



Arvind

Sleeping is Sheer Bliss

Report  Junction.com

Arvind International Limited

16th Annual Report & Accounts 2006-2007

CONTENTS

1.	Notice	01
2.	Directors' Report	05
3.	Annexure to the Directors' Report	10
4.	Report on Corporate Governance	12
5.	Management Discussion and Analysis	21
6.	Auditors' Certificate on compliance of Corporate Governance Code	24
7.	Auditors' Report	25
8.	Annexure to the Auditors' Report	27
9.	Balance Sheet as on 31st March 2007	30
10.	Profit & Loss Account for the year ended 31st March 2007	31
11.	Cash Flow Statement	32
12.	Schedules to Balance Sheet and Profit & Loss Account	34
13.	Notes to Accounts	39
14.	Balance Sheet Abstract and Company's General Business Profile	46



Arvind

ARVIND INTERNATIONAL LTD.

Sleeping is Sheer Bliss

BOARD OF DIRECTORS :

- | | |
|-------------------------------|---------------------------|
| 1. Mr. Arvind Bajoria | Managing Director |
| 2. Mr. Rajiv Chamaria | Director |
| 3. Mr. Suvabrata Ganguly | Director |
| 4. Mr. Dinesh Chandra Bajoria | Chairman (Since Resigned) |
| 5. Mr. Saurabh Poddar | Director (Since Resigned) |
| 6. Mrs. Anupama Bajoria | Add. Director |
| 7. Mr. Sushil Kumar Poddar | Add. Director |

BANKERS :

State Bank of India
Bank of Baroda

Report  Junction.com

STATUTORY AUDITORS :

M/s. N.C. Banerjee & Company
2, Ganesh Chandra Avenue
Kolkata - 700013, West Bengal

COMPANY SECERATARY :

Miss Ruchi Maini

REGISTERED OFFICE :

15, Ganesh Chandra Avenue
2nd Floor, Kolkata – 700013, West Bengal
Phone : 91-33-22368504, 9133-32573873
Fax :91-33-22118014



Arvind

ARVIND INTERNATIONAL LTD.

Sleeping is Sheer Bliss

ADMINISTRATIVE OFFICE :

131 – 134 Vrindavan Vihar,
DCM, Ajmer Road
Jaipur – 302019, Rajasthan
Phone : 91-141-3267846

WORKS :

Unit I : E-95-96 & G-76-78, RIICO Industrial Area
Bagru Extension, Bagru,
Jaipur-303007, Rajasthan
Phone : 91-141-3247460

Unit II : E225 RIICO industrial Area
Bagru Extension, Bagru,
Jaipur-303007, Rajasthan
Phone : 91-141-3267845

REGISTRAR & SHARE TRANSFER AGENT :

Niche Technology Private Limited
D-511, Bagree Market, 5th Floor,
71, BRB Basu Road, Kolkata -700001
Phone : 91-33-22357270/7271
Fax : 91-33-2215-6823



Arvind

Sleeping is Sheer Bliss

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Members of **ARVIND INTERNATIONAL LIMITED** will be held at Gyan Munch, 11 Pretoria Street, Kolkata : 700071 on Friday, 28th Day of September, 2007 at 10.00 A.M. to transact the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2007 and the Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditor thereon.
2. To appoint a Director in place of Shri Suvabrata Ganguly who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

II. SPECIAL BUSINESS BY ORDINARY RESOLUTION:

4. To Consider and if thought fit, to pass with or without modification(s) if any, the following Ordinary Resolution:

"RESOLVED THAT Shri Sushil Kumar Poddar be and is hereby elected and appointed as Director of the Company, whose period in office shall be subject to retirement by rotation".

5. To Consider and if thought fit, to pass with or without modification(s) if any, the following Ordinary Resolution:

"RESOLVED THAT Smt. Anupama Bajoria be and is hereby elected and appointed as Director of the Company, whose period in office shall be subject to retirement by rotation".

By Order of the Board

Arvind Bajoria

Chairman of the Meeting

Registered Office:

15, Ganesh Chandra Avenue,
Kolkata-700013

Dated : 29th day of August, 2007



Arvind

Sleeping is Sheer Bliss

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of the Members and Share Transfer book of the Company will remain closed from 22nd September, 2007 to 28th September, 2007 (both days inclusive).
3. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is annexed.
4. Members are requested to kindly notify any change in their mailing addresses immediately to the Company's Share Transfer Agents.
5. Members, who are holding shares in identical order of names in more than one account, are requested to intimate to the Company, the ledger folio of such accounts together with the Share Certificate(s) to enable the Company to consolidate all holdings into one account. The Share Certificates will be returned to the members after making the necessary endorsements in due course.
6. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
7. Members are requested to kindly bring their copies of the Report and Accounts to the meeting.
8. Pursuant to the Provisions u/s 205C of the Companies Act, 1956 as amended, Dividends for the Financial Year ending 31.03.1999 and thereafter, which remains unpaid/unclaimed for a period of 7 years will be transferable to the "Investors Education and Protection Fund" (IEPF) and that once the unclaimed dividend is so transferred to IEPF, no claim shall be entertained in respect of such dividend.

Members who have not en-cashed the Dividend Warrant, if any, so far for the Financial Year ending 31.03.2000 or any subsequent year/years, are requested to make their claims to the Registered Office of the Company.



