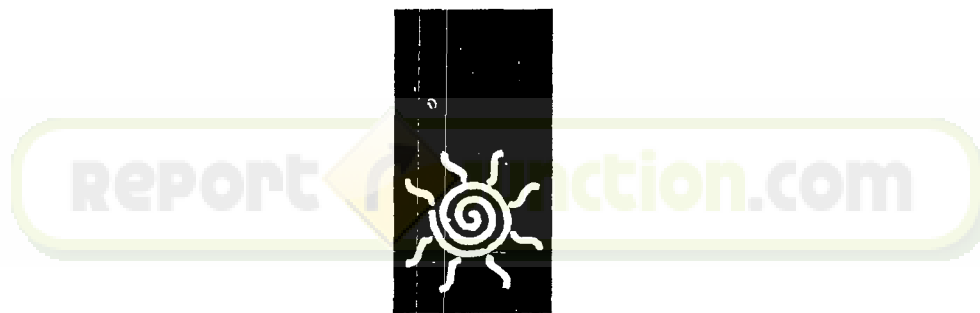


MD	✓		BKC	✓
CS	NR		DPY	✓
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		

Arihant
TOURNESOL
LIMITED



CERTIFIED TRUE COPY

For ARIHANT TOURNESOL LTD

D. G. S. D. S.
Managing Director

6th Annual Report 1996 - 97

Report  junction.com



Annual Report 1996-97

Arihant Tournesol Limited

BOARD OF DIRECTORS

Mr. R. K. Sethi	<i>Managing Director</i>
Mr. Mohan Jayakar	<i>Director</i>
Mrs. Varsha Sethi	<i>Director</i>
Mr. S. P. Patni	<i>Director</i>
Mr. A. K. Sethi	<i>Director</i>

REGISTERED OFFICE

74/1, Mardi Cross,
Village Bhogaon, North Solapur,
Dist. Solapur, Maharashtra.

AUDITORS

M/s Natvarlal Vepari & Co.
Chartered Accountants
Jiji House, 3rd Floor,
15, Raveline Street,
Fort, Mumbai- 400 001.

SOLICITORS/ LEGAL ADVISORS

M/s Gagrut & Co.
Ali Chamber,
Tamrind Lane,
Fort, Mumbai- 400 001.

BANKERS

Allahabad Bank
Central Bank Of India
Bank Of India

6 th ANNUAL GENERAL MEETING

Date : 30th December, 1997
Day : Tuesday
Time : 11.00 a. m.
Place : 74/1, Mardi Cross.Village Bhogaon,
North Solapur,Dist. Solapur,
Maharashtra.

Notice	...	2
Directors' Report	...	3 - 4
Auditors' Report	...	5 - 7
Balance Sheet	...	8
Profit & Loss Account	...	9
Schedules	...	10 - 14
Notes on Accounts	...	14 - 15
Balance Sheet Abstract	...	16
Cash Flow Statement	...	17



Arihant Tournesol Limited

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of ARITHANT TOURNESOL LIMITED will be held on Tuesday 30th December, 1997 at 11.00 a.m. at 74/1 Mardi Cross, Village Bhogaon, North Solapur, Dist. Solapur, Maharashtra to transact the following business :-

1. To receive, consider and adopt the Directors' Report, Audited Profit and Loss Account for the year ended 31st March, 1997 and the Balance Sheet as on that date.
2. To appoint a Director in place of Mr. A. K. Sethi who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Mohan Jaykar who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. SUCH PROXIES SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and share transfer books of the Company will remain closed from 24th December, 1997 to 30th December, 1997 (both days inclusive).
3. The members are requested to intimate to the Company at the registered office any change of address.

By order of the Board of Directors

R. K. Sethi
Managing Director

Mumbai :
Dated : 27th November, 1997

Registered Office :
74/1, Mardi Cross, Village Bhogaon,
North Solapur, Dist. Solapur,
Maharashtra.

Annual Report 1996-97

DIRECTORS' REPORT

To,

The Members :

Your Directors have pleasure in presenting the Sixth Annual Report together with the Statement of Accounts for the year ended 31st March, 1997.

