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**Arvind International Limited**  
18th Annual Report & Accounts 2008-2009

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**Arvind International Limited**

**BOARD OF DIRECTORS:**

1. Mr. ARVIND BAJORIA
2. Mrs. ANUPAMA BAJORIA
3. Mr. RAJIV CHAMARIA
4. Mr. SUVOBRATA GANGULY
5. Mr. SUSHIL KUMAR PODDAR

Managing Director  
Director  
Director  
Director  
Director

**BANKERS:**

State Bank of India  
Bank of Baroda

**STATUTORY AUDITORS:**

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

**COMPANY SECRETARY:**

Miss Neha Chaudhry

**REGISTERD OFFICE:**

15, Ganesh Chandra Avenue,  
2<sup>nd</sup> Floor, Kolkata 700013, West Bengal  
Phone : 91-33-4003 7342, 91- 33- 3257 3873  
Fax : 91 33 2211 8014

**ADMINISRATIVE OFFICE:**

131-134, Vrindavan Vihar,  
D.C.M. Ajmer Road  
Jaipur 302019, Rajasthan  
Phone: 91-141-326 7846

**WORKS:**

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

**Unit II:** E-225, RIICO Industrial Area  
Bagru Extension, Bagru  
Jaipur 303007, Rajasthan  
Phone: 91-141-3267845

**REGISTRAR & SHARE  
TRANSFER AGENT :**

**NICHE TECHNOLOGY PVT. LTD.**

D-511, Bagree Market, 5<sup>th</sup> Floor  
71, BRB Basu Road, Kolkata 700001  
Phone : 91 33 22357270 / 7271  
Fax : 91 33 2215 6823  
EMAIL: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)



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## NOTICE

**NOTICE** is hereby given that the Eighteenth Annual General Meeting of the members of **ARVIND INTERNATIONAL LIMITED** will be held at Jhajharia Committee Room, 15B, Hemanta Basu Sarani, 2<sup>nd</sup> Floor, Kolkata - 700001, on Tuesday, 29<sup>th</sup> Day of September, 2009 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 31<sup>st</sup> March, 2009 and the Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sushil Kumar Poddar, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

### II. SPECIAL BUSINESS:

4. To consider and to pass with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of the Securities & Exchange Board of India (De-listing of securities) Guidelines 2003 or such other SEBI Guidelines on de-listing of securities as may be made applicable from time to time, and such other applicable rules, regulation, guidelines, etc. the consent of the Company be and is hereby given for voluntary de-listing of all the equity Shares of the company as listed with the Calcutta Stock Exchange Association Limited.”

“RESOLVED FURTHER THAT the Directors or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to execute all documents and writings as may be deemed necessary, proper or expedient for the purpose of giving effect to this resolution.”

Registered Office:  
15, Ganesh Chandra Avenue,  
Kolkata-700013

**Dated: 30<sup>th</sup> May, 2009**

By Order of the Board

**ARVIND BAJORIA**  
Managing Director

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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 Members and the Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September 2009 to Tuesday, 29<sup>th</sup> September 2009 (both days inclusive).
3. An explanatory statement under 173(2) of the Companies Act, 1956 is enclosed here to.
4. Members are requested to kindly notify any change in their mailing addresses immediately to the Share Transfer Agents of the Company.
5. Members, who are holding shares in identical order of names in more than one account, are requested to intimate 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 ten 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 Attendance slips to the meeting.
8. Any change of address of the members may please be notified to the registrars and share Transfer Agents of the Company quoting their registered folio.
9. Pursuant to clause 49 of the Listing Agreement, Details of Director seeking appointment/reappointment in the Forthcoming AGM:



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Name of the Director	Mr. Sushil Kumar Poddar
Date of Birth	01/01/1947
Date of appointment	31/10/2006
Qualifications	B.Com
Expertise in specific functional areas	Business with wide managerial exposure
Directorship in other Public Limited Companies	Nil
Chairmanship/Membership of Committees in other Public Limited Companies	Nil

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

### ITEM No. 4

Presently the equity shares of the Company are listed at Bombay Stock Exchange Limited (BSE) and the Calcutta Stock Exchange Association Limited (CSE).

With the extensive network of BSE, the investors have access to online dealings in the equity shares of the Company across the nation. The shares of the Company also have sufficient liquidity at BSE.

In comparison to this, the shares of the Company have not been traded at CSE for a long time. Beside, the listing at CSE also entails financial and administrative cost to the Company with no benefit to the company or investing community.

In the above context, the Company proposes the special resolution for voluntary de-listing of the shares of the Company from CSE pursuant to the SEBI Guidelines for voluntary de-listing and seeks your consent on the proposed special resolution.

The equity shares of the Company will continue to be listed at BSE.

Your Directors recommend the resolution for your approval.

None of the Directors are concerned or interested in this resolution.



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## DIRECTOR'S REPORT

To,  
The Members

Your Directors have great pleasure in presenting the Eighteenth Annual Report on the business and operations of your Company, together with the Audited Financial Statements for the year March 31, 2009.