Arvind

Sleeping is Sheer Bliss

9. Details of Director seeking appointment/reappointment in the Forthcoming AGM pursuant to clause 49 of the Listing Agreement.:

Name of Director	Shri Suvabrata Ganguly
Date of Birth	10/11/1966
Date of Appointment	28/09/2005
Qualification	B.Com
Expertise in Specific Functional Area	Business with wide experience
Directorship in Other Public Limited Companies	Paragon Finance Limited
Membership Committees in other Public Limited Companies	NIL

Name of Director	Shri Sushil Kumar Poddar
Date of Birth	01/01/1947
Date of Appointment	31/10/2006
Qualification	B.Com
Expertise in Specific Functional Area	Business with wide experience
Directorship in Other Public Limited Companies	NIL
Membership Committees in other Public Limited Companies	NIL

Name of Director	Smt. Anupama Bajoria
Date of Birth	30/05/1967
Date of Appointment	31/10/2006
Qualification	B.A
Expertise in Specific Functional Area	Business with wide experience
Directorship in Other Public Limited Companies	Nil
Membership Committees in other Public Limited Companies	NIL

10. EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5.

Shri Sushil Kumar Poddar was appointed as Additional Director during the year and his term in office expires at the forthcoming Annual General Meeting. The Company has received notice u/s 257 from a member of the Company indicating his intention to propose resolution for appointment of Shri Sushil Kumar Poddar as Director in the forthcoming AGM.

**Arvind***Sleeping is Sheer Bliss*

Shri Sushil Kumar Poddar has wide knowledge and vast experience in the field of Marketing and Administration and his inclusion in the Board will enable the company to use his valuable guidance and support in the day to day management of the company. Therefore, in the interest of the company your Directors recommend the appointment of Shri Sushil Kumar Poddar.

Other than Shri Sushil Kumar Poddar, none of the Directors is interested in the resolution.

Item No. 6.

Smt. Anupama Bajoria was appointed as Additional Director during the year and her term in office expires at the forthcoming Annual General Meeting. The Company has received notice u/s 257 from a member of the Company indicating his intention to propose resolution for appointment of Smt. Anupama Bajoria as Director in the forthcoming AGM.

Smt. Anupama Bajoria has wide knowledge and vast experience in the field of Administration and her inclusion in the Board will enable the company to use her valuable guidance and support in the day to day management of the company. Therefore, in the interest of the company your Directors recommend the appointment of Smt. Anupama Bajoria.

Other than Smt Anupama Bajoria and Shri Arvind Bajoria, Managing Director of the Company being relative, none of the Directors of the Company are concern or interested in the resolution.



Arvind

Sleeping is Sheer Bliss

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 16th Annual Report together with the Audited Financial Results of the Company for the year ended 31st March, 2007

1. FINANCIAL HIGHLIGHTS :

	(Rs. in Thousand)	
	Year Ended 31.03.2007	Year Ended 31.03.2006
Turnover	141038	130828
Income / (Loss) from Operations	(1174)	(30123)
Less: Interest	15251	12488
Less: Depreciation	4282	4114
Net Profit/ (Loss) (before Tax)	(20707)	(46725)
Less: Provision for Tax (Incl FBT)	86	237
Profit/ (Loss) before Deferred Tax Liability	(20793)	(46962)
Less: Deferred Tax Assets/ (Liability)	178	(6651)
Add: Income tax Provision for Earlier Years Written Back	NIL	722
Profit/ (Loss) after Tax	(20615)	(52891)
Prior Period Adjustments	22417	(563)
Profit After Extraordinary Items	1802	53454
Balance Carried Forward	(25856)	(27657)

2. PERFORMANCE :

The Market Conditions recorded substantial Improvement as compared to last year and the raw material prices have also been stabilized. But due to carried forward loss from last year and shortage of funds, the company could not take full advantage of the favorable situation.

Now the Company accounts have been restructured by its banker and your directors are optimistic to achieve better results through better performance in production & marketing. A detailed analysis is available in the Management Discussion Analysis Report.

**Arvind***Sleeping is Sheer Bliss*

3. INDUSTRY STRUCTURE & DEVELOPMENTS :

The products of the Company constitute Polyurethane Foam which is extensively used in the Transport, Automobile, Packaging, Electronics, Garments, Leather, Shoes and Furniture Industries. With the increase in Industrial Activities in the country, the demand for Polyurethane Foam is increasing which will result in better price realisation for final products and better production.

4. MARKETING & PROSPECTS :

Proximity of the company's manufacturing units to the most potential market in the northern part of the country has greatly helped the company to effectively compete with other established producers in the country.

The company has now focussed its attention to the fast growing segment of export items manufacturer with higher volumes and better margin prospects. The company has also installed some modern equipment to produce value-added products like Fire retardant Foam, Peeled Foam and Spring Mattress, which will also change the customer's profile. These products are bringing the desired volume and it is expected to grow.

5. RISK & CONCERN :

The products of the company being raw material intensive which constitutes about 80% of its cost of production, the profitability of the company depends mostly on the movement of the prices and availability of the raw materials. The development of Petrochemical Industries in the country will not only reduce the cost of raw materials but it would also reduce dependence on foreign sources for raw materials of the industry.

6. DIVIDEND :

In view of the low profit earned during the year by the Company, your Directors regret their inability to recommend any dividend for the current year.

7. CORPORATE GOVERNANCE :

A Report on Corporate Governance as required under clause 49 of the Listing Agreement is annexed hereto and marked as Annexure 'I'.