

4th ANNUAL REPORT 1997-98

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	NA			NA
TRA	NA		AC	✓
AGM	✓	✓	SMT	✓
YE	✓	✓		✓





ASIAN FLORA LIMITED

BOARD OF DIRECTORS

Sri D. Raghava Rao Director
Sri D. Venkateswar Rao Director
Sri M. Ajay Kumar Director

BANKERS

State Bank of Hyderabad
Panjagutta
HYDERABAD

Global Trust Bank Limited
Sarojinidevi Road
SECUNDERABAD

State Bank of Mysore
Hi-tech Agricultural Finance Branch
No:20, 1st Main, K.H.M Block
Ganganagar
BANGALORE - 560 032

State Bank of India
PCR Complex, PB NO.28,
Chintamani - 563 125
Kolar Dist. Karnataka State.

AUDITORS

M/s. SARATH & ASSOCIATES
Chartered Accountants
102, Gouri Apartments
3-6-195/B, Urdu Lane
Himayatnagar
Hyderabad - 500 029

REGISTERED OFFICE

Plot No. 6, H.No.8-2-248/B/2
Journalists Colony,
Road No.3, Banjara Hills,
Hyderabad - 500 034.

FARM

Kaiwara Hobli, Vaddahalli Village
Chintamani Taluk, Kolar District
KARNATAKA STATE

ASIAN FLORA LIMITED

NOTICE

Notice is hereby given that the Fourth Annual General Meeting of Asian Flora Limited will be held at the Registered Office of the Company at Plot No.6,H.No.8-2-248/B/2,Journalists Colony, Road No.3, Banjara Hills, Hyderabad - 034 on Wednesday the 30th September, 1998 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS :

01. To receive, consider and adopt Balance Sheet as at 31st March, 1998 and Profit & Loss Account for the year ended 31st March, 1998 along with the Directors' and Auditors' Report thereon.
02. To appoint Auditors and fix their remuneration. The retiring Auditors, M/s. Sarath & Associates, Chartered Accountants, Hyderabad are eligible for re-appointment.

SPECIAL BUSINESS :

03. To appoint a Director in the place of Mr. D.Venkateswara Rao who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22.07.98 under Section 260 of the Companies Act, 1956, and who holds office upto the date of the forthcoming Annual General Meeting, but who is eligible for reappointment and in respect of whom the Company has received a Notice in writing proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956.

The following resolution was proposed as an ordinary resolution :

"RESOLVED THAT Mr. D.Venkateswara Rao, who was appointed as an additional Director of the Company by the Board of Directors with effect from 22.07.98 under Section 260 of the Companies Act,1956, and holds office upto the date of the forthcoming Annual General Meeting, but who is eligible for reappointment, be and is hereby appointed as a Director, liable to retire by rotation".

04. To appoint a Director in the place of Mr. M.Ajay Kumar who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22.07.98 under Section 260 of the Companies Act, 1956, and who holds office upto the date of the forthcoming Annual General Meeting, but who is eligible for reappointment and in respect of whom the Company has received a Notice in writing proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956.

The following resolution was proposed as an ordinary resolution :

"RESOLVED THAT Mr. M.Ajay Kumar, who was appointed as an additional Director of the Company by the Board of Directors with effect from 22.07.98 under Section 260 of the Companies Act,1956, and holds office upto the date of the forthcoming Annual General Meeting, but who is eligible for reappointment, be and is hereby appointed as a Director, liable to retire by rotation".

By order of the Board
for ASIAN FLORA LIMITED

Place : Hyderabad
Date : 5-9-1998

D.RAGHAVA RAO
DIRECTOR.

ASIAN FLORA LIMITED**NOTES :**

1. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item No : 3 & 4 is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself or herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.
3. Any Member/Proxy wishing to attend the meeting must complete the Admission slip and hand it over at the entrance.
4. The Register of Members of the Company will remain closed from 24th September, 1998 to 30th September, 1998 (both days inclusive).
5. Shareholders who are attending the meeting are requested to bring with them, their copies of the Annual Report, as due to the prohibitive cost of printing, it will not be possible to supply extra copies.
6. No gifts will be distributed at the meeting.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**Item No. 3**

Mr. D.Venkateswara Rao, was appointed in terms of Section 260 of the Companies Act, 1956 as an additional Director by the Board to hold the office till the date of forthcoming Annual General Meeting. However, he is eligible for reappointment. Notice has been received from some members under (Section 257 of the Companies Act, 1956) signifying their intention to propose the candidature of Mr. D.Venkateswara Rao, for the office of Director. The Board considers it desirable that the Company should continue to avail itself of his services as Director.

None of the Directors are interested in the said resolution except Mr. D.Venkateswara Rao to the extent of his appointment.

Item No. 4

Mr. M.Ajay Kumar, was appointed in terms of Section 260 of the Companies Act, 1956 as an additional Director by the Board to hold the office till the date of forthcoming Annual General Meeting. However, he is eligible for reappointment. Notice has been received from some members under (Section 257 of the Companies Act, 1956) signifying their intention to propose the candidature of Mr. M.Ajay Kumar, for the office of Director. The Board considers it desirable that the Company should continue to avail itself of his services as Director.

None of the Directors are interested in the said resolution except Mr. M.Ajay Kumar to the extent of his appointment.

By order of the Board
for **ASIAN FLORA LIMITED**

Place : Hyderabad
Date : 5-9-1998

D.RAGHAVA RAO
DIRECTOR.

