

**ASHIM INVESTMENT COMPANY LIMITED**  
 3 Bahadur Shah Zafar Marg

## NOTICE

Notice is hereby given that the **30<sup>th</sup> Annual General Meeting** of **Ashim Investment Company Limited**, will be held at the Registered Office situated at 'Link House', 3 Bahadur Shah Zafar Marg, New Delhi-110002 on **Monday, the 26<sup>th</sup> September, 2005** at 12.30 P.M. to transact the following business:-

1. To receive, consider and adopt the Profit & Loss Account for the year ended on 31<sup>st</sup> March 2005, the Balance Sheet as at that date together with the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Shri R.N. Saraf, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri U.K. Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**By Order of the Board**  
 Ashim Investment Company Ltd.

New Delhi,  
 The 11<sup>th</sup> day of July, 2005

Director

### 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 and such a proxy need not be a member of the company. The instrument appointing a proxy, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting.**
2. The Register of Member and Share Transfer Register will remain closed from the 16<sup>th</sup> September 2005 to 26<sup>th</sup> September 2005 (both days inclusive).

**ASHIM INVESTMENT COMPANY LIMITED**

3. Shri R.N. Saraf, Director of the Company, who retires by rotation this year, is a B.Chem. He has been with the Organisation for over 4 decades. He has held various Senior positions and has a rich experience in the areas of corporate affairs, technical and administration, which would benefit the Company. He is Non-Executive Director of Bengal & Assam Company Limited, J.K. Agents Limited and Excel Services Private Limited.
4. Shri U.K. Gupta is a Commerce Graduate from Rohil Khand University. He is also an Associate Member of the Institute of Chartered Accountants of India. He has rich and varied experience of above 20 years of working in the Taxation, Accounts, Finance and Administration Departments of J.K. Organisation, which would benefit the Company. He is Non-Executive Director of J.K. Agents Limited, J.K.Credit & Finance Limited, Orlop Investment Limited and Akhand Investment Private Limited.



**ASHIM INVESTMENT COMPANY LIMITED****DIRECTOR'S REPORT:****TO THE SHAREHOLDERS**

The Directors present herewith their **30<sup>th</sup> Annual Report** together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March 2005.

**FINANCIAL RESULTS:**

	Amount (Rs.)
The working results of the Company after meeting all the Expenses show a profit of	39,31,907 =====
<u>Appropriation:</u>	
Provision for Income Tax including Income tax paid for earlier year	88,000
Transfer to Statutory Reserve	<u>7,78,381</u>
Balance	30,65,526
Add : Balance brought forward from previous year	<u>11,32,944</u>
<b>Balance carried forward</b>	<b>41,98,470</b> =====

**DIVIDEND:**

With a view to conserving resources, your Directors do not recommend any dividend.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 217 (2AA) of the Companies Act, 1956 (the Act), your Directors state that: -

- (a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures in the financial statement;
- (b) the accounting policies have been selected and applied consistently and judgements and estimates have been reasonably and prudently made when required so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or loss of the company for that period;
- (c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities and
- (d) the Annual Accounts for the financial year have been prepared on a going concern basis.



**ASHIM INVESTMENT COMPANY LIMITED****FIXED DEPOSITS:**

The Company is a Registered Non-Banking Finance Company and does not accept Fixed Deposits, and as required by the Reserve Bank of India, (RBI), the Board of Directors have also passed the necessary Resolution that the Company will not accept Fixed Deposits without the prior approval of RBI.

**AUDIT COMMITTEE:**

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and Clause-49 of the Listing Agreement, the Company has an Audit Committee consisting of Shri L.R. Puri, Shri R.N. Saraf & Shri P.S. Sharma, the Directors, as its members. All the Directors of the Company are Non-Executive Independent Directors. The role, terms of reference, authority and power of the Audit Committee have been specified by the Board, and are in conformity with the requirements of the Companies Act, 1956 and the Listing Agreement.

**DIRECTORATE:**

In terms of Article 90 of the Articles of Association of the Company and Section 256 of the Companies Act, 1956, Shri R.N. Saraf and Shri U.K. Gupta retire by rotation and being eligible, offer themselves for re-appointment as Directors.

**CORPORATE GOVERNANCE:**

The Company has complied with the conditions of Corporate Governance as stipulated under the Listing Agreement with the Stock Exchanges with which the Company is listed. A separate section on Corporate Governance alongwith a certificate from the Auditors confirming the compliance therewith is annexed and forms a part of the Directors' Report.

