



# **ASCENT EXIM (INDIA) LTD**

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**11th ANNUAL REPORT**  
**2003 - 2004**

## **ASCENT EXIM (INDIA) LIMITED**

<b>BOARD OF DIRECTORS</b>	:	Obaykumar Poojary Ishwar Chand Jain Purshottam Banspal B. P. Sharma
<b>AUDIT COMMITTEE</b>	:	Obaykumar Poojary B. P. Sharma Ishwar Chand Jain
<b>AUDITORS</b>	:	Sanjay Toshniwal & Associates Chartered Accountants. Mumbai.
<b>BANKERS</b>	:	The Ratnakar Bank Ltd. Central Bank Of India
<b>REGISTERED OFFICE</b>	:	Capco Exports, Jeevan Sahakar Bldg., 3rd Floor, 5, Homji Street, Fort, Mumbai - 400 001.
<b>SHARE TRANSFER AGENT (DEMAT &amp; PHYSICAL)</b>	:	Sharex Dynamic (India) Private Limited 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai - 400 001.

## ASCENT EXIM (INDIA) LIMITED

**NOTICE TO THE MEMBERS**

**NOTICE** is hereby given that the 11th Annual General Meeting of the members of **ASCENT EXIM [ INDIA ] LIMITED** will be held on Monday, April 25, 2005 at 11.30 A. M. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2<sup>nd</sup> Floor, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai 400 001 to transact with or without modification[s], the following businesses :

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended October 31, 2004 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To sanction the declaration and payment of Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Ishwar Chand Jain, who retires from office by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Purushottam Banspal, who retires from office by rotation, and being eligible offers himself for re-appointment.
5. To appoint M/s. N G S & CO., Chartered Accountants as statutory auditors of the Company in place of M/s. Sanjay Toshniwal & Associates, Chartered Accountants and pass the following resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** M/s. N G S & CO, Chartered Accountants be and they are hereby appointed as statutory auditors of the Company to fill the casual vacancy caused by resignation of M/s. Sanjay Toshniwal & Associates, Chartered Accountants and to hold office from conclusion of this meeting until the conclusion of next Annual General Meeting and authorize Board of Directors of the Company to fix their remuneration.

Registered Office:  
Capco Exports,  
Jeevan Sahakar Building, 3<sup>rd</sup> Floor,  
5, Homji Street, Fort, Mumbai - 400 001.  
January 31, 2005.

For & on behalf of the Board  
For Ascent Exim [ India ] Limited

**Director**

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a member of the Company.

The instrument appointing a proxy should however be deposited at the Registered Office of the Company duly completed not less than forty eight hours before the commencement of the meeting.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 19/04/2005 to 25/04/2005 (both days inclusive).
3. The Dividend on Equity Shares as recommended by the Board of Directors of the Company, when sanctioned at the Annual General Meeting of the Company will be paid on or after April 25, 2005 to:
  - I. to those members of the Company whose names stand registered on the Company's Register of Members as on April 19, 2005. OR
  - II]. in respect of shares held in electronic form, to those "deemed members" whose names appear on the statements of beneficial ownership furnished by the National Securities Depository Limited [ NSDL ] and Central Depository Services [ India ] Limited [ CDSL ], at the end of business hours on April 19, 2005.
4. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
5. Members / Proxies are requested to bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
6. The Company has listed its shares on Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023 under Security Code No. 511750. The Company is regular in payment of the Listing Fee to the Exchange.
7.
  - a. In view of Circular issued by the SEBI for appointing common agency for both mode of transfer of shares i.e. Physical as well as Dematerialised, the Company has appointed M/s. SHAREX DYNAMIC [INDIA] PRIVATE LIMITED as Registrar & Transfer Agent of the Company. Members are therefore requested to send their grievances to them for early disposal at the address given below.
  - b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company.

**M/s. SHAREX DYNAMIC [INDIA] PRIVATE LIMITED,**

[ Unit : Ascent Exim [ India ] Limited ] Dena Bank Building, 2<sup>nd</sup> Floor, Horniman Circle, Mumbai - 400 023.

Phones : (022) 2270 2485, Fax : (022) 2264 1349 Email : sharexindia@vsnl.com.

8. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
9. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
10. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP Id numbers for easy identification at the meeting.
11. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in dematerialised form, they must quote their DP ID and client ID Numbers.

ASCENT EXIM (INDIA) LIMITED

**EXPLANATORY STATEMENT U/S. 173 OF THE COMPANIES ACT, 1956**

As per the provisions of section 224(6)(a) of the Companies Act, 1956 where a vacancy in the office of the statutory auditors is caused by resignation, the vacancy shall only be filled by the Company in General Meeting.

As the present auditors M/s. Sanjay Toshniwal & Associates, Chartered Accountants have resigned from the office of the auditors after auditing the accounts of the Company for the year ended October 31, 2004, the Directors of the Company have approached M/s. N G S & CO., Chartered Accountants to be appointed as auditor of the Company who in turn consented to act as auditors of the Company.

A letter of resignation can be inspected at the registered office of the Company on any working day between 11.00 a.m. and 2.00 p. m.

The Board recommends the resolution to be passed.

None of the Directors of the Company are concerned or interested in the Resolution.

Registered Office:

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Jeevan Sahakar Building, 3<sup>rd</sup> Floor,

5, Homji Street, Fort, Mumbai - 400 001.

January 31, 2005.

For & on behalf of the Board  
For Ascent Exim [ India ] Limited

**Director**

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**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have great pleasure in presenting their 11th Annual Report together with the Audited accounts for the year ended October 31, 2004.

**FINANCIAL RESULTS:**

	<b>Year ended 31.10.2004 Rs. In lacs</b>	<b>Year ended 31.10.2003 Rs. In lacs</b>
Gross Total Income	<b>857.63</b>	479.37
Profit before tax	<b>129.04</b>	96.21
Provision for current tax	-	-
Provision for deferred tax	<b>[-] 36.81</b>	29.77
Net Profit	<b>92.23</b>	125.98
Add : Balance brought forward from previous year	<b>[-] 17.13</b>	[-] 150.13
Other Adjustments	<b>[-] 1.28</b>	7.02
Profit available for disposal	<b>73.82</b>	[-] 17.13
Proposed Dividend	<b>45.04</b>	-
Tax on Dividend	<b>5.89</b>	-
Transfer to General Reserves	<b>5.00</b>	-
Balance carried over	<b>17.89</b>	-

**DIVIDEND:**

Encouraged with the sound performance, your Directors recommend payment of dividend for the year ended October 31, 2004 of Rs. 1.50 per share on each Equity share of Rs.10 each.

**OPERATIONS:**

Your Company has achieved a Total Income of Rs. 857.63 lacs as compared to Rs. 479.37 lacs for the previous year recording almost 100% increase. In terms of profitability also, your Company performed well.

Your Company's confectionary fats have been very well accepted in the European Market and now Company is exploring new markets. Confectionery Fats are replacement of cocoa butter, which is used in the chocolates. European Union has allowed 10% usage of vegetable/confectionary fats replacing cocoa butter in manufacture of chocolates due to various technical reasons and moreover cost-advantage.

The confectionary fats are blends of indigenous exotic vegetable fats and palm fats and its fractions. Out of in-house Research & Development for years, your Company has developed market for some categories of confectionary fats for which it is the only exporter from India.

Your Board of Directors is also hopeful that Government of India shall permit usage of confectionery fats in chocolates in India, which could open exponential opportunities for the Company. Your Company is capable to handle multiple volume growth and capacity is not a constraint because of the blending technology owned and developed by the Company.

Your Company has taken efforts to clean up the books of accounts by writing off unrecoverable debts and is also working out ways to acquire assets/plants of manufacturing confectionery fats in near future in view of the encouraging scenario in this industry.

In the years to come, your Company is exploring the new markets for its export. As a result of which the overall business activities and profitability are expected to increase substantially.

## ASCENT EXIM (INDIA) LIMITED

**FIXED DEPOSITS:**

The Company did not accept any fixed deposits during the year ended October 31, 2004.

**BOARD OF DIRECTORS:**

As per the provisions of the Companies Act, 1956, and in terms of the Articles of Association of the Company Mr. Ishwar Chand Jain and Mr. Purushottam Banspal, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

**CORPORATE GOVERNANCE:**

The Company has taken proactive steps to ensure that the conditions of Corporate Governance stipulated in Clause 49 of the Agreement for Listing with the Stock Exchange are complied with. A separate report on Corporate Governance together with Auditors' Certificate on its compliance are included in this Annual Report as per Annexure 'B'.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the year.
3. 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.
4. The annual accounts have been prepared on a going concern basis.

