

MD	✓		BKC	✓
CS	✓		EPY	NA
RO	✓		ENV	NA
TRA	✓		AC	✓
ACM	✓	✓	SHH	✓
YE	✓	✓		



*Agro Dutch
Foods Limited*

6th Annual Report 1997 - 98



BOARD OF DIRECTORS**Ad Agro Dutch Foods Limited**

Mr. A.R. Talwar, IAS, Chairman
 Mr. G.S. Bhinder
 Mrs. Manmeet Kaur
 Mr. N.S. Brar
 Mr. A.M. Manaktala
 Mr. G. Venkatraman
 Mr. I.J. Laul
 Mr. Gaganjit Kashyap
 Dr. H.S. Garcha
 Mr. Malvinder Singh, Managing Director

Company Secretary :

Mr. Balwinder S. Kalsi

Auditors :

M/s. R. Paul & Associates,
 Chartered Accountants,
 C - 2038, Ranjit Avenue,
 Amritsar

Banker :

Union Bank of India

Registered Office :

S.C.O. 441 - 442,
 Sector 35 - C,
 Chandigarh - 160 022

Works :

Village Tofapur
 (Near Lalru),
 Teh. Rajpura,
 Distt. Patiala (Punjab)

Registrars & Share Transfer Agent :

Karvy Consultants Ltd.
 Karvy House, 46, Avenue 4,
 Street No. 1, Banjara Hills,
 Hyderabad - 500 034

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Ad Agro Dutch Foods Limited**NOTICE**

Notice is hereby given that the Sixth Annual General Meeting of Agro Dutch Foods Limited will be held on Friday, the 4th day of September, 1998 at 10:00 A.M. at Tagore Theatre, Sector 18-B, Chandigarh to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Statements of Accounts for the year ended on 31st March, 1998 together with the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. I.J. Laul, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. A.M. Manaktala, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. N.S. Brar, who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and, if thought fit, to pass with or without modification(s), the following resolution, as a SPECIAL RESOLUTION :-

"RESOLVED THAT M/s. R. Paul & Associates, Chartered Accountants, Amritsar be and are hereby reappointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and that the Managing Director be and is hereby authorised to fix their remuneration for the said period".

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution, as an Ordinary Resolution :-

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section-293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and/or charging by the Board of Directors of the Company of all the immovable and movable properties of the Company wheresoever situate, present and future, and/or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of the Industrial Development Bank of India (IDBI), to secure Non Convertible Debentures of the face value of Rs. 600 lacs (Rupees Six Crores Only) on private placement basis subscribed and advanced/agreed to be subscribed and advanced by the IDBI to the Company, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to the IDBI under the Subscription Agreement/Debenture Trustee Agreement/Memorandum

of Terms and Conditions and other Agreements relating to the above facility entered into/to be entered into by the Company in respect of the said issue of Non Convertible Debentures.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the IDBI the documents for creating aforesaid mortgage and/or the charge and to do all such acts and things as may be necessary for giving effect to the above resolution."

By Order of the Board

Place : Chandigarh
Dated : 29th July, 1998

(Balwinder S. Kalsi)
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND ON A POLL TO VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed for four days from 1st September, 1998 to 4th September, 1998 (both days inclusive).
3. Members desirous of seeking any further information or clarification in respect of accounts and operations of the Company are requested to send their queries in writing to the Company at the Registered Office so as to reach atleast 7 days before the date of the meeting so that the required information can be made available at the meeting.
4. Members are requested to bring with them the attendance slip sent with the Annual Report duly completed and signed and hand it over at the entrance.
5. The explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of Item Nos. 5 & 6 set out above is annexed hereto.

EXPLANATORY STATEMENT

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

ITEM NO. 5

Messers R. Paul & Associates, Chartered Accountants, Amritsar, your retiring Auditors have intimated that their appointment for the ensuing year, if made, shall be in accordance with the limits specified under Section 224(1)(B) of the Companies Act, 1956. Further, as more than 25% of the subscribed share capital of the Company is being held by the Central Government and State Government Undertaking, this resolution is required to be passed as Special Resolution under Section 224-A of the Companies

Ad Agro Dutch Foods Limited

Act, 1956. Accordingly, a Special Resolution is placed before the meeting.

None of the Directors of the Company is interested in the proposed resolution.

ITEM NO. 6

The Industrial Development Bank of India (IDBI), has agreed to subscribe to the issue of Non Convertible Debentures of the face value of Rs. 600 lacs (Rupees Six Hundred Lacs Only) on private placement basis to meet the long term working capital margin requirements of the Company. The financial assistance from the IDBI is required to be secured by a first pari-passu charge on all the immovable properties, both present and future, with a FACR of 1.30 times during amount of Non Convertible Debentures.

Section 293(1)(a) of the Companies Act, 1956 provides, inter alia, that the Board of Directors of a public Company shall not, without the consent of such public Company in general meeting, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking, of the Company or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking.

Since the mortgaging by the Company of its immovable and movable properties as aforesaid in favour of the IDBI may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass a resolution under Section 293(1)(a) of the Companies Act, 1956 before creation of the said mortgages/charges.

A copy of the letter of sanction no. HO. CFD-III/NCD/ADFL dated 10th March, 1998 received from IDBI and copies of the relevant documents/correspondence between the said Institution and the Company are open for inspection at the Registered Office of the Company between 11:00 A.M. and 1:00 P.M. on any working day prior to the date of meeting.

Hence, the resolution as proposed, is recommended for your consideration and approval.

None of the Directors of the Company except Mr. G. Venkatraman, who is the nominee Director of the IDBI is interested in the resolution.

By Order of the Board

Place : Chandigarh
Dated : 29th July, 1998

(Balwinder S. Kalsi)
Company Secretary

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