, agricultural land at Bandarsindri during the year jointly with other parties in which the company's share is 8%.

The company is desirous of developing these lands after purchasing some additional adjoining land. For Balance land at Kishangarh we are trying to develop and start building construction thereon shortly.

Compliance Certificate

The Company has obtained a compliance certificate from a Practicing Company Secretary as required pursuant to Section 383 A of the Companies Act, 1956 and the same is annexed with this report.

Aditya Mills Limited

Directors' Responsibility Statement

As required under section 217 (2AA) of the Companies Act, 1956, the Directors confirm:

- (i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2009, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the loss of the company for the year under review;
- (iii) that the Directors have 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
- (iv) that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2009 on a 'going concern' basis.

Personel :

Since no employee of the Company has drawn salary in excess of Rs.24,00,000.00 per annum or Rs.2,00,000.00 per month, particulars of employees as required u/s 217(2A) of the Companies Act, 1956 have not been given.

Auditors :

M/s G.P. Kejriwal & Company, Chartered Accountants, Jaipur retire as Auditors of the Company, but being eligible, offer themselves for re-appointment.

Directors :

Shri Bimal Kumar Jhunjunwala, a Director of the company is retiring by rotation and being eligible, offers himself for re-appointment.

Conservation of Energy, Technology Absorption, Foreign Exchange:

The company has been advised that the disclosure of particulars under Section 217(1) (e) read with rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy etc. is not applicable. Particulars relating to Technology / Absorption etc. have not been furnished as the company has neither undertaken any Research & Development activities in the field of Real Estate nor imported any technology. Therefore the particulars regarding foreign exchange earnings and outgo are Nil.

Place: Mumbai
Dated: 4th June, 2009

On behalf of the Board
A.K. Kanoria
Chairman

Aditya Mills Limited

MANAGEMENT DISCUSSION AND ANALYSIS

The management of Aditya Mills Limited is pleased to present its report on Management Discussions and Analysis. This report contains expectations of the Company's business based on the current market environment.

Business Structure and Developments:

During the year under review your company further purchased adjoining agricultural land near Kishangarh for developing the same as residential / commercial / Farm Houses and is hopeful of commencing sale of this land shortly. The company is also trying to further develop its land at Kishangarh.

Opportunities & Threats, Outlook, Risks and Concerns:

Customers in the real estate industry in India have become more discerning and choosy. During the year under review the Real Estate market stagnated and was engulfed by a deep recession. Buyers kept postponing purchases in anticipation of prices falling further. Competition in this field is likely to increase due to large amount of unsold inventory lying with developers. However, with increased political stability and strong possibility of the new government pushing for economic reforms, the outlook for the industry is cautiously optimistic.

Segment-wise Performance:

The Company's current business activity has only one primary reportable segment, namely Real Estate.

Internal Control System and Adequacy:

The Company has adequate internal control commensurate with the size and nature of its business.

Human Resources:

Harmonious relations continued to prevail throughout the year among company's personnel and other stake holders.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factor that could make a difference to the Company's operations include economic conditions affecting demand and supply and price condition in which the company conducts business and other incidental factors.

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COMPLIANCE CERTIFICATE

FORM

(SEE RULE - 3)

COMPANIES (COMPLIANCE CERTIFICATE) RULES, 2001

CIN of the Company	:	L17111RJ1960PLC001171
Nominal Capital	:	Rs. 280,00,000.00
Paid-Up Capital	:	Rs. 152,23,000.00

To,
The Members
ADITYA MILLS LIMITED
MADANGANJ-KISHANGARH.

We have examined the registers, records, books and papers of ADITYA MILLS LIMITED (the company), as required to be maintained under the Companies Act, 1956 (the Act), and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009 (financial year). 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:

01. The company has kept and maintained all registers as stated in ANNEXURE 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been recorded.
02. The company has filed the forms and returns as stated in ANNEXURE 'B' to this certificate, with the Registrar of Companies and Central Government during the financial year.
03. The Company, being a public limited company, has a paid-up capital Rs.152,23,000.00 and on number of member's comment is not required.
04. Board of Directors duly met 5 times respectively on 20.06.2008, 24.06.2008, 26.09.2008, 31.12.2008 and 31.03.2009 in respect of which meetings proper notices were given and the proceeding were properly recorded and signed in the Minutes Book maintained for the purpose.
05. The company has not closed its Register of Members during the financial year.
06. The Annual General Meeting for the financial year ended on 31st March 2008 was held on 26.07.2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
07. No extra ordinary general meeting was held during the financial year
08. The company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act during the financial year.
09. The company has not entered into any contracts specified under section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of The Act.
11. As there was no instance falling with in the purview of section 314 of the Act.
12. The company has not issued any duplicate share certificates during the financial year.
13. The company :
 - i) has not made any allotment and delivered all the certificate on lodgment thereof for transfer/ transmission of securities in accordance with the provisions of the Act;
 - ii) is not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year;
 - iii) is not required to post warrants to any member of the company as no dividend was declared during the financial year;
 - iv) has duly complied with the provision of section 217 of the Act.

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14. The Board of Directors of the company is duly constituted and retire by rotation of directors has duly been made. Further there was no appointment of additional director, alternate director and director to fill casual vacancy during the financial year.
15. The company has not appointed any Managing Director/Whole-Time Director/Manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such authorities prescribed under the various provisions of the Act. during the financial year.
18. The directors, *except nominee director*, have disclosed their interest in other firms/companies, to the Board of Directors pursuant to the provisions of the Act and rules made thereunder.
19. The company has not issued any shares/debentures/other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. *The company has not yet redeemed preference shares due for redemption from 11.06.2000.*
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. *However the cumulative dividend on Preference Shares of Rs. 45.12 Lacs was also due as on 11.06.2000.*
23. The company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. *The company has not borrowed any amount during the financial year ending on 31st March 2009.*
25. *The company has made investment with other bodies corporate in compliance with provisions of the Act and made necessary entries in to the register kept for the purpose.*
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. We have informed by the Company that there was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has regularly deposited contribution to Provident Fund with the prescribed authorities.

NOTE:

- A Regarding compliance of condition of listing agreement, company is taking steps to complete the compliance of the Listing Agreement .

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- B. Due to accumulated losses from last several Years Company was not in a position to declare any dividend on preference shares. However, the cumulative dividend as on 11.06.2000, amounting to Rs. 45.12 Lacs on Preference Shares remains unpaid.

47, Guru Nanakpura,
Raja Park, Jaipur
Date : 4th June, 2009

For R. CHOUHAN & ASSOCIATES
Practicing Company Secretaries
RAJENDRA CHOUHAN
PARTNER
C.P.No. 3726

ANNEXURE 'A'

Registers as maintained by the Company:

Statutory Registers

1. Register of Investment u/s 49
2. Register of Charge u/s 143
3. Register of Members u/s 150
4. Index of Members u/s 151
5. Minutes Book of Board and General Meetings u/s 193
6. Books of Accounts u/s 209
7. Register of Contracts in which Directors are interested u/s 301(3)
8. Register of Directors/Managing Director/Whole time director/Secretaries u/s 303
9. Register of Director's Shareholding u/s 307
10. Register of Investment/Loans/Guarantee u/s 372A

Other Registers

1. Register of Share Transfer u/s 108
2. Attendance Register of Members
3. Attendance Register of Directors
4. Register of Proxies.

ANNEXURE 'B'

Forms and Returns as filed by the Company with Registrar of Companies and Central Government during the financial year ending 31st March 2009:

S. No.	Form No. /Returns	Filed under section	For	Date of Filing	Whether filed within prescribed time	If delay in filing whether requisite additional fee paid
1.	Form No. 20B	159	26.07.2008	25.09.2008	No	Yes
2.	Form No. 23AC/23ACA	220	31.03.2008	25.08.2008	Yes	N. A.
3.	Form No. 66	383A	31.03.2008	25.08.2008	Yes	N. A.
4.	Form No. 23	224A	26.07.2008	25.08.2008	Yes	N. A.
5.	Form No. 32	303(2)	31.03.2008	28.04.2008	Yes	N. A.

Place : JAIPUR
Date : 4th June, 2009

For R. CHOUHAN & ASSOCIATES
Practicing Company Secretaries

RAJENDRA CHOUHAN
PARTNER
C.P.No. 3726