

**26<sup>th</sup>**

**ANNUAL REPORT  
2006-2007**



**Arshhiya Technologies International Limited**  
*(formerly Known as IID Forgings Limited)*

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## Arshhiya Technologies International Limited (Formerly known as IID Forgings Limited)

### CORPORATE INFORMATION

#### Board of Directors

Mr. Ajay S Mittal	: Managing Director
Mrs. Archana A Mittal	: Whole Time Director
Mr. Richard Bolte Jr.	: Director
Mr. Francis X Bolte	: Director
Mr. James Beltran	: Independent Director
Mr. Rishabh Shah	: Independent Director
Mr. Ashish Bairagra	: Independent Director
Prof. G. Raghuram	: Independent Director

#### Corporate Management

Mr. V. Shivkumar	: Director – Corporate Affairs & Secretary and Chief Compliance Officer
Mr. Sandesh Chonkar	: Chief Financial Officer

#### Global Advisory Board

Dr. Frank Jurgen Richter	Member
Dr. Yoram (Jerry) Wind	Member
Mr. William P. Adamopoulos	Member

#### Registered & Corporate Office:

7<sup>TH</sup> Floor, Twin Arcade, C-Wing, Military Road,  
Marol Maroshi, Adheri (E), Mumbai - 400 059  
Tel: 29203395/3417, Fax: 29203438

#### Bankers

UTI Bank Limited, Lokhandwala Complex, Andheri W, Mumbai  
HDFC Bank Limited, Ahura Center, Andheri East, Mumbai

#### Committees of Directors

##### Audit Committee

Mr. Ashish Bairagra	: Chairman
Mr. Ajay S Mittal	: Member
Mr. Rishabh Shah	: Member

##### Share Transfer Committee

Mr. Ajay S Mittal	: Member
Mr. Ashish Bairagra	: Member
Mr. Rishabh Shah	: Member

#### Investor Relations / Grievance Committee

Mr. Ajay S Mittal	: Member
Mr. Ashish Bairagra	: Member
Mr. Rishabh Shah	: Member

**Remuneration Committee**

Mr. Ashish Bairagra	:	Member
Mr. Rishabh Shah	:	Member
Mr. Francis X Bolte	:	Member

**Investment Committee**

Mr. Ajay S Mittal	:	Member
Mr. Rishabh Shah	:	Member
Mr. Ashish Bairagra	:	Member

**Allotment Committee**

Mr. Rishabh Shah	:	Chairman
Mr. Ajay S Mittal	:	Member
Mrs. Archana A Mittal	:	Member

**Auditors**

RSM & Co. Chartered Accountants,  
Ambit RSM House, 449, Senapati Bapat Marg,  
Lower Parel, Mumbai - 400013

**Share Transfer Agent**

Bigshare Services Pvt. Ltd  
E/2, Ansa Industrial Estate, Saki Vihar Road, Mumbai – 400072  
Email: [bss@bigshareonline.com](mailto:bss@bigshareonline.com), Tel: 2847 3737/ 0652,  
Fax: 28475207

**Divisions**

BDP India
Cyberlog Technologies India

**Subsidiaries**

Arshhiya Hong Kong Ltd & its Subsidiaries viz. BDP (Dubai) LLC, BDP (Qatar) WLL , Arshhiya Logistics LLC, Oman
Cyberlog Technologies International Pte. Ltd, Singapore & its Subsidiaries viz. Cyberlog Technologies (U.A.E.) FZE & Cyberlog Technologies Inc. USA
BDP Genco (India) Pvt Ltd

**NOTICE**

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of ARSHHIYA TECHNOLOGIES INTERNATIONAL LIMITED (formerly known as IID Forgings Limited) will be held at AIPMA House, A-52, Street No. 1, M.I.D.C., Marol Andheri (East) Mumbai – 400 093 on Monday the 10th September, 2007 at 10 a.m to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2007, the Profit & Loss Account for the year ended on that date together with the Report of Directors and Auditors thereon.
2. To declare a Dividend on equity Shares for the financial year ended 31<sup>st</sup> March, 2007.
3. To appoint a Director in place of Mr. Ashish Bairagra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rishab Shah, who retires by rotation and being eligible, offers himself for re-appointment.

**Special Business:**

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

**Appointment of Auditors:**

RESOLVED THAT, Price Waterhouse, Chartered Accountants, Mumbai, be appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting at a remuneration to be fixed by the Board of Directors, until the conclusion of next Annual General Meeting in place of RSM & Co, the retiring Auditors, who had not offered for reappointment.

