

62nd

ANNUAL REPORT
2009 - 10



ADOR MULTIPRODUCTS LIMITED

Ador Multiproducts Limited

BOARD OF DIRECTORS

DEEP A. LALVANI

Chairman

ARUNA B. ADVANI

N. MALKANI NAGPAL

ADITYA T. MALKANI

R.A. MIRCHANDANI

H.P. LEDWANI

AUDITORS

AMARNATH KAMATH & ASSOCIATES

Chartered Accountants

Bangalore.

REGISTRARS & SHARE TRANSFER AGENTS

CANBANK COMPUTER SERVICES LTD.,

J.P. Royale, 1st Floor

218, 2nd Main, Sampige Road

(Near 14th Cross), Malleswaram

Bangalore – 560 003.

REGISTERED & HEAD OFFICE

A-13 & 14, III Stage,

Peenya Industrial Estate,

Bangalore - 560 058.

WEBSITE

www.adormultiproducts.com

Ador Multiproducts Limited

Launches

"Influence" range of personal care products.

PRODUCTS	
Body Spray	Nail & Foot Cream
Shampoo	Moisturizer
Body Lotion	Talcum Powder
Bubble Bath	Shower Gel



For more information or trade enquires

kindly contact

lyanndange@adorians.com

or

91-22-66239300

you can also visit our

website at www.adormultiproducts.com

NOTICE

To The Members

NOTICE is hereby given that the 62nd Annual General Meeting of the members of the company will be held at 3.00 p.m on Monday, 26th July, 2010, "Rohini Hall", Hotel Ajantha, 22-A, M.G. Road, Bangalore – 560 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit & Loss Account for the year ended on that date together with the Directors' Report and the Auditors' Report thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Aditya T. Malkani, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors in the place of the retiring auditors, for the current financial year and fix their remuneration.
5. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

"RESOLVED THAT the Board of Directors be and are hereby authorized to appoint any person qualified for appointment as Branch Auditor or Auditors of the Company under Section 226 of the Companies Act, 1956, to audit the Accounts of the Company's branch offices for the current financial year and fix their remuneration."

By order of the Board

DEEP A. LALVANI
Chairman

Bangalore
29th April, 2010

Registered Office:
A-13 & 14, III Stage
Peenya Industrial Estate
Bangalore - 560 058.

NOTES

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxy form must reach the Company's Registered Office not later than 48 hours before commencement of the meeting.
- b. The Register of Members and Share Transfer Books of the Company will remain closed from 20th July, 2010 to 26th July, 2010 (both days inclusive).
- c. Members are requested to intimate to the Company immediately of any change in their addresses.
- d. Members / Bodies Corporate / Proxies are requested to bring the attendance slip duly filled in for attending the meeting.
- e. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the amount of dividend which remains unclaimed for a period of seven years from the date of declaration would be transferred to the 'Investor Education and Protection Fund'. As such, shareholders who have not encashed their dividend warrants are requested to write to the Company for claiming outstanding dividends, if any, in respect of the previous years.

Amount of unclaimed dividend as at March 31, 2010 for the years 2005-06 to 2007-08 aggregate to Rs. 6,99,837/-.

Brief profile of the Director seeking reappointment

Name	Mr. Aditya T. Malkani
Educational qualification(s)	BA (Economics); MBA
Expertise	Marketing
Directorship in other companies	1. Ador Welding Limited 2. Ador Fontech Limited 3. J B Advani & Co., Pvt Limited 4. Ador Green Energy Pvt Limited
Number of shares held in the Company	Nil

- f. Members are requested to bring their copies of Annual Report to the meeting.

By order of the Board

Bangalore
29th April, 2010

DEEP A. LALVANI
Chairman

Registered Office:
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DIRECTORS' REPORT

Your Directors present the 62nd Annual Report of your Company and the Audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

(Rs. in lacs)

	Year ended 31.03.2010	Year ended 31.03.2009
Sales and Other Income (net Excise Duty)	1247.38	1066.90
Profit before Interest, Depreciation and Tax	75.96	69.85
Less : Depreciation	13.51	13.21
Interest	2.24	2.01
Profit after Interest and Depreciation	60.21	54.63
Less: Provision for Current Tax	19.00	19.00
Provision for Fringe Benefit Tax	-	1.56
Deferred Tax	(0.95)	(3.37)
Net Profit for the year	42.16	37.42
Balance brought forward from previous year	48.28	10.86
	90.44	48.28
Appropriations:		
Proposed Dividend	24.28	-
Tax on above dividend distribution	4.03	-
Transfer to General Reserve	-	-
Balance carried Balance Sheet	62.13	48.28
	90.44	48.28

DIVIDEND

The Directors are pleased to recommend a dividend of rupee one per share for the year ended 31st March, 2010. (Previous year – NIL).

SHARE CAPITAL

In December, 2009 the Company issued 2,79,717 convertible equity warrants to the Promoter Group. 93,239 Warrants were converted into equal number of equity shares of Rs. 10/- each on 30th March, 2010 and the premium of Rs. 6/- per share has been credited to Share Premium account. Consequently the paid up share capital has increased Rs. 2,42,77,000/- comprising of 24,27,700 equity shares of Rs. 10/- each.

OPERATIONS

Personal Products Division

The increasing interest in International brands in the Indian market has opened opportunities for manufacturing and marketing. Prospects with local players, retailers and international brands therefore, look bright. Your company has started marketing its own brand of bath products under the name 'Influence'. This brand is currently being test marketing in the hospitality industry and certain niche retail segments.

Your company has also shown considerable growth in the alcohol based product segment and is expected to further grow in the current year.

Increase in capacities will also meet the growing demands in the shampoo and lotion segments.