### FINANCIAL PERFORMANCE

The performance of the Company, on standalone basis, for the financial year ended March 31, 2009 is summarized as below:

#### Particulars

(Rs. In Thousand)

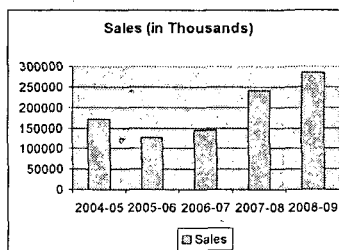
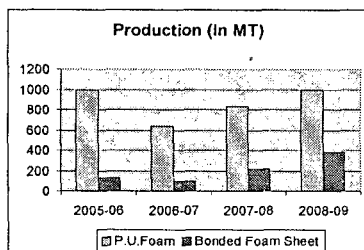
Year Ended

31.03.2009

31.03.2008

Turnover/ Income from Operations	249054	243004
Other Income	15989	537
Total Income	265043	243541
Less: Expenditure	245512	21486
Less: Depreciation	3815	4379
Less: Interest	13557	14860
Profit/ (Loss) Before Tax	2159	2816
Less: Provision for Tax (Incl. FBT)	116	71
Profit/ (Loss) before Deferred Tax Adjustments	2043	2745
(Add)/Less: Deferred Tax	(3443)	299
Profit/ (Loss) After Taxation	5486	2446
Prior Period Adjustments	(197)	0
Extraordinary Items	(3985)	(2250)
Profit/ (Loss) after Extraordinary Items	1304	196
Profit/ (Loss) brought forward from previous year	(25660)	(25856)
Balance Carried over to Balance Sheet	(24356)	(25660)

During the period under review your company has made reasonable growth in terms of production and sales (as figured below).





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The financial year under review has resulted into recovery of previous year losses which has been possible due to better product mix, focused marketing efforts and strategical thinking of the management.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report and the same forms a part of this Directors' Report.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

The products of the Company constitute Polyurethane Foam which is extensively used in the Mattresses, 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 realization for final products and better production.

## MARKETING AND 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 compete effectively with other established producers of the country.

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

## RISK & CONCERN

The products of the company being raw material intensive which constitutes a major portion 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 various other 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.

## DIVIDEND

The Board of Directors do not recommend any dividend for the year under review.

## PUBLIC DEPOSITS

The Company has not accepted any Deposit within the meaning of Section 58A of the Companies Act, 1956.

## DIRECTORS

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association of the Company Mr. Sushil Kumar Poddar retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The brief profile of the Director being re-appointed at the ensuing Annual General Meeting forms part of notice of the ensuing Annual General Meeting.

## DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 217(2AA) read with section 292A of the Companies Act, 1956, we the Directors of Arvind International Limited, state in respect of financial year 2008-09 that:



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- i) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared annual accounts on a going concern basis.

#### AUDITORS

M/s. N.C. Banerjee & Co., Chartered Accountants, Kolkata, retiring Auditors at the ensuing Annual General Meeting, expressed their willingness to continue as Auditors.

The Board recommends their Re-appointment.

#### AUDITORS' REPORT

The Notes to the Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further clarifications under section 217(3) of the Companies Act, 1956.

#### PARTICULARS OF CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNING AND OUTGO

The information related to conservation of energy, as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is annexed and forms part of this report.

#### PARTICULARS OF EMPLOYEES

Disclosure about particulars of employees in relation to sub section (2A) of section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and forming part of Director's report for the year ended March 31, 2009 is not applicable as there was no employee drawing remuneration in excess of prescribed limits.

#### CASH FLOW STATEMENT

As required under Clause 32 of the Listing Agreement with the Stock Exchanges in India, a Cash Flow Statement, as prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) issued by the Institute of Chartered Accountant of India, is given along with Balance Sheet and Profit and Loss Account.

#### LISTING

The Securities of your Company are listed at Bombay Stock Exchange Limited and the Calcutta Stock Exchange Association Limited. The Company has paid the Annual Listing Fees to these Stock Exchanges up to date and has been generally regular in complying with the provisions of the Listing Agreements.

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The Company has proposed to get the shares of the Company, delisted from the Calcutta Stock Exchange Association Limited. Various formalities as are required by the Calcutta Stock Exchange Association Limited, in this regard, will have to be complied with, keeping in view the guidelines prescribed by SEBI. However, the Application for delisting of shares with Ahmedabad Stock Exchange is still pending.

#### **INFORMATION TECHNOLOGY**

Your Company believes that Information Technology is the backbone of any industry in today's environment. The Company has taken it as a tool to improve productivity, efficiency and reliability. As such, a Customized ERP Module has already been developed & substantially implemented at manufacturing facilities and branches of the Company. The full efforts of which will be viable for coming years.

#### **CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE**

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report forms a part of this Annual Report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard.

A Certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

#### **INDUSTRIAL RELATIONS**

Relations with the Employees remain cordial and your Directors wish to place on record their appreciation of the co-operation and contribution made by the employees at all levels.

#### **ACKNOWLEDGEMENT**

The Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks and Government Authorities.

The Directors are also thankful to the Shareholders for their continued support to the Company.

The Company maintained healthy, cordial and harmonious industrial relations at all level. Despite competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at fore-front of the industry.

The Directors wish to place on record their appreciation for the same and your Company will continue in endeavor to build and nurture strong links with trade, based on mutuality, respect and cooperation with each other and consistent with consumer interests.

For and on Behalf of the Board of Directors

Arvind Bajoria

Managing Director

Place: Kolkata

Dated: 30.05.2009