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

**Appointment of Director:**

“RESOLVED THAT Prof G.Raghuram, a Director who was appointed as an Additional Director in the meeting held on 24<sup>th</sup> February 2007 and who holds office as such up to the date of this Annual General Meeting of the company, in terms of Section 260 of the Companies Act 1956( “the Act”) and in respect of whom the company has received a notice from a member under Section 257 of the Act, proposing his candidature for the office of Director of the company, be and is hereby appointed as Director of the Company subject to retirement by rotation”

7. To consider and if thought fit, to pass with or without modification(s), the following Resolutions as a Special Resolutions:

**Increase in Remuneration of Managing Director :**

“RESOLVED THAT in pursuant to the provisions of Section 198, 269, 309, 311, 314 and any other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule XIII thereto, approval of the company

be and is hereby accorded for the increase in remuneration of Mr. Ajay S Mittal, Managing Director of the company, for the remaining tenure, effective from 1<sup>st</sup> April, 2007 as set out below:

(1)	Salary	:	Rs 3,50,000/- (Rupees Three Lakhs fifty thousand per month)
(2)	Perquisites		
	a) Contribution to Provident Fund	:	@12% on Salary
	b) Gratuity	:	15 days salary for every completed year of service.
	c) Car	:	Company Car for official use.
	d) Telephone/Fax/Computer	:	Provision for use of telephone /facsimile/computer at the residence.
	e) Contribution to Provident Fund & Family Pension Fund	:	As per Company's rules applicable to Senior Executives of the Company @ 12% on basic salary
	f) Gratuity	:	As per rules of the Company subject to maximum 15 days salary for every completed year of service

The aggregate of the salary and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309, 310 and all other provisions of the Companies Act, 1956 read with Schedule XIII to the said Act or any other statutory modification or reenactment thereof.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year, the aforesaid remuneration be paid to Mr. Ajay S Mittal, Managing Director as the minimum remuneration".

8. To consider and if thought fit, to pass with or without modification(s), the following Resolutions as a Special Resolution:

#### **Increase in Remuneration of Whole Time Director:**

"RESOLVED THAT in pursuant to the provisions of Section 198, 269, 309, 311, 314 and any other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule XIII thereto, approval of the company be and is hereby accorded for the increase in remuneration of Mr. Archana A. Mittal, Whole Time Director of the company, for the remaining tenure, effective from 1<sup>st</sup> April, 2007 as set out below:

(1)	Salary	:	Rs 3,50,000/- (Rupees Three Lakhs fifty thousand per month)
(2)	Perquisites		
	a) Contribution to Provident Fund	:	@12% on Salary
	b) Gratuity	:	15 days salary for every completed year of service.
	c) Car	:	Company Car for official use.
	d) Telephone/Fax/Computer	:	Provision for use of telephone /facsimile/computer at the residence.
	e) Contribution to Provident Fund & Family Pension Fund	:	As per Company's rules applicable to Senior Executives of the Company @ 12% on basic salary
	f) Gratuity	:	As per rules of the Company subject to maximum 15 days salary for every completed year of service

The aggregate of the salary and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309, 310, 311, 314 and all other provisions of the

Companies Act, 1956 read with Schedule XIII to the said Act or any other statutory modification or re-enactment thereof

RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year, the aforesaid remuneration be paid to Mrs. Archana A Mittal, Whole Time Director as the minimum remuneration”.

9.To consider and if thought fit, to pass with or without modification(s), the following Resolutions as a Special Resolution:

**Change of name:**

RESOLVED THAT pursuant to Section 21 of the Companies Act 1956 and subject to the approval of Central Government, the name of the Company be changed from “ARSHHIYA TECHNOLOGIES INTERNATIONAL LIMITED” to “ARSHIYA INTERNATIONAL LIMITED” and consequently the name of Arshhiya Technologies International Ltd, wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the new name –“**ARSHIYA INTERNATIONAL LIMITED**”.

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

**Sub – Division of Shares :**

RESOLVED THAT each of the equity shares of the face value of Rs.10/-each in the capital of the company fully paid up, be divided into one equity share of Rs.2/- each fully paid up.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to call back the existing share certificates which are in physical format from the share holders and issue in cancellation thereof, new share certificates in the aforesaid proportion subject to the rules as laid down in the Companies (Issue of Share Certificate) Rules 1960 and the Articles of Association of the Company”.

RESOLVED FURTHER THAT the Board of Directors of the company be authorized to initiate necessary Corporate Action with the Depositories for giving effect to the sub-division of the Nominal value of the equity shares.

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

**Increase in Borrowing Powers:**

RESOLVED THAT the Board of Directors of the Company be and is hereby authorized, pursuant to the provisions of Section 293(1)(d) of the Companies Act 1956, to borrow money, from time to time, at its discretion either from the company's bank or any other bank, financial institutions or any other lending Institutions, bodies corporate on such terms and conditions as may be considered suitable by the Board of Directors up to a limit not exceeding in aggregate Rs.1000 crores (Rupees One thousand crores only) notwithstanding that the money to be borrowed together with the moneys already borrowed by the Company(apart from temporary loans obtained from the company's bankers in the ordinary course of business), will exceed the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, reserves not set apart for any specific purpose.”





12.To consider and if thought fit, to pass with or without modification(s),the following Resolution as a Special Resolution:

**Inter corporate Investments:**

RESOLVED THAT pursuant to the provisions of Section 372 A and any other applicable provisions of the Companies Act 1956,or of any other law for the time being in force, the Board of Directors of the Company be and is hereby authorized to make investments in excess of 60% of the paid up share capital and free reserves of the company or 100% of the free reserves of the company whichever is more prescribed under section 372A in shares, warrants convertible into shares of other bodies corporate as they may, in their absolute discretion deem beneficial and in the interest of the company, up to an aggregate of Rs.50 crore".