Pondicherry unit is able to meet the demand requirement as well as certain export market.

TRADING DIVISION

Having established itself as one of the largest distributors in the South, your Company is now expected to further penetrate the market in high growth segments. The Company is also planning to expand its reach geographically in the Tamil Nadu region which should bring in additional revenue.

CONSERVATION OF ENERGY

Optimum use of energy through continuous improving methodology has been adhered to. However, the consumption of energy by the Company is non-significant.

RESEARCH AND DEVELOPMENT

The Company has plans to spend on Research and Development during the current year.

FOREIGN EXCHANGE EARNINGS AND OUT GO

There was no Foreign Exchange earnings during the year since the Customers exported the products manufactured by the Company in their names.

DIRECTORS

In accordance with the provisions of the Article 49 of the Articles of Association of the Company, Mr. Aditya T. Maikani, Director of the company, retires by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT: -

As required by Section 217(2AA) of the Companies Act, 1956, your Directors confirm that: -

- In the preparation of the annual accounts, the applicable accounting standards have been followed;
- They have selected such accounting policies and applied them consistently and made judgements 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 profit of the company for that year;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis.

AUDITORS

The Company's Auditors M/s. Amarnath Kamath & Associates., Chartered Accountants, Bangalore, retire and are eligible for re-appointment. Members are also requested to authorise the Board of Directors to appoint Branch Auditors for the current year to audit the accounts of the Company's Branch Offices and fix their remuneration.

PARTICULARS OF EMPLOYEES

No employee is drawing the remuneration of more than Rs. 2 lacs per month requiring disclosure under section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT

Your Directors wish to acknowledge and place on record their appreciation for the excellent co-operation and support extended by the Customers, Suppliers, Group companies, Government Agencies, Banks, Employees of the Company and Shareholders and look forward to their continued support.

For and on behalf of the Board

Bangalore
29th April, 2010

DEEP A LALVANI
Chairman

AUDITORS' REPORT

**TO THE SHAREHOLDERS OF ADOR
MULTIPRODUCTS LIMITED**

We have audited the attached Balance sheet of ADOR MULTIPRODUCTS LIMITED as at March 31, 2010 and also the Profit and loss account and the Cash flow statement of the Company 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.

We conducted our audit in accordance with the 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

1. 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;
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/units of the Company not visited by us. The Auditor's Reports of those branches/units have been forwarded to us and have been appropriately dealt with;
3. The Balance sheet, Profit and loss account and Cash flow statement dealt with by this report, are in agreement with the books of account and with the audited returns from the branches/units;
4. In our opinion and to the best of our information and according to explanations given to us, 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;
5. On the basis of a review of the written representations received from the Directors of the Company as on March 31, 2010 and taken on record by the Board of Directors,

we report that none of the Directors are disqualified as on March 31, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956, and

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance sheet, of the state of affairs of the Company as at March 31, 2010;
- (b) in the case of the Profit and loss account, of the profit for the year ended on that date and
- (c) in the case of Cash flow statement, of the cash flows for the year ended on that date.

For AMARNATH KAMATH AND ASSOCIATES [FRN000099S]
Chartered Accountants

Amarnath Kamath
Partner
Membership No. 13124

Bangalore.
April 30, 2010

ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) A substantial portion of the fixed assets have been physically verified by the management during the year. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
(c) Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern status of the Company.
2. (a) We are informed that inventories have been physically verified by the management during the year and also at the end of the year. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
3. The Company has not taken/or granted any loans, secured or unsecured from/to Companies, firms and other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal controls systems.
5. (a) According to the information and explanations given to us, we are of the opinion that transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
(b) According to the information and explanation provided to us, there were transactions, exceeding value of Rupees five lakhs during the period, made

- in pursuance of such contracts entered in the register maintained under section 301 of the Companies Act, 1956. We are of the opinion that the transactions have been made at prices which are reasonable with regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, in our opinion, the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under, are not applicable.
 7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 8. We have broadly reviewed the cost records maintained by the Company pursuant to section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the same to ensure their accuracy or completeness.
 9. According to the records, information and explanations, provided to us, (a) the Company is generally regular in depositing with appropriate authorities undisputed amounts including Provident fund, Investor education and protection fund, Employees' state insurance, Income tax, Sales tax, Wealth tax, Custom duty, Excise duty, cess, service tax and other statutory dues applicable to it and (b) no undisputed amounts payable were outstanding as at March 31, 2010 for a period of more than six months from the date they became payable, *except for property taxes, though provided for, have not been remitted, pending notice of demand from the appropriate authority.*
 10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, the Company has not defaulted in repayment of dues to any financial institution or bank.
 12. Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The Company is not a chit/nidhi/mutual benefit fund/society and clause 4(xiii) of the Order is not applicable.
 14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
 15. On the basis of the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
 16. The Company had not availed term loans from banks and financial institutions.
 17. According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
 18. During the year, the Company has made preferential allotment of share warrants to parties covered in the register maintained under section 301 of the Companies Act, 1956. The same has been made in conformity with the guidelines issued by the Securities and Exchange Board of India relating to such preferential allotment and on that basis not prejudicial to the interest of the Company. Further, part of the convertible warrants issued during the year have also been converted into equity shares at the pre-determined rate as per SEBI Guidelines.
 19. The Company did not have outstanding debentures during the year.
 20. The Company has not raised any money by way of public issue during the year.
 21. During the course of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed nor reported during the year nor have we been informed of such case by the Company's management.

For AMARNATH KAMATH AND ASSOCIATES [FRN000099S]
Chartered Accountants

Amarnath Kamath
Partner
Membership No. 13124

Bangalore.
April 30, 2010