FINANCIAL PERFORMANCE :

The Company had achieved a turnover of about Rs. 1.23 corers for a period of 6 months up to September 1996. From October 1996 onwards the Company had given the Unit on Management Contract basis thereby earning the Company a net amount of Rs. 24 lakhs for the rest 6 months period. This was net of all direct factory expenses. The massive in flux of imports had reduced the duty is sounding a death knell to the industry and our association has already taken up the matter with the Government of India.

The Refinery Project could not be put up due to the non-disbursement of loans. As the interest cost is mounting, the Company has initiated dialogues with the banks for revival/settlements. The Management hopes that a favourable settlement can be reached very soon.

DIVIDEND :

No dividend has been recommended for the year.

FUTURE PROSPECTS :

The Company had launched its oil in consumer packs under the name "SUNARI". Due to reduction of overheads in the Company, the management has decided to give it to Franchisees all over the Country and charge a royalty by giving them a technical knowhow for the same. Once such trial has already commenced in Mumbai.

DIRECTORS :

Mr. Mohan Jaykar and Mr. A. K. Sethi, Directors of the Company retire by rotation and being eligible offer themselves for reappointment.

PARTICULARS OF EMPLOYEES :

There are no employees of the Company who are drawing such salary as is required to be disclosed under Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS' REPORT :

As regards M/s. Hanuman Brothers mentioned in the Auditors Report item 2(d) (1), your Directors have already clarified the transaction.

As regards item 2(d) (2) and (3), the short provision of interest on loans from the bankers and other borrowings as mentioned earlier in our Report, negotiations for settlement including concessions are already in advanced stage and hence, a most likely settlement amount has been provided for.

As regard item 2(d) (4), the majority of the Sundry Debtors are Poultry units situated at Andhra Pradesh border who have vanished after taking the advantage of the Maharashtra State Subsidy. They are now virtually bankrupt and not in a position to pay. The Company is taking the help of suitable means in the recovery.

As regards item 2(d) (5), the advances to suppliers were given anticipating the disbursement of Term Loan. As the Loan could not be disbursed, the suppliers were put in severe losses by keeping their material ready. Nevertheless, your directors will try their best to recover these advances if the bank give the Company further loan to enable to take delivery of the material thereby adjusting the advances given.

As regards item 2(d) (6), the Company has not executed the document as the Company was negotiating with M/s. Omega Investment & Properties Ltd. for return of these advances. M/s. Omega Investment & Properties Ltd. has informed the Company that it is negotiating a package deal with their buyers and if their deal materialises, a substantial amount of advance can be returned. In the event of that not taking place, the company will have to purchase the premises to that extent, moreover, the company is ready with the agreement but signing of the same would involve a minimum outflow of Rs. 15 lakhs as stamp duty which the company wants to postpone till a decision regarding refund of advance could be made.



Arihant Tournesol Limited

As regards physical verification of stocks, as referred in item 4, in Annexure of the Auditors' Report, your directors have to inform you that the management has carried out regular physical verification and except minor variations the same is fully tallied.

As regards item 10, your directors have to inform you that the said systems would not fall under our scope as the unit has been given on Management Contract and the loss and profit on such goods etc. would be of the other party.

As regards item 13, your directors have to inform you that the vary nature of the business of contract of commodities which sometimes due to delay in-deliveries etc. could result in cancellation and therefore refund of advances received, if any. Hence, the same do not fall under the provision of section 58(A).

As regards outstanding amount of M/s. J. V. Enterprise, your Directors have to inform you that the outstanding of M/s. J. V. Enterprise had gone down approximately of Rs. 52 lakhs.

As regards permission of the members in the Annual General Meeting, your Directors have to state that there is no handing over the possession but the unit is working under Management Contract only and that also with the knowledge of the High Court, hence no permission was required. Further more the said arrangement has been terminated on 30.9.1997.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has stabilised its operations and is now able to rationalise the energy consumption and minimise the penal charges with the installation of Capacitors. Moreover, we are setting the standard technology for which new technology has been absorbed. There has been no foreign exchange earning or output.

INDUSTRIAL RELATIONS:

The Management has been successful in maintaining industrial peace and enjoys cordial relations with all its workers and staff.

ACKNOWLEDGEMENT:

Your Directors would also like to place on record their appreciation to the Banks, Institutions, Staff and Shareholders for their Co-operation in the operations of the Company.

For and on behalf of the Board of Directors.

Mr. R. K. Sethi
Managing Director

Place : Mumbai
Date : 27th November, 1997.