13.To consider and if thought fit, to pass with or without modification(s),the following Resolution as a Special Resolution:

**Alteration of Capital Clause of the Memorandum of Association:**

RESOLVED that pursuant to Section 16 and other applicable provisions of the Companies Act, 1956 (the "Act"), Clause V of the Company's Memorandum of Association be and is hereby altered by substituting Clause V to read as under:

Clause V

"The Authorised Share Capital of the Company is Rs.10,00,00,000 (Rupees Ten Crores Only) divided into 5,00,00,000 (Five Crore) equity shares of Rs.2/- (Rupees Two Only) each with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital of the Company and to divide the shares in capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act, or provided by the Articles of Association of the Company for the time being."

14.To consider and if thought fit, to pass with or without modification(s),the following Resolution as a Special Resolution:

**Alteration of Articles of Association:**

RESOLVED that pursuant to the Section 31 of the Act, the Article 3 of the Articles of Association of the Company be and is hereby altered by substituting Article 3 to read as under:

Article-3

"The Authorised Share Capital of the Company is Rs.10,00,00,000 (Rupees Ten Crores Only) divided into 5,00,00,000 (Five Crore) equity shares of Rs.2/- (Rupees Two Only). The Company shall have the power to increase, consolidate, subdivide, realise or otherwise alter its share capital subject to the provisions of the Act."

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and it is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or question as in its





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absolute discretion, it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution.

Place: Mumbai

By order of the Board of Directors

Dated : 27.07.2007

V.Shivkumar  
Director Corporate Affairs & Secretary

### NOTES:

1. The information as required to be provided under the Listing Agreements entered into by the Company with Stock Exchanges regarding the Directors who are proposed to be appointed/re-appointed and the Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to the Special Business to be transacted at this Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.
3. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.
4. Members/ proxies should bring duly – filled Attendance Slips sent herewith to attend the meeting.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
6. The Register of Directors Shareholding, maintained under Section 307 of the Companies Act 1956, will be available for inspection by the members at the AGM.
7. The Register of Contracts, maintained under Section 301 of the Companies Act 1956 will be available for inspection by the members at the registered office of the company.
8. The Register of Members and Share Transfer Books will remain closed from Monday 3<sup>rd</sup> September 2007 to Monday 10<sup>th</sup> September 2007 (both days inclusive).
9. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of bank account details to their respective Depository Participants.
10. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to Company's Registrars at Bigshare Services Pvt Ltd, E/2 Ansa Industrial Estate, Saki-Vihar Road, Mumbai-400 072.
11. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to write to the Company's Registrars for the prescribed form.

### EXPLANATORY STATEMENT

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

**Item 5**

The retiring Auditors of the company viz. RSM & Co, Chartered Accountants, Mumbai, have expressed their inability to continue office from the conclusion of the ensuing Annual General Meeting.

The company has received a consent letter from Price Waterhouse, Chartered Accountants, Mumbai to act as Auditors of the company. Price Waterhouse, Mumbai also confirmed, that their appointment if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act 1956.

None of the Directors of the company is interested or concerned in the resolution.

A copy of the said letter received from Price Waterhouse, Chartered Accountants, Mumbai and the confirmation u/s 224 (1B) of the Companies Act 1956 are open for inspection of the members on any working day between 11 am and 4 pm and on Saturdays between 11 am and 1 pm.

The Board recommends the resolution set forth in item No.5 for the approval of the members.

**Item 6**

The Board of Directors of the Company at its meeting held on February 24, 2007 appointed, pursuant to the provisions of Section 260 of the Companies Act 1956 and Article 110 of the Articles of Association of the Company, Prof. G. Raghuram as an Additional Director of the Company.

In terms of the provisions of Section 260 of the Companies Act 1956, read with Article 110 of the Articles of Association of the Company .Prof G. Raghuram holds the office of the Director up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing from a member along with a deposit of Rs.500/- proposing the candidature of Prof. G. Raghuram for the office of the Director under the provisions of Section 257 of the Companies Act 1956.

Prof. G. Raghuram is not disqualified from being appointed as Director in terms of Section 274 (1)(g) of the Companies Act 1956 and has complied with the requirements of obtaining Directors Identification Number in terms of 266A of the said Act.

None of the Directors of the company other than Prof G. Raghuram is interested or concerned in the resolution.

The Board recommends the resolution set forth in item No.6 for the approval of the members.

**Item.7 & Item.8**

Mr .Ajay S Mittal, Managing Director and Mrs. Archana A Mittal, Whole Time Director were appointed effective from 19<sup>th</sup> April, 2006 for a period of 3 years with a remuneration package of Rs.2 lacs + applicable Perks per month effective from 19<sup>th</sup> April, 2006, as per Schedule XIII of the Companies Act 1956. Their appointment as Managing Director and Whole Time Director and fixation of Remuneration was based on their educational back ground, experience in the industry and their capability to conduct respective area of responsibility assigned by the Board.

Both of them have been involved in a pivotal role in re engineering of the business with focus on Logistics and Supply Chain Management activities.