ASIAN FLORA LIMITED**DIRECTORS' REPORT**

To
The Members,

Your Directors take pleasure in presenting the Fourth Annual Report and the Audited Accounts of the Company for the year ended 31st March, 1998.

WORKING RESULTS:

The Working Results of the Company for the year under report are as under:

	(Rupees in Lakhs)
Sales	7.35
Other Income	3.71
GROSS INCOME	11.06
Profit/(loss) before Depreciation	(159.78)
Add : Depreciation	103.84
(Loss) for the Year	(263.62)

PROJECTIONS VS ACTUALS:

The Company's performance as compared to the projections given in the prospectus dated 08.11.1995 is as under.

	(Rupees in lakhs)	
Particulars	Projections	Actuals
Total Income	871.96	11.06
Profit/(loss) after Tax	163.82	(263.62)

The plant varieties selected by the company have failed in the Indian Conditions and due to this the Company could not realise the sales as estimated. The company has initiated steps during this year to replace the existing Plant Varieties with better Varieties. The Company therefore expects to improve its performance during the year 1998-99.

PROSPECTS:

The Company is taking all steps to turn up production and exports during the current year and expects to perform comparatively better in this year.

PERSONNEL:

Employee relations continue to be cordial. Information on particulars of employees remuneration required to be given under section 217 (2A) read with Companies (Particulars of Employees) Rules 1975 are not applicable to the Company as none of the employee is drawing remuneration in excess of limits prescribed there under.

DISCLOSURE OF PARTICULARS:

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, requiring disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange are given in Annexure I which forms part of this report.

ASIAN FLORA LIMITED**DEPOSITS:**

Your Company has not accepted any deposits from the Public during the year.

DIRECTORS:

Sri. K. Ranga Rao, resigned as a Director with effect from 28.11.97 due to other preoccupations. The Directors wish to place on record their appreciation of the services rendered by Sri. K.Ranga Rao during his term of Directorship.

Sri. K. Bhanu Prasad, resigned as a Director with effect from 29.07.98 due to other preoccupations. The Directors wish to place on record their appreciation of the services rendered by Sri. K.Bhanu Prasad during his term of Directorship.

Sri. K. Madhava Rao, resigned as a Director with effect from 29.07.98 due to other preoccupations. The Directors wish to place on record their appreciation of the services rendered by Sri. K.Madhava Rao during his term of Directorship.

Sri. M. Harish babu, resigned as a Director with effect from 29.07.98 due to other preoccupations. The Directors wish to place on record their appreciation of the services rendered by Sri. M. Harish Babu during his term of Directorship.

Sri. D.Venkateswara Rao, who was co-opted to the Board as Additional Director vacates the office at the ensuing Annual General Meeting. One of the members has proposed his candidature for his re-appointment as Director.

Sri. M. Ajay Kumar, who was co-opted to the Board as Additional Director vacates the office at the ensuing Annual General Meeting. One of the members has proposed his candidature for his re-appointment as Director.

AUDITORS REPORT :

As regards non-payment of TDS amount of Rs.25,167/- mentioned at 5.18 of the Auditors Report, the Directors wish to inform the members the same was delayed due to paucity of Funds and the same will be remitted to Govt. shortly.

AUDITORS:

Auditors of the Company M/s. Sarath & Associates, Chartered Accountants, Hyderabad are retiring at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment.

for and on behalf of the Board

Place : Hyderabad

D. RAGHAVA RAO D.VENKATESWARA RAO

Date : 5-9-1998

Director

Director

ANNEXURE 1

Information under section 217(1)(e) of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report.

FORM - A

Form for disclosure of particulars with respect to conservation of energy

A. Power and fuel**1. ELECTRICITY**

a) Purchased	:	NIL
Unit (NO)	:	N A
Total Amount(Rs.)	:	N A
Rate/Unit(Rs.)	:	N A

ASIAN FLORA LIMITED

- b) Own generation
- i) Through Diesel Generator
- | | | |
|----------------------------------|---|-------|
| Unit (no) | : | 36542 |
| Unit per Ltr. of Diesel Oil(NO.) | : | 2.45 |
| Cost/Unit(Rs.) | : | 5.55 |
- ii) Through the steam turbine/Generator : NIL
- B. Consumption per Unit of Production.
- Electricity (No. of Units) :
- C. FOREIGN EXCHANGE EARNINGS AND OUTGO
- i) Foreign exchange Earned(Rs.lacs) : 7.35
(FOB Value of exports)
- ii) Foreign exchange Used (Rs.lacs)
- | | | |
|---------------|---|-----|
| Capital Goods | : | NIL |
|---------------|---|-----|
- iii) Foreign Travel (Rs. lacs) : NIL

FORM - B

Research and Development (R&D) : During the year under consideration the company has not taken up any R&D Activity.

Technology absorption, adaptation and innovation :

1. Efforts,in,breif made towards technology absorption,adaption and innovation : Not applicable
2. Benifits derived as a result of the above efforts. : Not applicable
3. In case of imported technology (imported during the last 5 years recknoed from the beginning of the last 5 years financial year),

following information may be furnished :

- a) Technology imported : Imported technology from Stork Horst B.V. Holland for planting and cultivation.
- b) Year of import. : 1996.
- c) Has technology been fully absorbed ? : Yes
- d) If not fully absorbed, areas where this has not taken place reasons therfor and future plans of action. : Not applicable.

Foreign exchange earnings and out go

Activities relating to exports initiatives taken to increase exports : development of new export markets for production and service and export plans. : Efforts are being made to develop new markets.