**CONSOLIDATED FINANCIAL STATEMENT:**

The Company has no subsidiary, hence, the provisions of Clause 32 of the Listing Agreement regarding preparation of Consolidated Financial Statement, does not apply to the Company.

**PARTICULARS OF EMPLOYEES, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company had no employee during the year in the category specified under Section 217 (2A) of the Companies Act, 1956. The Company being an Investment Company has no activities relating to conservation of energy and technology absorption. As, such furnishing of particulars relating to energy conservation technology absorption etc. does not arise. There has been no foreign exchange earnings or outgo during the year.

**AUDITORS:**



M/s. G.P. Agrawal & Company, Chartered Accountants, Auditors of the Company, retire at the forthcoming Annual General Meeting. The retiring Auditors have signified their willingness to be re-appointed as Auditors and have confirmed that their appointment, if made, will be in accordance with the limits prescribed in Section 224 (1B) of the Act.



The observations made by the Auditors in their Report on Accounts read with the relevant notes thereon are self-explanatory.

**LISTING:**

The company's shares are listed with Kolkata and the U.P. Stock Exchanges and the Annual Listing Fee for the financial year 2005-06 has been paid.

New Delhi,

The 11<sup>th</sup> day of July, 2005

Directors

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## **ASHIM INVESTMENT COMPANY LIMITED**

### **REPORT ON CORPORATE GOVERNANCE**

Your Company has complied with all the mandatory requirements of corporate governance in all material aspects. A report on corporate governance in the format prescribed in the Listing Agreement is given below:

#### **1. Company's Philosophy on Code of Governance**

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are :-

Commitment to excellence and customer satisfaction.

Maximising long term shareholders value.

Socially valued enterprise.

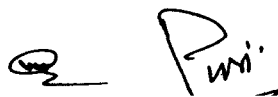
Caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long term shareholders' value and remaining committed to high standards of business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

#### **2. BOARD OF DIRECTORS**

##### **2.1 Composition of the Board as on: 31<sup>st</sup> March, 2005:--**

The Board of Directors presently consists of four Directors. The Board does not have a permanent Chairman. At each Board Meeting, one of the Directors present, is elected to take the Chair for the Meeting. Other Details are given as hereunder:



Name of Director	Category	No. of Board Meeting attended during 2004-05	Whether attended last A.G.M	No. of other Directorships and committee Memberships/Chairmanships		
				Other Directorships*	Other Committee Memberships**	Other Committee Chairmanships**
Shri L.R. Puri	Independent Non-Executive Director	6	Yes	10	1	2
Shri P.S. Sharma	Independent Non-Executive Director	6	Yes	4	2	1
Shri O.P Tulsian (Resigned w.e.f. 24.05.04)	Independent Non-Executive Director	-	N.A	3	2	-
Shri R. N. Saraf	Independent Non-Executive Director	-	No	3	1	-
Shri U.K Gupta (Appointed w.e.f. 24.05.04)	Independent Non-Executive Director	4	No	3	3	-

\* Excluding Directorships in Private Limited Companies, Foreign Companies, memberships of Managing Committees of Various Chambers/bodies/Section 25 Companies.

\*\* only covers Memberships/Chairmanships of Audit Committee, Remuneration Committee and Shareholders/Investors Grievance Committee.

## 2.2. DATE AND NUMBER OF BOARD MEETINGS HELD

During the financial year ended 31<sup>st</sup> March 2005, Six meetings of the Board of Directors were held on 16<sup>th</sup> April 2004, 24<sup>th</sup> May 2004, 22<sup>nd</sup> June 2004, 30<sup>th</sup> July 2004, 30<sup>th</sup> October 2004 and 31<sup>st</sup> January 2005 respectively.