**AUDITORS:**

M/s. Sanjay Toshniwal & Associates, Chartered Accountants, Auditors of the Company have resigned from the office after auditing the accounts of the Company for the year ended October 31, 2004. The Directors of the Company then approached M/s. N G S & CO., Chartered Accountants to be appointed as auditor of the Company who in turn consented to act as auditors of the Company.

The Company has received a certificate from the new auditors to the effect that they are qualified to be appointed as Auditors of the Company. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending October 31, 2005 as set out in the Notice convening the Meeting.

**AUDITORS' OBSERVATIONS:**

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts given in Schedule "M", which are self explanatory and, therefore, do not call for any further comments.

**AUDIT COMMITTEE:**

In accordance with the provisions of the Listing Agreement and Corporate Governance the Company had constituted an Audit Committee. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The information pursuant to section 217 (I) (e) of the Companies Act, 1956 read with the Companies ( Disclosure of particulars in the Report of Board of Directors ) Rules 1988 are not applicable to the Company as the Company is not engaged in manufacturing activities.

Foreign Exchange Earnings: Rs.182.55 Lacs – FOB value of Exports of Goods.

Foreign Exchange Outgo: Rs. 30.71 Lacs – on account of Commission and Bank Charges.

**PARTICULARS OF EMPLOYEES:**

None of the employees of the Company came within the purview of the information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended.

**LISTING:**

The Equity Shares of the Company are at present listed with the Mumbai Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

The Company is regular in payment of listing fee.

**SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:**

The Company has taken all the necessary steps for safety and environmental control and protection at all its plants.

**ACKNOWLEDGMENT:**

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers, distributors and all the technology partners for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

Registered Office:  
Capco Exports,  
Jeevan Sahakar Building, 3<sup>rd</sup> Floor,  
5, Homji Street, Fort, Mumbai - 400 001.  
January 31, 2005.

For & on behalf of the Board  
For Ascent Exim [India] Limited

**Director**



## ASCENT EXIM (INDIA) LIMITED

## ANNEXURE 'B' TO DIRECTORS REPORT

## REPORT ON CORPORATE GOVERNANCE

**INTRODUCTION:**

Corporate Governance is crucial to the very existence of a company as it builds confidence and trust with all the stakeholders of a company. The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business, management accountability and transparency and above all, equitable treatment for all the stakeholders.

The detailed report on implementation by the Company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange, is set out below:

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy on good Corporate Governance envisages a combination of business practices that result in enhancement of the value of all the stakeholders of the Company and society at large. Your Company firmly believes that such practices are founded upon the core values of transparency, professionalism, empowerment, equity and accountability. Your Company makes best endeavors to uphold these core values in all areas of its operations.

Your Company continues to follow procedures and practices in conformity with the Code of Corporate Governance as laid down in the Listing Agreement.

**2. BOARD OF DIRECTORS:**

As per the listing Agreement the board should have an optimum combination of both Executive and Non-Executive Directors. The composition of the Board of Directors with reference to the number of Executive and Non-Executive Directors meets with the requirements of Clause 49(1)(A) of the Listing Agreement.

The Board of Your company has 1 [One] Executive Director and 3 [Three] Non-Executive Directors. All the Directors are independent Directors.

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of Director	Category	No.Of Board Meetings attended	Attendance at last AGM	No. Of Other Directorships Held		Outside Committee Position Held	
				Public	Private	Mem.	Chmn.
Mr. Obay Kumar Poojary	ED	5	YES	—	—	—	—
Mr. Ishwer Chand Jain	NED	5	NO	—	—	—	—
Mr. Purshottam Banspal	NED	5	NO	—	—	—	—
Mr. B. P. Sharma	NED	5	NO	—	—	—	—

ED stands for Executive Director.

NED stands for Non Executive Director

During the financial year ended October 31, 2004, 5 [FIVE] Board meetings were held on 27/11/2003, 22/01/2004, 28/02/2004, 31/05/2004 and 30/08/2004.