

## ARIHANT TOURNESOL LIMITED

34-B, Jolly Maker Chambers-2  
225, Nariman Point  
Mumbai-400 021  
Phones: 22024359/22025117  
Fax: 22821776  
Email: sethigroup@vsnl.com

### NOTICE

**NOTICE** is hereby given that the **SEVENTEENTH** Annual General Meeting of the Members of **ARIHANT TOURNESOL LIMITED** will be held on 30<sup>th</sup> Sept. 2008 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 & Loss Account for the year ended 31<sup>st</sup> March, 2008 and the Balance Sheet as on that date.
2. To appoint a Director in place of Mrs. Sharmista Jadhav who retires by rotation and being eligible, offer herself for reappointment.
3. To appoint Auditors and to fix their remuneration.

By order of the Board of Directors

  
D.N. Jha  
Chairman.

Place: Mumbai  
Date: 1.9.2008

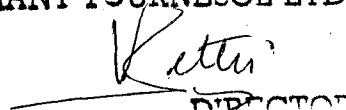
**Registered Office:**  
74/1, Mardi Cross  
Village Bhogaon, North Solapur  
Dist. Solapur, Maharashtra.

#### 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 To Register of Members and share transfer books of the company will remain closed from 28<sup>th</sup> to 30<sup>th</sup> Sept. 2008 (both days inclusive).
- 3 The Members are requested to intimate to the company at the registered office any change of address.

**CERTIFIED TRUE COPY**

For **ARIHANT TOURNESOL LTD.**

  
DIRECTOR

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225, Nariman Point  
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## DIRECTORS' REPORT

**To  
The Members:**

Your Directors have pleasure in presenting the **SEVENTEENTH** Annual Report of Arihant Tournesol Ltd., together with the Statement of Accounts for the year ended 31<sup>st</sup> March, 2008.

### 1. ECONOMIC SCENARIO:

During the year under review, the company's factory was running satisfactorily under Dry Lease Arrangement with M/s.Betul Oils & Flours Pvt.Ltd. M/s.Vision Millennium Exports Pvt.Ltd., had raised the issue of refund of interest free advance given by them under the First Charge on the Solapur assets of the company. The company has requested to continue the dry lease arrangement as stipulated in the agreement with them.

Due to dry lease arrangement, the turnover and the profits under lease have not been taken into account.

The company's management will have to continue under lease the operations until other liabilities are settled with other bankers and prepare the revival scheme after such settlement. The company hopes to prepare and get the proper revival scheme settled in the near future.

### 2. FINANCIAL PERFORMANCE:

The company has earned a profit of Rs.7.21 lakhs

### 3. FUTURE PROSPECTS:

The management of the company engaged in discussions and restructuring the management and the capital structure of the company after the revival scheme is settled satisfactorily.

**CERTIFIED TRUE COPY**

For ARIHANT TOURNESOL LTD



**DIRECTOR**

4. **DIVIDEND:**

No dividend has been declared during the year.

5. **DIRECTORS:**

Mrs. Sharmishta Jadhav, Director of the company, retires by rotation and being eligible offer herself for reappointment.

6. **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.

7. **DIRECTORS' RESPONSIBILITY STATEMENT:**

- i) in the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March, 2008, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected appropriate accounting policies and applied them consistently, and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2008 and of the profit of the company for the said period.
- (iii) proper and sufficient care has been taken 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) the Directors have prepared the accounts for the financial year ended on 31<sup>st</sup> March, 2008 on a "going concern" basis.

8. **AUDIT COMMITTEE:** As per requirement for compliance of Companies Act 1956, u/s.292A, the company has constituted Audit Committee comprising of all the three directors viz. Shri K.C.Sethi, Miss Sharmishta Jadhav and Shri D.N.Jha.

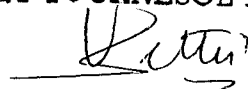
9. **AUDITORS' REPORT:**

The Auditors' Report referred certain points which are clarified as under:

- (a) The claim filed against the company of ex-directors u/s. 138 has been dismissed in the Solapur Court.

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**For ARIHANT TOURNESOL LTD**



**DIRECTOR**

- (b) The company has made lot of efforts to appoint a Company Secretary and is hopeful of appointing one very soon. However, the company has full-fledged secretarial department to handle all the matters on regular basis and it also seeks professional advises from time to time from practicing Company Secretary.

10. **AUDITORS:**

The company's Auditors, M/s. R.B. Pandya & Co., Chartered Accounts are eligible for re-appointment.

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

There has been no foreign exchange earnings or outgo. There has been no technology absorption in the current year. The energy consumption has been rationalised and economised.

12. **INDUSTRIAL RELATIONS:**

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

13. **ACKNOWLEDGEMENT:**

Yours Directors would also like to place on record their appreciation to the Banks, Institutions, Staff and Shareholders for their co-operation in the operation of the company.

**For and on behalf of the Board of Directors**

*D.N.Jha*  
D.N.Jha  
Director.

Place: Mumbai

Date : 1.9.2008

**CERTIFIED TRUE COPY**

For ARHANT FURNESOL LTD

*K. Srinivas*  
DIRECTOR

R.B. Pandya & Co.,  
Chartered Accountants

308, Venkatesh Chambers,  
Ghanshyam Talwatkar Marg,  
Fort, Mumbai - 400 001.  
Phone : 2207 0840 / 2207 6799

## AUDITOR'S REPORT

To,  
The Members of,  
Arihant Tournesol Limited

1. We have audited the attached Balance Sheet of Arihant Tournesol Limited as at 31<sup>st</sup> March, 2008 Profit and Loss Account and Cash flow Statement of the Company for the year ended on that date annexed thereto. The 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.
2. We conducted our audit in accordance with 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report)(Amendment) Order 2004, hereinafter the "Order", issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that :
  - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for purpose of our Audit ;
  - ii. In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books ;
  - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by the report are in agreement with the Books of Accounts ;
  - iv. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ;
  - v. On the basis of written representations received from directors and taken on record by the board of directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with and subject to the following :
    1. Non provision in the accounts for an amount of Rs.33.13 Lacs (Previous Year Rs.33.13 lacs) on account of claims filed against the company, not acknowledged as debts, the matter being under dispute (Refer Notes On Accounts Point No.8).
    2. The company doesn't have a whole time company secretary as required by Section 383A of the Companies Act, 1956.

V. K. P. Pandya  
DIRECTOR



R.B. Pandya & Co.,  
Chartered Accountants

308, Venkatesh Chambers,  
Ghanshyam Talwatkar Marg,  
Fort, Mumbai - 400 001.  
Phone : 2207 0840 / 2207 6799

### AUDITOR'S REPORT

3. Refer Notes on Accounts Point No.4 regarding non-confirmation of balances .

And other notes thereon give the information as 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 ;

- in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2008 and
- in the case of Profit and Loss Account, of the Loss for the year ended on that date.
- In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For R. B. Pandya & Co.,  
Chartered Accountants

*R. B. Pandya*

Rajesh B. Pandya  
Proprietor



Place : Mumbai

Date : 1<sup>st</sup> September, 2008

**CERTIFIED TRUE COPY**

For ARJHANT TOURNESOL LTD

*[Signature]*

DIRECTOR