2.3 Shri R.N Saraf and Shri U.K.Gupta, Directors of the Company, shall retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. Brief Resume of Directors offering for re-appointment are as follows:

Name of Director	Qualification	Experience
Shri R.N. Saraf	B.Chem	Rich Experience of over 4 decades of managing industrial enterprises in India

Name of Director	Qualification	Experience
Shri U.K.Gupta	Commerce Graduate, Chartered Accountant	Rich Experience of more than 20 years in the field of Finance, Accounts, Taxation and Administration

The details of other Directorships of the above Director retiring by rotation are as under:

Name of Director		Details of other Directorships
Shri R. N. Saraf	1	Bengal & Assam Company Limited
	2	Hifazat Chemicals Limited
	3	J K Agents Limited
	4	Excel Services Private Limited

Name of Director		Details of other Directorships
Shri U.K Gupta	1	J K Agents Limited
	2	J.K Credit & Finance Limited
	3	Orlop Investment Limited
	4	Akhand Investment Private Limited

### 3. AUDIT COMMITTEE

3.1 The Terms of Reference of the Audit Committee are as per the Guidelines set out in the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act. These broadly include approval of Annual internal audit plan, review of financial reporting systems, internal control systems, ensuring compliance with regulatory guidelines, discussions on quarterly/annual financial results, interaction with statutory and internal auditors, appointment and removal of statutory auditors. The Audit Committee reviews the quarterly report submitted by the Company's Accounts & Audit Department

3.2 The Audit Committee consists of 3 Independent Non-executive Directors namely Shri L.R. Puri – Chairman, Shri R.N Saraf and Shri P.S. Sharma

The Committee during the financial year ended 31<sup>st</sup> March 2005 had 3 Meetings, as detailed hereunder:-

Date of Meetings	No. of Member attended
22 <sup>nd</sup> June 2004	2
30 <sup>th</sup> October 2004	2
31 <sup>st</sup> January 2005	2

### 4. REMUNERATION COMMITTEE:

The Company has no formal Remuneration Committee. The Company does not have any Executive Director. The Non-Executive Directors do not draw any remuneration from the Company except sitting fees. Hence, the Company has not constituted any Remuneration Committee. The details of sitting fees for attending the Board Meetings paid to the Directors during the year ended on 31<sup>st</sup> March, 2005, are given below:

S. No.	Name of Member	Aggregate Fee (Rs.)
1	Shri L.R. Puri	1500
2	Shri P.S. Sharma	1500
3	Shri R.N Saraf	Nil
4	Shri U.K. Gupta	1000
5	Shri O.P. Tulsian	Nil





## 5. SHARE TRANSFER & SHAREHOLDERS / INVESTORS' GRIEVANCE COMMITTEE:

### 5.1 This Committee:

- (a) approves and monitors transfers, transmissions, splitting and consolidation of shares and issue of duplicate certificates by the Company; and
- (b) looks into various issues relating to shareholders including redressal of complaints from shareholders relating to transfer/transmission of shares, non-receipt of Reports & Accounts etc.

The Committee presently consists of 2 Non-Executive Independent Directors, namely Shri L.R.Puri and Shri P.S.Sharma. The Committee does not have permanent Chairman, at each committee meeting one of the member Directors present, is elected to take the chair of the meeting.

Shri O.P Tulsian ceased to be the members of Committee w.e.f 24.05.2004.

- 5.2 There were no complaints received from the Shareholders, therefore, no meeting was held.

### 5.3 Status Report on Investor Complaints

- (i) No. of Shareholders' Complaints : Nil  
received during the year
- (ii) No. of complaints not resolved to the : N.A  
satisfaction of shareholders
- (iii) No. of pending share transfers : Nil

The Company is geared to attend to Investors' Grievance / Correspondence within a period of 15 days from the date of receipt except in cases that are constrained by disputes or legal impediments

## 6. GENERAL BODY MEETINGS:

The Company convenes Annual General Meeting generally within six months of close of the Corporate Financial Year. The details of Annual General Meetings held in last 3 years are as under:

Year	Day, Date & Time	Venue
2001-2002	27 <sup>th</sup> AGM held on Friday, the 27 <sup>th</sup> September 2002 at 11.30 A.M.	Registered Office at 'Link House' (4 <sup>th</sup> floor), 3 BSZ Marg, New Delhi-110002
2002-2003	28 <sup>th</sup> AGM held on Monday, the 29 <sup>th</sup> September 2003 at 11.00 A.M.	Registered Office at 'Link House' (4 <sup>th</sup> floor), 3 BSZ Marg, New Delhi-110002
2003-2004	29 <sup>th</sup> AGM held on Wednesday, the 29 <sup>th</sup> September 2004 at 11.00 A.M.	Registered Office at 'Link House' (4 <sup>th</sup> floor), 3 BSZ Marg, New Delhi-110002

Puri